Preliminary Statement

On April 30, 2009 Chrysler LLC, the entity that manufactured and sold the vehicles that are the subject of this Information Request, filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code.

On June 10, 2009, Chrysler LLC sold substantially all of its assets to a newly formed company now known as Chrysler Group LLC. Pursuant to the sales transaction, Chrysler Group LLC assumed responsibility for safety recalls pursuant to the 49 U.S.C. Chapter 301 for vehicles that were manufactured and sold by Chrysler LLC prior to the June 10, 2009 asset sale.

On June 11, 2009, Chrysler LLC changed its name to Old Carco LLC. The assets of Old Carco LLC that were not purchased by Chrysler Group LLC, as well as the liabilities of Old Carco that were not assumed, remain under the jurisdiction of the United States Bankruptcy Court – Southern District of New York (*In re Old Carco LLC, et al*., Case No. 09-50002).

Takata Air Bag Inflators - Alpha and Beta

There are two distinct populations of airbag inflators ("Alpha" and "Beta"), as defined by Takata. The Alpha population includes certain Takata inflators determined to have a safety defect, whereas, Takata has made no determination of a safety defect within the Beta population. No Chrysler vehicles were ever built with the Alpha inflators.

The Beta population includes PSDI and PSDI-4 driver airbag inflators produced by Takata between January 1, 2004 and June 30, 2007, and SPI, PSPI, & PSPI-L passenger airbag inflators produced by Takata between June 1, 2000 and July 31, 2004. Chrysler is aware of one incident, which occurred in southern Florida, involving non-life threatening injuries relating to a driver side PSDI-4 inflator in a Chrysler vehicle. There have not been any reports of passenger side inflator incidents associated with Chrysler vehicles. The following chart identifies Chrysler vehicles built with the Beta family of driver and/or passenger inflators.

Model Year	Model Name
2003-2007	Dodge Ram 1500 Pickup
2005-2007	Dodge Ram 2500 Pickup
2006-2007	Dodge Ram 3500 Pickup
2007	Dodge Ram 3500 Cab Chassis
2004-2007	Dodge Durango
2007	Chrysler Aspen
2005-2007	Chrysler 300, 300C, SRT8 Dodge Charger, Magnum
2005-2007	Dodge Dakota Pickup
2006-2007	Mitsubishi Raider Pickup (3)

Chrysler has received reports of 830 air bag deployments in Florida, Hawaii, Puerto Rico, and Virgin Islands on Chrysler vehicles equipped with the Beta family inflators. Chrysler is aware of over 10,189 air bag deployments for the same population of vehicles with Beta inflators in the U.S.

Chrysler takes this issue very seriously, and is actively working with Takata to get inflators replaced in vehicles as quickly as possible. Chrysler anticipates that the regional field action will be initiated no later than December 19, 2014. Chrysler is investigating the potential to initiate this regional field action in specific areas of Florida as early as the first week in December. As part of the field action, and until adequate input has been received, Chrysler will ask dealers to send all replaced inflators directly to Takata for further analysis and testing.

Chrysler has acted promptly, cooperatively and proportionately to all known risk associated with the potential for Beta population inflator malfunction in Chrysler vehicles.

1. The steps that you will take to (a) expedite Takata's production of replacement air bags; (b) expand the supply of replacement bags by obtaining replacement air bags from other suppliers; (c) accelerate distribution of replacement air bags to repair facilities; and (d) urge and incentivize your dealers to increase the number of vehicles repaired

A1. Although no safety defect determination has been made in the Beta population, Chrysler Group LLC ("Chrysler") is committed to promptly initiating a regional field action. As has been communicated to NHTSA, it is Chrysler's intention to conduct a regional field action to replace the driver airbag inflators in vehicles built with Takata inflators between January 1, 2004 and June 30, 2007, as well as passenger airbag inflators in vehicles built with Takata inflators between June 1, 2000 and July 31, 2004 in the regions identified by Takata in its June 11, 2014 letter to NHTSA (Florida, Hawaii, Puerto Rico, and U.S. Virgin Islands). Since June 2014, Chrysler has been actively pursuing the execution of this regional field action.

Chrysler Engineering investigated the timing of alternative inflator sources to support the field action. Due to the urgency, technical specifications and tooling lead time, alternative sources of inflators and/or new inflator development were not feasible for this field action. Chrysler, as well as all other manufacturers with inflators in the Beta population, will replace the field inflators with the same Takata inflator family, produced with Takata's improved process controls (discussed later in this response). In all cases, inflator suppliers other than Takata would require extensive tooling changes to the airbag module components (housings, retainers, cushions). In addition, significant airbag module component and system performance validation would be necessary adding even more time to the replacement program. Based on information available to Chrysler at this time regarding replacement part availability, the estimated field action launch date will be December 19, 2014. Chrysler will monitor part availability and prioritize distribution to the appropriate zones/dealerships. Chrysler will continue to communicate updated information to NHTSA, our customers, and dealer network as it becomes available.

Chrysler monitors take rate on all campaigns. When the completion rate on a specific campaign is less than anticipated, Chrysler uses various means to drive completion rates higher (see A3 for details of Chrysler's "Outreach Programs"). NHTSA has recognized Chrysler's efforts as an industry leader. Chrysler's campaign completion rates, measured at 18 months, approach 80% across all recall campaigns (approximately 10 percentage points above the industry average).

2. The measures (including innovative approaches) that you will take to encourage and incentivize vehicle owners to bring their vehicles in for repair (e.g. expanding service hours for more convenience, accommodating owners whose vehicles cannot be immediately repaired by providing loaner vehicles, and use of print, radio, television, and social media to inform vehicle owners of the recall program):

A2. Chrysler anticipates this regional field action launching on December 19, 2014. , When parts are available Chrysler will notify vehicle owners in Florida, Hawaii, Puerto Rico, and the U.S. Virgin Islands via mail and urge them to promptly remedy their vehicles at an authorized dealership free of charge. A draft copy of Chrysler's letter to owners was provided to NHTSA on November 5, 2014.

Once parts are made available, Chrysler is committed to working with our dealer network and owners to ensure minimal inconvenience for inflator replacement. This repair action is estimated to take no more than two hours.

Chrysler will closely monitor the completion rate for this campaign. If the completion rate of this regional field action is less than anticipated, Chrysler may utilize social media to identify and communicate campaign information to customers. Chrysler is further investigating and piloting ways to utilize social media to directly communicate with owners. Communication to customers will be further upgraded via improvements and enhancements to our Outreach Programs, which are more fully set forth in A3 below.

3. The efforts you will make to maintain clear, thorough, and up-to-date information regarding the recall on your website, and within your dealer network to better inform consumers.

A3. Although no safety defect determination has been made in the Beta population, Chrysler will utilize its expanded Outreach Program that Chrysler reviewed with NHTSA on October 21, 2014 to better identify current owners and enhance field action completion rates. Outreach utilizes multiple technologies including owner personalized websites, video messages, and social media. Outreach is additional to our existing customer call center that responds to customer inquiries.

One of the central features of Outreach includes Personalized URL ("PURL") websites, which will provide an owner with information related to a specific vehicle, and provides owners the opportunity for real-time interaction, via chat, with a Chrysler customer call center representative. Under this program, customers who have not responded to campaign notification are directly emailed[1] their personalized website that communicates important vehicle information, including information specifically relating to the regional field action. The PURL also assists the customer in locating the closest dealership and scheduling a service appointment. If the owner no longer owns the vehicle, the PURL allows

[1] For those owners voluntarily providing Chrysler with an email address.

the owner to communicate that information to Chrysler. Chrysler has already piloted this tool and is developing plans to utilize PURL in this regional field action.

Additionally, Chrysler is developing stand-alone campaign websites that will include general public service video messages. These videos explain recalls to owners, including why it is important to respond, and how to find out if there is an open campaign on a specific vehicle. The websites will integrate a pop-up live chat feature to answer additional owner questions. The campaign websites are under development and planned to be launched at or near the end of 2014.

Chrysler is strongly committed to the development and implementation of these Outreach Programs to enhance campaign completion rates. Chrysler will evaluate opportunities to utilize these new programs while conducting this regional field action. Chrysler will provide updates to NHTSA as more specific details pertaining to this regional field action, including incorporation of the enhanced programs, are defined over the coming days and weeks.

4. Any other interim measures you have taken or can take to address the safety risk and provide up-to-date information on the number of loaner vehicles you have provided.

A4. Although no safety defect determination has been made, Chrysler is committed to promptly initiating a regional field action. Chrysler continues daily communication with Takata to promote the most expedient build and validation of replacement parts.

To date, Chrysler is aware of over 10,000 air bag deployments in the U.S. on Chrysler vehicles equipped with the Beta family inflators. Within the areas of the regional field action (Florida, Hawaii, Puerto Rico, and U.S. Virgin Islands) Chrysler is aware and has received reports of 830 airbag deployments on Chrysler vehicles equipped with the Beta family inflators. In the Beta population, Chrysler has identified one incident of a driver side high output inflator resulting in a rupture that occurred in southern region of the state of Florida.

Based on the information available to date, Chrysler has not provided loaner vehicles to owners. Chrysler continues to closely monitor the performance of vehicles in the field, and will reassess the appropriateness of providing loaner vehicles if circumstances change.

5. A description of ongoing efforts to evaluate the safety risk of Takata air bags in your vehicles, including a description of testing that is currently underway or planned.

A5. As set forth above, only Chrysler vehicles built with the Takata Beta family inflators are involved in this regional field action. No safety defect determination has been made in the Beta population. Chrysler estimates 371,264 vehicles will be included in the regional field action. To date, Chrysler is aware of 830 air bag deployments within the areas of the regional field action. Chrysler has identified

one incident of a high output driver side event with inflator rupture. The incident, which resulted in non-life threatening injuries, occurred in the southern region of the state of Florida.

Across all manufacturers, approximately 12.8 million Beta population PSDI-4 (driver side inflators) have been installed in vehicles since the 2001 MY. To date, Chrysler is aware of three PSDI-4 high output events with inflator rupture in the field (which includes the single Chrysler event described above).

Across all manufacturers, approximately 25 million Beta population PSPI (passenger side inflators) have been installed in vehicles since the 2002 MY. To date, Chrysler is aware of zero PSPI high output events with inflator rupture in the field. All affected Chrysler vehicles other than 2003 Dodge Ram 1500 are included in this population.

Chrysler Engineering and Product Investigation teams continue to work closely with Takata Engineering to evaluate the testing and analysis process flow and procedures developed by Takata. Chrysler's Engineering team conducts daily conference calls with Takata personnel, and regularly visits the dedicated Takata test facility in Armada, MI where live dissections and deployments of returned parts are conducted daily.

Chrysler will reassess the safety risk, and take appropriate action, as additional data / information becomes available.

6. Testing results and data that you have conducted or gathered concerning your vehicles that contain Takata air bags that were sold or registered within the hot, humid regions of the country identified in NHTSA's consumer advisory.

A6. As set forth above, only Chrysler vehicles built with the Takata Beta family inflators are involved in this regional field action. No safety defect determination has been made in the Beta population. In the June 20, 2014 letter to NHTSA, Chrysler agreed to conduct a regional field action in the regions identified by Takata in its June 11, 2014 letter to NHTSA (Florida, Hawaii, Puerto Rico, and U.S. Virgin Islands).

Chrysler and Takata Engineering jointly and proactively conducted an investigation that concluded on September 17, 2014. This study consisted of 18 driver side inflators (PSDI-4 family) obtained from Florida salvage yards (all Chrysler vehicles) and one engineering sample from the Chrysler Tech Center lab inventory. Takata's analysis determined these samples exhibited slightly elevated levels of moisture in the main generant and booster material. Based on Chrysler and Takata engineering analysis, it is expected that these samples would have deployed as designed in the field. Complete report findings are contained in Enclosure 6 – FLORIDA SALVAGE COLLECTION ANALYSIS CONF BUS INFO, which has been submitted under separate cover to NHTSA's Chief Counsel with a request for confidential treatment.

7. Testing results and data that you have conducted or gathered concerning your vehicles that contain Takata air bags that were sold or registered outside of the hot, humid regions of the country identified in NHTSA's consumer advisory.

A7. Chrysler focuses on system and vehicle level development and testing. Chrysler relies on our supplier's technical expertise to conduct component level tests and to analyze inflators to the degree required for this investigation. Chrysler continues to work with Takata to concentrate the investigation and analysis of Chrysler vehicles with Beta inflators within the area covered in the regional field action.

There have been over 9,000 airbag deployments of Beta population inflators in Chrysler vehicles in the U.S. outside of the area included in the regional field action. Chrysler is not aware of any high output events with inflator rupture in Chrysler vehicles outside of southern Florida for either driver or passenger side Beta population inflators.

8. The testing protocols/methodologies used (or that will be used) to conduct or gather the information described in Nos. 5 through 7 above.

A8. As reported in the NHTSA / OEM / Takata conference calls, a testing protocol and analysis plan and flow chart has been disclosed. This activity is lead and coordinated at Takata's Inflator Engineering Center. As previously mentioned, the Takata facility and engineering team are well equipped and trained in this highly specialized activity. Chrysler Engineering has been on site and witnessed the processes involved in the comprehensive evaluation of the returned parts. In general, incoming inflators will be segregated for priority one or two based on region and then subjected to a series of evaluations and tests including CT scans (for pre-test generant measurements), inflator sealing performance, live dissections with multiple measurements of generant properties (moisture level, density, other physical and chemical properties, etc.) and live deployments with and without internal inflator pressure measurements. All data is collected, analyzed and shared with the respective manufacturers by a dedicated Takata team. A standardized report out format and cadence is anticipated to be approved and in place by Takata by November 7, 2014.

9. Up-to-date information regarding the number of vehicles covered by your recall, the number of those vehicles still in service and the number of vehicles remedied with a replacement air bag.

A9. As set forth above, only Chrysler vehicles built with the Takata Beta family inflators are involved in this regional field action. No safety defect determination has been made in the Beta population. 371,099 vehicles are included in the regional field action; 321,238 of which are currently registered to owners in the

four areas of the field action. 49,861 vehicles included in the regional field action are not currently registered. As part of the investigation, there has been 4 driver and 4 passenger airbag(s) from 4 vehicles removed for testing and analysis. These vehicles have had the removed airbags replaced with new stock.

10. Information on the testing, if any, that you have done on the replacement air bags.

A10. Air Bag Inflator and module production within the automotive industry has always and will continue to practice standardized Lot Acceptance Testing ("LAT") sometimes referred to Continuous Conformance Testing ("CCT") test schedules. The purpose of LAT testing is to ensure conformance to specifications on an ongoing basis during volume production. Additional quantities of LAT/CCT testing are under consideration by Chrysler and Takata for the replacement parts. Since the root cause is not known but evidence suggests a combination of environmental humidity and aging, LAT/CCT would not be expected to replicate the regional field concern.

Of greater importance in the view of Chrysler Engineering is the fact that replacement parts will be produced at Takata manufacturing facilities that have undergone significant process control improvements from the parts in the Beta population. In particular, the humidity control in the generant and inflator manufacturing environments has been upgraded to prevent moisture in both the generant and inflator above specification limits introduced at the time of production.