

UNITED STATES DEPARTMENT OF TRANSPORTATION  
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

1200 New Jersey Avenue, SE  
West Building, W41-326  
Washington, DC 20590

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**In re:** )  
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EA15-001 )  
(formerly PE14-016) )  
Air Bag Inflator Rupture )  
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**January 2016 Supplemental Response of TK Holdings Inc. to the Fourth Special Order Served in EA15-001 (formerly PE14-16)**

On August 13, 2015, the Chief Counsel of the National Highway Traffic Safety Administration (“NHTSA”) issued the Fourth Special Order Directed to TK Holdings, Inc. pursuant to 49 U.S.C. § 30166(g)(1)(A) and 49 C.F.R. Part 510 to TK Holdings Inc. (“Takata”) in the above-referenced proceeding (the “Fourth Special Order”).<sup>1</sup> Takata submitted its initial response to the Fourth Special Order on August 24, 2015, an amended Exhibit B to that response on September 2, 2015 (collectively, the “Initial Response”), and supplemental responses on October 1, 2015, November 2, 2015 and December 1, 2015 (collectively, the “Responses”). Takata submits this supplement to the Responses as directed by the Fourth Special Order.

Please note that the following information and accompanying exhibits and documents contain sensitive and confidential business information within the meaning of 49 C.F.R. Part 512. We request that they be treated as confidential in their entirety in accordance with our standing arrangement for the confidentiality of documents and information produced in response to the Special Orders in connection with the ongoing airbag investigation. Pursuant to that

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<sup>1</sup> On August 18, 2015, the NHTSA Chief Counsel issued a revised version of the Fourth Special Order containing minor corrections to the initial version.

agreement between Takata and the Office of Chief Counsel, Takata will submit the required Part 512 justification and certificate to the Office of Chief Counsel at a later date.

To the extent reasonably practical under the circumstances, information provided in this response is current as of January 6, 2016, except where otherwise specified.

Consistent with Instruction No. 9 of the Fourth Special Order, Takata is not producing privileged documents with its response. Takata believes that there may be privileged documents that may be responsive to that order. These include but are not limited to: (a) communications between outside counsel and employees of Takata's Law Department, other Takata employees, or employees of parties represented by Takata in litigation or claims; (b) communications between employees of Takata's Law Department and other Takata employees or employees of parties represented by Takata in litigation or claims; and (c) notes and other work product of outside counsel or employees of Takata's Law Department, including work product of employees or consultants done for or at the request of outside counsel or Takata's Law Department. Moreover, Takata does not waive its attorney-client privilege or work product protection with respect to any documents that were or will be prepared in connection with any litigation or anticipated litigation, including but not limited to NHTSA defect investigations.

Takata hereby incorporates the objections to the definitions contained in the Fourth Special Order that are identified in the Responses.

Takata understands that NHTSA will protect any personal or private information about persons, including the last six digits of their vehicle's VIN.

**Request 1:**

*Provide a detailed, narrative explanation, including a timeline of events and knowledge, and supporting documentation, of your understanding of the SSI-20 air bag inflator rupture in a 2015 Volkswagen Tiguan on or about June 7, 2015, which Volkswagen reported to NHTSA on July 15, 2015.*

**Response:**

Takata's root cause investigation into the SSI-20 air bag inflator rupture that occurred in a 2015 Volkswagen Tiguan on or about June 7, 2015 is ongoing.

**Request 2:**

*Provide a detailed, narrative explanation, including a timeline of events and knowledge, and supporting documentation, of your understanding of any confirmed or alleged SSI-20 air bag inflator rupture(s), other than the incident identified in response to Request No. 1.*

**Response:**

Since Takata's submission of the Responses, Takata has not learned of any additional SSI-20 ruptures that occurred during lot acceptance testing ("LAT").

**Request 3:**

*Other than as previously provided in response to Request No. 13 in the first Special Order Directed to TK Holdings, Inc., dated October 20, 2014, provide a list of every incident of which Takata is aware of a rupture, or alleged rupture, of any Takata inflator type. Provide answers in the following categories and with the following information for each incident:*

(a) **Field incidents.** *Categorize your responses into inflator types and state the total number of alleged ruptures and confirmed ruptures for that type. For each rupture or alleged rupture within an inflator type include: the date of the incident; the location of the incident (including city and state, if in the United States); whether the incident involved a death(s) and/or injury or injuries; the name of the person(s) killed or injured and their position in the vehicle; the make, model, and model year of the vehicle; and the vehicle's VIN.*

(b) **Lot Acceptance Testing (LAT).** *Categorize your responses into inflator types. For each rupture include: the date on which the rupture incident occurred; the location of the LAT; the total number of inflators tested and total number of ruptures in that LAT; and any other relevant information.*

(c) **Conformance of Production (CoP) Testing.** *Categorize your responses into inflator types. For each rupture include: the date on which the rupture incident occurred; the location of the CoP testing; the total number of inflators tested and total number of ruptures in that CoP testing; and any other relevant information.*

**Response:**

Attached hereto as Exhibit A is an updated list of field incidents relating to alleged and confirmed ruptures of inflators that contain phase-stabilized ammonium nitrate (“PSAN”), including those ruptures that Takata became aware of after it submitted the Responses.

Since Takata’s submission of the Responses, Takata has not learned of any additional inflator ruptures that have occurred during Takata’s LAT or COP testing of PSAN inflators.

**Request 4:**

*Other than the previously disclosed Takata inflators containing phase stabilized ammonium nitrate (specifically, PSDI, PSDI-4, PSDI-4K, SPI, PSPI, PSPI-L, SDI, PSDI-5, SDI-X, PSDI-X, SPI-2, PSPI-2, PSPI-6, SSI-20, SPI-X, PSPI-X, SDI-X 1.7, PDP, and SDP) provide a list identifying any other type of air bag inflator you have ever manufactured that contained phase stabilized ammonium nitrate (including as a booster or other agent) and the type of the phase stabilized ammonium nitrate (e.g. 2004) used in that product. If you have already provided this information, identify where this information can be found by Bates Number(s).*

**Response:**

Takata does not manufacture any airbag inflators containing PSAN other than those previously identified in the Responses.

**Request 5:**

*Except as already provided in response to the Special Order Directed to TK Holdings, Inc. Request No. 2, file a report identifying every air bag inflator ever manufactured by Takata with a propellant containing phase stabilized ammonium nitrate that you have supplied to any motor vehicle manufacturer. Your response shall be segregated by propellant and inflator type and shall further identify the motor vehicle manufacturer (i.e., customer), the date range during which you supplied that inflator to the customer, and the total quantity provided to your customer. Your response must be in Excel format, using **Appendix A “Takata Inflator Customers” tab** as a guide.*

**Response:**

Attached hereto as Exhibit C is an updated report identifying airbag modules containing inflators manufactured with a propellant containing PSAN that Takata’s North American module

facilities supplied to vehicle manufacturers as of October 31, 2015. Takata is continuing to compile information from Takata's module facilities not located in North America.

**Request 6:**

*File a report identifying every air bag module ever manufactured by Takata that contained an inflator manufactured by any other Inflator Supplier utilizing a phase stabilized ammonium nitrate propellant, which you then sold to any motor vehicle manufacturer. Your response shall be segregated by Inflator Supplier, propellant and inflator type, and shall further identify the motor vehicle manufacturer (i.e., customer), the dates on which you supplied that inflator, and the total quantity provided to the customer. Your response must be in Excel format, using Appendix A "Supplier Inflators" tab as a guide.*

**Response:**

Takata has already provided the information responsive to this Request in the Responses.

**Request 7:**

*Provide a detailed, narrative explanation of any other safety related issue Takata is investigating, plans to investigate, or is considering investigating with regard to any inflator that Takata manufactures or that Takata sources from any other Inflator Supplier for use in air bag modules produced, sold, or otherwise distributed by Takata.*

**Response:**

Below are updated summaries of safety-related issues that Takata is currently investigating regarding PSAN inflators that it manufactures or obtains from third-party suppliers for use in its air bag modules:

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**Request 8:**

*For each incident identified in your responses to Request Nos. 1-3, provide a copy of all documents that refer to, relate to, discuss, or concern Takata's assessment of the incident, and all documents that Takata gathered as part of its investigation (including any police accident reports). If you have already produced these documents, identify them by Bates Number(s).*

**Response:**

Takata is continuing its collection and review efforts to respond to this Request and will produce additional information it determines is responsive to this Request, if any is located, on a rolling basis.

Dated: January 8, 2016

**AFFIDAVIT OF VERIFICATION**

I, Steven Wayne Maurer, Senior Vice President – Product Safety Group of TK Holdings Inc. (“TK Holdings”), am authorized to make this verification on behalf of TK Holdings. In connection with the Fourth Special Order served on TK Holdings by the National Highway Traffic Safety Administration (“NHTSA”), dated August 13, 2015 (the “Fourth Special Order”), employees of TK Holdings have been directed to conduct an inquiry reasonably calculated to assure that the answers to NHTSA’s requests for information are, or will be, complete and correct. That inquiry is continuing and ongoing.

I hereby verify that the information contained in this January 2016 supplemental response to the Fourth Special Order is accurate to the best of my knowledge and belief.

I verify under penalty of perjury that the foregoing is true and correct.

Executed on: January 8, 2016

  
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Steven Wayne Maurer