

Roush Performance Products, Inc.
28156 Plymouth Road, Suite Z
Livonia, Michigan 48150
Ph: (734) 466-6255
Fax: (734) 466-6255

August 3, 2005

BY E-MAIL AND OVERNIGHT MAIL

Mr. George Person
Chief, Recall Management Division (NVS-215)
Office of Defects Investigation
Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Roush Performance Products, Inc.
NHTSA Recall 05V-274

Dear Mr. Person:

As required by the regulations, enclosed please find for your files a copy of the dealer notification that Roush will send out to dealers on August 4, 2005, to advise them regarding a potential defect in the air bag occupant classification system (OCS) sensor system in certain 2005 Roush altered Ford Mustang GT vehicles.

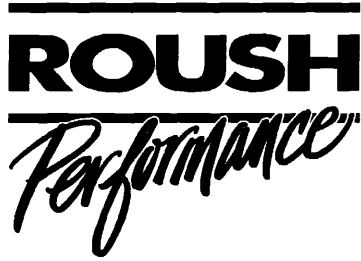
Please call me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Thompson". The signature is stylized and written over a white background.

Joseph Thompson
General Manager

Cc: J.R. Jolliffe/Roush – General Counsel
E. Jones/Mayer, Brown, Rowe & Maw LLP



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Dear Dealer:

As you may be aware, there is a new federal regulation that requires automakers to install "advanced airbags" in the front seats of their vehicles. These systems ordinarily include an occupant classification sensor or "OCS" for short. Vehicle manufacturers began installing advanced airbags with OCS's in some vehicles in 2003, and all new vehicles will have advanced airbags by late 2006. In the passenger front seat, the purpose of the OCS is to deactivate the airbag when children under a certain weight are present, but also to recognize when adults are present, and adjust the deployment level of the airbag accordingly. The OCS technology is new, and manufacturers are still learning about its limitations. Like some other manufacturers, Roush has received a few reports from the field of unexpected deactivation of the front passenger airbag system when adult passengers of a certain weight are seated in 2005 Roush Stage 1 and 2005 Roush Sport Mustang GT packages on which Roush installed its leather seats.

As a result of such reports from the field as well as Roush's own discovery of the problem in some of its demonstration vehicles of the kind mentioned, Roush decided that a defect which relates to motor vehicle safety exists for the mentioned vehicles. Therefore, we submitted a Defect Information Report to NHTSA on Tuesday, May 31, 2005 as required by law.

Roush has identified a remedy to address this issue which consists of replacing the OCS on the front passenger seat, and the seat cushions on the driver and front passenger seats followed by recovering each seat with new matching leather. Roush will use Ford's Service Pack to replace the foam and OCS on the front passenger seat.

A list of VIN numbers of the vehicles affected is being prepared. Roush will notify Owners by a separate letter in late August advising them of the issue. That letter will direct them to make an appointment with their dealer. As for any unsold 2005 Roush Stage 1's and 2005 Roush Sport Mustang GT's with **ROUSH** leather seats that are on your lot, they may not be delivered to customers until the fix identified above has been performed.

Kits containing the necessary components are expected to be ready to ship to you in late August. The procedure established for handling the distribution of the kits is as follows: Roush will establish an inventory of kits that contain the components to perform the fix. Once a notified Owner contacts the dealership to schedule an appointment or brings in his/her vehicle to the dealership to have the seats retrofitted, the dealer will call Roush's toll free number: **(877) 94-ROUSH** and provide the Roush service representative with both the customer name and VIN. Roush will send the dealer by second day air, a kit with the corresponding color specific leather that will be tracked by a VIN label on the box. Roush must account for each kit sent, therefore, it is important that the replaced materials are accounted for by the dealer. This means that the dealer must return all replaced materials to Roush according to the instructions provided and using the prepaid shipper enclosed with the kit. Dealers will be paid 2.5 hours after successful completion of the fix and satisfactory return of all the replaced materials in the original box to Roush.

In the event there is a change to the anticipated schedule for the availability of the kits, we will advise you accordingly. Thank you for your attention to this matter. We apologize for any inconvenience, but the safety your customers is our top priority.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Thompson".

Joseph Thompson
General Manager