

Subaru of America, Inc. Subaru Plaza PO Box 6000 Cherry Hill, NJ 08034-6000 856-488-8500 www.subaru.com

May 10, 2016

Dear Subaru Retailer:

Yesterday we announced a stop sale on certain Legacy and Outback vehicles. This is due to a possible manufacturing defect in the steering column shaft. We apologize for this situation and we understand the disruption it brings to your business and the concerns it creates for our valued customers.

Earlier today we published inspection and repair procedures. Plus, we are in the process of distributing affected VIN lists through our regional offices. These lists should be available to you by tomorrow. Our understanding is that about a third of the affected vehicles will be determined as "good" based on the inspection. Once inspected, these vehicles can be made available for sale.

Our requests to you are as follows:

- 1. Perform the inspection on all impacted SSLP units to identify which units can be placed back into service.
- 2. Please use the VIN lists provided to immediately contact your customers to inform them of this recall and to immediately schedule an appointment for inspection. They should be notified as follows:

"We are calling to inform you that your vehicle has been identified as potentially having a manufacturing defect impacting the safety of the vehicle steering system. We would like you to make an appointment as soon as possible to get your vehicle inspected and to determine if a repair involving the installation of replacement parts is necessary. If replacement parts are not available, we will make a loaner car available to you."

We anticipate that the customer letters will be mailed and e-mailed early next week.

- 3. If the vehicle fails inspection and parts are not yet available (see #5 below), please put the customer in a loaner car.
- 4. Perform the inspection procedure on all impacted vehicles in inventory and as new vehicles are delivered. Make good units available for sale and continue to control those units waiting for parts.
- 5. Parts will begin to ship within the next few days, and we expect to ship about 9,000 parts weekly, and we should have over 70% of needed parts produced by the end of May. Note, there will be two parts in each shipment namely a column assembly 34500AL02A for key start vehicles <u>or</u> 34500AL03A for push button start vehicles. Plus, a Bolt 83140GA000 <u>will be shipped inside each column assembly box</u>. Retailers should not order these parts. These parts shipments will be allocated based on each retailer's sold vehicles and vehicles in transit or in inventory. <u>We request that you prioritize repairs on previously retailed units first to take care of these customers.</u>

We sincerely appreciate your cooperation and assistance.

Subaru Parts and Service