

August 17, 2018

## Attention: All Mazda Dealership General Managers, Service Managers, and Parts Managers

Subject: Warranty Claim Process for an Unrepairable Vehicle and/or Unwilling to Participate Vehicle Owner with a Takata Air Bag Inflator Recall

For the Takata air bag inflator recall, the Mazda North American Operations Recall Department has developed a process to specifically address vehicles that cannot be repaired for any number of reasons, including but not limited to: damaged or modified vehicles and vehicle owners who refuse to have a Takata recall completed. If upon inspection it is found that the vehicle cannot receive the Takata recall, then a warranty claim can be entered for administrative costs and to document this situation.

We have developed very specific guidelines and Warranty claim procedures for unrepairable vehicles or unwilling to participate owners with Takata air bag inflators that are outlined below and available on MGSS in documents for each Takata recall. Please be aware all claims will be reviewed by the Warranty Department after submission.

**NOTE:** Please make sure that you DO NOT refuse to repair a B-Series truck just because it has a "Ford" part. Ford was the manufacturer of all B-Series trucks after 1994 and the air bag and inflator may fit the steering mechanism even if it is not an OEM part. The part may say "Ford" or have a Ford Part Number, so please contact the Warranty department at MNAO and they will forward your question to the recall team if you have any concerns on an unrepairable vehicle with an Open Takata recall.

If you believe that a vehicle is in your dealer shop with an open Takata air bag recall that cannot be repaired please follow the procedures below:

- Contact MNAO Warranty Department to explain why you believe that the vehicle cannot be repaired under the Takata recall. Dealers should not unilaterally decide that a recall repair cannot be performed and must discuss the specific vehicle with MNAO so that MNAO and the Dealer together can try to find possible solutions to complete the recall despite the initial obstacles. After discussing with MNAO, then the Dealer can proceed with the following steps.
- If the customer simply refuses to have the Takata recall performed, document on the Repair Order:
  "The owner has been informed that this vehicle needs to have Takata recall [add applicable recall #] performed and that their refusal to allow the dealer to perform the necessary recall(s) could result in serious injury or death to any driver or passenger in the vehicle; however the owner has

still refused to allow the dealer to perform the recall" and have the customer sign and date their acknowledgement.

- a. If the customer refuses to sign the Repair Order, document by writing "Customer refuses to sign" with time and date and service manager signature.
- 3. If a vehicle has been modified or damaged to an extent that the recall cannot be performed (e.g., if the steering wheel has been replaced with a racing steering wheel that has no airbag), provide a detailed explanation to the owner about what will need to be done in order to bring the vehicle into a condition where the recall can be performed.

**NOTE:** Be sure to let the customer know why the vehicle needs additional work in order to be able to complete the Takata recall and what specific items are included within the Takata recall.

- If the customer agrees to the additional work needed on their vehicle, please proceed to repair and close the Takata recall as usual. If they do not agree to the additional work needed to perform the recall repair, please proceed to step 5.
- 5. Take clear photos of the modifications and/or damage that shows why the vehicle cannot be repaired under the recall.
- 6. Document on the Repair Order the modifications and/or damage and the necessary steps and estimate for repair.
- 7. If the customer refuses the additional work needed to perform the recall repair, document on the Repair Order : "This vehicle was found to have modifications and/or damage to the airbag system that renders the Recall Remedy unrepairable. The customer has refused to allow the dealer to perform the necessary recall(s) even though the customer was informed that their decision could result in serious injury or death to any driver or passenger in the vehicle" and have the customer sign and date their acknowledgement.
  - a. If the customer refuses to sign the Repair Order, document by writing "Customer refuses to sign" with time and date and service manager signature.
- 8. Submit a claim using the following claim detail listed in the attached documentation and <u>required</u> <u>attachments</u> below:
  - a. D01- Copy of Repair Order
  - b. D40 At least 1 clear photo showing the damage/modification.
- 9. If you have any questions, please contact the Warranty department at

warrantydept@mazdausa.com email and they will forward your inquiry to the Recall Team for next steps. You will receive a response in 24 hours or less. Please contact Warranty with any questions, PRIOR to submitting for payment.

DEALER TAKATA RECALL UNREPAIRABLE CLAIM	
Warranty Information	
Warranty Type Code	R
Process Number	J1806A
Symptom Code	99
Damage Code	99
PNMC	5555-18-001A
Quantity	1
Labor Operation	YY798XRX
Labor Hours	0.4 hrs.

Attachment ID: D01	Copy of the Repair Order
Attachment ID: D40	Photos of the Damage/Modification

Frequently Asked Questions:

- Question: My claim is pending for Warranty review, why?
  Answer: All claims will be reviewed by Warranty to ensure dealers are attaching the proper documents to the claim and are documenting the repair order per policy.
- Question: If not repaired, will the unrepairable claim close the recall? Answer: No. The vehicle air bag inflator was not replaced, so the recall will still remain open in case a new owner in the future decides to allow us to complete the recall.
- Question: Can I use this claim for a non-Takata recall with damage/modification? Answer: Not at this time, but please follow the documentation guidelines as advised above.
- 4. Question: Will the customer continue to get notices regarding their Open recall? Answer: Yes. The customer is continuing to drive a vehicle that needs a safety recall performed, so they will continue to receive notices to try to convince them to change their mind.
- 5. Question: If the customer chooses not to allow us to repair the vehicle and leaves with an Open recall, will the VIN still count on the Missed Opportunities Report? Answer: If a claim is submitted within the required time frame (the reporting month), then we will remove the VIN with an unrepairable claim. However, if your claim is not submitted or is late, the Missed Opportunity Report will not be able to exclude the VIN.
- Question: What if the customer has a deployed or missing passenger and driver air bag, but only wants to repair one of the air bags? Can I still claim the unrepairable claim? Answer: Yes, since there is one air bag the customer declined to repair. Please document what was and was not repaired on the Repair Order.

## Protect what is important to you.

Sincerely,

A. Chamito

Akira Ikemoto Director, Technical Services Division Mazda North American Operations