MAZDA DEALER EMAIL



September 23, 2016

To: Dealer Principals, GMs, Sales Managers, Service Managers and Used Car Managers Subject: Certifying and Reporting CPO Sales on vehicles subject to Recall 9916H.

Effective immediately, MNAO is making a one-time limited exception to allow certification and sale of Certified Pre-Owned (CPO) vehicles subject to Recall 9916H that pass an inspection until remedy parts become available. Once a remedy part is available however, dealers are to perform the recall 9916H work on any CPO vehicles still in inventory as well as contact any owner who has taken possession of a vehicle under this limited exception. Customers taking delivery of CPO vehicles under this limited exception will need to sign an Acknowledgement that they have been informed of the open recall and that they will return the vehicle to the dealership to complete the recall once parts are available.

Note: Based on the unique characteristics of Recall 9916H, this limited exception only applies to CPO vehicles under Recall 9916H. For all other recalls, MNAO's policy remains the same - CPO vehicles cannot be sold with open recalls until the recalls are completed.

Please see attached documents which outline the steps and necessary documents to process affected vehicles within the CPO Administrative Application.

Thank you for your patience and commitment to the Mazda CPO Program. If you have any questions, please contact your regional staff or CPO Program HQ at 866-841-7366.

Good Selling,

Roger Basa

National CPO & Remarketing Manager Mazda North American Operations Akira Ikemoto

A. Chranto

Director, Technical Services

Mazda North American Operations

Certified Pre-Owned (CPO) Vehicles With Open Recall 9916H Limited Exception Process if Remedy Not Yet Available

Before any vehicle with an open recall 9916H can be certified or sold under this limited exception, all of the following procedures must be completed.

1) Vehicle Corrosion Inspection

Before any potential CPO vehicle with an open recall 9916H can be certified or sold, it must pass the Vehicle Corrosion Inspection Procedure attached to this document (see Attachment 1). If the vehicle fails this Vehicle Corrosion Inspection Procedure, it cannot be certified as a CPO vehicle and it cannot be sold as a CPO vehicle until the parts are replaced and the recall is closed. You will need to provide a copy of the completed service repair order of this Vehicle Corrosion Inspection Procedure when certifying and selling the CPO vehicle.

2) Vehicle Certification Module

If a vehicle with open recall 9916H passes the Vehicle Corrosion Inspection Procedure above, you can certify it as a CPO vehicle. When your dealership attempts to certify a used vehicle with an open recall 9916H, the CPO administrative website is designed to stop this process and display the following message:

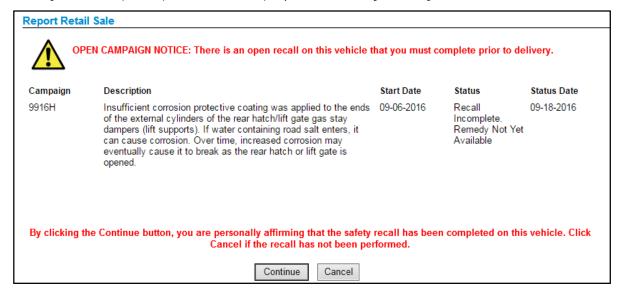


Until there is a remedy available for vehicles with an open recall 9916H, the following steps must be taken in order to have the vehicle certification processed and the vehicle added to your CPO inventory:

- 1) Gather a copy of the Mazda CPO 160-Point Vehicle Inspection Checklist
- 2) Gather a copy of the completed service repair order of the Vehicle Corrosion Inspection Procedure.
- 3) Contact CPO Program Headquarters at 866-841-7366. An agent will work with you to:
 - a. Forward the documents to CPO Program HQ
 - b. Have the request reviewed, validated and entered into the system by the Program HQ team
 - c. Notify you when the exception has been completed
- 4) File appropriate documentation in the vehicle service jacket
- 5) Merchandise and market as a CPO vehicle as it now has been certified

3) Report Vehicle Sale Module:

If your dealership attempts to report a CPO vehicle sale with an open recall 9916H, the CPO administrative website is designed to stop this process and display the following message:



Until there is a remedy available for CPO vehicles with open recall 9916H, the following steps must be taken in order to have the sale recorded:

- 1) Gather a copy of the Sales Contract and/or Buyers Order.
- 2) Gather a copy the completed service repair order of the Vehicle Corrosion Inspection Procedure.
- 3) Gather a copy of the signed customer Acknowledgment of Open Recall 9916H
- 4) Contact CPO Program Headquarters at 866-841-7366. An agent will work with you to:
 - a. Forward the documents and any necessary information to CPO Program HQ
 - b. Have the request reviewed validated and entered into the system by the Program HQ team
 - c. Notify you when the exception has been completed
- 5) Complete the process by filing appropriate documentation in the vehicle sales jacket

4) Customer Acknowledgment Signed:

In order for your dealership to complete the sale of a CPO vehicle with an open recall 9916H, you must (1) fully disclose to the customer that the vehicle still has an open recall 9916H, (2) provide the customer with information about Recall 9916H, (3) have the customer sign the following Acknowledgement, (4) send a copy of the signed Acknowledgement to CPO Program HQ and keep a copy with your sales documents, and (5) gather customer information so that you can contact the customer once recall repair parts are available.

Acknowledgment of Open Recall 9916H on CPO vehicle

VIN:_____

IMPORTANT: This CPO vehicle was certified and sold with an open Concern that has not been fully repaired because replacement par affected vehicles, insufficient corrosion protective coating was applied the rear hatch/lift gate gas stay dampers (struts). If water contain corrosion. Over time, increased corrosion may eventually cause it to opened. The rear hatch or lift gate may drop suddenly, and/or the becausing injury.	its are not yet available. On the ied to the ends of the external cylinders ning road salt enters, it can cause be break as the rear hatch or lift gate is
Mazda has performed an inspection of this vehicle. Although the vehicle will still need to be brought back to a Mazda dealer to have to available in order to close this recall.	
My signature below confirms that (1) the dealer has disclosed the aboreceived written information about Recall 9916H, (3) I will return the completed once I receive notice that parts are available, and (4) I further vehicle in its stated condition.	e vehicle to have Recall 9916H
Customer's Name:	
Address:	
City/State/Zip:	
Telephone: Home (Cell ()	Work()
Email:	
Customer's Signature:	
Date:	

Return a copy to MNAO's CPO Program HQ

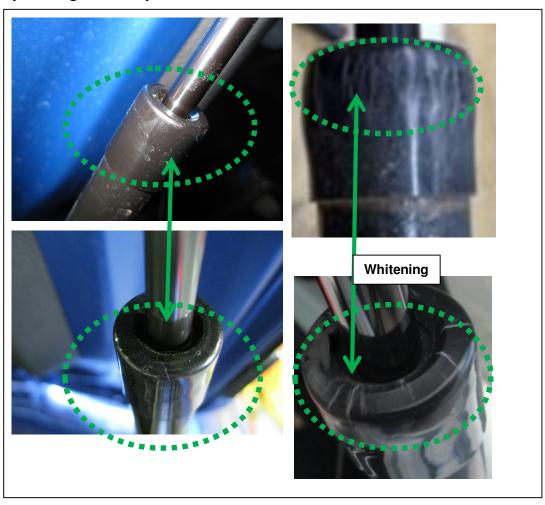
Attachment 1 - Vehicle Corrosion Inspection Procedure Instructions

<u>Liftgate Stay Damper Visual Inspection:</u>

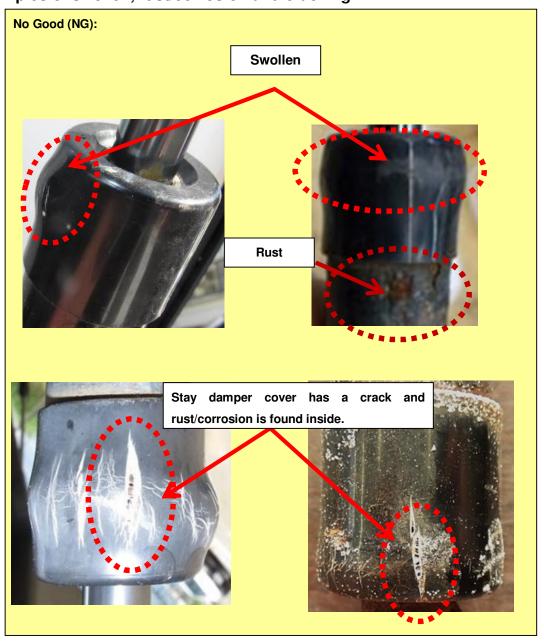
- 1. Open the liftgate.
- 2. Check for crack(s) and/or rust/corrosion on the liftgate stay damper covers.



Examples of good dampers:



Examples of swollen, rust/corrosion and cracking:



Result of stay damper inspection:

Result	Next Step	
NO swollen, rust/corrosion, cracking conditions found on either side: Note: Slight white discoloration (no cracks) on end cap is OK.	 Do not perform any repairs at this time. Customer will be asked to bring their vehicle back to the dealer when replacement parts are available. CPO vehicle(s) can be sold and will be repaired when replacement parts are available. 	
Swollen, rust/corrosion, cracking conditions found on one or both sides:	Parts are not available. Parts are available.	 Rental car offered to customer until the replacement parts are available and repair is completed. CPO vehicles cannot be sold and cannot be certified as CPO. Send VIN to DSM. Replace both stay dampers with modified parts.

Warranty Information to Inspect Vehicles in Service (including used cars) in Dealer Inventory

	Inspection for Crack of Stay Dampers (Right & Left) NOTE: COMPLETING THESE DOES NOT COMPLETE THE RECALL.	
	Both sides of stay dampers are "OK"	One side or Both sides of stay damper(s)
		are "Not OK"
Process Number	AG014T	AG014V
Symptom Code	99	99
Damage Code	99	99
Part Number Main Cause	7777-SP-M14	7777-SP-M14
Quantity	0	0
Labor Operation Number	XXM81ACX	XXM81BCX
Labor Hours	0.2 H	0.2 H

NOTE: INSPECTION NOT APPLICABLE ON NEW VEHICLES IN DEALER INVENTORY.