



JAGUAR J069 | LAND ROVER P081 PASSENGER AIR BAG RECALL RETAILER WEBINAR

August 2, 2016

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Jaguar J069 | Land Rover P081 Passenger Air Bag Recall

Retailer Webinar- Agenda



- Recall description and facts
- Affected Zones and Phases
- Models and Model Years
- Non Affected Vehicles (currently)
- Customer Notification
- Customer First Actions
- Pre-Owned Programs
- Q&A focus
- Questions

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Recall Description and Facts



There have been no reports of injuries or ruptured passenger front air bags on Jaguar Land Rover Models

Jaguar J069 | Land Rover P081 Passenger Air Bag Recall

Recall Description and Facts



- NHTSA has conducted three independent investigations into Takata airbag ruptures and confirmed root cause of issue.
- Conclusion that the chemical compound (ammonium nitrate) in some Takata frontal airbags without a chemical drying agent (aka non-desiccated) will degrade over time.
- The exposure time and rate at which the propellant degrades is accelerated in hot climates with high absolute humidity
- When the propellant degrades substantially the inflators can become over-pressurized and rupture during air bag deployment. Such ruptures have resulted in 10 deaths and more than 100 serious injuries to vehicle occupants
- With the exception of certain inflators built with manufacturing defects, NHTSA has concluded that the non-desiccated frontal Takata air bag inflators do not pose an unreasonable risk to safety until they reach a certain level of propellant degradation.

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How the industry recalls will be conducted....



NHTSA Fact Sheet: May 2016 Takata Recall Expansion- DEFECT INFORMATION REPORT SCHEDULE

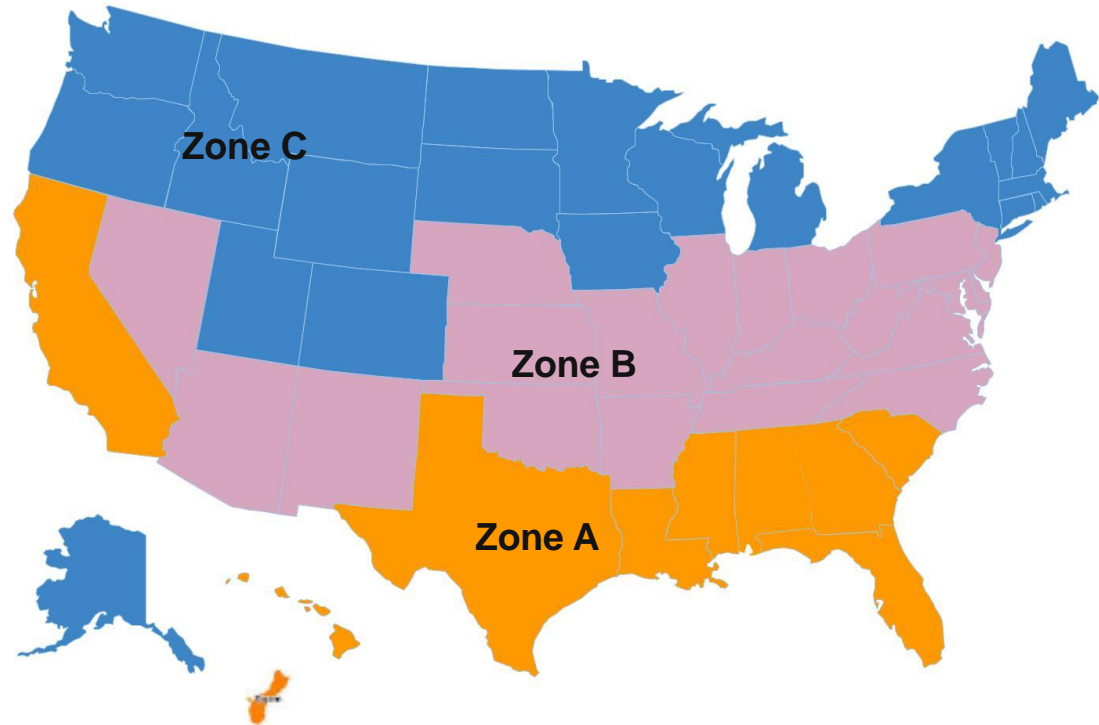
- The Recall schedule addresses the most at risk vehicles first and is divided into three geographic zones based on temperature fluctuations and humidity.
 - Zone A covers states with high temperature cycling and humidity. Time until unsafe propellant degradation may occur is projected at between 6 and 9 years.
 - Zone B includes states that have moderate temperature cycling and humidity. Time until unsafe propellant degradation may occur is projected at between 10 and 15 years.
 - Zone C is includes states with lower temperature cycling and humidity. Time until unsafe propellant degradation may occur is projected at between 15 and 20 years.
- The Recall is also split into phases launched annually through December 2018
- NHTSA may alter the schedule at any time to protect the public from an unreasonable risk to safety

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Retailer Webinar- Designated Zone Map



- NHTSA has divided the country into 3 specific zones based on temperature and absolute humidity
- Zone A- greatest temperature cycling and absolute humidity
- Zone B- moderate temperature cycling and absolute humidity
- Zone C- lower temperature cycling and absolute humidity



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Retailer Webinar- Zones and Phases



- Vehicles affected are based on age and where registered previously or currently.
- Phase 1 of Recall includes

Zone A	2011MY and Older	
Zone B	2008MY and Older	
Zone C	2004MY and Older	
		No units affected

- Units in any state may be affected dependent on original state of registration
- DDW is the preferred source for Retailers to ID vehicles that are affected via Vehicle Inquiry

Future Phases of Recall

Phase 2			Timing
Zone A	2012MY	And Older	12/31/16
Zone B	2009MY		
Zone C	2008MY		

Phase 3			Timing
Zone A	2013MY	And Older	12/31/17
Zone B	2010MY		
Zone C	2009MY		

Phase 4			Timing
Zone A	2015MY	And Older	12/31/18
Zone B	2015MY		
Zone C	2015MY		

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Retailer Webinar- Affected Vehicles - Phase I



Jaguar XF 2009MY-2011MY

Vin Range- SAJWA05BX9HR0002-
SAJWA0FB8BLS20750

Total units- 20,121

Range Rover 2007MY-2011MY

Vin Range-SALMF15457A233807-
SALMP1E44BA360036

Total Units- 34,733



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Retailer Webinar- Current Non-Affected Vehicles



- Phase 1 of Recall is only phase in effect today
- Vehicles within total vin range and not within Phase I will be subject to future phases of Recall as those vehicles fall into respective Phase categories
- Future affected units w/o open Recall do not pose an unreasonable risk to safety today
- Jaguar USA, Land Rover USA and NHTSA sites can also be used to determine if a vehicle has an open Recall and available for Customer use.

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Retailer Webinar- Customer Notification



- Customer notifications on affected vehicles commenced July 31, 2016.
- Initial notification informs customers that the vehicle are subject to J069 or P081 Recall and parts are currently not available. Customers will be notified with a subsequent mailing when parts become available
- An initial small supply of “like for like” replacement parts being procured for high priority customer cases. Expected eta for these parts is week of July 25th. These vehicles will still be subject to the Recall when remedy parts become available
- In conjunction with Takata JLR will manage a Field Study Program- (slide 11)
- Remedy Recall parts are expected to become available in late Q4 2016
- Vehicles not currently affected by Recall will not receive a mailing at this time (as they are not currently subject to the Recall)

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Retailer Webinar- Customer Support



- Customers concerned over driving affected vehicles can contact JLR Customer Relationship Center for assistance
- Retailers that experience a customer who refuses to drive their vehicle can proactively contact the JLR Customer Relationship Center for assistance
- CRC reps specially trained will assist Customers with questions
- A small quantity of 'like for like' replacement parts will be available for high priority customers
 - Ordering process for these will be through CRC
 - Retailers can call on behalf of Customer
- There are no current plans to offer long term loaner vehicles- cover with interim replacement parts.

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Retailer Webinar- Pro-Active Field Study Program



- Program will be launched to gain Engineering analysis information from testing of affected air bags
- Target is to obtain up to 500 of each affected air bags
- Focus will be on the most High Absolute Humidity areas including Puerto Rico, Florida, Texas and the surrounding Gulf of Mexico States.
- Targeted vehicles will be oldest first and move to affected Phase I units
- Coordinated effort between selected Retailers, JLR and Takata for expedited replacement and return
- Individual stores will be contacted week of 8/8
- Timing from late August
- Takata engineering analysis to be conducted in MI.



PRE-OWNED IMPACTS

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Retailer Webinar- Pre-Owned Vehicles



Pre-Owned and Approved Certified Pre-Owned Policy Items

- Vehicles within the Takata Airbag recall are not eligible for the Approved Certified Pre-Owned program, until recall is satisfied.
 - See Item #8 of the Jaguar or Land Rover 165 pt CPO Checklist
 - Upon completion of recall, affected vehicles will be eligible for ACPO program, as qualified.
 - Repaired vehicles will also be eligible for ACPO rates/incentive programs, as qualified
- Affected vehicles acquired by retailer with existing ACPO warranty coverage cannot be retailed to end-consumer until recall is satisfied.
- *For Pre-Owned: JLR NA recommends the open recall is satisfied on an affected vehicle prior to selling to end consumer.*

APPROVED
CERTIFIED PRE-OWNED

APPROVED
CERTIFIED PRE-OWNED

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Retailer Webinar- Pre-Owned Vehicle



Pre-Owned and Approved Certified Pre-Owned Policy Items

- Quarterly/Annual CPO objectives will not be adjusted due to the Takata airbag recall.
 - The Model Years and volume of affected vehicles within the eligibility period for the ACPO program does not necessitate an adjustment to CPO objectives.
- The Jaguar and Land Rover Financial Group off-lease portfolio does not include any vehicles in the VIN range of the Takata airbag recall.
 - No impact to the Retailer Purchase Incentive (RPI) program
 - Working with the Financial Group's Remarketing team on an auction policy for repossessed units in the affected VIN range

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Pre-Owned and Approved Certified Pre-Owned Policy Items

- Guidance from Retailer Cabinet helped determine the most effective financial support option for the Takata airbag recall
- JLR NA has developed a financial support option to assist customers with the Takata airbag recall.

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Retailer Webinar- Pre-Owned- Trade Assistance



Trade Assist Certificates – Customers trading affected vehicles

- Retailers will be allocated a specific number of Trade Assist Certificates
- Certificate good toward the purchase or lease of a new vehicle when customer trades in their current Takata affected vehicle
- Stackable: Compatible with other eligible new car incentive programs
- Allocation based upon New Vehicle Sales and where retailer falls within recall Zone (A, B,C)
- Limited time customer offer; Phase 1 will run through 12/31/2016
- No Retailer contribution
- Market Managers will provide list of certificate numbers
- Certificate amounts:
 - \$1,000 Jaguar
 - \$1,000 Land Rover

The form is titled "Takata Trade Assist Certificate Receipt Acknowledgement Form" and features the Jaguar and Land Rover logos at the top. It includes a statement of acknowledgment, a section for "Full MSRP of New Vehicle Purchased / Leased", a section for "Customer Cash Incentive \$ Amount" with a "Notes" section, and fields for "Certificate Number (if applicable)", "Retailer Name & Number", "Customer Name (Print)", "Customer Address (Print)", "Customer Signature", and "Date". At the bottom, there are instructions for the retailer to fill out the form and attach it to the original document.

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**Takata Trade Assist Certificate
Receipt Acknowledgement Form**

I acknowledge that the Retailer indicated below has applied the Customer Cash to the purchase or lease of the new vehicle noted below.

Full MSRP of New Vehicle Purchased / Leased: _____

Customer Cash Incentive \$ Amount: _____

Notes:
1. The full Customer Cash amount must be applied towards the purchase /
2. Application of the full Customer Cash amount must be clearly identified.

Certificate Number (if applicable): _____

Retailer Name & Number: _____

Customer Name (Print): _____

Customer Address (Print): _____

Customer Signature: _____ Date: _____

RETAILER:
Please fill the following to Retail Ops at 800.555.4774 and enclose the originals in the dual jacket:
① Original of this completed document with participant's signature acknowledging participant's agreement to program rules.
② The signed lease or purchase contract with the participant as the sole or primary lessee/buyer.
③ Copy of the customer's completed and signed certificate.

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Retailer Webinar- Pre-Owned - Jaguar Certificates



	Initial Certificates												TOTAL CERTS
	# Retailers within British Cup Groupings				Initial Certs by Group				Total Initial Certs by Group				
	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	
Zone A	10	16	17	19	3	3	2	1	30	48	34	19	131
Zone B	1	5	14	42	2	2	1	1	2	10	14	42	68
Zone C	<u>1</u>	<u>2</u>	<u>9</u>	<u>28</u>	1	1	1	1	<u>1</u>	<u>2</u>	<u>9</u>	<u>28</u>	<u>40</u>
	12	23	40	89					33	60	57	89	239

	Additional Certificates Based Upon British Cup Sales Groupings												TOTAL CERTS
	# Retailers within British Cup Groupings				Additional Certs by Group				Total Additional Certs by Group				
	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	
Zone A	10	16	17	19	4	3	2	1	40	48	34	19	141
Zone B	1	5	14	42	4	3	2	1	4	15	28	42	89
Zone C	<u>1</u>	<u>2</u>	<u>9</u>	<u>28</u>	2	2	1	0	<u>2</u>	<u>4</u>	<u>9</u>	<u>0</u>	<u>15</u>
	12	23	40	89					46	67	71	61	245

	Total Certificates												TOTAL CERTS
	# Retailers within British Cup Groupings				Initial + Additional Certs				Total Certs by Group				
	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	
Zone A	10	16	17	19	7	6	4	2	70	96	68	38	272
Zone B	1	5	14	42	6	5	3	2	6	25	42	84	157
Zone C	<u>1</u>	<u>2</u>	<u>9</u>	<u>28</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>3</u>	<u>6</u>	<u>18</u>	<u>28</u>	<u>55</u>
	12	23	40	89					79	127	128	150	484

	Certs by Group % of Total				
	Group1	Group2	Group3	Group4	
Zone A	14%	20%	14%	8%	56%
Zone B	1%	5%	9%	17%	32%
Zone C	<u>1%</u>	<u>1%</u>	<u>4%</u>	<u>6%</u>	<u>11%</u>
	16%	26%	26%	31%	100%

Jaguar J069 | Land Rover P081 Passenger Air Bag Recall

Retailer Webinar- Pre-Owned - Land Rover Certificates



	Initial Certificates												TOTAL CERTS
	# Retailers within British Cup Groupings				Initial Certs by Group				Total Additional Certs by Group				
	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	
Zone A	9	17	15	29	4	4	2	1	36	68	30	29	163
Zone B	1	5	20	28	2	2	1	1	2	10	20	28	60
Zone C	<u>7</u>	<u>6</u>	<u>6</u>	<u>25</u>	1	1	1	1	<u>7</u>	<u>6</u>	<u>6</u>	<u>25</u>	<u>44</u>
	17	28	41	82					45	84	56	82	267

	Additional Certificates Based Upon British Cup Sales Groupings												TOTAL CERTS
	# Retailers within British Cup Groupings				Additional Certs by Group				Total Additional Certs by Group				
	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	
Zone A	9	17	15	29	7	5	3	2	63	85	45	58	251
Zone B	1	5	20	28	7	5	3	2	7	25	60	56	148
Zone C	<u>7</u>	<u>6</u>	<u>6</u>	<u>25</u>	4	3	2	1	<u>28</u>	<u>18</u>	<u>12</u>	<u>25</u>	<u>83</u>
	17	28	41	82					98	128	117	139	482

	Total Certificates												TOTAL CERTS
	# Retailers within British Cup Groupings				Initial + Additional Certs				Total Certs by Group				
	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	Group1	Group2	Group3	Group4	
Zone A	9	17	15	29	11	9	5	3	99	153	75	87	414
Zone B	1	5	20	28	9	7	4	3	9	35	80	84	208
Zone C	<u>7</u>	<u>6</u>	<u>6</u>	<u>25</u>	5	4	3	2	<u>35</u>	<u>24</u>	<u>18</u>	<u>50</u>	<u>127</u>
	17	28	41	82					143	212	173	221	749

Memo:

Certs by Group % of Total			
Group1	Group2	Group3	Group4

Zone A	13%	20%	10%	12%	55%
Zone B	1%	5%	11%	11%	28%
Zone C	5%	3%	2%	7%	17%
	19%	28%	23%	30%	100%

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Retailer Webinar- Q&A Documents



- Q&A documents are now published and available on InfoTrail and JBN in Service Bulletins
- Provides relevant answers to majority of questions that Customers may raise in regards to Recall

Examples:

Q	Why is the driver-side front air bag not affected?
A	The driver-side front air bag does not contain a Takata inflator so it is not affected by this recall.
Q	What has Jaguar Land Rover done in production?
A	The vehicles affected by this issue are no longer in production. Parts for the recall remedy will contain a different type of inflator propellant.
Q	Has Jaguar Land Rover Limited received many complaints?
A	To date, we are not aware of any instances of ruptured inflators in Jaguar Land Rover vehicles.



ABOVE & BEYOND

SERVICE BULLETIN

three Defect Information Reports (DIRs) to NHTSA re Ammonium Nitrate without desiccant propellant is s "Activation of a non-desiccated ammonium nitrate inflator rupture. An inflator rupture may cause metal te interior at high speed."

ctacts me about this recall?

to the Jaguar Land Rover North America Press Office

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ertain Land Rover vehicles?

submitted a "Defect Information Report" to NHTSA bag inflators. Takata's investigation of affected inflators r several years) to combined high heat and high rupture in the event of a frontal passenger air bag

h the vehicles?

the air bag inflator housing may rupture. In the could pass through the air bag material, which may . To date, we are not aware of any instances of cles:

ntentially having this concern?

the air bag inflator. Takata state that exposure to s of exposure to persistent conditions of combined high over-aggressive combustion in the event of a frontal.

tors with ammonium nitrate propellant without

NOTIFICATION OF SAFETY RECALL P081
(NHTSA # 16V-374): PASSENGER AIRBAG

XX-JULY-16 | NO.: SRE16-XX | SEC.: RECALL | MKT.: USA

Jaguar Land Rover North America, LLC has informed the National Highway Traffic Safety Administration (NHTSA) of its intent to perform a voluntary Safety Recall involving 2007-2011 model year Land Rover Range Rover vehicles imported into the United States market. Information relating to the proposed Recall will be posted on the NHTSA website.

United States Federal regulations require that retailers must be advised of this Recall notification within three working days after government notification.

United States Federal law requires retailers to complete any outstanding safety Recall service before a new vehicle is delivered to the buyer or lessee. Violation of this requirement by a retailer could result in a civil penalty of up to \$21,000.00 per vehicle.

This Recall Service Bulletin serves as notification to all Land Rover retailers in the United States that any affected new vehicles may not be sold and delivered for customer use until the Recall repair is completed.

THIS BULLETIN UPDATES SRE16-03

DESCRIPTION

An issue has been identified on a limited number of vehicles listed in the Affected Vehicle Range with a potential defect in front passenger airbag inflators where Ammonium Nitrate without desiccant propellant is utilized in frontal airbags.

AFFECTED VEHICLE RANGE

A total of 34,733 vehicles are potentially involved in the USA and Territories as listed in the Appendix.

Range Rover (L322)

Model Year _____ 2007-2011
VIN: _____ SALMF15457A233807-SALMP1E44BA360036

EFFECT ON VEHICLE OPERATION

The investigation into Takata non-desiccated ammonium nitrate airbag inflators to date indicates that prolonged exposure (over several years) to combined high heat and high absolute humidity, could lead to overaggressive combustion in the event of a frontal passenger air bag deployment.

Activation of a non-desiccated ammonium nitrate inflator with degraded propellant may result in an inflator rupture. An inflator rupture may cause metal fragments to pass through the airbag and into the vehicle interior at high speed, which may result in injury or death to vehicle occupants.

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Retailer Webinar- Q&A Focus



- Jaguar Land Rover has developed an email inquiry site for Retailer use.
- recallq@jaguarlandrover.com
- This address is being used to capture inquiries from Retailers to help formulate a more comprehensive document for Retailer to have to assist in answering Customer inquiries. To date we have received **3** questions submitted
- We will continue to monitor address for inquiries and populate Q&A documents

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Retailer Webinar- Retailer Actions



- Nominate an individual within your store to become a J069 | P081 Recall information expert
 - Visit [NHTSA.gov](https://www.nhtsa.gov) and [safercar.gov](https://www.safercar.gov) sites
 - Utilize all information produced by JLR
 - Utilize DDW as source for affected vehicles
- Consult with local counsel for advice on selling used vehicles with open Recalls
- Pro-actively contact CRC for Customers as required
- Visit JBN or InfoTrail for latest Q&A documents



Q & A