

Dear MINI Dealers,

Open communication remains a critical component to our partnership. With that said, we wanted to bring to your attention an important product situation we just became aware of today. We are issuing an F54 Head Air Bag Delivery Stop and Recall and just posted a notification to our DCS channel. Although we are still awaiting additional information, we wanted to personally share with you where we are so far and ask for your support and attention as we take the necessary steps towards resolution.

MINI USA is conducting a Voluntary Non-Compliance Recall involving the Head Air Bag (side air bag curtain) which may not deploy properly in a side crash affecting:

- Model Year 2016-2017 MINI Cooper, Cooper S, and Cooper S ALL4 Clubman (F54)

The Recall also involves a delivery stop on approximately 4,867 vehicles. We expect that approximately **2,670 of these vehicles are currently in dealer inventory**. Additional vehicles subject to the recall have previously been retailed. We urge you to review every F54 VIN# in your stock to determine exactly how many cars you have within your inventory. With increased regulatory oversight, it's imperative that you check your parts inventory and check every car for outstanding recalls or stop sales before delivering to a retail customer. We must be extra vigilant in this area.

As you are aware, it is a violation of federal law (the Safety Act) for you to sell, lease or deliver any F54 vehicles covered by the Recall and delivery stop until the repair to the side airbag curtain has been performed. This means you may not legally deliver any new F54 to a consumer until the vehicle is fixed, or sell/use any side airbag curtains for F54 vehicles in your inventory. Also, you should not sell, lease or deliver any Certified Pre-Owned or used F54 vehicles subject to the Recall and delivery stop until the repair is completed.

At this time we are still awaiting final repair instructions but we expect to be able to provide you with those details by early next week. We are committed to getting you the necessary information as soon as it is available.

We want to assure you that together with our teams, we will be working hard to support you through this process.

Thank you again for your support, attention and action. We will continue to communicate information about this matter as it becomes available.