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newschannel update

| то: Mercedes-Benz Dealer Principals, General Managers, Sales Managers, Service Managers, Parts Managers | FROM: Gregory Gunther, Department Manager, Vehicle Compliance and Analysis, Engineering Services |
|---|--|
| RE: Takata Recall - Phase 3 Passenger-side Airbag – Expanded Model Years 2009-2013 (Zone Specific) Model 204, X204, 207, 197 (C-Class, C-Class Coupe, GLK-Class, E-Class Coupe/Cabrio, SLS-Class) | DATE: January 19, 2018 |

IMPORTANT TAKATA INFORMATION UPDATE

A new Defect Information Report (DIR) was filed by MBUSA with the National Highway Transportation Safety Administration (NHTSA) on January 10, 2018, for Takata Recall Phase 3 to include the passenger-side airbag on 132,167 vehicles for Zone-specific MY09, MY10, and MY13 C-Class, E-Class, GLK-Class, and SLS-Class vehicles. Please review the recall information below.

Since parts are not yet available, under Federal Regulations an interim owner notification letter is required to be mailed within 60 days of the filing. These interim customer notification letters will be mailed starting in Q1 2018.

Recall information for customers:

- Mercedes-Benz specific recall-related information: <u>www.mbusa.com/mercedes/recall</u>
- Mercedes-Benz Customer Assistance Center: 1-877-496-3691
- Industry-wide Takata information: <u>www.nhtsa.gov/recall-spotlight/takata-air-bags</u>



RECALL CAMPAIGN UPDATE

| Campaign No | No.: Campaign Desc.: Takata Recall - Phase 3 Notification | | | |
|--|---|---|--|--|
| TBD | PSAB Phase | ³ Passenger-side Airbag | | |
| This is to notify you of an update for the Takata Airbag Recall . A new Defect Information Report (DIR) was filed by MBUSA with the National Highway Transportation Safety Administration (NHTSA) on January 10, 2018, to include the passenger-side airbag for Zone-specific MY09, MY10, and MY13 C-Class, E-Class, GLK-Class, and SLS-Class vehicles. Please review the recall information below. There is no action required until the next NCU is posted and the recall is launched by Priority Group. All newly affected VINs are flagged in VMI as "Pending". The DIR will be visible on the <u>www.safercar.gov</u> website and may generate questions from customers. | | | | |
| | | Background | | |
| Issue Based on the defect decision of TK Holdings, Inc ("Takata"), in certain front passenger-side airbags produced by Takata used in certain Model Year 2009–2013 Mercedes-Benz vehicles, under specific circumstances, the front passenger-side airbag inflator housing may rupture and explode during deployment due to excessive internal pressure. This condition is more likely to occur if the vehicle has been exposed to high levels of absolute humidity for extended periods of time. A front passenger-side inflator explosion during deployment could result in metal fragments striking the passenger or other occupants, possibly causing serious injury or death. To remedy this concern, an authorized Mercedes-Benz Dealer will replace the front passenger-side airbag on the affected vehicles once parts are available. | | | | |
| Parts | Parts are currently not available. An additional notification will be communicated once the parts are | | | |
| What We're Doing | available, and will be based on vehicle Priority Group. An interim customer letter will be mailed to customers with affected vehicles starting February 2018. MBUSA will launch the voluntary recall when parts become available. An authorized Mercedes-Benz dealer will replace the front passenger-side airbag free of charge at that time. | | | |
| | · · · · · · · · · · · · · · · · · · · | Vehicles Affected | | |
| Vehicle Model | Year(s) | Model Years 2009 (Zone C only), 2010 (Zone B only) and 2013 (Zone A only) | | |
| Vehicle Model | | C-Class, E-Class (Coupe/Cabrio), GLK-Class, and SLS-Class | | |
| | | Vehicle Populations | | |
| Total Recall Po | opulation | 132,518 (Zone A: 103,518; Zone B: 24,310; Zone C: 4,339) | | |
| | | Dealer Notification (NCU) | | |
| Documentation pertaining to this recall will be received by dealers on: | | Friday, January 19, 2018 | | |
| | | Next Steps/Notes | | |
| AOMS/SOMS | This recall may initiate questions from sustamore and the Media. Please oncure your dealers have read and | | | |
| Parts availability has not yet been confirmed. Daimler AG is working closely with Takata, NHTSA and other suppliers to finalize the recall remedy plan. An interim owner letter will be mailed in Q1 2018 to notify customers of the pending recall. Once parts are available, the final customer notification letters will be mailed starting one week after the recall launch. This notification may prompt questions. Please see attached Info/FAQ's for more information. Recall information for customers: Mercedes-Benz specific recall-related information: www.mbusa.com/mercedes/recall Mercedes-Benz Customer Assistance Center: 877-496-3691 Industry-wide Takata information: www.nhtsa.gov/recall-spotlight/takata-air-bags | | | | |
| While we regret any inconvenience this may cause, MBUSA is determined to maintain a high level of vehicle | | | | |
| quality and customer satisfaction. | | | | |
| Please refer all customer inquiries to the Customer Assistance Center at 1-800-FOR-MERCEDES. | | | | |



General Information – INTERNAL USE ONLY. DO NOT DISTRIBUTE

- Ensure that every dealership associate is aware of the Takata recall, the Dealer Resource Package, and that customer-facing associates provide transparent information to customers.
- Refer to VMI in NetStar to determine which units in your inventory are affected by this safety recall. All vehicles with affected passenger-side airbags are flagged, and are titled "PC PSAB" or "PSAB Phase 3" with a status of "Pending".
- Run a VMI check on all vehicles brought into your Service department to determine if they are affected by any recall.
- Always act with the principles of Customer Experience in mind. •
- We have updated the www.mbusa.com/recall website to provide airbag part availability based on current registered State, Model Year, and Model. This will allow customers and dealers to look up general airbag replacement part availability independent of VIN. The output table below on the right will display which airbags are affected, and when the replacement airbag(s) will be available. Visit the website and select the respective information from the dropdown tables to see the airbag availability date. (See Part Availability Tool pictures below)

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Takata Replacement Airbag Availability

| | ing the options below. Only Takata-affected vehicl nformation, please use the VIN Lookup Tool above FL | | | Airbag Availability for: 2012 GLK-Class, FL | | FL | |
|-------------------------------------|--|-------------------------------------|----------|---|--------------------------|--|--|
| Note: If you cannot find you | ır Make/Model/Model Year, your model is not ir | volved in the Takata Recall. | | | Affected Airbag Position | Estimated Part Availability Date | |
| Model Year: | 2012 💌 | | | | Driver's Side | June 2018 | |
| Model: | GLK-Class |] | y | | Passenger's Side | June 2018 | |
| *Please note that vahicles included | Check Recall Status | uns according to the state in which | | | | rized Mercedes-Benz dealership for your w and schedule and appointment for your | |

the vehicle is registered. A change in state registration may affect the vehicle's inclusion in a priority group.

MY13, MY10, MY09 vehicles in certain Zones are being added (see defined Zones on the following page).



RECALL CAMPAIGN UPDATE



FAQ's - INTERNAL USE ONLY. DO NOT DISTRIBUTE

Is this recall comparable to similar recalls being conducted by other Manufacturers?

Yes. This expanded recall campaign involves the Takata PSPI-2 or SPI (passenger-side) inflators.

What is the Inflator?

The inflator is a device contained within the airbag assembly. It contains solid propellant wafers that are ignited in the event airbag deployment is necessary. When ignited, the wafers combust and create an inert gas that inflates the airbag.

What other brands of airbags are installed in Mercedes-Benz vehicles?

Various suppliers are used, and the driver-side airbag modules with integral inflators are generally specific to each model or model line. Other suppliers include Autoliv and TRW.

My SRS lamp is on now; will the dealer repair my car with the same affected part?

An illuminated SRS lamp can be caused by numerous components or even low battery voltage. An authorized Mercedes-Benz dealer is best suited to diagnose and repair your vehicle as soon as possible if the SRS light is illuminated.

If a customer requests it, can the driver or passenger airbag be disabled?

No. Federal Regulations prohibit airbag disablement. Also, as a leader in the safety field, we believe that the driver and passengers are always safer with the protection of the airbag when a collision event warrants a deployment. The airbag



is designed to supplement the seatbelt and other restraint components. For these reasons, we will not authorize dealers to disable airbags.

Can I get a loaner vehicle or alternate transportation until the parts are ready?

This recall was launched as a precautionary measure and there is no reason to stop driving your vehicle.

I'm willing to stay in my car, but what is Mercedes-Benz going to do for me given this inconvenience?

We will attempt to minimize any inconvenience and will inform the vehicle owners when parts are available. Please understand that this issue affects the entire automobile industry and is not simply a specific Mercedes-Benz issue.

I demand that another type of airbag brand (not Takata) is installed in my car. Will you do this?

Each Airbag needs to meet strict US crash and safety design requirements. Each Airbag design must be certified for the application. Therefore, it is not a simple change of supplier. We do not have other suppliers producing inflators to replace affected Takata-supplied PSDI-5, PSPI-2 and SDI inflators.

Where can a customer have the recall work completed?

Interim letters will be mailed in Q1 2018, notifying owners of status, and a second letter will be mailed when parts are available. With the receipt of the second letter, our customers will be asked to contact their local authorized Mercedes-Benz dealership to arrange for an appointment to complete the repair.

Do I have to wait for a recall repair letter before I can have my vehicle fixed for this recall?

Yes. We are in the process of obtaining the necessary parts to launch the recall. Once they are available, you will be sent a second letter asking you to schedule an appointment with your authorized Mercedes-Benz dealer to perform the repair.

Do I need my owner letter to have the remedy performed?

No, you do not need the owner letter to have this recall completed.

How does a customer know whether their vehicle is affected by the recall?

Any customers who are potentially affected will be mailed an interim letter. Customers can always check if their vehicle is affected by entering their VIN into the following site: <u>http://www.mbusa.com/mercedes/recall</u>

I'm in the military overseas with vehicle. If my car is affected by this recall, how do I get it taken care of?

Overseas military personnel will receive notices like U.S. customers, and they will be similarly directed when to schedule the remedy service with their authorized Mercedes-Benz dealer.

How does Mercedes-Benz obtain my mailing address?

Mercedes-Benz utilizes the services of an industry provider who obtains mailing information for Recalls based upon each state's Department of Motor Vehicles (DMV) registration or title information for the vehicle. It is important to keep both your registration and title ownership and address information updated with your corresponding state's DMV and dealer. If you lease your vehicle, the lessor appears as the owner of your vehicle, and will receive the Recall notification. To comply with Federal Regulations, it is the responsibility of the lessor to forward a copy of the notice to the lessee within 10 days of receipt.



How will the repair be communicated to MB customers in the US?

When an adequate inventory of replacement parts becomes available, a second owner notification letter will be mailed to owners of registered vehicles in high risk areas, i.e., oldest affected vehicles in high absolute humidity areas. As replacement part supply increases, the owners of remaining affected vehicles will be notified.

When will parts be available?

Daimler AG, the manufacturer of Mercedes-Benz vehicles, is working with Takata and NHTSA, within the guidelines of the NHTSA Coordinated Remedy Program to secure parts for the recall repair. At this point we do not have information regarding when those parts will become available.

Why has this recall been announced when dealers are not yet able to perform the repairs?

Once a determination of safety defect or noncompliance is made, Federal Regulation requires auto manufacturers to notify the government promptly—regardless of parts availability.

Are there any vehicle symptoms that would indicate I should stop driving the car or take to a dealer?

No. There is no symptom that would indicate if your vehicle has an air bag inflator that is potentially at risk of rupturing during deployment in a crash.

Do I need to drive differently until my vehicle is repaired?

No. Continue to drive with your seatbelt fastened and properly seated.

Are there concerns with other airbags in the vehicle?

No. This condition only applies to the driver and/or front passenger airbag inflator (check your VIN on <u>www.mbusa.com/mercedes/recall</u>). Other Takata airbags in the vehicle are not affected by this condition.

What makes Mercedes-Benz airbags safer than other affected Takata airbags?

There have been no incidences of an airbag rupture in any Mercedes-Benz vehicles.

I spend my winters in south Florida and have done so for the past 10 years, but my car is registered in a northern state. Why shouldn't my car have a higher priority?

The data collected and examined by NHTSA demonstrates that long-term exposure to combined high heat and humidity creates the risk that a Takata inflator is likely to rupture. A vehicle that "winters" in a hot and humid location is not subjected to the same sustained periods of heat and humidity as a vehicle that has been driven in these conditions year-round for a prolonged period.

What is the expected impact or risks related to this issue?

In a crash where the air bag system deploys, the air bag inflator housing may rupture. In the event of an inflator rupture, metal fragments could pass through the air bag material, which may result in injury or death to vehicle occupants. To date, we are not aware of any instances of ruptured inflators in Mercedes-Benz vehicles.

What types of repairs or replacements are needed?

Authorized Mercedes-Benz Dealerships will replace the affected driver-side and/or passenger-side airbag on the affected vehicles when parts become available.



How long does this replacement take?

Replacement is estimated to take up to about an hour (driver-side), and up to three hours for the passenger-side airbag, depending on the model.

Why are other models not included?

Other models are not included because this recall pertains specifically to vehicles equipped with the Takata PSDI-5 or SDI, and PSPI-2 and SPI inflators.

When did Daimler become aware of this potential issue? How long has Daimler been aware of this issue?

Daimler was informed that Takata submitted a "Defect Information Report" to NHTSA on January 25, 2016, reporting a potential safety defect on SDI and PSDI-5 airbag inflators. On May 16, 2016, Takata submitted an additional "Defect Information Report" (DIR) to NHTSA that included PSPI-2 passenger-side airbag inflators. On January 3, 2017, Takata submitted another DIR that included additional PSPI-2 passenger airbag inflators. On January 2, 2018, Takata submitted another DIR that included additional PSPI-2 passenger airbag inflators. We are not aware of any cases with the failure mode reported by Takata on SDI, PSDI-5, SPI, or PSPI-2 airbag inflators in any of our vehicles.

What costs will be incurred by the customer?

When replacement parts become available, the airbag replacement will be conducted free of charge to customers.

Can I continue to drive my vehicle?

Yes. Daimler is not aware of a ruptured inflator in any of its vehicles associated with this recall. However, when you receive a letter asking you to have this service performed by an authorized Mercedes-Benz dealer, please do so as soon as possible. If you are not the only driver of this vehicle, please advise all other drivers of this important information.

Why are only certain vehicles affected within a specific production range?

The affected vehicles were identified based on the "Defect Information Report" submitted by Takata.

How does this recall differ from previous airbag recalls from other OEM's? If there isn't a difference, why is the recall only happening now?

The recalls until this point affected different Takata inflators. For more information on the Takata industry wide situation, please visit this site: <u>http://www.safercar.gov/rs/takata/index.html</u>

Are loaner cars available to owners of recalled cars who are waiting for parts?

No. Since we haven't had any instances of this occurring in our vehicles and are doing the recall in an abundance of caution, there is no reason to offer a loaner vehicle.



What specific models are impacted for the passenger-side airbag?

Included are various 2009 -2013 Mercedes-Benz models including C-Class, E-Class Coupe and Cabrio, GLK-Class, and SLS.

Which Models and MY's are affected in the Phase 3 passenger-side airbag recall?

See vehicle chart below. However, please remember to always check VMI!

| Model | Zone A | Zone B | Zone C |
|-----------------------|--------|--------|--------|
| C250 | 2013 | | |
| C250 COUPE | 2013 | | |
| C300 | | 2010 | 2009 |
| C300 4MATIC | 2013 | 2010 | 2009 |
| C350 | 2013 | | 2009 |
| C350 4MATIC COUPE | 2013 | | |
| C350 COUPE | 2013 | | |
| C63 AMG | 2013 | 2010 | 2009 |
| C63 AMG COUPE | 2013 | | |
| E350 4MATIC COUPE | 2013 | | |
| E350 CABRIO | 2013 | | |
| E350 COUPE | 2013 | 2010 | |
| E550 CABRIO | 2013 | | |
| E550 COUPE | 2013 | 2010 | |
| GLK350 4MATIC | 2013 | 2010 | |
| GLK250 BlueTec 4MATIC | 2013 | | |
| GLK350 RWD | 2013 | 2010 | |
| SLS AMG CABRIO | 2013 | | |
| SLS AMG COUPE | 2013 | | |

Why are other Mercedes-Benz models not included?

Only vehicles equipped with the Takata PSPI-2 or SPI inflator are included.

Have there been any reported injuries from faulty airbags in Mercedes-Benz vehicles?

We are not aware of <u>any</u> incidences with the affected inflators in Mercedes-Benz or Freightliner vehicles.

Can you guarantee me the airbag will not deploy inadvertently?

The issue with the recalled Takata PSPI-2 and SPI inflators does not result in inadvertent airbag deployments. Rather, the issue concerns the potential for a rupture during deployment. Visit your authorized Mercedes-Benz dealer if your vehicle's SRS light is illuminated. Please remember too that a properly functioning airbag system is designed to supplement, not replace, the seatbelt in protecting occupants in a crash.

What injuries can I expect if the airbag deploys?

For the affected Takata PSPI-2 and SPI inflators only, in a crash in which an air bag deployment is necessary, the air bag inflator housing may rupture. In the event of an inflator rupture, metal fragments could pass through the air bag material, which may result in injury or death to vehicle occupants. To date, we are not aware of any instances of ruptured inflators in Mercedes-Benz vehicles.