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Subject: S&P Global Summary Letter for Volvo Car USA NHTSA Airbag Recall Campaign 21V766.

S&P Global is pleased to provide a review and recommendation letter for the provided VIN sample. This impact analysis includes Canadian registration, exported, scrapped, stolen, undeliverable, and other reporting. This impact analysis is in support of a special project to report out of transit activity for this Volvo recall campaign.

The document includes the following:

- S&P Global Overview
- Total Removal Category Description
- Analysis Results

S&P Global Overview

Since the enactment of the National Traffic and Motor Vehicle Safety Act in 1966, S&P Global has been the market leader in providing recall services for the automotive industry. S&P Global also provides varying levels of Enhanced Recall Services to more than half of the OEMs in the industry. Built on a foundation of the industry's most comprehensive vehicle owner data (including state title and registration records from all 50 States, Washington D.C. and Puerto Rico), the S&P Full Service Recall solution offers superior capability to identify and engage owners of recalled vehicles via traditional (print/mail/phone) and digital (email) channels and identify vehicle status for NHTSA quarterly reporting. Our Full Service Recall Solution incorporates many of our proprietary S&P Global processes, collaborating with our clients to maximize completion rates through the utilization of detailed vehicle status reporting as well as targeted multichannel fulfillment and measurement.

In addition to robust vehicle history and ownership information as well as vast automotive-based models and vehicle attribute detail, it is the way S&P Global collects, compiles and processes data that differentiates S&P Global products and services. The combination of S&P Global's unique data inputs, innovative solutions and experience allows us to effectively identify an owner's location and a vehicle's status for superior market reporting and service campaign execution down to the household and individual driver levels. This becomes critical for ensuring that customers are reached in a timely fashion for programs such as recall notifications.

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S&P Global has daily touch points with OEM manufacturers and dealers, automotive aftermarket companies, insurance companies, captive and non-captive finance companies, media companies, advertising agencies, consulting organizations, state and federal governments and their agencies and market research firms. S&P Global understands the complexities of the automotive industry like no other company and works with virtually every OEM vehicle manufacturer in a number of capacities.

Providing on-going notification tracking, Full Service Recall creates and maintains an enhanced, 10-year audit trail that includes all of the documentation associated with each campaign. The job audit file contains all of the data elements associated with each individual VIN included in a campaign and provides the detail necessary to define why a particular owner name/address was selected for the recall campaign as well as any additional detail associated with the VIN.

This level of detail includes such items as Branded Title codes, export coding, mailability indicators, transaction dates, expired registration indicators, lease/lien indicators, and the dealer codes. This audit trail ensures that all relevant information needed to address any questions related to a recall campaign is available. Maintaining the 10-year audit trail will both protect and assist the OEM in the event of legal action or government inquiries.

Total Removal Category Description

To meet the objective of identifying vehicles believed to be “off-the-road” or no longer in operation within the U.S., S&P Global provides services to identify exported, stolen, scrapped, and undeliverable records, as well as vehicles that meet the specific criteria defined in the Amendment to the Coordinated Remedy Order (ACRO). The available options include the following:

- **Exported.** The Export Indicator assists in identifying vehicles that have been exported out of the country. The Export Indicator can also be used to identify the current location of the vehicle as country and exportation date can also be appended to the recall output file during recall processing. The Import Indicator including date is also applied.

S&P Global uses the leading sources of export/import data in this process. All major carriers use the vendor’s data to verify their own shipments. In addition, S&P Global also accesses Canadian registration data during the recall process to determine if the vehicle is currently registered in Canada to further assist in identifying vehicles no longer registered in the U.S.

- **Stolen.** The Active Stolen indicator identifies vehicles that have been reported to the State DMV as Stolen and have not been reported as being Recovered Stolen to date. The Recovered Stolen indicator is also applied to identify recovered vehicles.
- **Scrapped.** Append of S&P Global’s Branded-Destroyed coding. Since identifying a vehicle as ever having been branded as Dismantled, Junk, or Salvage does not guarantee that the vehicle has not been rebuilt and returned to the road, S&P Global developed the Branded-Destroyed Indicator to provide another level of certainty that the “scrapped” vehicle has not been rebuilt or reconstructed by analyzing all of the Branded Title codes assigned to the vehicle. This information can also be appended during standard recall processing.
- **ACRO Criteria.** The CRO advised that OEMs can use the “Other” category in their efforts to identify vehicles no longer in operation in the U.S. The defined criteria are as follows:
 - a) ALL vehicles in the particular recall campaign are at least five years of age measured from their production dates; and

- b) a vehicle has not been registered in any state or territory, or has held an expired registration, for at least three continuous years; and
- c) at least one alternative, nationally recognized data source corroborates the vehicle is no longer in service. Examples of such data sources include: records from the National Motor Vehicle Title Information Service (NMVTIS); a license plate recognition data source; and a vehicle history report reflecting a lack of activity for at least three years (e.g., no repair or maintenance history, no transfer of title or purchase records, etc.). In utilizing this provision, a vehicle manufacturer shall not ignore information in its possession that indicates that the vehicle remains in service.

Affected Vehicle Manufacturers may remove from recall outreach efforts the vehicles counted in the “other” category pursuant to the procedure set forth in the preceding paragraph. This includes re-notifications.

To identify records meeting these three conditions, S&P Global works with the OEM to identify campaigns with vehicles that are at least 5 years of age and run them through a process to identify those that have not been registered for at least 3 continuous years. After identifying those vehicles that meet conditions a) and b) above, S&P Global can then validate these records using CARFAX vehicle history data to confirm they meet the criteria defined in the CRO. CARFAX data includes service, inspection, title, Canadian, export/import, and other data sources. Use of vehicle history data is preferred given its high coverage (99.21% match rate) as well as limitations with the other solutions.

S&P Global has processed the defined recalled vehicle population through the process defined above and has identified vehicles that meet a minimum of one of the categorized conditions defined above for Total Removal classification.

Analysis Results

S&P Global received and processed a set of **225,798** vehicles for Volvo Car USA NHTSA Airbag Recall Campaign 21V766.

The Total Removal classification results are as follows:

Total Removed:	145,106
Scrapped:	73,989
Exported:	3,162
Stolen:	587
ACRO:	67,368

Sincerely,

Ann Allstrom
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S&P Global Mobility