

**UNITED STATES DEPARTMENT OF TRANSPORTATION  
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**

1200 New Jersey Avenue, SE  
West Building, W41-326  
Washington, DC 20590

<b>In re:</b>	)
	)
EA15-001	)
(formerly PE14-016)	)
Air Bag Inflator Rupture	)
	)
	)
Docket No. NHTSA-2015-0055	)
Coordinated Remedy Program	)
	)

**SECOND AMENDMENT TO NOVEMBER 3, 2015  
COORDINATED REMEDY ORDER**

This Second Amendment to the November 3, 2015 Coordinated Remedy Order (the “Amendment”) is issued pursuant to the authority of the National Highway Traffic Safety Administration (“NHTSA”, an operating administration of the U.S. Department of Transportation), to resolve, mitigate, and control risks of harm, and to promote safety. This Amendment is being issued, pursuant to Paragraph 48 of the November 3, 2015 Coordinated Remedy Order, for the purpose of modifying the remedy schedules set forth therein, but only to the extent that those schedules involve the remedy programs for: (1) SPI air bag inflators manufactured by TK Holdings Inc. (“Takata”), which are installed in motor vehicles manufactured by General Motors LLC (“GM”), and which are covered by Recall No. 15V-324; (2) SPI air bag inflators manufactured by Takata, which are installed in certain Mercedes-Benz and Freightliner Sprinter vehicles, which are covered by Recall No. 15V-354; and (3) PSDI-4 inflators manufactured by Takata, which are installed in certain motor vehicles manufactured by Ford Motor Co. (“Ford”), and which are covered by Recall No. 15V-319.

**I. BASIS FOR AMENDMENT.**

1. On November 3, 2015, after a public administrative proceeding, NHTSA issued a unilateral Coordinated Remedy Order to Takata, GM, Daimler Vans US LLC (“Daimler Vans”), Ford, and nine other vehicle manufacturers affected by the Takata air bag inflator recalls. Therein, the Agency established a prioritization schedule for the remedy of defective Takata inflators, and set forth the following deadlines by which each of those vehicle manufacturers shall ensure that it has a sufficient supply of remedy parts:

<b>Priority Group</b>	<b>Sufficient Supply Timelines</b>
Priority Group 1	March 31, 2016
Priority Group 2	September 30, 2016
Priority Group 3	December 31, 2016

*See* Coordinated Remedy Order at ¶ 39.

2. On or about May 19, 2016, GM notified NHTSA that it was encountering difficulty in its effort to validate an alternative remedy part for Recall No. 15V-324, and that it might not meet the sufficient supply deadlines for Priority Groups 2 and 3.<sup>1</sup> Over the next several months, GM and NHTSA had regular discussions about the status of the alternative remedy part.

3. On September 16, 2016, GM informed NHTSA that it would be unable to comply with the sufficient supply deadlines in the Coordinated Remedy Order for Priority Groups 2 and 3. *See* Exhibit A. GM therefore requested a three-month extension of time in which to comply with the remaining deadlines specified in Paragraph 39 of the Coordinated Remedy Order. GM’s request is limited to vehicles equipped with SPI passenger inflators that are covered by Recall No. 15V-324.

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<sup>1</sup> There were no Priority Group 1 vehicles included in Recall No. 15V-324. *See* Coordinated Remedy Order at Annex A.

4. On or about August 29, 2016, Daimler Vans first notified NHTSA that it might not be able to meet the sufficient supply deadline for Priority Group 2, given the timeframe on which quantities of replacement inflators would be available from Takata.

5. On September 22, 2016, Daimler Vans informed NHTSA that replacement inflators became available (and were ordered) beginning on September 8, 2016, with additional orders continuing in the subsequent weeks. *See Exhibit B.* However, on this schedule, and with the added delivery time of twelve to fourteen days from Daimler AG's Parts Center in Germany to the U.S. Parts Center, Daimler Vans will not have accumulated sufficient quantities of parts to launch the recall until October 14, 2016. Accordingly, Daimler Vans requested a two-week extension of time in which to comply with the deadline for Priority Group 2, as specified in Paragraph 39 of the Coordinated Remedy Order.

6. On or about September 14, 2016, Ford first notified NHTSA that it had encountered a non-inflator-related manufacturing issue that may result in a brief delay in the availability of Ford's alternative remedy part for Recall No. 15V-319.

7. On September 27, 2016, Ford informed NHTSA that it would, in fact, be unable to comply with the sufficient supply deadline in the Coordinated Remedy Order for Priority Group 2, for the reason described in Paragraph 4. *See Exhibit C.* Ford requested a one-month extension of time in which to comply with the deadline for Priority Group 2, as specified in Paragraph 39 of the Coordinated Remedy Order. Ford's request is limited to certain model year 2013 and 2014 Mustang vehicles equipped with PSDI-4 driver inflators that are covered by Recall No. 15V-319.

8. Paragraph 48 of the Coordinated Remedy Order permits NHTSA to unilaterally modify or amend the provisions of the order to, among other things, "account for and timely



respond to newly obtained facts, scientific data, changed circumstances, and/or other relevant information that may become available . . .” Examples of such anticipated modifications and amendments include “allowing for reasonable extensions of time for the timelines contained in Paragraph[] 39.” See Coordinated Remedy Order at ¶ 48.

9. NHTSA issues this Amendment pursuant Paragraph 48 of the November 3, 2015 Coordinated Remedy Order; and its authority under the Safety Act, 49 U.S.C. § 30101, *et seq.*, as delegated by the Secretary of Transportation, 49 C.F.R. § 1.95, to ensure that defective vehicles and equipment are recalled, 49 U.S.C. §§ 30118-30119, to ensure the adequacy of recalls, 49 U.S.C. § 30120(c), to exercise NHTSA’s inherent enforcement discretion, and to compromise civil penalty liability, 49 U.S.C. § 30165(b). It is hereby ORDERED by NHTSA as follows:

**II. TERMS AND CONDITIONS OF AMENDMENT.**

10. **Only as to GM vehicles that are equipped with SPI passenger air bag inflators manufactured by Takata and that are covered by Recall No. 15V-324**, the schedule set forth in Paragraph 39 of the Coordinated Remedy Order is extended by three months as follows:

<b>Priority Group</b>	<b>Sufficient Supply Timelines</b>
Priority Group 2	December 31, 2016
Priority Group 3	March 31, 2017

11. **Only as to Mercedes-Benz Sprinter and Freightliner Sprinter vehicles that are equipped with SPI passenger air bag inflators manufactured by Takata and that are covered by Recall No. 15V-354**, the schedule set forth in Paragraph 39 of the Coordinated Remedy Order is extended by two weeks as follows:

<b>Priority Group</b>	<b>Sufficient Supply Timelines</b>
Priority Group 2	October 14, 2016

12. **Only as to model year 2013 and 2014 Ford Mustang vehicles that are equipped with PSDI-4 driver air bag inflators manufactured by Takata and that are covered by Recall No. 15V-319**, the schedule set forth in Paragraph 39 of the Coordinated Remedy Order is extended by one month as follows:

<b>Priority Group</b>	<b>Sufficient Supply Timelines</b>
Priority Group 2	October 31, 2016

13. GM, Daimler Vans, and Ford shall use their best efforts to complete, to the extent possible, each milestone set forth in Paragraphs 10, 11, and 12 of this Amendment in advance of the extended deadline.

14. The deadlines for GM recalls that involve Takata air bag inflators other than the SPI passenger inflator covered by Recall No. 15V-324 remain unchanged. The deadlines for Daimler Vans recalls that involve Takata air bag inflators other than the SPI passenger inflator covered by Recall No. 15V-354 remain unchanged, as does the deadline for Priority Group 3 for Recall No. 15V-354. The deadlines for Ford recalls that involve Takata air bag inflators other than the PSDI-4 driver inflator covered by Recall No. 15V-319 remain unchanged, as does the deadline for Priority Group 3 for Recall No. 15V-319. The remedy programs for all other recalls remain subject to the sufficient supply deadlines set forth in Paragraph 39 of the Coordinated Remedy Order.

15. All other provisions of the November 3, 2015 Coordinated Remedy Order remain in full effect and are applicable to this Amendment.

IT IS SO ORDERED:

Dated: September 29, 2016

By: //ORIGINAL SIGNED BY//  
Mark R. Rosekind, Ph.D.  
Administrator



GENERAL MOTORS LLC

Global Vehicle Safety

Exhibit A

September 16, 2016

Mr. Paul A. Hemmersbaugh, Esq.  
Chief Counsel  
National Highway Traffic Safety Administration  
NHTSA West Building W41-227  
1200 New Jersey Avenue, SE  
Washington, D.C. 20590

USG 4546

Docket No. NHTSA 2015-055  
Coordinated Remedy Order

**Re: Request for Short Extension of Coordinated Remedy Order Deadline for 15V-324**

Dear Mr. Hemmersbaugh:

This letter requests a short extension to the requirements of the Coordinated Remedy Order (“CRO”) specified in Paragraph 39, in order to launch repairs with a new desiccated inflator. This request relates to vehicles recalled under 15V-324 which consists of both Priority 2 and Priority 3 vehicles.

Paragraph 39 of the CRO specifies the date a sufficient supply of remedy parts shall be available based on Priority groups. Over the last several months, GM has kept NHTSA informed of its’ progress and challenges encountered in validating a desiccated version of the SPI inflator as a remedy for 15V-324. GM is continuing validation work but a sufficient supply of parts will not be available prior to the deadlines specified in Paragraph 39 for Priority 2 and Priority 3 vehicles. GM expects to have a sufficient supply of desiccated SPI inflators to launch Recall 15V-324 for Priority 2 vehicles by December 31, 2016 and for Priority 3 vehicles by March 31, 2017.

GM, therefore, requests a short extension to the Paragraph 39 requirements of the CRO in order to launch repairs with a desiccated inflator for all vehicles covered under 15V-324.

Please direct all inquiries and responses to this request to: Michael G Fici, General Motors LLC, Vehicle Engineering Center, 30001 Van Dyke, Warren, MI 48093.

Sincerely,

Brian Latouf, Executive Director  
Global Safety and Field Investigation  
Regulation and Certification

cc: Ms. Elizabeth H. Mykytiuk, Esq.  
Ms. Lucy Clark Dougherty, Esq.  
Mr. Scott Yon





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September 22, 2016

Mr. Paul A. Hemmersbaugh  
Chief Counsel  
National Highway Traffic Safety Administration  
(NCC-111), Room W41-227  
1200 New Jersey Avenue, SE  
West Building  
Washington, DC 20590

**RE: Docket No. NHTSA-2015-0055 – Daimler Vans Request for Extension of Takata Coordinated Remedy Program Sufficient Supply Deadline**

Dear Mr. Hemmersbaugh:

On behalf of our client, Daimler Vans, this letter requests an extension of time in which to comply with the sufficient supply timeline for Priority Group 2 vehicles contained in Paragraph 39 of the Takata Coordinated Remedy Order (CRO).

Based on the Takata inflator production schedule for Daimler AG (DAG), for efficiency and alignment between the Priority Grouping of the original CRO and the DIR Phases, Daimler Vans consolidated plans between these two recalls (DIR 0 and DIR 1) so a launch was possible starting Q4 of 2016 for both. This plan was originally shared with NHTSA at our June 22, 2016, meeting.

This phase of the Daimler Vans recall includes 6262 Mercedes-Benz Sprinter vehicles in Zone A, 469 Mercedes-Benz Sprinter vehicles in Zone B, and 2 Mercedes-Benz Sprinter vehicles in Zone C. Further, there are 5749 Freightliner Sprinter vehicles in Zone A, 2631 Freightliner Sprinter vehicles in Zone B, and 4 Freightliner Sprinter vehicles in Zone C. A total of 15,117 vehicles (6733 Mercedes-Benz Sprinters and 8384 Freightliner Sprinters) are involved in the DIR 1 phase of the recall. Of this total population, the Priority Group 2 population is as follows: there are 2954 Mercedes-Benz Sprinter vehicles in Zone A, 469 Mercedes-Benz Sprinter vehicles in Zone B, 2 Mercedes-Benz Sprinter vehicles in Zone C, as well as 1733 Freightliner Sprinter vehicles in Zone A, 2631 Freightliner Sprinter vehicles in Zone B, and 4 Freightliner Sprinter vehicles in Zone C.

Daimler Vans had a reasonable plan in place to procure a sufficient quantity of Takata SPI-D desiccated inflators to launch this recall. Daimler Vans normally launches a recall with thirty percent of the replacement parts available to dealers. In this case, a sufficient quantity of inflators was ordered to meet the thirty percent threshold as soon as inflator quantities were available from Takata to DAG. The first available quantities were ordered from DAG on September 8, 2016, with multiple subsequent orders continuing in the following weeks.

Mr. Paul A. Hemmersbaugh  
September 22, 2016  
Page 2

The normal delivery time via airfreight from when parts leave the DAG Parts Center in Germany to when they arrive at the US Parts Center is 12 – 14 days. Allocation to dealers takes another 2 – 4 days. Sufficient quantities (thirty percent) of parts will be accumulated by the week of October 10, 2016, then allocated to dealers so the launch can commence on October 14, 2016. Daimler Vans therefore expects to be able to launch the combined Priority Group 2 and DIR 1 recall to the dealers on October 14, 2016.

Daimler Vans respectfully requests an extension of time in which to comply with the September 30, 2016 deadline specified for Priority Group 2 in Paragraph 39 of the CRO. Daimler Vans is combining the Priority Group 2 recall with the later-required DIR 1 recall in order to streamline the recall process and improve recall efficiency. Daimler Vans proposes that its deadline for acquiring a sufficient supply of remedy parts for Priority Group 2 be extended to October 14, 2016.

Thank you for your consideration of this request. Please let us know if you need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Latane Montague". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

R. Latane Montague

Cc: Elizabeth Mykytiuk, Esq.  
R. Thomas Brunner  
Michael D. Scott





W. E. Bahr, Director  
Automotive Safety Office  
Sustainability, Environment & Safety Engineering

Fairlane Plaza South, Suite 400  
330 Town Center Drive  
Dearborn, MI 48126-2738

September 27, 2016

Mr. Greg Rea, Associate Administrator for Enforcement  
National Highway Traffic Safety Administration  
1200 New Jersey Avenue SE  
Washington, DC 20590

Dear Mr. Rea:

Subject: Docket No. NHTSA-2015-0055 Coordinated Remedy Program Proceeding

Ford Motor Company submits this letter to NHTSA at the agency's request following a telephone discussion on September 14, 2016.


Paragraph 39 of the subject Coordinated Remedy Order dated November 3, 2015, provides dates when a sufficient supply of remedy parts are to be available for the various vehicle Priority Groups. Among the vehicles in Priority Group 2 are certain 2013 and 2014 model year Ford Mustang vehicles in the HAH region included in safety recall 15S21/15V319 for the driver side PSDI-4 inflators. You may be aware that earlier model year Mustang vehicles in the same recall have a different remedy and have sufficient parts available.

A non-inflator related manufacturing issue resulted in an unanticipated delay in the first shipment of parts to Ford, resulting in a subsequent delay in the availability of service modules. As a result, the launching of the 2013 and 2014 model year Mustang vehicle service program in the HAH region will likely be delayed by two to four weeks.

Ford expects to have sufficient parts available to launch the program for the Group 2 vehicles by October 31, 2016.

If you have any questions concerning this letter, please feel free to contact me.

Sincerely,

  
for W. E. Bahr