

TO: 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 4 Passenger-side Airbag Expanded Model Years 2010 – 2017 Models 204, X204, 207, 197 (C-Class, GLK-Class, E-Class Coupe and Cabriolet, SLS-Class)	DATE: January 18, 2019

IMPORTANT TAKATA RECALL INFORMATION UPDATE

A new Defect Information Report (DIR) was filed by MBUSA with the National Highway Traffic Safety Administration (NHTSA) as required under the 5th Amended Coordinated Remedy Order (ACRO), on January 9, 2019, for Takata Recall Phase 4 to include the passenger-side airbag on 288,779 vehicles for Zone-specific MY10-17 C-Class, E-Class, GLK-Class, and SLS-Class vehicles. Phase 4 includes the final population of Mercedes-Benz passenger cars with Takata airbag inflators containing non-desiccated ammonium nitrate propellant. Please review the recall information below. Since remedy 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 in waves starting in February through the end of March 2019.

Based on the Model Years included in Phase 4, some vehicles may be in dealer inventory.

As part of the commitment to our safety philosophy and customer transparency, dealers are expected to take the necessary steps outlined in this NCU to disclose any pending Takata recalls to potential purchasers (both wholesale and retail). In addition, customers must be informed that remedy parts are not yet available, and the remedy has NOT been performed on pre-owned vehicles with a “Pending” flag in VMI.

What Dealers Need to do:

- Check VMI prior to the sale of any pre-owned vehicle. Complete any open recalls. Vehicles affected by the Takata recall are identified with a “Pending” status if parts are not yet available, and titled with any one or both of the following descriptors:

“Brief Description” in VMI for Pending Recalls	Reference – Affected Airbag
PEND TAK DASB	Driver-Side Airbag
PND TAK PSAB PHASE 1	Passenger-Side Airbag
PND TAK PSAB PHASE 2	Passenger-Side Airbag
PND TAK PSAB PHASE 3	Passenger-Side Airbag
PND TAK PSAB PHASE 4	Passenger-Side Airbag

- The attached “**Important Advisory**” page **MUST BE** placed inside the vehicle on the passenger-side dashboard on any pre-owned Mercedes-Benz passenger vehicle that has an affected Takata driver-side and/or passenger side airbag with a “Pending: flag **prior to being displayed for sale, or presented as available for sale to a customer.**
- Upon selling the vehicle, dealers must request that the customer sign the attached “Pre-Owned – Takata disclosure form” with a copy given to the purchaser, and a copy retained in the vehicle sales jacket.
- For dealers seeking indemnification from MBUSA in connection with the sale of a pre-owned vehicle with a(n) affected Takata airbag(s), MBUSA will **not** indemnify the selling dealer if the disclosure form is not properly completed and documented.

Recall information for customers:

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



Recall Campaign Initial Notification	January 18, 2019
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Campaign No. :	NHTSA ID	Campaign Desc. :	Takata Recall - Phase 4 Notification Passenger-side Airbag
2018010001	TBD	PND TAK PSAB Phase 4	

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 Traffic Safety Administration (NHTSA) on January 9, 2019, to include the passenger-side airbag for Zone-specific MY10-17 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 www.safercar.gov 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 2010-2017 Mercedes-Benz vehicles, under specific circumstances, the front passenger-side airbag inflator housing may 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.
What We're Doing	An interim customer letter will be mailed to customers with affected vehicles starting February 2019. 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.
Parts	Parts are currently <u>not</u> available. An additional notification will be communicated once the parts are available, and will be based on vehicle Priority Group.

Vehicles Affected

Vehicle Model Year(s)	Model Years 2014-17 (Zone A only), 2011-2017 (Zone B only) and 2010-2017 (Zone C only)
Vehicle Model	C-Class, E-Class (Coupe/Cabrio), GLK-Class, and SLS-Class

Vehicle Populations

Total Recall Population	288,779 (Zone A: 134,712; Zone B: 103,064; Zone C: 51,003)
Total Vehicles in Dealer Inventory	3,240 Vehicles

Next Steps/Notes

Customer Notification Timeline	Customer letters will be mailed in waves starting February 2019.
AOMS/SOMS	AOMs – This recall may generate questions from your dealers. Please forward this notice to your dealers ASAP.
Notes	<ul style="list-style-type: none"> • Parts availability has not yet been confirmed. Daimler AG is working closely with Takata, NHTSA and other suppliers to finalize the recall remedy plan. • This notification may prompt questions. Please see attached Info/FAQ's for more information. • Recall information for customers: <ul style="list-style-type: none"> • 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 with a status of “Pending” if parts are not yet available.
- 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)

Takata Replacement Airbag Availability

Please search for your vehicle using the options below. Only Takata-affected vehicles are listed. To check other recall information, please use the VIN Lookup Tool above.

Registration*:

Note: If you cannot find your Make/Model/Model Year, your model is not involved in the Takata Recall.

Model Year:

Model:

Check Recall Status



*Please note that vehicles included in this recall have been organized into priority groups according to the state in which the vehicle is registered. A change in state registration may affect the vehicle's inclusion in a priority group.

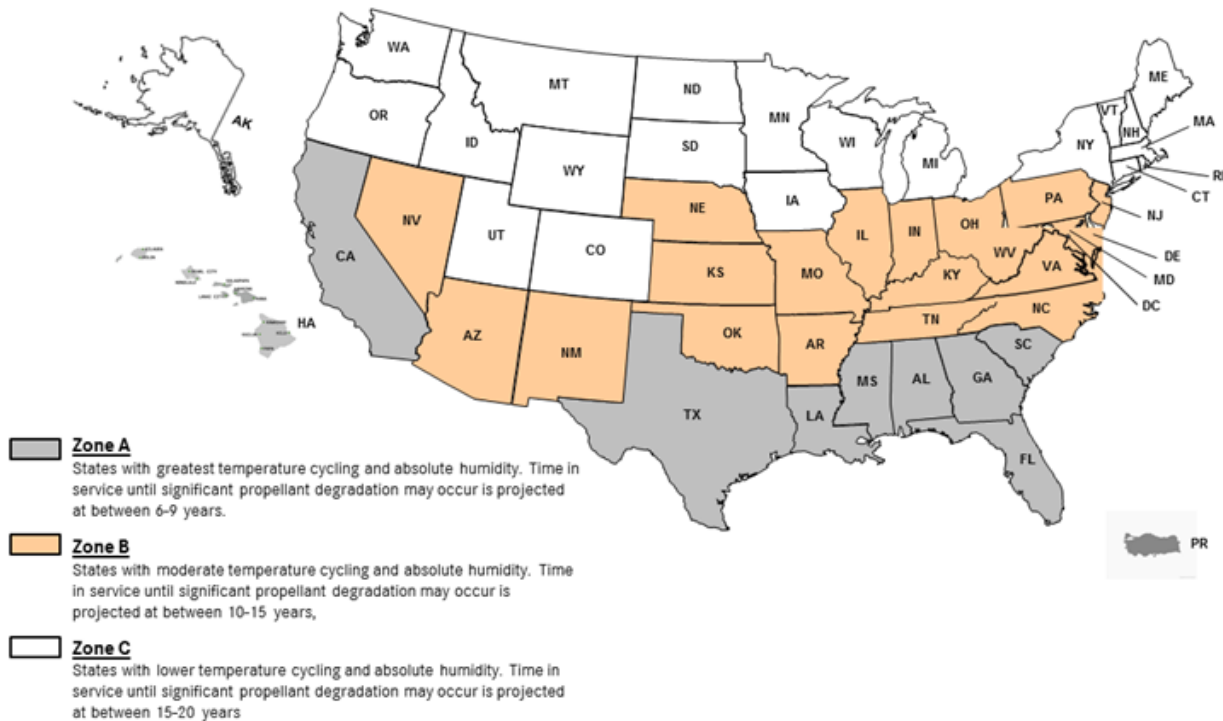
Airbag Availability for: 2012 GLK-Class, FL

Affected Airbag Position	Estimated Part Availability Date
Driver's Side	June 2018
Passenger's Side	June 2018

You will be notified when parts are available at an authorized Mercedes-Benz dealership for your vehicle. If parts are available, please use the dealer locator tool below and schedule and appointment for your **FREE** repair.

MY10-17 vehicles in certain Zones are being added (see defined Zones on page 3).





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 (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 and PSPI-2 inflators.

Where can a customer have the recall work completed?

Interim letters will be mailed in Q1 2019, 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: <http://www.mbusa.com/mercedes/recall>

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 exploding 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 www.mbusa.com/mercedes/recall). Other Takata airbags in the vehicle are not affected by this condition.

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

We are not aware of any confirmed field incidents with the subject Takata inflators 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 explode. 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 explode. In the event of an inflator explosion, 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 exploded 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?

The current estimate is 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, and PSPI-2 inflators.

How 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 PSDI-5 driver-side airbag inflators. Previously, Takata submitted additional Defect Information Report (DIRs) to NHTSA that included PSPI-2 passenger-side airbag inflators on May 16, 2016, January 3rd, 2017, and January 2, 2018. Takata submitted an additional Defect Information report on January 2nd, 2019 to NHTSA that included PSPI-2 passenger-side inflators. We are not aware of any confirmed field incidents with the subject Takata 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 an exploded 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: <http://www.safercar.gov/rs/takata/index.html>

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 2010 -2017 Mercedes-Benz models including C-Class, E-Class Coupe and Cabriolet, GLK-Class, and SLS.

Which Models and MY’s are affected in the Phase 4 passenger-side airbag recall?

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



Model	Zone A	Zone B	Zone C
C250	2014	2012-2014	2012-2014
C250 COUPE	2014-2015	2012-2015	2012-2015
C300		2011	2010-2011
C300 4MATIC	2014	2011-2014	2010-2014
C350	2014	2011-2014	2010-2014
C350 4MATIC COUPE	2014-2015	2012-2015	2012-2015
C350 COUPE	2014-2015	2012-2015	2012-2015
C63 AMG	2014	2011-2014	2010-2014
C63 AMG COUPE	2014-2015	2012-2015	2012-2015
E350 4MATIC COUPE	2014	2012-2014	2012-2014
E350 CABRIO	2014	2011-2014	2011-2014
E350 COUPE	2014	2011-2014	2010-2014
E400 4MATIC COUPE	2015-2017	2015-2016	2015-2016
E400 CABRIO	2015-2017	2015-2016	2015-2016
E400 COUPE	2015-2017	2015-2016	2015-2016
E550 CABRIO	2014-2017	2011-2016	2016-2017
E550 COUPE	2014-2016	2011-2016	2010-2016
GLK350 4MATIC	2014-2015	2011-2015	2010-2015
GLK250 BlueTec 4MATIC	2014-2015	2013-2015	2013-2015
GLK350 RWD	2014-2015	2011-2015	2010-2015
SLS AMG CABRIO	2014	2012-2014	2012-2014
SLS AMG COUPE	2014	2011-2014	2011-2014

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 any 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 an explosion 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 explode. In the event of an inflator explosion, 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 confirmed field incidences with the subject Takata inflators in Mercedes-Benz vehicles.



Pre-Owned – Takata Recall Disclosure Form

Takata Driver-side and/or Front Passenger-side Airbag Inflator
Mercedes-Benz USA, LLC

Pre-Owned Vehicles ONLY (NOT CPO vehicles)

This vehicle is included in a safety recall involving Takata driver-side and/or front passenger-side airbag inflators. At this time, **remedy parts are not yet available** and the remedy has **NOT** been performed.

I understand that the vehicle will need to be returned to an Authorized Mercedes-Benz dealership to have the remedy performed at **NO CHARGE** when the remedy is available.

Customer Signature: _____ Date: _____

Please have your dealer assist you in registering with **Mercedes me** at www.mbusa.com/mercedesme/index, and regularly check recall applicability using www.mbusa.com/recall to update your contact info, or www.safercar.gov for general Takata recall information. You will need to input your 17 digit Vehicle Identification Number (VIN).

VIN

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Dealer Information

Dealer Name: _____

Dealer Phone Number: _____ - _____ - _____

Address: _____

Dealer Representative: _____

Dealer Signature: _____

+++ Original to Customer, copy to vehicle sales jacket +++

IMPORTANT ADVISORY!!!

This vehicle is equipped with Takata-produced driver and/or front passenger airbag inflators.

It is currently included in a Takata airbag inflator recall and replacement airbags are not yet available. When the replacement airbags become available, Mercedes-Benz USA will contact the owner of this vehicle when this recall is launched to arrange for a replacement airbag at no charge. Owners should register the vehicle with Mercedes me at www.mbusa.com/mercedesme/index to update contact info.

Keep this Advisory with the vehicle's Operator's Manual until the recall has been completed

For more information about Takata recalls, please visit the NHTSA website (www.safercar.gov), or the Mercedes-Benz website (www.mbusa.com/recall).



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