

August 20, 2012

Communication No. **SVC1202**

To: CODA Dealer Principals, General Managers, Sales Managers, Service Managers, Parts Managers

From: CODA Service Operations

Subject: Recall Campaign, Roof Mounted Side Curtain Airbag

Affected vehicles: CODA, Model Year 2012, identified VINs to be released with campaign bulletin.

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. CODA Automotive, Inc. (CODA) has determined that a defect, which relates to motor vehicle safety, may exist on a certain number of vehicles and notified the National Highway Traffic Safety Administration (NHTSA) on August 17, 2012 of its intention to conduct a voluntary safety recall on an identified list of retail and dealer inventory vehicles.

CODA has decided to conduct this voluntary recall in order to inspect side curtain airbags for a potential improper installation and, if required, perform a corrective measure. In the event of a side impact that requires the deployment of a curtain airbag, an improperly installed curtain airbag may not deploy properly and thereby offer limited protection to the head of the occupant seated adjacent to the deployed curtain airbag. A correctly installed curtain airbag will deploy properly and offer the intended level of protection to the occupant.

CODA dealers will be asked to perform a recall action on identified VINs specified in a list of retail vehicles and inventory vehicles, at no cost to the owner, with full reimbursement through CODA warranty.

A Recall Bulletin will be published with complete inspection and repair instructions, the affected VINs, labor operation codes, and warranty reimbursement times. CODA will also publish a customer letter and notify dealers prior to the letter delivery. The campaign launch date will be on or about August 23, 2012. The owner notification will be sent out the week of August 27, 2012

This notice will be posted on the NHTSA website and it may generate questions by customers or media. Please refer all customer inquiries to the Customer Assistance Center at 855-GO4-CODA and media inquiries to Press@codaautomotive.com.

Please note that it is a violation of Federal law for a dealer to deliver a new vehicle covered by the recall under a sale or lease until the defect is remedied. Pending the release of the recall bulletin, dealers are advised to contact CODA TAC at 888-718-5046 prior to any retail deliveries or service returns to check for recall VIN inclusion. CODA TAC can provide the inspection procedure, which will take approximately 0.4 hours to perform.

Contact for Additional Information:

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