

**Statement of Scott G. Kunselman, Sr. Vice President
and Head of Vehicle Safety & Regulatory Compliance, FCA US LLC
to the Senate Committee on Commerce, Science and Transportation**

June 23, 2015

Chairman Thune, Ranking Member Nelson, Members of the Committee, thank you for the opportunity to appear today and provide an update on this important matter.

My name is Scott Kunselman and I am Senior Vice President and Head of Vehicle Safety and Regulatory Compliance at FCA US LLC. I lead an organization with a mission of safeguarding our customers, a mission we embrace with passion.

As you know, FCA's involvement with Takata airbags is extensive, proactive and ongoing.

Today's automobiles are among the most sophisticated and complex consumer goods on the market. Auto manufacturers are more committed than ever to developing advanced safety technologies to reduce fatalities and injuries resulting from motor vehicle crashes. On a daily basis, we work to design, engineer, and manufacture vehicles to withstand a myriad of operating conditions.

Promoting and ensuring vehicle safety is a responsibility shared by auto makers, suppliers, government and consumers. FCA looks forward to continuing this collective engagement with Takata and NHTSA to help address this critical situation relating to airbag inflators.

FCA has remained actively engaged with Takata and NHTSA since I spoke with this Committee last November. Much has transpired since that time. Through multiple recall campaign expansions, based on information from Takata and actions by NHTSA, FCA is now in the process of recalling 4.8 million inflators in 4.5 million vehicles in the United States.

We are also aggressively taking actions on multiple fronts to assist in determining the root cause of inflator ruptures, which remains unknown at this time. FCA is an active participant in the Independent Testing Coalition (ITC), a group consisting of the 11 affected automakers formed in December 2014 trying to independently determine the root cause of the inflator ruptures. In addition, FCA continues to return recalled inflators to Takata to further their research and understanding.

Despite the lack of a root cause determination to date, FCA's mission to identify and implement solutions that will improve the safety of our customers has not been delayed. Today, I am pleased to share with the Committee that as of June 8, 2015, FCA is replacing all driver side inflators involved in the recall with an alternate and permanent design provided by TRW. Customers who receive the TRW inflator replacement will require no further action on their vehicles. Takata inflators that are no longer needed due to the supply from TRW are being quarantined and returned from our dealers to Takata. All

of the approximately 50,000 customers who previously received a Takata inflator will be notified to return for the TRW update, as well.

In addition to these driver side efforts, FCA has been working with Takata to develop improved versions of the passenger inflator designs. These new versions will contain an improved igniter material, as well as a desiccant that will protect the propellant from moisture exposure. These designs will complete validation testing in August and FCA expects to begin installation in November of this year.

To date, FCA continues to be aware of a single incident of a high-pressure deployment involving a driver's-side air bag that caused a personal injury in one of our vehicles. Our actions demonstrate the abundance of caution we are employing to protect our customers.

In closing, I would like to reiterate our belief that promoting and ensuring vehicle safety is a responsibility shared by auto makers, suppliers, government, and consumers. FCA will continue to work collaboratively with Takata, NHTSA and others to aggressively address this matter.

I once again extend my thanks to the Committee for discussing this important issue and I would be pleased to answer any questions.