U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue SE.
Washington, DC 20590

September 14, 2020

VIA EMAIL

Mr. Brian Latouf, Vice President
North American Safety Office
Hyundai Motor America
10550 Talbert Avenue
Fountain Valley, California 92708
blatouf@hmausa.com

NEF-102sly
EA16-003

Dear Mr. Latouf:

As you are aware, the Office of Defects Investigation (ODI) of the National Highway Traffic Safety Administration (NHTSA) has opened an Engineering Analysis (EA16-003) to investigate allegations of ruptures involving toroidal shaped hybrid air bag inflators, both passenger and driver side, manufactured by ARC Automotive, Inc. (ARC). ODI is requesting additional information from Hyundai Motor America (Hyundai) to facilitate its investigation of the potential risk of a deployment-related field rupture of the toroidal shaped hybrid front passenger air bag inflator (PH7) in the U.S. market.

The scope of this Information Request is defined as all PH7 air bag inflators manufactured by ARC during a certain production time frame. The production time frame for the inflators is defined by a) a starting point of June 1, 2014, the inflator build date of a confirmed field event, and b) the end point of January 31, 2018, the implementation date of equipment and process improvements by ARC on all toroidal inflator assembly lines. This Information Request is separate from and requests information supplemental to the long-established and ongoing processes the Agency has in place to monitor field rupture event allegations and ARC production anomalies through the issuance of two Standing General Orders (SGOs).[1]

Unless otherwise stated in the text, the following definitions apply to these information requests:

- **Subject Vehicles:** All vehicles equipped with the Subject Component manufactured by Hyundai for sale or lease in the United States, including but not limited to the District of Columbia and current United States territories and possessions.

- **Subject Component:** Frontal passenger air bag modules using a single or dual stage toroidal shaped hybrid PH7 air bag inflator manufactured by ARC.

[1] The SGOs ca be found on NHTSA.com under EA16-003.

- **Subject Vehicle Testing**: Any design, validation, quality or conformance test regularly conducted by Hyundai in the design, development, validation or production of the Subject Vehicles that involved production level Subject Components including but not limited to sled tests, development tests, barrier tests, crash tests and Production of Conformance tests.

- **Subject Vehicle Test Deployments**: A deployment of the Subject Component that occurs during Subject Vehicle Testing.

- **Field Deployment**: A deployment of the Subject Component that occurs after the Subject Vehicle has initially left the possession and control of Hyundai.

- **Successful Deployment**: a deployment of the Subject Component during which the inflator did not rupture or produce abnormal shrapnel/projectiles.

- **Production Time Frame of Interest:** June 1, 2014 through January 31, 2018.

- **Hyundai:** Hyundai Motor America all of its past and present officers and employees, whether assigned to its principal offices or any of its field or other locations, including all of its divisions, subsidiaries (whether or not incorporated) and affiliated enterprises and all of their headquarters, regional, zone and other offices and their employees, and all agents, contractors, consultants, attorneys and law firms and other persons engaged directly or indirectly (e.g., employee of a consultant) by or under the control of Hyundai (including all business units and persons previously referred to), who are or, in or after 1995, were involved in any way with any of the following related to the alleged defect in the subject vehicles:
  a. Design, engineering, analysis, modification or production (e.g. quality control);
  b. Testing, assessment or evaluation;
  c. Consideration, or recognition of potential or actual defects, reporting, record-keeping and information management, (e.g., complaints, field reports, warranty information, part sales), analysis, claims, or lawsuits; or
  d. Communication to, from or intended for zone representatives, fleets, dealers, or other field locations, including but not limited to people who have the capacity to obtain information from dealers.

- **Other Terms:** To the extent that they are used in these information requests, the terms "claim," "consumer complaint," "dealer field report," "field report," "fire," "fleet," "good will," "make," "model," "model year," "notice," "property damage," "property damage claim," "rollover," "type," "warranty," "warranty adjustment," and "warranty claim," whether used in singular or in plural form, have the same meaning as found in 49 CFR 579.4.

In order for my staff to evaluate the alleged defect, certain information is required. Pursuant to 49 U.S.C. § 30166, please provide numbered responses to the following information requests.

Please repeat the applicable request verbatim above each response. After Hyundai's response to each request, identify the source of the information and indicate the last date the information was gathered.

1. State, by OEM module part number,[2] make, model and model year, and month of production (sequence), the number of Subject Vehicles Hyundai has manufactured for sale or lease in the United States. Separately for each sequence, provide the compliance, design and estimated minimum and maximum field deployment information requested below, by calendar month and year. Provide the information in tabular form entitled "HYUNDAI PRODUCTION AND DEPLOYMENT DATA."

    a. OEM name;
    b. OEM air bag module part number;
    c. Make;
    d. Model;
    e. Model year;
    f. Month of vehicle production (MM/YYYY);
    g. Number of vehicles produced;
    h. FMVSS 208 compliance strategy (suppression or low risk deployment);
    i. Inflator orientation (angle between inflator centerline and vertical – see diagram A);

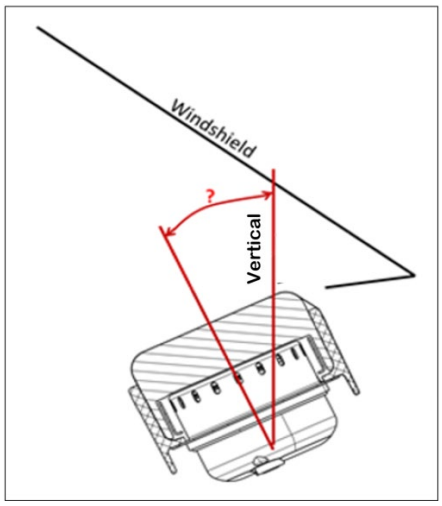


Diagram A

    j. Estimated number of Field Deployments - min/low estimate, and;
    k. Estimated number of Field Deployments - max/high estimate.

[2] To the extent it does not affect the Agency's use of the data, it may be advantageous to combine part numbers that are functionally equivalent and differ only due to color or other trim options. To the extent that possibility exists, please contact ODI for further discussion.

2. Describe in detail the methodology and process Hyundai used to determine the minimum and maximum estimated Field Deployments in its response to Request 1, and explain why Hyundai believes the approach is accurate and appropriate.

3. Provide the following information regarding Subject Vehicle Test Deployments that occurred during Subject Vehicle Testing by calendar month and year. Provide the information in tabular form entitled "HYUNDAI DEVELOPMENT TEST RESULTS."

    a. OEM name;
    b. OEM air bag module part number;
    c. Make;
    d. Model;
    e. Model year;
    f. Date of deployment (MM/YYYY);
    g. Number of successful deployments, and;
    h. Whether response g is for an actual number, estimated number, or a combination of both.

4. Describe in detail the methodology and process Hyundai used to determine the Subject Vehicle Test information in its response to Request 3, and explain why Hyundai believes the approach is accurate and appropriate.

5. Utilizing the information from the Requests above, provide Hyundai's assessment of the probability that future field deployments of the subject component in the subject vehicles will be successful (i.e., will not result in a rupture/abnormal projectiles) including Hyundai's estimates of the reliability and confidence of the probability estimate. Provide any other findings, conclusions, observations or assessments Hyundai has established from the study data that are deemed pertinent to subject component safety and reliability.

Legal Authority for This Request

This letter is being sent to Hyundai pursuant to 49 U.S.C. § 30166, which authorizes NHTSA to conduct any investigation that may be necessary to enforce Chapter 301 of Title 49 and to request reports and the production of things. It constitutes a new request for information.

Civil Penalties

Hyundai's failure to respond promptly and fully to this letter could subject Hyundai to civil penalties pursuant to 49 U.S.C. § 30165 or lead to an action for injunctive relief pursuant to 49 U.S.C. § 30163. (Other remedies and sanctions are available as well.) The Vehicle Safety Act, as amended, 49 U.S.C. § 30165(a)(3), provides for civil penalties of up to $22,239 per violation per day, with a maximum of $111,642,265 for a related series of daily violations, for failing or refusing to perform an act required under 49 U.S.C. § 30166. *See* 49 C.F.R. § 578.6. This includes failing to respond completely, accurately, and in a timely manner to ODI information requests.

If Hyundai cannot respond to any specific request or subpart(s) thereof, please state the reason why it is unable to do so. If on the basis of attorney-client, attorney work product, or other privilege, Hyundai does not submit one or more requested documents or items of information in response to this information request, Hyundai must provide a privilege log identifying each document or item withheld, and stating the date, subject or title, the name and position of the person(s) from, and the person(s) to whom it was sent, and the name and position of any other recipient (to include all carbon copies or blind carbon copies), the nature of that information or material, and the basis for the claim of privilege and why that privilege applies.

Confidential Business Information

All business confidential information must be submitted directly to the Office of Chief Counsel as described in the following paragraph and should not be sent to this office. In addition, do not submit any business confidential information in the body of the letter submitted to this office. Please refer to EA16-003 in Hyundai's response to this letter and in any confidentiality request submitted to the Office of Chief Counsel.

If Hyundai claims that any of the information or documents provided in response to this Information Request constitute confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or are protected from disclosure pursuant to 18 U.S.C. § 1905, you must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 C.F.R. Part 512, to Jeff Eyres, Office of Chief Counsel, at jeffrey.eyres@dot.gov. *See* 5 U.S.C. § 552(b)(4); 49 C.F.R. § 512.5; *Food Marketing Institute v. Argus Leader Media*, 139 S. Ct. 2356 (2019). You may also contact Mr. Eyres at 202.913.4307 if you would like to arrange for a method of submission other than email.

Hyundai is required to submit a copy of the documents containing allegedly confidential information and a copy containing only the portions for which no claim of confidential treatment is made and from which those portions for which confidential treatment is claimed has been redacted. *See* 49 C.F.R. § 512.5. Please remember that the phrase "ENTIRE PAGE CONFIDENTIAL BUSINESS INFORMATION" or "CONTAINS CONFIDENTIAL BUSINESS INFORMATION" (as appropriate) must appear at the top of each page containing information claimed to be confidential, and the information must be clearly identified in accordance with 49 C.F.R. § 512.6. Additional information can be found on the Agency's website at: https://www.nhtsa.gov/coronavirus/submission-confidential-business-information.

Due Date

Hyundai's response to this letter, in duplicate, together with a copy of any confidentiality request, must be submitted to this office by **November 20, 2020**. Hyundai's response must include all non-confidential attachments and a redacted version of all documents that contain confidential information. If Hyundai finds that it is unable to provide all the information

requested within the time allotted, Hyundai must request an extension from me at (202) 366-5226 no later than five (5) business days before the response due date. If Hyundai is unable to provide all the information requested by the original deadline, it must submit a partial response by the original deadline with whatever information Hyundai then has available, even if an extension has been granted.

Please send email notification to Sharon Yukevich at sharon.yukevich@dot.gov and to ODI_IRresponse@dot.gov when Hyundai sends its response to this office and indicate whether there is confidential information as part of Hyundai's response.

If you have any technical questions concerning this matter, please call Sharon Yukevich of my staff at (202) 366-4925.

Sincerely,

Stephen A. Ridella

Stephen A. Ridella, PhD
Director
Office of Defects Investigation