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

1200 New Jersey Avenue SE.
Washington, DC 20590

October 28, 2020

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. William Dunlap
Sr. VP of Engineering
Dexter Axle
2900 Industrial Parkway East
Elkhart, IN 46516

NEF-106xt
PE20-017

Dear Mr. Dunlap:

This letter is to inform you that the Office of Defects Investigation (ODI) of the National Highway Traffic Safety Administration (NHTSA) has opened a Preliminary Evaluation (PE20-017) to investigate allegations of steering arm mounting bolt failures on certain model year (MY) 2019-2020 Smart-Steer 2.0 Axles manufactured by Dexter Axle. This office has received a Technical Service Bulletin (TSB) submitted by Dexter Axles that describes the potential defect involving the mounting bolts. These bolt failures allegedly result in steering components detaching and falling onto the roadway. With this Information Request (IR) letter, ODI also requests certain information.

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

- **Subject axles:** all 2019-2020 Smart-Steer 2.0 axles (regardless of axle type or model) manufactured for sale in the United States.

- **Alleged defect:** Steering arm mounting bolt failures on the subject axles.

- **End Users:** All distributors, Vehicle OEM's, retailers, dealers and other consumers, companies which Dexter Axle sold subject equipment to.

- **Dexter Axle:** Dexter Axle, all of its past and present officers and employees, whether assigned to their principal offices or any of their field or other locations, including all of their 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 Dexter Axle (including all business units and persons previously referred to), who are or, in or after January 1, 2010, were involved in any way with any of the following related to the alleged defect in the subject axles:

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.

- **Document:** "Document(s)" is used in the broadest sense of the word and shall mean all original written, printed, typed, recorded, or graphic matter whatsoever, however produced or reproduced, of every kind, nature, and description, and all non-identical copies of both sides thereof, including, but not limited to, papers, letters, memoranda, correspondence, communications, electronic mail (e-mail) messages (existing in hard copy and/or in electronic storage), faxes, mailgrams, telegrams, cables, telex messages, notes, annotations, working papers, drafts, minutes, records, audio and video recordings, data, databases, other information bases, summaries, charts, tables, graphics, other visual displays, photographs, statements, interviews, opinions, reports, newspaper articles, studies, analyses, evaluations, interpretations, contracts, agreements, jottings, agendas, bulletins, notices, announcements, instructions, blueprints, drawings, as-builts, changes, manuals, publications, work schedules, journals, statistical data, desk, portable and computer calendars, appointment books, diaries, travel reports, lists, tabulations, computer printouts, data processing program libraries, data processing inputs and outputs, microfilms, microfiches, statements for services, resolutions, financial statements, governmental records, business records, personnel records, work orders, pleadings, discovery in any form, affidavits, motions, responses to discovery, all transcripts, administrative filings and all mechanical, magnetic, photographic and electronic records or recordings of any kind, including any storage media associated with computers, including, but not limited to, information on hard drives, floppy disks, backup tapes, and zip drives, electronic communications, including but not limited to, the Internet and shall include any drafts or revisions pertaining to any of the foregoing, all other things similar to any of the foregoing, however denominated by Dexter Axle, any other data compilations from which information can be obtained, translated if necessary, into a usable form and any other documents. For purposes of this request, any document which contains any note, comment, addition, deletion, insertion, annotation, or otherwise comprises a non-identical copy of another document shall be treated as a separate document subject to production. In all cases where original and any non-identical copies are not available, "document(s)" also means any identical copies of the original and all non-identical copies thereof. Any document, record, graph, chart, film or photograph originally produced in color must be provided in color. Furnish all documents whether verified by Dexter Axle or not. If a document is not in the English language, provide both the original document and an English translation of the document.

- **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. Insofar as Dexter Axle has previously provided a document to ODI, Dexter Axle may produce it again or identify the document, the document submission to ODI in which it was included and the precise location in that submission where the document is located. When documents are produced, the documents shall be produced in an identified, organized manner that corresponds with the organization of this information request letter (including all individual requests and subparts). When documents are produced and the documents would not, standing alone, be self-explanatory, the production of documents shall be supplemented and accompanied by explanation.

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

1. State, by model and model year, the number of subject axles manufactured for sale in the United States. Separately, for each subject axle manufactured to date by Dexter Axle, state the following:

   a. Serial Number;
   b. Make;
   c. Model;
   d. Model Year;
   e. Date of manufacture;
   f. Date warranty coverage commenced; and
   g. The State in the United States where the Axle was originally sold.

   Provide the table in Microsoft Access 2010, or a compatible format, entitled "PRODUCTION DATA." A pre-formatted data collection file, which provides further details regarding this submission, will be provided to you.

2. State the number of each of the following, received by Dexter Axle, or of which Dexter Axle is otherwise aware, which relate to, or may relate to, the alleged defect in the subject axles:

   a. Consumer complaints, including those from fleet operators;
   b. Field reports, including dealer field reports;
   c. Reports involving a crash, injury or fatality;
   d. Property damage claims;

e. Third-party arbitration proceedings where Dexter Axle is or was a party to the arbitration; and
f. Lawsuits, both pending and closed, in which Dexter Axle is or was a defendant or codefendant.

For subparts "a" through "f" state the total number of each item (e.g., consumer complaints, field reports, etc.) separately. Multiple incidents involving the same axle are to be counted separately. Multiple reports of the same incident are also to be counted separately (i.e., a consumer complaint and a field report involving the same incident in which a crash occurred are to be counted as a crash report, a field report and a consumer complaint).

In addition, for items "c" through "f," provide a summary description of the alleged problem and causal and contributing factors and Dexter Axle's assessment of the problem, with a summary of the significant underlying facts and evidence. For items "e" and "f," identify the parties to the action, as well as the caption, court, docket number, and date on which the complaint or other document initiating the action was filed.

3. Separately, for each item (complaint, report, claim, notice, or matter) within the scope of your response to Request No. 2, state the following information:

a. Dexter Axle's file number or other identifier used;
b. The category of the item, as identified in Request No. 2 (i.e., consumer complaint, field report, etc.);
c. Owner or fleet name (and fleet contact person), street address, email address and telephone number;
d. Serial Number;
e. Make, model and model year;
f. Mileage at time of incident;
g. Incident date;
h. Report or claim date;
i. Whether a crash is alleged;
j. Whether property damage is alleged;
k. Number of alleged injuries, if any; and
l. Number of alleged fatalities, if any;
m. The assessment of a Dexter Axle dealer of the actual or likely cause or factors contributing to the alleged incident(s) in the subject axle (if there was no examination of the axle by a dealer, so state; if a dealer examined the axle and did not identify the actual or likely cause or factors contributing to the alleged incident(s) in the subject axle, so state); and
n. Dexter Axle's assessment of the cause or factors contributing to the alleged incident(s) in the subject axle (if Dexter Axle has not and has never identified the actual or likely cause or factors contributing to the alleged incident(s) in the subject axle, so state).

Provide this information in Microsoft Access 2010, or a compatible format, entitled "REQUEST NUMBER TWO DATA." A pre-formatted data collection file, which provides further details regarding this submission, will be provided to you.

4. Produce copies of all documents related to each item within the scope of Request No. 2. Organize the documents separately by category (i.e., consumer complaints, field reports, etc.) and describe the method Dexter Axle used for organizing the documents.

5. State, by model and model year, a total count for all of the following categories of claims, collectively, that have been paid by Dexter Axle to date that relate to, or may relate to, the alleged defect in the subject axle: warranty claims; extended warranty claims; claims for good will services that were provided; field, zone, or similar adjustments and reimbursements; and warranty claims or repairs made in accordance with a procedure specified in a technical service bulletin or customer satisfaction campaign.

   Separately, for each such claim, state the following information:

   a. Dexter Axle's claim number;
   b. Owner or fleet name (and fleet contact person), street address, email address and telephone number;
   c. Serial Number;
   d. Repair date;
   e. Mileage at time of repair;
   f. Repairing dealer's or facility's name, telephone number, city and state or ZIP code;
   g. Labor operation number(s);
   h. Problem code(s);
   i. Replacement part number(s) and description(s);
   j. Concern stated by customer;
   k. Comment, if any, by dealer/technician relating to claim and/or repair;
   l. The assessment of a Dexter Axle dealer of the actual or likely cause or factors contributing to the alleged incident(s) in the subject axle (if there was no examination of the Smart-Steer 2.0 Axle by a dealer, so state; if a dealer examined the axle and did not identify the actual or likely cause or factors contributing to the alleged incident(s) in the subject axle, so state); and
   m. Dexter Axle's assessment of the cause or factors contributing to the alleged incident(s) in the subject axle (if Dexter Axle has not and has never identified the actual or likely cause or factors contributing to the alleged incident(s) in the subject axle, so state).

   Provide this information in Microsoft Access 2010, or a compatible format, entitled "WARRANTY DATA." A pre-formatted data collection file, which provides further details regarding this submission, will be provided to you.

6. Describe in detail the search methods and search criteria used by Dexter Axle to identify the claims in response to Request No. 5, including the labor operations, problem codes, part numbers and any other pertinent parameters used. Provide a list of all labor operations, labor operation descriptions, problem codes, and problem code descriptions applicable to the alleged defect in the subject axles. State, by make and model year, the terms of the new axle warranty coverage offered by Dexter Axle on the subject axles (i.e., the number of months and mileage for which coverage is provided and the axle systems that are covered). Describe

any extended warranty coverage option(s) that Dexter Axle offered for the subject axles and state by option, model, and model year, the number of axles that are covered under each such extended warranty.

7. Produce copies of all service, warranty, and other documents that relate to, or may relate to, the alleged defect in the subject axles, that Dexter Axle has issued to any dealers, regional or zone offices, field offices, fleet purchasers, or other entities. This includes, but is not limited to, bulletins, advisories, informational documents, training documents, or other documents or communications, with the exception of standard shop manuals. Also, include the latest draft copy of any communication that Dexter Axle is planning to issue within the next 120 days.

8. Describe all assessments, analyses, tests, test results, studies, surveys, simulations, investigations, inquiries and/or evaluations (collectively, "actions") that relate to, or may relate to, the alleged defect in the subject axles that have been conducted, are being conducted, are planned, or are being planned by, or for, Dexter Axle. For each such action, provide the following information:

    a. Action title or identifier;
    b. The actual or planned start date;
    c. The actual or expected end date;
    d. Brief summary of the subject and objective of the action;
    e. Engineering group(s)/supplier(s) responsible for designing and for conducting the action; and
    f. A brief summary of the findings and/or conclusions resulting from the action.

    For each action identified, provide copies of all documents related to the action, regardless of whether the documents are in interim, draft, or final form. Organize the documents chronologically by action.

9. Provide ODI copies of any subject axle diagnostic and service information.

10. Provide technical specification that describe the bolted joint torque requirement to hold the steering arms to the subject axle knuckles. In addition, describe all modifications or changes made by, or on behalf of, Dexter Axle in the design, material composition, manufacture, quality control, supply, or installation of the subject axle that could relate to the alleged defect.

11. Describe the potential and/or actual consequences of a steering arm mounting bolt failure.

12. Furnish Dexter Axle's assessment of the alleged defect in the subject axles, including:

    a. The causal or contributory factor(s);
    b. The failure mechanism(s);
    c. The failure mode(s);
    d. The risk to motor vehicle safety that it poses;

e. What warnings, if any, the operator and the other persons both inside and outside the vehicle would have that the alleged defect was occurring;
f. What actions the vehicle operator might take to mitigate the alleged defect condition as it is occurring; and
g. The reports included with this inquiry.

Legal Authority for This Request

This letter is being sent to Dexter Axle 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

Dexter Axle's failure to respond promptly and fully to this letter could subject Dexter Axle 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(b), provides for civil penalties of up to $7,000 per day, with a maximum of $17,350,000 for a related series of violations, for failing or refusing to perform an act required under 49 U.S.C. § 30166. *See* 49 CFR 578.6 (as amended by 77 Fed. Reg. 70710 (November 27, 2012)). This includes failing to respond completely to ODI information requests.

If Dexter Axle 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, Dexter Axle does not submit one or more requested documents or items of information in response to this information request, Dexter Axle 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 PE20-017 in Dexter Axle's response to this letter and in any confidentiality request submitted to the Office of Chief Counsel.

If Dexter Axle 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, Dexter Axle must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 CFR Part 512. Additional information can be found here: https://www.nhtsa.gov/coronavirus/submission-confidential-business-information.

If you have any questions regarding submission of a request for confidential treatment, contact Daniel Rabinovitz, Trial Attorney, Office of Chief Counsel at daniel.rabinovitz@dot.gov or (202) 366-8534.

Due Date

Dexter Axle's response to this letter, in duplicate, together with a copy of any confidentiality request, must be submitted to this office by **Monday, December 14, 2020**. Dexter Axle's response must include all non-confidential attachments and a redacted version of all documents that contain confidential information. If Dexter Axle finds that it is unable to provide all of the information requested within the time allotted, Dexter Axle must request an extension from me at (202) 366-6938 no later than five business days before the response due date. If Dexter Axle is unable to provide all of the information requested by the original deadline, it must submit a partial response by the original deadline with whatever information Dexter Axle then has available, even if an extension has been granted.

Please send email notification to Xiaoming Tan at xiaomng.tan@dot.gov and to ODI_IRresponse@dot.gov when Dexter Axle sends its response to this office and indicate whether there is confidential information as part of Dexter Axle's response.

If you have any technical questions concerning this matter, please call Mr. Xiaoming Tan of my staff at (202) 366-8575.

Sincerely,

BRUCE B YORK Digitally signed by BRUCE B YORK
Date: 2020.10.28 13:29:19 -04'00'

Bruce York, Chief
Medium & Heavy Duty Vehicles Division
Office of Defects Investigation

Enclosure 1, The reference number for the TSB cited above, which can be viewed at NHTSA.gov is: TSB #10168802