HYUNDAI AMERICA TECHNICAL CENTER, INC.

A Subsidiery of Hyundai Motor Company (Korca)

12610 East End Avenue Chino, CA 91710

1004 AFR 12 P 12:51 Tel: (909) 627-3626 0 Fpg (909) 628-7682 DEFECTS INVESTIGN

04V-180 (5pozed)

April 8, 2004

Mr. Kenneth Weinstein Associate Administrator for Safety Assurance (NSA-01) National Highway Traffic Safety Administration 400 Seventh Street, S.W. Washington, DC 20590

Re: Recall Campaign

2002MY - 2003MY Optima Fuel Tank Assembly Valve

Dear Mr. Weinstein:

The following information is submitted in accordance with the requirements of Part 573, Title 49 of the Code of Federal Regulations.

573.6 (c)(1)

Kla Motors Corp. Manufacturer:

Kla Motors America, Inc. Importer: Alfred E. Gloddeck Agent Designated by Manufacturer:

Hyundai America Technical Center, Inc.

573.6 (c)(2)

Identification of Vehicle, Make, Certain model year 2002 and 2003 Kia Optima vehicles produced from October 1, Model Year and Manufacturing

2001 through November 9, 2002. Date:

573.6 (c)(3)

Approximately 25,803 model year 2002 and 2003 Kla Optima vehicles were Total Number of Vehicles:

produced from October 1, 2001 through

November 9, 2002.

573,6 (c)(4)

Percentage of Vehicles The percentage of vehicles identified in

573.6(c)(2) that exhibit the defective Estimated to Actually Contain the Defect: condition is unknown but is believed to be

small

573.6 (c)(5)

4844-0843-8528.1

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Description of the Defect:

In a limited number of affected vehicles the fuel tank assembly valve may not close properly. If a vehicle with a fuel tank assembly valve that is not properly closed were to roll over, fuel spillage may occur. If that occurred, there is a possibility that the fuel spillage may exceed the limits established by FMVSS 301, Fuel System integrity.

573.6 (c)(7)

Basis for Noncompliance Determination and Chronology:

Kla has received no information. regarding accidents, incidents, injuries or consumer complaints related to the Fuel Tank Assembly Valve. This recall is prompted by a recall of the same or a substantially similar part used by Hyundal Motor Company (HMC). Transport Canada conducted a compliance test under CMVSS 301 on a Hyundai XG350. In that test, a small amount(~ 10 grams) of leakage of test liquid was measured. It was not reported as a non compliance by Transport Canada because the quanity of spillage was within the allowance of CMVSS 301. HMC has evalulated the Canadian test vehicle and determined that it would conduct a non-compliance recall in both Canada and the U.S. for those models which had that Fuel Tank Assembly Valve. On April 2, HMC advised Kia Motors Corp. (KMC) that it would be conducting such recalls. KMC then conducted an evaluation and determined that the problematical valve was used in some Optima vehicles. On

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April 2, KMC decided that a recall of such Optimas should be conducted and advised KMA. KMC and KMA then worked jointly to determine which vehicles contained the part in its problematical form and would be subject to a recall.

573.6 (c)(8)

Program to Remedy Defect:

All owners of vehicles identified in (C)(3) will be notified, by first class mail, to bring their vehicle to a Kia dealer to have an additional fuel tank assembly valve installed in each vehicle at no charge.

No owners of the identified 2002 or 2003 model year vehicles would have incurred repair expenses because of Kia's warranty coverage. However, if any customer has incurred any expenses to remedy the defect, they will be offered the opportunity to obtain a reimbursement for those expenses.

573.6 (C)(9)

Notices:

A draft of the owner notification letter is attached. The Technical Service Bulletin and the mailing dates to customers will be provided to NHTSA in the near future.

573.6 (C)(11)

Campaign Designation:

Kia's campaign designation for this recall is SC038.

If you or your staff have questions or comments regarding this matter, please contact me in writing at the above address or telephone Jim Deel, Manager, Product Quality, 4844-0843-8528.1

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Kla Motors America, Inc. at (949) 470-7021.

Very truly yours,

Alfred E. Gloddeck

Senior Manager -- Corporate Affairs

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SAFETY RECALL NOTICE

May XX, 2004

Dear Kia Optima Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Kia Motors America, Inc. has determined that a defect relating to motor vehicle safety exists in certain 2002–2003 Optima models.

What is the problem?

Kia has become aware that on certain 2002-2003 Optima models the fuel tank assembly
valve may not close properly. If a vehicle rolls over and the fuel tank assembly valve is
not properly closed, fuel spillage may occur.

What will Kia do?

 To ensure that your vehicle's fuel tank assembly valve will operate properly, your Kia dealer will install an additional fuel tank assembly valve at no cost to you.

What should you do?

Please call your Kia dealer to schedule a service appointment. The time required to
repair your vehicle should be less than one hour. However, depending on the dealer's
work schedule, it may by necessary to make your vehicle available for a longer period of
time. Please present this notice when you arrive at the dealer.

What if you have other questions?

- If your dealer does not respond to your service request in a timely manner, we suggest
 that you call Kia's Consumer Assistance Center at 1-800-333-4542. If you still are not
 satisfied that we have remedied this situation, without charge and within a reasonable
 amount of time, you may wish to write to the Administrator, National Highway Traffic
 Safety Administration, 400 Seventh Street S.W., Washington, D.C. 20590, or call their
 toll-free Auto Safety Hotline at 1-888-327-4236.
- If you have the fuel tank assembly valve replaced at your own expense, you may obtain reimbursement by contacting the Kia Consumer Assistance Center at 1-800-333-4542.

This action has been taken in the interest of your safety, and we regret any inconvenience this situation may cause you.

Sincerely.

Consumer Affairs Department