

HYUNDAI AMERICA TECHNICAL CENTER, INC.

A Subsidiary of
Hyundai Motor Company (Korea)
RECEIVED
NHTS-215

81 Bunsen
Irvine, CA 92618

Tel: (949) 585-7103
Fax: (949) 585-7100

2004 JUN 24 P 3 42

June 21, 2004

OFFICE OF
DEFECTS INVESTIGATION

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

04V-305
(6 pages)

Re: Recall Campaign: 1999MY – 2000MY Sephia and Sportage Front Seat Belt Buckles, and 2000MY Spectra Front Seat Belt Buckles

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)

Manufacturer:
Importer:
Agent Designated by Manufacturer:

Kia Motors Corp.
Kia Motors America, Inc.
Alfred E. Gloddeck
Hyundai America Technical Center, Inc.

573.6 (c)(2)

Identification of Vehicle, Make,
Model Year and Manufacturing
Date:

1999-2000 model year Kia vehicles equipped with A97 Type front seat belt buckles manufactured by Duck Boo International Co., Ltd. Specifically:

1. Model year 1999–2000 Kia Sephia vehicles produced from 6/1/98 – 7/31/00.
2. Model year 1999–2000 Kia Sportage vehicles produced from 3/1/98 – 11/30/00.
3. Model year 2000 Kia Spectra vehicles produced from 1/18/00 – 8/25/00.

Mr. Kenneth N. Weinstein
National Highway Traffic Safety Administration
June 21, 2004
Page 2

573.6 (c)(3)

Total Number of Vehicles:

The total number of vehicles identified in 573.6(c)(2) is approximately 262,636.

573.6 (c)(4)

Percentage of Vehicles
Estimated to Actually Contain
the Defect:

The percentage of vehicles identified in 573.6(c)(2) that exhibit the defective condition is unknown. However, based on analysis of warranty claims rates for front seat belt buckle assemblies in affected vehicles, Kia believes that the percentage is limited to less than one percent.

573.6 (c)(5)

Description of the Defect:

Kia has determined that a latching problem may exist in the driver's or front passenger's safety belt buckle installed in a limited number of affected vehicles. The buckle may emit a clicking sound that might indicate to the user that it is latched, when it is not. The latch can then pull out of the buckle when tension is applied.

573.6 (c)(6)

Basis for Defect Determination and
Chronology:

This defect was identified by Kia Motors America and Kia Motors Corp. following an evaluation of consumer complaints, warranty claims, and exemplar buckles recovered from the field.

Nov. 10, 2003

NHTSA notifies Kia that it has opened RQ03-007 to investigate "unintended release of the driver-side safety belt due to a false latch condition that may occur in the buckle" of 1999 – 2001 Kia Sephia vehicles, and 1999 – 2002 Kia Sportage vehicles.

Jan. 8 2004 thru Feb. 23, 2004

Kia responds to NHTSA's RQ03-007.

Feb. 27, 2004

NHTSA closes the RQ03-007 investigation with regard to model year 2001 and 2002 vehicles.

Mr. Kenneth N. Weinstein
National Highway Traffic Safety Administration
June 21, 2004
Page 3

Feb. 27, 2004

NHTSA opens EA04-007 upgrading its investigation into "false latch or malfunction" of the seat belt buckle assembly in 1999 – 2000 Kia Sephia and Sportage vehicles, and 2000 Kia Spectra vehicles.

Jun. 16, 2004

KMA and KMC determines that a safety related defect exists in an unknown but limited percentage of vehicles identified in 573.6(c)(2), and verbally notifies the Office of Defects Investigation.

573.6(c)(8)
Program to Remedy Defect:

All owners of vehicles identified in 573.6(c)(2) will be notified, by first class mail, to bring their vehicle to a Kia dealer to have both front seat belt buckles replaced at no charge.

573.6 (c)(9)(10)
Notices:

A draft of the owner notification letter is attached. The Technical Service Bulletin will be provided to NHTSA in the near future. Owner notification letters will begin in late July or early August, subject to parts availability.

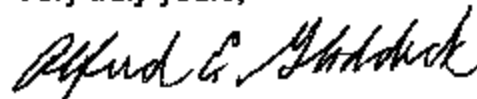
573.6 (c)(11)
Campaign Designation:

Kia's campaign designation for this recall is SC039.

Mr. Kenneth N. Weinstein
National Highway Traffic Safety Administration
June 21, 2004
Page 4

If you or your staff have questions or comments regarding this matter, please contact me in writing at the above address or telephone Gordon Dickie, Director, Product Quality, Kia Motors America, Inc. at (949) 470-7021.

Very truly yours,



Alfred E. Gloddeck
Senior Manager – Corporate Affairs

cc: Mr. Thomas Z. Cooper
Vehicle Integrity Division
Office of Defects Investigation
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, D.C. 20590

DRAFT

SAFETY RECALL NOTICE

July xx, 2004

Dear Kia Sportage 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 1999-2000 Sportage models.

What is the problem?

- Certain limited front safety belt buckles may emit a "click" sound during the buckling process that is similar to the sound emitted when a buckle is being latched.

What will Kia do?

- To eliminate the risk that you will believe that a front safety belt buckle is latched when it isn't, we will replace the buckles, at no cost to you, when you take your vehicle to your Kia dealership. If any customer has incurred any expense to remedy this defect, they will be offered the opportunity to obtain a reimbursement for those expenses.

What should you do?

- Remember to always fully insert and press firmly the latch end of your safety belt into the buckle. Be especially aware of this when you are wearing heavy or bulky clothing or if you are overweight.
- To ensure that the work is done efficiently and with the least amount of inconvenience to you, we ask that you promptly call your Kia dealer to schedule a service appointment.
- The time required to complete this repair is less than an hour. However, depending on the dealer's work schedule, it may be necessary to make your vehicle available for a longer period of time.
- Please present this notice to your Kia dealer when you bring your vehicle in for your service appointment.

<p>Federal regulation requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.</p>
--

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.

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

DRAFT

June XX, 2004

Attention: All Kia Service Managers

Kia Motors America, Inc., in cooperation with the National Highway Traffic Safety Administration, is conducting a Safety Recall Campaign on 1999–2000 Sephia and Sportage models and 2000 Spectra models to replace front seat belt buckles. Enclosed is a Technical Service Bulletin that provides the following information:

- Vehicle Repair Procedures
- Affected VIN Production Range
- Parts Information
- Warranty Claim Information

Also enclosed is a copy of the owner notification letter, a Q&A guide for recall questions, Campaign completion labels, and a list of your in-stock vehicles and retail Kia Sephia, Sportage, and Spectra owners affected by the recall. The owner letter will be mailed on July XX, 2004. Please start performing the repairs on any affected in-stock 1999–2000 Sephia and Sportage and 2000 Spectra models immediately.

Please make certain the appropriate personnel in your dealership are familiar with the details of this recall to ensure proper responses to customer inquiries and requests to have the recall performed on their 1999–2000 Sephia, Sportage and 2000 Spectra vehicles.

As you perform repairs on the affected vehicles, check them off of your Not Completed Recall VINS Report so that you will be able to identify and contact those customers that have not been in for the campaign.

LEGAL LIABILITY NOTICE: Pursuant to the terms of the Dealer Sales and Service Agreement and the Gramm-Leach-Bliley federal consumer privacy act, you are required to keep confidential any and all information and documents provided to you by Kia Motors America, Inc. or generated by you in the conduct of carrying out work under that Agreement regarding Kia vehicle purchasers and owners, including but not limited to warranty claim information. Kia dealers may use such owner information for the sole purpose of conducting and performing this voluntary recall campaign, and for no other purpose.

Your prompt attention in completing this recall is appreciated. If you have any questions, please contact your Kia District Parts/Service Manager.

Sincerely,

Jim Deel
Manager Technical Field Operations

Enclosures