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13V-354

(5 pages)



HYUNDAI-KIA
AMERICA TECHNICAL CENTER, INC.

August 9, 2013

Ms. Nancy Lewis
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
1200 New Jersey Avenue, SE
Washington, D.C. 20590

RE: Defect Information Report

Dear Ms. Lewis:

Pursuant to Part 573 of Title 49 of the Code of Federal Regulations, Hyundai America Technical Center is submitting information concerning a recall that is being voluntarily initiated. Specific information as required by Section 573.6 is as follows:

573.6(c)(1)

Manufacturer - Hyundai Motor Company

Manufacturer - Hyundai Motor Manufacturing Alabama

Distributor - Hyundai Motor America

573.6(c)(2)

Model year 2006 through 2010 Hyundai Sonata vehicles produced beginning on March 1, 2005 through January 21, 2010 and model year 2006 through 2011 Hyundai Azera vehicles produced beginning on September 27, 2005 through November 22, 2010 that are registered in and operated in the following 20 "salt belt" states and the District of Columbia:

Connecticut, Delaware, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, West Virginia, and Wisconsin, and the District of Columbia.

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6800 Geddes Road, Superior Township, MI 48198
TEL: 734-337-9499 FAX: 734-483-5919
www.hatci.com

HATCI is an authorized representative of both Hyundai Motor Company and Kia Motors Corporation; which are separate and distinct automotive manufacturers.

Component Manufacturer Identification: Dong Hee Industry Company
198-7, Sunchang-Ri, Sujang-Myun,
Asan-Si, Gyunggi-Do, ChungNam 336-893
82-70-7093-6186

Hwa Sin America Corporation
661 Montgomery Highway
Greenville, AL 36037
334-382-1100

573.6(c)(3)

Approximately 215,000 2006 through 2010 model year Hyundai Sonatas and approximately 24,000 2006 through 2011 model year Hyundai Azeras.

Note: These figures are the quantities originally sold in the 20 affected states and the District of Columbia. The quantities of affected vehicles in operation in those states will be developed from state motor vehicle registration records prior to owner notification. Hyundai will also inform dealers to inspect/repair vehicles that were previously registered in salt belt states but are currently registered elsewhere.

573.6(c)(4)

All of the vehicles identified above in 573.6(c)(2) are potentially affected.

573.6(c)(5)

In the salt belt states, road salt and water can enter portions of the rear crossmember or flow into the area between the crossmember and the crossmember underbody coating, leading to corrosion of the crossmember steel. As the corrosion progresses, it may lead to thinning or perforation of the crossmember steel. In advanced cases, crossmember corrosion can result in detachment of one of the inboard control arm mounting points such that the control arm pivot no longer is secured to the crossmember, affecting the rear wheel alignment. In the event of such control arm separation, the affected rear wheel remains connected to the vehicle by the trailing arm, the assist arm, the other control arm, the shock absorber and the axle. Drivers are aware of the control arm separation by virtue of a more significant rear wheel misalignment and drivability impacts arising from the misalignment. If the connection between the rear crossmember and a control arm separates, handling of the vehicle may be adversely affected, which may increase the risk of a vehicle crash.

573.6(c)(6)

In April, 2013 Hyundai conducted a corrosion survey of customer Sonata and Azera vehicles at Hyundai dealerships in Canada and the US. The preliminary results of the survey were provided to

NHTSA in Hyundai's response to PE13-007 on June 13, 2013. The customer survey found varying levels of rear crossmember corrosion on vehicles operated in the salt belt states. After further reviewing the survey results, Hyundai has decided to conduct a safety recall in affected salt belt states on MY 2006-2010 Sonata vehicles and on MY 2006-2011 Azera vehicles to address any further long term corrosion in those vehicles. Hyundai has received a total of 8 warranty claims and 7 customer complaints on the affected vehicles. Hyundai is not aware of any accidents or injuries as a result of the rear crossmember corrosion condition.

573.6(c)(8)

Hyundai Motor America will notify all owners of the Hyundai vehicles described in 573.6(c)(2) above to return their vehicles to their Hyundai dealers to repair or replace the rear crossmember assembly.

Hyundai anticipates that owners will begin to be notified by mail during the third quarter of 2013 after NHTSA has approved the owner notification letter.

In accordance with the requirements of Part 573.13, Hyundai will provide for reimbursement to vehicle owners eligible for pre-notification remedies as follows:

573.13(c)(1) Reimbursement Period Beginning Date:

(iii) August 9, 2012, which is one year prior to the date of this Part 573 notice to NHTSA.

573.13(c)(2) Reimbursement Period Ending Date:

(i) Ten calendar days after the last owner notification has been mailed. This date will be determined based upon the actual final owner notification date and NHTSA will be provided with that date when it becomes available.

573.13(d) Reimbursement Conditions:

(1) Reimbursement is excluded for costs incurred within the period during which Hyundai's original or extended warranty (where Hyundai provided written notice of the terms of the extended warranty to owners) would have provided for a free repair of the condition addressed by the recall, without any payment by the consumer, unless a franchised dealer or authorized representative of Hyundai denied warranty coverage or the repair made under warranty did not remedy the problem addressed by the recall.

(2)(i)(A) Reimbursement is excluded if the pre-notification remedy was not of the same type (replacement of the rear crossmember assembly) as the recall remedy.

(2)(i)(B) Reimbursement is excluded if the pre-notification remedy did not address replacement of the rear crossmember assembly.

(2)(i)(C) Reimbursement is excluded if the pre-notification remedy was not reasonably necessary to correct a condition addressed by replacement of the rear crossmember assembly.

(2)(ii) It is not required that the pre-notification remedy be identical to the remedy elected by Hyundai as described in this Part 573 notice to NHTSA.

(4) Reimbursement is excluded if the claimant does not submit adequate documentation to Hyundai at an address or location designated pursuant to § 573.13(f). The plan requires that the following documentation be submitted:

(i) Name and mailing address of the claimant;

(Hyundai also requests that claimants provide telephone numbers at their option.)

(ii) Identification of the product that was recalled:

Make, model, model year, vehicle identification number, and a copy of the current vehicle registration

(iii) Identification of the recall (113);

(iv) Identification of the owner or purchaser of the recalled motor vehicle at the time that the pre-notification remedy was obtained;

(v) A receipt for the pre-notification remedy, which may be an original or copy:

(A) If the reimbursement sought is for a repair, Hyundai requires that the receipt indicate that the repair addressed a condition related to the rear crossmember assembly, and state the total amount paid for the repair of that condition. Itemization of a receipt of the amount for parts, labor, other costs and taxes, may not be required unless it is unclear on the face of the receipt that the repair for which reimbursement is sought addressed only the pre-notification remedy concerning a condition related to the rear crossmember assembly.

(B) If the reimbursement sought is for the replacement of a vehicle part, Hyundai requires that the receipt identify the item and state the total amount paid to replace the rear crossmember assembly.

(Hyundai also requests that the name, address and telephone number of the repair facility or seller of the replacement rear crossmember assembly be provided on the receipt, and that the receipt be marked "Paid in Full" or that a cancelled check or credit card receipt be provided.)

(vii) If the pre-notification remedy was obtained at a time when the vehicle or equipment could have been repaired or replaced at no charge under a Hyundai original or extended warranty program, documentation indicating that Hyundai's dealer or authorized facility either refused to remedy the problem addressed by the recall under the warranty or that the warranty repair did not correct the problem addressed by the recall.

573.13(e) Amount of Costs to Be Reimbursed:

(1)(i) The amount of reimbursement shall not be less than the lesser of:

(A) The amount paid by the owner for the remedy, or

(B) The cost of parts for the remedy, plus associated labor at local labor rates, miscellaneous fees such as disposal of waste, and taxes. Costs for parts may be limited to Hyundai's list retail price for authorized parts.

Hyundai-Kia America Technical Center, Inc.

(1)(ii) Any associated costs, including, but not limited to, taxes or disposal of wastes, may not be limited.

573.13(f) Address and Authorized Facility for Reimbursement Claim Submittal

ATTN: Hyundai Customer Connect Center (113)
Hyundai Motor America
PO Box 20850
Fountain Valley, CA 92728-0850

573.13(g) Hyundai Response to Request for Reimbursement

(1) Hyundai shall act upon a claim for reimbursement within 60 days of its receipt. If Hyundai denies the claim, Hyundai must send a notice to the claimant within 60 days of receipt of the claim that includes a clear, concise statement of the reasons for the denial.

(2) If a claim for reimbursement is incomplete when originally submitted, Hyundai shall advise the claimant within 60 days of receipt of the claim of the documentation that is needed and offer an opportunity to resubmit the claim with complete documentation.

573.13(h) Reimbursement Form

Reimbursement shall be in the form of a debit card.

573.13(i) Reimbursement Plan Availability to the Public

This reimbursement plan is available to the public upon request.

573.6(c)(10)

A draft of the Technical Service Bulletin will be forwarded when available.

A draft copy of the dealer communication will be forwarded when available.

573.6(c)(11)

A draft of the owner notification letter will be forwarded when available.

573.6(c)(12)

Hyundai has assigned "Campaign 113" as the designation for the campaign.

Sincerely,



Robert Babcock
Director, HATCI Certification and Compliance Affairs