

November 6, 2013

Ms. Nancy Lewis Associate Administrator for Enforcement National Highway Traffic Safety Administration 1200 New Jersey Avenue, SE Washington, D.C. 20590 13V-556 5 Pages

**RE:** Defect Information Report

Dear Ms. Lewis:

On behalf of Hyundai Motor Company (HMC), Hyundai America Technical Center, Inc. (HATCI) is submitting the following information in accordance with Part 573 of Title 49 of the Code of Federal Regulations. This information as required by Section 573.6 concerning a recall that is being voluntarily initiated by HMC.

573.6(c)(1)

Manufacturer - Hyundai Motor Company

Distributor - Hyundai Motor America

# 573.6(c)(2)

Model year 2007 through 2008 Hyundai Entourage vehicles produced beginning on February 16, 2006 through June 30, 2008 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.

Hyundai-Kia America Technical Center Inc. 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:

Seojin Industrial Co. Ltd 1026-33 Sanbon-Dong, Gunpo-shi, Gyeonggi-Do, 435-040. Korea 82-31-428-2700

## 573.6(c)(3)

Approximately 15,500 2007 through 2008 model year Hyundai Entourages.

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 contact portions of the front lower control arms, leading to corrosion of the control arm steel. As the corrosion progresses, it may lead to thinning or perforation of the control arm's steel. A perforated lower control arm may fracture between its ball joint attachment and the forward and rearward pivot attachments to the chassis. This could affect the driver's control over the tire and wheel assembly, which may increase the risk of a vehicle crash.

# 573.6(c)(6)

Hyundai Motor Corporation has been informed that Kia Motors Corporation will conduct a safety recall in affected salt belt states on MY 2006-2012 Kia Sedona vehicles to address front lower control arm corrosion in those vehicles. The 2007-2008 model year Hyundai Entourage vehicles were manufactured by Kia Motors Corporation using identical front lower control arms. Hyundai has decided to conduct a corollary safety recall to the Kia action. Hyundai has received three related warranty claims and one customer complaint on the affected vehicles.

## 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 front lower control arms.

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

#### Hyundai-Kia America Technical Center, Inc.

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) November 6, 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 lower control arm assembly) as the recall remedy.

(2)(i)(B) Reimbursement is excluded if the pre-notification remedy did not address replacement of the lower control arm 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 lower control arm 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 (115);
- (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 lower control arm 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 lower control arm 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 lower control arm assembly.

(Hyundai also requests that the name, address and telephone number of the repair facility or seller of the replacement lower control arm 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.

(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 (115) 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 115" as the designation for the campaign.

Sincerely, 27 Babcock

Robert Babcock Director, HATCI Certification and Compliance Affairs