



May 09, 2014

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:

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

573.6(c)(1)

Manufacturer - Hyundai Motor Company

Distributor - Hyundai Motor America

Distributor - Hyundai de Puerto Rico

573.6(c)(2)

2011 through 2014 model year Hyundai Tucson vehicles produced beginning on January 03, 2011 through December 23, 2013 are affected.

573.6(c)(3)

Approximately 137,500 model year 2011 through 2014 Hyundai Tucson vehicles are affected in the United States. Approximately 3,500 vehicles are affected in Puerto Rico.

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Hyundai-Kia America Technical Center, Inc.

573.6(c)(4)

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

573.6(c)(5)

During assembly, it is possible that the two bolts attaching the driver's airbag module to the steering wheel assembly were not properly tightened. An incorrectly torqued bolt could loosen over time causing a rattle noise, or if both bolts become loose and detach, the driver's airbag module could become detached from the steering wheel. An improperly mounted driver's airbag could result in injury in the event of a crash. There are no reports of accidents or injuries as a result of this condition.

573.6(c)(6)

In December, 2013 Hyundai service engineers noted a number of "labor only" (no parts), low cost (under \$50) warranty claims where the bolts securing the air bag module to the steering wheel were torqued to factory specifications. An analysis found approximately 100 such claims out of approximately 177,000 vehicles in the field; a claim rate of 0.06%. There were no customer complaints, confirming that dealers were able quickly to address customer concerns. The warranty claim experience had not previously given rise to a trend garnering Hyundai field staff involvement, in part because each dealer typically saw only ones, or very few, vehicles with loose or loosened bolts. On average, the vehicles had been in service for approximately 13 months. A Quality Information Report was submitted to HMC. HMC's investigation found that the airbag module bolts may not have all been correctly torqued on the assembly line. Appropriate steps were taken in the plant to ensure quality assurance, and vehicles in the field were monitored to determine whether the issue was limited or whether there would be a continuing trend. HMA received an additional 41 warranty claims for the first four months of 2014. Based on this information, Hyundai determined that a safety recall would be appropriate to ensure that all vehicles in the field are properly torqued. As noted above, there have been no accidents or injuries associated with this 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, who will verify the correct torque on the bolts securing the driver's airbag module .

Hyundai anticipates that owners will begin to be notified by mail during the second quarter of, 2014 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) May 09, 2013, which is one year prior to the date of this Part 573 notice to NHTSA.

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

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- (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 (verifying the correct torque on the bolts securing the driver's airbag module) as the recall remedy.
- (2)(i)(B) Reimbursement is excluded if the pre-notification remedy did not verify the correct torque on the bolts securing the driver's airbag module.
- (2)(i)(C) Reimbursement is excluded if the pre-notification remedy was not reasonably necessary to correct a condition addressed by verifying the correct torque on the bolts securing the driver's airbag module.
- (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 (118);
 - (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 verifying the correct torque on the bolts securing the driver's airbag module, and state the total amount paid for the repair of that condition. Itemization of a receipt of the amount for 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

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concerning a condition related to verifying the correct torque on the bolts securing the driver's airbag module.

(Hyundai also requests that the name, address and telephone number of the repair facility 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 the associated labor at local labor rates, miscellaneous fees such as disposal of waste, and taxes.

(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 (118)
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 a Technical Service Bulletin will be forwarded when available.

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A draft copy of a 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 118" as the designation for the campaign.

Sincerely,

A handwritten signature in black ink that reads "Robert Babcock". The signature is written in a cursive, slightly slanted style.

Robert Babcock
Director, HATCI Certification and Compliance Affairs