



LOTUS

Lotus Cars USA, Inc.

RECEIVED
NVS-215

2004 JAN -6 P 3:00

OFFICE OF
DEFECTS INVESTIGATION

December 22, 2003

Mr. Jonathan White
Office of Defect Investigations
National Highway Traffic
Safety Administration
400 7th St. SW
Washington DC 20590

04V-001 ①of②

Dear Mr. White:

Attached is a 49 CFR Part 573 notification regarding the absence of driver's side FMVSS 208 S4.5.1 air bag warning labels. Please note that Lotus has in the past used the remedy system proposed herein – gives owners the choice of affixing the provided label themselves or going to a dealer for the free-of-charge label installation.

Although certain Lotus vehicles failed to have this required label, Lotus has had all the owners manual disclosures required by FMVSS 208 as well as the passenger side sun visor label.

Lotus is intent upon swiftly and efficiently implementing a recall to affix the required labels. Please call me if you have any questions.

Sincerely,



Arnold A. Johnson-CEO
Lotus Cars USA, Inc.



LOTUS

Lotus Cars USA, Inc.

December 22, 2003

04V-001 ② of ⑩

Via Express Mail and Certified Mail

Associate Administrator for Safety Assurance
National Highway Traffic
Safety Administration
400 7th St. SW
Washington DC 20590

Dear Mr. Sir or Madam:

In accordance with 49 USC 30118 and 49 CFR Part 573, this is a report under 49 CFR 573.5 informing you that Lotus Cars Ltd. ("Lotus") has determined that a noncompliance with a federal motor vehicle safety standard (FMVSS) exists in some vehicles manufactured by Lotus and sold in the United States.

Pursuant to 49 CFR 573.5(c), Lotus provides the following information (per 49 CFR 573.5(b), new and/or updated information will be submitted as it is available):

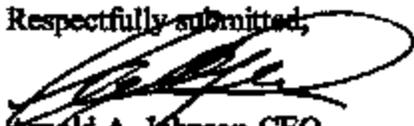
1. **Manufacturer's name:** Lotus Cars Ltd.;

- Agent under 49 USC 30164:** A. Johnson, Lotus Cars USA, Inc. (wholly owned subsidiary of Group Lotus plc)
2. **Identification of vehicles containing the noncompliance:**
All Lotus Esprit vehicles built from January 1, 1997 through November 28, 2003 for the US market.

- Description of basis of determination of recall population:** As of September 1, 1994, FMVSS 208 S4.5.1 required certain warning labels on BOTH sun visors of all vehicles, and the above vehicles failed to have the required labels **AFFIXED TO THE DRIVER'S SIDE SUN VISOR.**
3. **Total number of vehicles containing the noncompliance:** 660

4. **The percentage of vehicles specified in #2 above estimated to contain the noncompliance:** 100%
5. **Description of the noncompliance:** As of September 1, 1994, FMVSS 208 S4.5.1 required certain warning labels on BOTH sun visors of all vehicles, and the above vehicles failed to have the required labels **AFFIXED TO THE DRIVER'S SIDE SUN VISOR.**
6. N/A
7. **Data on which determination of noncompliance was made:** Sec #5 above.
8. **Description of program for remedying the noncompliance:** Lotus has commenced production of the required label and will send by certified mail RRR to the owners of affected vehicles the necessary label together with installation instructions; such owners will also be given the choice of bringing their vehicle to a Lotus dealer to have the label installed free-of-charge. Lastly, Lotus will enclose a stamped self-addressed postcard in the recall letter to allow individuals who no longer own their cars to so inform Lotus and perhaps also notify Lotus of the current owner.
- Estimated date on which Lotus will begin sending notifications to owners:** January 12, 2003
- Estimated date on which Lotus will complete such notification:** JANUARY 26, 2004
9. **Copies of all notices, bulletins, and other communications that relate to the noncompliance and sent to more than one dealer or purchaser:** A draft of the 49 CFR Part 577 owner notification is attached; a draft dealer letter is also attached
10. N/A
11. **Manufacturer's campaign number :** Will use NHTSA number.

Respectfully submitted,



Arnold A. Johnson-CEO
Lotus Cars USA, Inc.

DRAFT 49 CFR PART 577 OWNER NOTIFICATION LETTER

Mr. John Doe
123 Elm Street
Any Town, State xxxxx

Dear Lotus Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Lotus Cars Ltd. has decided that Lotus Esprit vehicles built between **JANUARY, 1997** and **NOVEMBER, 2003** that were imported into the US fail to conform to Federal Motor Vehicle Safety Standard No. 208, Occupant Crash Protection.

The noncompliance consists of the failure to have affixed an **airbag warning label on the driver's sun visor** regarding the operation of the air bag and seat belt system.

Your understanding the functioning of the air bag system is very important. Although the absence of the labels will not cause any vehicle malfunction to occur, the absence of the labels could create a risk to motor vehicle safety if the operation of the air bag system and the need to use seat belts is not properly understood. Improper usage could cause injuries in the event of air bag deployment when there is an accident.

Significantly, it is important to know that:

- To avoid serious injury and for maximum protection in all types of crashes, you must wear your safety belt.
- Do not install rearward facing child seats.
- Do not sit or lean unnecessarily close to the air bag.
- Do not place any objects over the air bag cover or between the air bag and yourself.
- When children are riding in the passenger seat, adjust the seat to its most rearward (aft) position.

Lotus is taking the following measures to remedy the noncompliance:

- Lotus is remedying the noncompliance without charge.
- The noncompliance is being remedied by providing you with the attached label for you to affix to your **DRIVER'S SIDE** sun visors in accordance with the attached instruction sheet; if you wish, you may bring your car to a Lotus dealer to have the required label affixed by the dealer at no charge.
- If you choose to go to your dealer, the earliest date that the dealer will do the work will be upon your receipt of this letter. Call your dealer for an appointment. Your dealer will need approximately 15 minutes to affix the label.

Please note that you may submit a complaint to the Administrator of the National Highway Traffic Safety Administration, 400 Seventh St. SW Washington DC 20590, or you may call the toll free Auto Safety Hotline at 800 DASH 2 DOT (Washington DC area residents may call 202 366 0123), if you believe that:

- Lotus or your dealer has failed to or is unable to remedy the noncompliance without charge
- Lotus or your dealer has failed to or is unable to remedy the noncompliance without charge within a reasonable time, which is not longer than 60 days after you tender the vehicle to the dealer to affix the labels.

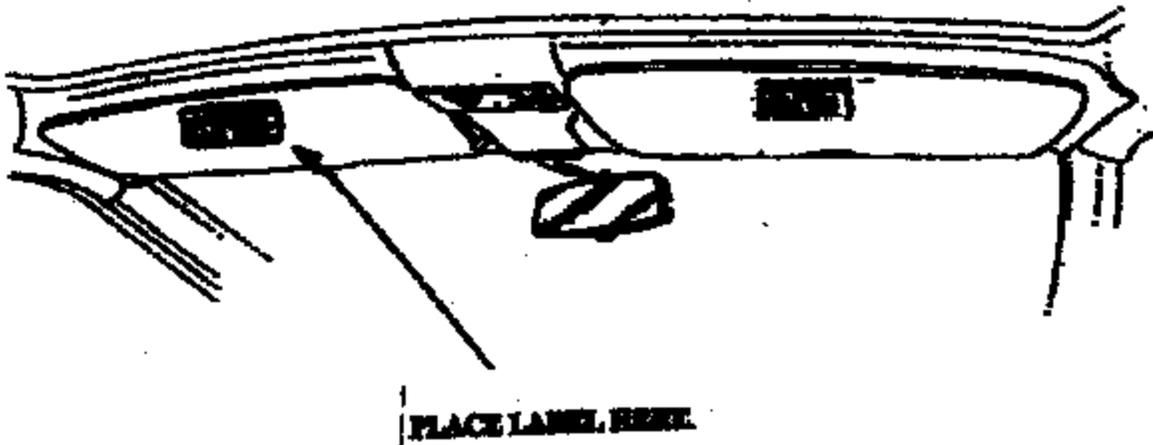
If you have any questions, please contact:
Lotus USA Technical Service at 1 800 245 6887

Sincerely,

Arnold A. Johnson-CEO
Lotus Cars USA, Inc.

Procedure

Peel the protective backing off a label, and apply centrally to the outside of each of the stored (rolled up) sun visors, as shown in the illustration, pressing firmly to ensure complete adhesion.



DRAFT DEALER RECALL NOTIFICATION LETTER

Mr. John Doe
Lotus Dealer
123 Elm Street
Any Town, State XXXXXX

Dear Lotus Dealer:

RECALL NOTICE

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Lotus Cars Ltd. has decided that Lotus Esprit vehicles built between **JANUARY, 1997** and **NOVEMBER, 2003** that were imported into the US fail to conform to Federal Motor Vehicle Safety Standard No. 208, Occupant Crash Protection.

The noncompliance consists of the failure to have affixed **AN AIRBAG WARNING LABEL ON THE DRIVER'S SUN VISOR** regarding the operation of the air bag and seat belt system.

Understanding the functioning of the air bag system is very important. Although the absence of the labels will not cause any vehicle malfunction to occur, the absence of the labels could create a risk to motor vehicle safety if the operation of the air bag system and the need to use seat belts is not properly understood. Improper usage could cause injuries in the event of air bag deployment when there is an accident.

Significantly, it is important to know that:

- To avoid serious injury and for maximum protection in all types of crashes, you must wear your safety belt.
- Do not install rearward facing child seats.
- Do not sit or lean unnecessarily close to the air bag.
- Do not place any objects over the air bag cover or between the air bag and yourself.
- When children are riding in the passenger seat, adjust the seat to its most rearward (aft) position.

Lotus is taking the following measures to remedy the noncompliance:

- Lotus is remedying the noncompliance without charge.
- The noncompliance is being remedied by providing affected owners with a label for them to affix to their **DRIVER'S SIDE** sun visors;
- If they wish, owners may bring their cars to a Lotus dealer to have the required label affixed by the dealer at no charge.
- If they choose to go to a dealer, owners have been instructed to call the dealer for an appointment and that the dealer will need approximately 15 minutes to affix the labels.

Enclosed are instructions on the label installation. Dealers should file a warranty claim for all work done in conjunction with this recall, and shall be permitted no more than ___ minutes per car.

WITH REGARD TO VEHICLES IN YOUR INVENTORY, according to Lotus' records, you have the vehicles on the attached list that are affected by this recall. Enclosed are labels for you to affix to the driver's sun visor of these vehicles in your inventory in accordance with the service bulletin.

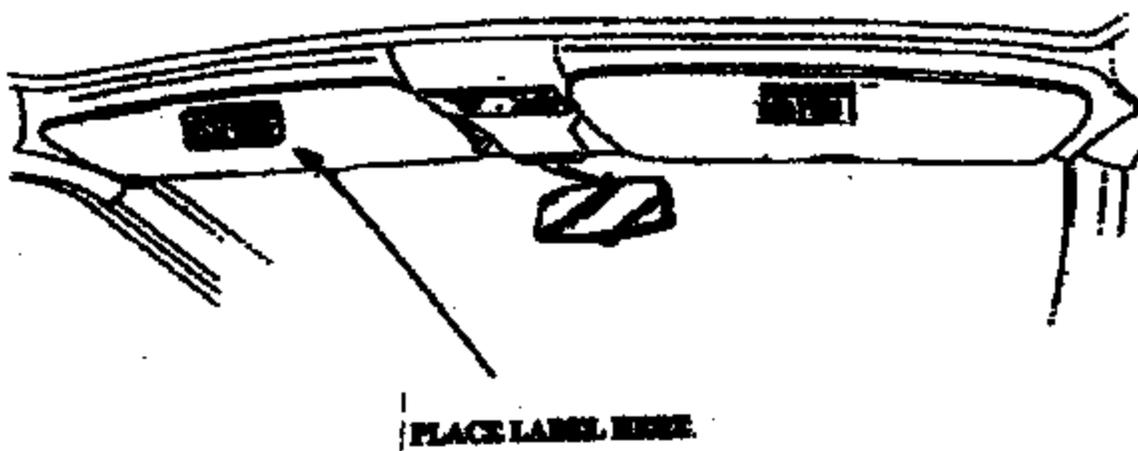
If you have any questions, please contact:
LCU Technical Service at 1 800 245 6887.

Sincerely,

Arnold A. Johnson-CEO
Lotus Cars USA, Inc.

Expansion

Peel the protective backing off a label, and apply centrally to the underside of each of the stowed (folded upwards) sun visors, as shown in the illustration, pressing firmly to ensure complete adhesion.





LOTUS

Lotus Cars USA, Inc.

500 Marathon Parkway
Lawrenceville, Georgia 30045

CERTIFIED MAIL



7002 0510 0001 4566 7552

SAFETY RECALL NOTICE

Mr. John Doe
Lotus Dealer
123 Elm Street
Any Town, State xxxxx

04V-001®®