

Safety Defect and Noncompliance Report Guide for Equipment

PART 573 Defect and Noncompliance ReportDate: May 1, 2013

This report serves as KONI NA LLC's notification to the U.S. Department of Transportation, National Highway Traffic Safety Administration that a defect related to motor vehicle safety exists in certain hydraulic shock absorbers by KONI bv decided that this defect existed in these vehicles on or about 4/25/13.

I. Manufacturer, Designated Agent, and Other Chain of Distribution Information

Manufacturer's corporate name: KONI bvEquipment's brand or trademark name owner(s) (where applicable): KONI

Designated Agent (imported equipment):

Koni North America
1961 International Way
Hebron, KY 41048
Attention: Gordon Benson

If this notification concerns equipment that was installed in new motor vehicles or new items of motor vehicle equipment, identify by name, address, and telephone number each vehicle manufacturer and equipment manufacturer who purchased that equipment:

N/A

If this notification concerns a defective or noncompliant component that the above identified manufacturer did not manufacture, identify that component and provide the name, address, and phone number of the manufacturer of the component (if this manufacturer is unknown, provide this information as to the supplier of the component):

Shock Absorbers, KONI bv, Koreweg 2, Oud-Beijerland Holland, 31-0-186-635500

Name, address, email, and phone and fax numbers for the person(s) to whom inquiries about this report should be directed:

Sarah Wilson, Esq., Counsel for KONI bv, Covington & Burling LLP, 1201 Pennsylvania Ave, NW, Washington D.C., 20004, swilson@cov.com, 202-662-5397, FAX: 202-778-5397

Gordon Benson, 1961A International Way Hebron, KY 41048, Gordon.benson@itt.com, 859-488-0343, FAX: 859-334-3340; 800-209-3350

Manufacturer's assigned campaign number (where applicable): N/A

II. Identification of the Recall Population and Its Size

Complete the tables below for each item of equipment subject to this notification. Additional tables may be necessary where there are more than three items subject to a notification.

Type of equipment (e.g., tire, child restraint, headlamp): Shock Absorber
Part/Model number:8245-1146L
Size and function (where applicable): Front Left Shock Absorber, VW Touareg (2002-2010)
Inclusive dates of manufacture (month and year): 1/2008 through 4/2013
Other information necessary to describe this equipment:
Total number of these items of equipment: 12

Type of equipment (e.g., tire, child restraint, headlamp): Shock Absorber
Part/Model number:8245-1146R
Size and function (where applicable): Front Right Shock Absorber, VW Touareg (2002-2010)
Inclusive dates of manufacture (month and year): 1/2008 through 4/2013
Other information necessary to describe this equipment:
Total number of these items of equipment: 12

Type of equipment (e.g., tire, child restraint, headlamp): Shock Absorber
Part/Model number:8245-1201L
Size and function (where applicable): Front Left Shock Absorber, Audi Q7 (2005-2013)
Inclusive dates of manufacture (month and year): 1/2008 through 4/2013
Other information necessary to describe this equipment:
Total number of these items of equipment: 3

Type of equipment (e.g., tire, child restraint, headlamp): Shock Absorber
Part/Model number:8245-1201R
Size and function (where applicable): Front Right Shock Absorber, Audi Q7 (2005-2013)
Inclusive dates of manufacture (month and year): 1/2008 through 4/2013
Other information necessary to describe this equipment:
Total number of these items of equipment: 3

Type of equipment (e.g., tire, child restraint, headlamp): Shock Absorber
Part/Model number:8245-1203L
Size and function (where applicable): Front Left Shock Absorber, Porsche Cayenne (2002-2010)

Inclusive dates of manufacture (month and year): 1/2008 through 4/2013
Other information necessary to describe this equipment:
Total number of these items of equipment: 4

Type of equipment (e.g., tire, child restraint, headlamp): Shock Absorber
Part/Model number:8245-1203R
Size and function (where applicable): Front Right Shock Absorber, Porsche Cayenne (2002-2010)
Inclusive dates of manufacture (month and year): 1/2008 through 4/2013
Other information necessary to describe this equipment:
Total number of these items of equipment: 5

Provide the following information as to all the items of equipment (“the recall population”) identified above:

Grand total number of items of equipment in the recall population: 39

The percentage of the recall population you estimate actually contain the defect or noncompliance:

Unknown

Identify and describe how the recall population was determined (e.g., on what basis the recalled models were selected and how the inclusive dates of manufacture were determined):

After a claim was received back from the field, current stock was investigated and it was determined all produced models since the first production batch might be affected. After receiving back the pieces further analyses can be done and batches from specific manufacturing dates might be excluded

Describe how the recall population is different from any similar items of equipment not subject to this notification:

N/A

III. Description of the Defect or Noncompliance and Chronology of Events

Describe the defect or noncompliance, including a summary and detailed description of the nature and physical location (if appropriate) of the defect or noncompliance. Graphic aids should be provided where necessary.

The bracket (bottom attachment of the shock absorber) was welded incorrectly which could possibly cause the shock absorber to bend and rest on the drive shaft



Identification photo of received damper – Damper 8245 1146R

Describe the cause(s) of the defect or noncompliance condition.

Insufficient fixation and penetration of weld joints holding bracket in place.

Describe the consequence(s) of the defect or noncompliance condition.

The customer/driver will notice that the car will lean over slightly and noise will be audible.

Identify any warning(s) that may precede the defect or noncompliance condition.

None

For defects, provide a dated, chronological summary of all the principle events that were the basis for the determination that the defect is related to motor vehicle safety, including a summary of all warranty claims, field or service reports, and other information such as numbers of crashes, injuries and fatalities.

3/18/13 – Defective shock absorber was received through our warranty program. Shock's lower bracket had evidence of having collapsed on the vehicle. Customer was contacted to see if bracket collapse was result of accident as failure mode was consistent. Customer stated that vehicle was NOT in accident and that suspension had collapsed like a tire had gone flat. Damper

was sent back to Manufacturer. 4/2/13 – Manufacturer received damper and determined that poor weld penetration was the issue. Checks of in house stock was done and additional units were found to have the same issue. 4/15/13 – Manufacturer’s Product Safety Review Board met and determined to consider the necessity of a recall start recall. 4/25/13 – Manufacturer decided to start the recall process. This was the only claim received and there were no crashes, injuries or fatalities.

For noncompliances, identify the test results and other information considered in determining the existence of the noncompliance, and provide the date of each test and observation indicative of that noncompliance.

Not Applicable.

IV. The Remedy Program and Its Schedule

Describe the program for remedying the defect or noncompliance, including the plan for reimbursing those owners and purchasers who may have incurred costs to remedy the defect or noncompliance before receiving the manufacturer’s notification concerning that defect or noncompliance. Also include, where applicable, details with dates concerning any production remedy that was conducted or will be conducted.

The distributors of the products will be notified via U.S. mail and advised to immediately contact their customers of the recall. Dampers will be replaced free of charge with shipping covered as well.

Provide the estimated date(s) on which owner and purchaser notifications will be issued and the estimated date(s) for completion of those notifications.

Letters will be sent within 3 business days of National Highway Traffic Safety Administration’s approval through U.S. Postal Service. All notifications will be issued at same time.

Provide the estimated date(s) on which dealer and distributor notifications will be issued and the estimated date(s) for completion of those notifications.

Dealers have been contacted already and all affected new product has been held for sale. Affected dampers are being returned to Koni North America and will be sent back to the Manufacturer in Holland for rework.

Describe the distinguishing characteristics of the remedy component/assembly versus the recalled component/assembly.

Welds will be in correct locations and with proper penetration. Each replacement damper will have their welds checked and approved by a welding engineer.

******* IMPORTANT REMINDERS *******

A DRAFT version of the letter that the manufacturer intends to mail to owners and purchasers notifying them of the defect and/or noncompliance must be submitted to NHTSA at least five Federal Government business days before those letters are issued. In addition, it is recommended that the draft version of the letter that the manufacturer intends to send to its dealers and distributors concerning the defect and/or noncompliance also be submitted for review. For prompt receipt and review, drafts may be submitted to the attention of the Recall Management Division (NVS-215) via facsimile on (202) 366-7882, or email to RMD.ODI@dot.gov.

A representative copy of all notices, bulletins, and other communications that relate directly to the defect or noncompliance and which are sent to more than one manufacturer, distributor, dealer, or purchaser, must be submitted to NHTSA no later than five days after they are initially sent. This requirement applies both to the final version of the notification letter that is sent to owners and purchasers, as well as the final version that is sent to dealers and distributors. It also includes any follow-up notifications issued concerning a recall. The representative copies of the letters sent to owners and purchasers, and dealers and distributors, must be submitted via certified mail. It is strongly recommended, however, that additional representative copies be submitted via facsimile on (202) 366-7882, or email to RMD.ODI@dot.gov, so that the submission can be more promptly reviewed. All submissions should be conspicuously labeled with the appropriate NHTSA-assigned recall number.