

**UNITED STATES DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**

1200 New Jersey Avenue, SE
West Building, W41-326
Washington, DC 20590

In re:)
)
EA16-003)
(ARC) Air Bag Inflator Rupture)
)

STANDING GENERAL ORDER 2016-01
DIRECTED TO ARC AUTOMOTIVE, INC.

To: Robert Zimbrich
Director, Inflator Products
ARC Automotive, Inc.
1729 Midpark Road, Suite 100
Knoxville, TN 37921

This Standing General Order (“General Order”) is issued by the Secretary of Transportation pursuant to 49 U.S.C. § 30166(g)(1)(A) and 49 C.F.R. § 510.7, and pursuant to a delegation of authority to the Chief Counsel of the National Highway Traffic Safety Administration (“NHTSA”), an Operating Administration of the United States Department of Transportation, 49 C.F.R. §§ 1.95, 501.8(d)(3).

As part of NHTSA’s ongoing investigation and oversight of rupturing air bag inflators - in NHTSA Investigation EA16-003, NHTSA, by this General Order, hereby demands that ARC Automotive, Inc. (“ARC”) file certain reports concerning air bag inflator rupture incidents. This General Order does not replace or modify the obligations outlined in Standing General Order 2015-02A issued on August 17, 2015. All obligations outlined herein are in addition to those obligations outlined in all prior Standing General Orders, as well as ARC’s existing statutory and regulatory obligations.

DEFINITIONS

To the extent used in this General Order, the following definitions apply:

1. The definitions of **“affiliate,” “manufacturer,” “motor vehicle,” “original equipment,”** and **“replacement equipment”** can be found in 49 U.S.C. § 30102 and 49 C.F.R. § 573.4.
2. **“Inflator”** means any gas generator (pyrotechnic, stored gas, or hybrid) used to inflate an air bag in a supplemental restraint system that is manufactured by you, regardless of the air bag’s position in the vehicle (i.e., whether driver, passenger, center, or rear seat and whether frontal, side, knee, curtain, or other); regardless of the motor vehicle manufacturer (i.e., the customer); regardless of whether it was manufactured as original equipment or replacement equipment; and regardless of whether it is a single stage or dual stage.
3. An **“inflator rupture”** means an incident (or alleged incident), whether in the United States or abroad, by which some mechanism (e.g., excessive internal pressure inside the inflator) causes the inflator body to burst or break apart at any time. . Signs of an inflator rupture include, but are not limited to, unusual tears in air bag cushion fabric, and/or metal shards detected or found in the inflator, module, air bag, or testing chamber. For purposes of this Order, an inflator rupture shall refer to all incidents or alleged incidents other than a field rupture as defined by Standing General Order 2015-02A, including but not limited to ruptures occurring during testing.
4. As used herein, the term **“notice”** is broader than as defined in 49 C.F.R. § 579.4. It consists of information that you have received from any source (whether foreign or domestic), and in any form (whether written or oral), about an incident in which an inflator ruptured or is alleged to have ruptured. Notice shall not be construed to include rumors or allegations from third parties that are not widely disseminated.

5. “You” or “your” means each individual manufacturer to whom this General Order is directed.

INSTRUCTIONS

1. This General Order does not supersede or replace the reporting obligations set forth in Standing General Order 2015-02A, which was issued on August 17, 2015. This General Order sets forth additional reporting obligations with which ARC is required to comply in addition to those reporting obligations set forth in Standing General Order 2015-02, in addition to ARC’s existing statutory and regulatory reporting obligations.

2. The written reports required under this General Order shall be provided to NHTSA within five (5) business days of receiving notice of an incident in which an air bag inflator rupture has occurred or is alleged to have occurred.

3. You are hereby obligated to inquire of your foreign office(s) and/or affiliate(s) (if any) on a regular basis as to whether your foreign office(s) or affiliate(s) has learned of any rupture incidents. Notice to NHTSA of any foreign inflator ruptures must occur within five (5) business days of when your United States office learns of the incident or alleged incident from the foreign office or affiliate. You are only required to submit one initial report per rupture incident regardless of whether it is filed by your United States or foreign office.

4. This General Order requires reports on a prospective basis; meaning, that it requires reports for incidents (or alleged incidents) of which you receive notice on or after the date of this General Order. **This is a standing reporting obligation, and shall continue until such time as NHTSA notifies you in writing that such reports are no longer required.**

5. The written reports required under this General Order shall be provided by electronic mail to NHTSA’s Office of Defects Investigation, Chief of the Vehicle Defects

Division (currently Scott Yon, Scott.Yon@dot.gov), with a copy to Sharon Yukevich (Sharon.Yukevich@dot.gov), and NHTSA's Acting Assistant Chief Counsel for Litigation and Enforcement (currently Kerry Kolodziej, Kerry.Kolodziej@dot.gov), with a copy to Kara Fischer (Kara.Fischer@dot.gov). NHTSA will provide notice if the individuals holding these positions or their e-mail addresses change.

6. In addition to a formal report, ARC is required to notify NHTSA telephonically or via electronic mail within twenty-four (24) hours of receiving notice of any potential inflator rupture. Such notification should be directed to Sharon Yukevich (Sharon.Yukevich@dot.gov, 202-366-4925). Following this preliminary notification, ARC must submit a written report as directed in these instructions.

7. You are required to respond to every request listed in this General Order, including subparts. If you cannot respond to any specific request or subpart(s) thereof, please state the reason why you are unable to do so. Examples include, but are not limited to, situations where you do not possess the information requested at the time the report is due or where you are required to redact the information because it is protected from disclosure under foreign privacy law. If you do not possess the information necessary to fully complete a report required by this General Order on or before its due date, you must provide as much information as you have available at the time the report is due.

8. The requests in this General Order are deemed to be continuing in nature so as to require additional and/or amended reports from you should you obtain or become aware of any new, additional, or differing responsive information about any previously-reported inflator rupture incident.

9. To the extent you have not made a determination as to whether a rupture in fact

occurred by the date of your initial report:

(a) You shall submit supplemental reports in the form attached as Appendix A on the first business day of every month, either providing new or additional responsive information or indicating that no such information has been obtained since the prior report. Supplemental reports shall be submitted on a monthly basis until such time as you have concluded your investigation.

(b) Within five (5) business days of the conclusion of your investigation, you are required to submit a final report in the form attached as Appendix A, either confirming that a rupture occurred or stating that a rupture did not occur. If you are ultimately unable to determine whether a rupture occurred (e.g., because the parts are no longer in existence or there is no other basis on which you can conclude that a rupture occurred), then you may provide such an explanation in your final report.

10. If you are able to confirm that a rupture did, in fact, occur at the time you submit your initial report, then no further reports will be required for that incident. If you are able to ascertain that a rupture did not, in fact, occur prior to the expiration of the deadline to submit the initial report, no such initial report will be required.

11. NHTSA reserves the right to request additional information regarding any rupture or alleged rupture.

12. Failure to respond fully or truthfully to this General Order may result in a referral to the United States Department of Justice for a civil action to compel responses, and may subject a manufacturer to civil penalties of up to \$21,000 per day, up to a maximum penalty of \$105,000,000 for a related series of daily violations. 49 U.S.C. §§ 30163(a)(1), 30165(a)(3); 49

C.F.R. § 578.6 (as amended by Fixing America's Surface Transportation Act (the "FAST Act"), Pub. L. 114-21, § 24110(a)(2), 129 Stat. 1312 (Dec. 4, 2015)).

13. You are cautioned not to assert privilege in connection with any information you submit to NHTSA. Should you anticipate doing so for any reason (and the agency can contemplate none), you are instructed to contact Kara Fischer at (202) 366-8726 to discuss why any information you submit would constitute privileged information.

14. If you claim that any of the information or documents provided in response to this General Order constitutes confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or is protected from disclosure pursuant to 18 U.S.C. § 1905, then you must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 C.F.R. Part 512, to the Office of Chief Counsel (NCC-111), National Highway Traffic Safety Administration, West Building, W41-326, 1200 New Jersey Avenue, SE, Washington, DC 20590. A copy of the request for confidential treatment and accompanying materials shall be sent by electronic mail to Kara Fischer at Kara.Fischer@dot.gov.

15. As used herein, the singular includes the plural; the plural includes the singular. The masculine gender includes the feminine and neuter genders; and the neuter gender includes the masculine and feminine genders. "And" as well as "or" shall be construed either disjunctively or conjunctively, to bring within the scope of this General Order all responses that might otherwise be construed to be outside its scope. "Each" shall be construed to include "every" and "every" shall be construed to include "each." "Any" shall be construed to include "all" and "all" shall be construed to include "any." The use of a verb in any tense shall be construed as the use of the verb in a past or present tense, whenever necessary to bring within the

scope of the requests all responses which might otherwise be construed to be outside its scope.

16. The reporting obligations established by this General Order, issued pursuant to 49 U.S.C. § 30166(g), are in addition to your current reporting obligations under the National Traffic and Motor Vehicle Safety Act of 1966 as amended and recodified (the “Safety Act”), 49 U.S.C. § 30101, *et seq.*, including, but not limited to, early warning reporting requirements established by the Transportation, Recall Enhancement, Accountability and Documentation Act (the “TREAD Act”), Pub. Law 106-414, codified at 49 U.S.C. § 30166(m), and its implementing regulations, 49 C.F.R. Part 579.

17. You are **not** required to submit the requested reports under oath.

REQUEST

Within twenty-four (24) hours of receiving notice of an incident in which an air bag inflator ruptured or is alleged to have ruptured:

1. Provide preliminary notification to NHTSA telephonically or via electronic mail. This notification should provide all information that is available at the time of notification. Such notification should be directed to Sharon Yukevich (Sharon.Yukevich@dot.gov, 202-366-4925).

Within five (5) business days of receiving notice of an incident in which an air bag inflator ruptured or is alleged to have ruptured:

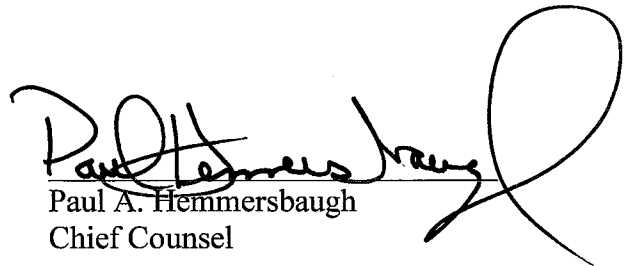
1. File a report that provides the following information: (i) the date on which you were first notified or learned of the incident (i.e., the “Notification Date”); (ii) the manner in which you received notification or learned of the incident; (iii) the inflator manufacturer, serial number, build date, and other identifying information; (iv) the date, location, and description of the incident; (v) the contact information for the manufacturer(s) (vehicle, supplier, or otherwise) who was slated to receive the inflator and any specifications as to the intended module, vehicle,

or platform; (vi) contact information for all manufacturers (vehicle, supplier, or otherwise) to whom ARC previously provided the same type of inflator, or to whom ARC was slated to provide the same type of inflator as the subject inflator other than other than the manufacturer(s) identified in section (v) of this request; (vii) the type of testing or activity that was being conducted at the time of the rupture and a summary of all testing that had been conducted prior to the rupture; (viii) a summary of your current understanding as to the nature of the incident and/or the root cause of the inflator rupture; and (ix) a summary of any other information relevant to your investigation of the incident. Please also state whether you have confirmed that a rupture occurred. Reports shall be submitted in the form attached as Appendix A.

2. In connection with each report submitted in accordance with Request No. 1, provide copies of any documents that you have received that relate to rupture or alleged rupture or incident, including, but not limited to: testing protocol, testing results, production information, shipping information, sales information, design drawings and documents, validation information, engineering analyses, and any other assessment or evaluation data.

In accordance with Instruction No. 4, this General Order creates a standing reporting obligation, and shall continue until such time as NHTSA notifies you in writing that such reports are no longer required.

Dated: October 5, 2016


Paul A. Hemmersbaugh
Chief Counsel

**UNITED STATES DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**

1200 New Jersey Avenue, SE
West Building, W41-326
Washington, DC 20590

In re: EA16-003 (ARC) Air Bag Inflator Rupture)))))	STANDING GENERAL ORDER 2016-01 APPENDIX A
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AIR BAG INFLATOR RUPTURE INCIDENT REPORT

Report Type (i.e., initial, amended, supplemental, final):

Report Prepared By:

Tel. No.

Title:

Report Date:

Notification

Notification Date:

Manner of Notification:

Contact:

Inflator Information

Inflator Manufacturer:

Inflator Serial Number:

Original Equipment: Replacement Equipment: Unknown:

Inflator Location (e.g., driver/passenger,
front/rear seat, side, curtain, knee):

Inflator Build Date:

Inflator Type (e.g., pyrotechnic/stored gas/hybrid):

Inflator (e.g. CADH, DCADH, PH-7, etc.):

Part Number:

Module Manufacturer/Customer Information:

Module Serial Number:

Customer Part Number:

Other Customer(s) Information:

Incident Information

Incident Date:

Incident Location:

Description of the Incident: (Attach additional pages if necessary)

Test/circumstance during which rupture occurred:

Prior testing completed:

Information Regarding Your Investigation

Have you confirmed a rupture? Yes No

Have you confirmed that no rupture occurred? Yes No N/A

Current understanding as to the nature of the incident and/or the root cause of the inflator rupture: (Attach additional pages if necessary)

Description of other failures or ruptures during lot acceptance testing (LAT) or conformance of production (CoP) testing involving the type of inflator identified in this report:

Other information relevant to your investigation (e.g., production history, related field incidents): (Attach additional pages if necessary)