

SAFETY DEFECT AND NON COMPLIANCE REPORT

Date: 21st January 2014

This report serves as Qingdao Xiyingmen Double Camel Tyre Co., Ltd. 's notification to the U.S. Department of Transportation, NHTSA that a non compliance with FMVSS exists in certain bias ply tubeless trailer tyre 225/75 D15 LR "D" VAIL SPORT LH 99 DOT69 .Qingdao Xiyingmen Double Camel Tyre Co., Ltd. decided that this non compliance existed in these tyres in 28th and 29th week July 2013.

Manufacturer's corporate name: Qingdao Xiyingmen Double Camel Tyre Co., Ltd.(hereafter known as Double Camel)

Equipment's brand owner: Lionshead Speciality Tire & Wheel LLC

Designated agent: Gary C Graham, Lionshead Speciality Tire & Wheel LLC, 827 E, Lincoln Avenue, Goshen, IN 46528

The tires were purchased from Double Camel by Lionshead Speciality LLC. These were apparently mounted on rims by the customer before supplying to trailer vehicle manufacturers whose customer details are hitherto not known , and which will be collected/informed in due course.

The non compliant equipment (tyre alone) was manufactured by Double Camel.

Details of the person to whom enquiry about this report should be directed:

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Manufacturer's assigned campaign number: Not applicable

Identification of the recall population and its size

Type of equipment: Tyre

Model no: ST VAIL SPORT LH 99

Size: 227/75D15 load range D, tubeless for trailers

Date of manufacture: 28th and 29th week 2013

Total number of these items of equipment: about 1440 pieces

The percentage of the recall population can not be fully estimated at this juncture but may become apparent in due course, at which time it will be intimated.

The recall population was determined solely on the basis of two tyres tested, one each from the production of 28th and 29th week of year 2013, by the DOT

The recall population is different from similar items of equipment not subject to this notification, in the sense that each tyre size is unique in terms of its internal constructions, dimensions etc.

Description of the non compliance and chronology of events

Out of the two tyres tested by DOT, one each exhibited lower than minimum specified plunger energy and hours on endurance test.

The test report no 119-STL-14-027 dated 15th jan 2014 is attached for details.

The observed early failures could have been caused by one or more of the following possible things:

1. Foreign matter between the tread, sidewall and carcass of tyre
2. Inadequate follow up of work instructions by workmen during manufacturing process
3. Some inadequacy in materials

Consequence of the non compliance condition

Tyres with specifications being used at the time of manufacturing of these products have had a highly sustained positive feedback from the customer for a bias ply tyre. However, technically such a non compliance can reduce the service life of the tyre below the perceived one.

Double Camel never received any warnings or negative reports from the market besides usual claims about this product.

The total warranty claim information till date is attached herewith. The product is being marketed for more than two years and till date, no crashes, injuries or fatalities have been reported while using this product in the market place.

Remedy Program and its schedule

The remedy plan for the non compliance is as follows:

1. Carry out the recall process sincerely and replace the tyres returned by the customers with new ones and make sure that these tyres are not sold again.
2. Segregate any unsold tyres lying at customer's end belonging to the aforesaid period and ensure that these do not enter the market henceforth.
3. Tyre construction has already been enhanced from 38th week of 2013 to beef up the tyre body so that it always meets the DOT regulation criteria. The distinguishing component of this action is the writing of tread/sidewall plies on the tyres.
4. Constantly review the quality assurance measures at manufacturing.

Notifications

Double Camel is raw to the subject of recall but determined to go through it. At present, Double Camel is not in a position to provide dates for owner and purchaser notifications, or dealer and distributor notifications. One of the reason is that the factory is closed on account of Chinese Spring festival holidays for 3 weeks. Immediately thereafter, the process for recall will be initiated and the desired date estimates provided.