

March 22, 2019

Mr. James Breyer XL Hybrids INC 145 Newton St. Boston, MA 02135

Subject: U-Joint May Fail and Front Driveshaft may Detach

Dear Mr. Breyer:

This letter serves to acknowledge XL Hybrids INC's notification to the National Highway Traffic Safety Administration (NHTSA) of a safety recall which will be conducted pursuant to Federal law for the product(s) listed below. Please review the following information to ensure that it conforms to your records as this information is being made available to the public. If the information does not agree with your records, please contact us immediately to discuss your concerns.

Makes/Models/Model Years: ISUZU/REACH/2013-2018

Mfr's Report Date: February 15, 2019

NHTSA Campaign Number: 19V-098

Components: POWER TRAIN:DRIVELINE:DRIVESHAFT

Potential Number of Units Affected: 94

Problem Description:

XL Hybrids Inc. (XL) is recalling certain 2013-2018 Isuzu Reach vehicles modified to be equipped with XL's electric hybrid system. The cardan (universal) joint on the front driveshaft may fail, possibly causing the front driveshaft to detach.

Consequence:

If the front driveshaft detaches from the vehicle, drive power will be lost, increasing the risk of a crash. The detached driveshaft may also create a road hazard, increasing the risk of a crash for following traffic.

Remedy:

XL will notify owners, and dealers will replace the front driveshaft with an updated one, free of charge. The manufacturer has not yet provided a notification schedule. Owners may contact XL customer service at 1-866-414-3212.

Notes:

Owners may also contact the National Highway Traffic Safety Administration Vehicle Safety Hotline at 1-888-327-4236 (TTY 1-800-424-9153), or go to www.safercar.gov.

1200 New Jersey Avenue SE Washington, DC 20590

> NEF-150MR 19V-098

NHTSA is missing critical, required information for this safety recall. This information must be supplied through the NHTSA Recalls Portal within 5 working days of confirming its accuracy:

- Your company's program shall include a plan for reimbursing an owner or purchaser who incurred costs to obtain a remedy for the problem addressed by the recall within a reasonable time in advance of your company's notification of owners, purchasers and dealers, in accordance with § 573.13 of this part. Your company's plan may incorporate by reference a general reimbursement plan it previously submitted to NHTSA, together with information specific to the individual recall. Information required by § 573.13 that is not in a general reimbursement plan shall be submitted in your company's report to NHTSA under this section. If your company submits one or more general reimbursement plans, your company shall update each plan every two years, in accordance with § 573.13. Your company's remedy program and reimbursement plans will be available for inspection by the public at NHTSA headquarters (49 CFR 573.6 (c)(8)(i)). If the vehicles are new and would be covered under the manufacturer's warranty program, please state that in the remedy section of your filing.

Your company must supply the estimated date(s) for which it will notify owners regarding this safety recall. If your company subsequently becomes aware that either the beginning or the completion dates reported to the agency for any of the notifications will be delayed by more than two weeks, your company shall promptly advise the agency of the delay and the reasons therefore, and furnish a revised estimate (49 CFR 573.6 (c)(8)(ii)).

Your company must supply the estimated date(s) for which it will notify dealers and/or distributors regarding this safety recall. If your company subsequently becomes aware that either the beginning or the completion dates reported to the agency for any of the notifications will be delayed by more than two weeks, your company shall promptly advise the agency of the delay and the reasons therefore, and furnish a revised estimate. (49 CFR 573.6 (c)(8)(ii)).

Please be reminded of the following requirements:

You are required to submit a draft owner notification letter to this office no less than five days prior to mailing it to the customers. Also, copies of all notices, bulletins, dealer notifications, and other communications that relate to this recall, including a copy of the final owner notification letter and any subsequent owner follow-up notification letter(s), are required to be submitted to this office no later than 5 days after they are originally sent (if they are sent to more than one manufacturer, distributor, dealer, or purchaser/owner).

The information in your report suggests that XL may have been aware of this issue more than five business days before filing a report with NHTSA. Please be reminded that under Federal law, this agency is to be notified of all safety defect and/or noncompliance decisions within five business days. 49 CFR 573.6

Please be reminded that under 49 U.S.C. § 30112(a)(3), it is illegal for a manufacturer, to sell, offer for sale, import, or introduce or deliver into interstate commerce, a motor vehicle or item of motor vehicle equipment that contains a safety defect once the manufacturer has notified NHTSA about that safety defect. This prohibition does not apply once the motor vehicle or motor vehicle equipment has been remedied according to XL Hybrid's instructions.

As stated in Part 573.7, submission of the first of six consecutive quarterly status reports is required within one month after the close of the calendar quarter in which notification to purchasers occurs. Therefore, the first quarterly report will be due on, or before, 30 days after the close of the calendar quarter.

Your contact for this recall will be Michelle Rice who may be reached by phone at (202) 366-1060, or by email at michelle.rice@dot.gov. We look forward to working with you.

Sincerely,

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Kareem Habib Acting Chief, Recall Management Division Office of Defects Investigations Enforcement

