OMB Control No.: 2127-0004

Part 573 Safety Recall Report

20V-630

Manufacturer Name: Hyundai Motor America

NHTSA Recall No.: 20V-630

Manufacturer Recall No.: 196



Manufacturer Information:

Manufacturer Name: Hyundai Motor America

Address: 10550 Talbert Avenue

Fountain Valley CA 92708

Company phone: 800-633-5151

Population:

Number of potentially involved: 6,707 Estimated percentage with defect: 1 %

Vehicle Information:

Vehicle 1: 2019-2020 Hyundai Kona Electric

Vehicle Type: LIGHT VEHICLES

Body Style: 4-DOOR

Power Train: HYBRID ELECTRIC

Descriptive Information: The subject vehicles include model year 2019-2020 Hyundai Kona electric vehicles

("EV") built between August 28, 2018 and March 2, 2020 by Hyundai Motor Company ("HMC") for sale in the U.S. market. The affected population was determined based on suspect production lot information provided by the supplier and vehicle assembly

records.

Production Dates: AUG 28, 2018 - MAR 02, 2020

VIN Range 1 : Begin : NR End : NR Not sequential

Description of Defect:

Description of the Defect: The high-voltage battery system in the subject vehicles might contain certain

electrical deficiencies, such as internal damage to certain cells of the lithiumion battery and/or faulty battery management system ("BMS") control software, that could increase the risk of an electrical short circuit after fully charging the Li-ion battery. Hyundai is continuing to actively investigate this

condition for identification of a specific root cause.

FMVSS 1: NR FMVSS 2: NR

Description of the Safety Risk: An electrical short in the Li-ion battery could result in a fire.

Description of the Cause: NR

Identification of Any Warning NR

that can Occur:

Involved Components:

Component Name 1: High Voltage Battery System Assembly

Component Description: NR

Component Part Number: 37501-K4000

Supplier Identification:

Component Manufacturer

Name: MOBIS

Address: NR

NR

Country: NR

Chronology:

March 2019 - August 2019

HMC received three reports of Kona Electric vehicles catching fire while parked in the Korean market. All vehicles involved were reportedly parked with full state-of-charge in the vehicle's Li-ion battery. HMC conducted a search globally and found two similar incidents in Canada, and one incident in Europe. HMC reviewed and investigated these incidents with the Korea Automobile Testing & Research Institute ("KATRI") and Transport Canada ("TC") respectively.

September 2019 to March 2020

HMC and KATRI continued to jointly investigate known fire cases through regular discussions on KATRI's opened defect investigation. In March 2020, a service campaign was launched globally to upgrade the BMS software for automated early detection of abnormalities in the Li-ion battery state while the vehicle is parked. This software update was developed jointly with the Tier 2 battery cell supplier, LG Chemical, as a fail-safe "level-up" countermeasure. HMC began collecting and analyzing Li-ion batteries replaced under the campaign to continue their investigation.

April 2020 - October 2020

HMC received an additional seven reports globally of fires on parked Kona Electric vehicles.

Six of these incidents occurred in Korea while one occurred in Europe. HMC continued joint review and study of these incidents with KATRI. Hyundai continued its investigation by studying the effects of electrical shorting in the Li-ion battery. While unsuccessful in duplicating the actual fire condition, HMC confirmed that the BMS software update associated with the previous service campaign could detect the early onset of an internal short, illuminate a warning light, and limit the vehicle's power until the diagnostic code is cleared. October 2020

HMC informed HMA of their findings on October 7, 2020. HMA convened its NASDA on October 8, 2020 and decided to conduct a safety recall campaign to repair all potentially affected vehicles in the U.S.

Description of Remedy:

Description of Remedy Program: Hyundai is planning to notify owners to bring their vehicles to the nearest

Hyundai dealership for inspection and replacement of the Li-ion battery, if necessary. As an added level of protection, Hyundai is also planning on updating the BMS software to allow for detection of abnormalities in the high-voltage battery system while parked. The remedy procedure will be performed at no charge. Hyundai will provide reimbursement to owners

for repairs according to the plan submitted on May 16, 2018.

Customers are advised to park their vehicles outdoors and/or away from

structures until their vehicle is remedied.

How Remedy Component Differs NR

from Recalled Component :

Identify How/When Recall Condition NR

was Corrected in Production:

Recall Schedule:

Description of Recall Schedule: Owners and dealers will be notified in December 2020.

Planned Dealer Notification Date : DEC 11, 2020 - DEC 11, 2020 Planned Owner Notification Date : DEC 11, 2020 - DEC 11, 2020

* NR - Not Reported