



U.S. Department
of Transportation

**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue SE.
Washington, DC 20590

APR 29 2013

Mr. Mark Boone
President
Markus Group Ltd.
4401 Dewees Ct.
Raleigh, NC 27612

Dear Mr. Boone:

This letter is in response to your recent request for assignment of a new tire manufacturer's identification code for the Service Industries Limited plant located in Gujrat, Pakistan. Since Service Industries Limited is planning to export tires to the United States, we want to bring to your attention certain Federal laws and regulations, including the Federal Motor Vehicle Safety Standards (FMVSS), administered by the National Highway Traffic Safety Administration (NHTSA) under the National Traffic and Motor Vehicle Safety Act, as amended (Safety Act) that have bearing upon the importation of these tires.

It is a violation of Federal law to manufacture a tire for sale in the United States after the effective date of an applicable FMVSS unless the tire complies in all respects with that FMVSS. In the event that the tire is manufactured in a foreign country, the importer of the tire in the United States is considered a manufacturer under the law, and has all of the duties and obligations of the fabricating manufacturer relating to compliance with FMVSS and, as discussed below, reporting and recalls.

The United States uses a self-certification system in which the tire manufacturer is required to certify that each tire it manufactures complies with the applicable FMVSS. The symbol **DOT** molded into or onto a tire by its manufacturer is legal certification that the tire complies with all applicable FMVSS. A foreign tire manufacturer is prohibited from introducing or delivering for introduction into interstate commerce in the United States its new tires unless the manufacturer (or importer of record) has certified that the tires comply with all applicable FMVSS.

The self-certification process used in the United States substantially differs from the processes used in many other countries. For instance, China and some countries in Europe require manufacturers to deliver regulated items to a governmental entity for testing; after successful testing, the government approves those regulated items for use and assigns an approval code. Under the United States self-certification process, the tire manufacturer, not any governmental entity, has full legal responsibility to assure that the tires comply with the applicable FMVSS and are properly certified.

It is the responsibility of the tire manufacturer to establish design specifications, manufacturing process specifications, quality assurance programs and engineering change verification programs to such a level that all new tires shipped to the United States meet or exceed the minimum performance requirements of all applicable FMVSS and are properly certified.

The manufacturer, including the importer, has a number of responsibilities regarding the tires after they have been sold. Under the Early Warning Reporting program, the manufacturer must report on the field experience of the tires, including deaths, injuries, property damage claims and warranty adjustments. The manufacturer must report safety recalls and other safety campaigns that the manufacturer conducts outside the United States involving tires that are identical or substantially similar to those sold in the United States. 49 CFR Part 579.



A manufacturer, including an importer, has a duty to recall tires if it (1) learns the tires contain a defect and decides in good faith that the defect is related to motor vehicle safety; or (2) decides in good faith that the tires do not comply with an applicable motor vehicle safety standard prescribed under this chapter. If a noncompliance or safety-related defect is found to exist, the manufacturer, including the importer, is required to furnish NHTSA and owners, purchasers, and dealers of the tire with notification of the noncompliance or defect and to remedy the noncompliance or defect without charge to the owner. See 49 U.S.C. §§ 30118 - 30120; 49 CFR Parts 573 and 577. It is important to note that a manufacturer's compliance with all applicable FMVSS does not mean that it has satisfied all of its obligations under the Safety Act. Wholly apart from compliance with FMVSSs, a tire may have a safety-related defect, which would necessitate a recall by the manufacturer.

NHTSA maintains a compliance test program to enforce FMVSS and a defects investigation program to identify and investigate potential safety defects in tires that have left the control of the manufacturer. If NHTSA has reason to believe that an apparent noncompliance exists in a tire, the manufacturer may be asked to show the basis for its certification that the tire complies with the relevant FMVSS and regulations. The manufacturer may also be required to respond to inquiries if an investigation is opened on a potential safety-related defect. These investigations may result in recalls.

NHTSA's regulations also require the designation of an agent for service of process (See 49 U.S.C. § 30164 and 49 CFR Part 551). A manufacturer headquartered outside of the United States must, before offering motor vehicle equipment (including tires) for sale in the United States, designate an agent on whom service of process, notices, orders, and decisions may be made. Only a permanent resident of the United States may serve as an agent. The designation of an agent must be made in writing and submitted to NHTSA's Office of Chief Counsel in accordance with regulatory requirements.

Failure to comply with the Safety Act or a regulation prescribed thereunder can subject a manufacturer, including the importer of record, to civil penalties of up to \$6,000 per violation and a maximum of \$17,350,000 for a related series of violations.

We are hereby assigning the two symbol tire manufacturer's identification (ID) code "E8" for this plant. For your information, this tire code is a "recycled" tire code, i.e., a tire manufacturer's ID code that was previously used by another tire company, but is no longer authorized for use by that company for reasons such as that company is going out of business or is no longer producing tires. Although there are tires in the market place that may have the aforementioned code marked on them, from the date of this letter on, you are the only company authorized to use this plant code.

This code is required to be marked on all new pneumatic tires sold in the United States for highway use. However, its presence on the tire is only to identify you as the manufacturer; it does not imply United States Government approval or endorsement of the tire or of your plant and its manufacturing processes. The requirements for the ID code mark and other tire identification labeling are specified in 49 CFR § 574.5 and the applicable tire FMVSS. Our records will indicate that the addresses of the main office and plant are as follows:

Plant

Service Industries Limited
G.T. Road, Gujrat
Punjab, Pakistan

Main Office

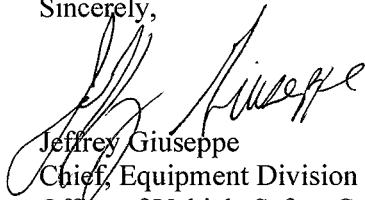
Service Industries Limited
G.T. Road, Gujrat
Punjab, Pakistan

Should you no longer need this tire ID code mark or if any one of the following events occur, please notify us immediately, including the date of the change and the month, day and year the last tires were produced using the codes in question, so that our records can be updated:

1. There is a change in company or plant name or address, or the company or plant is closed;
2. The company or plant is sold or merges with another company; or
3. The types of tires (e.g., passenger car, truck, bus or motorcycle) manufactured at each plant changes.

On any future correspondence concerning a tire plant or the parent tire company, please reference the tire plant ID code(s) involved. If you have any further questions please contact Jack Chern at (202) 366-0661 or jack.chern@dot.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey Giuseppe". The signature is written in a cursive style with a large initial "J".

Jeffrey Giuseppe
Chief, Equipment Division
Office of Vehicle Safety Compliance