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07T-003
(5 pages)

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 **MERITAS LAW FIRMS WORLDWIDE**

August 27, 2007

George H. Person
Chief Recall Management Division
Office of Defects Investigation Enforcement
U.S. Department of Transportation
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington DC 20590

Re: Foreign Tire Sales, Inc.

Dear Mr. Person:

Foreign Tire Sales, Inc., hereby amends its Section 573 report previously filed to include in the disposal portion of the remedy plan information that in accordance with 49 CFR 573.6 certain tires may be retained from the recall population to be used for testing, for among other things, litigation concerning potentially affected tires.

As we discussed, Jeff Killino, Esq., who is representing plaintiffs in the DaSilva and McCulley matters has requested certain tires that are recalled be provided to him for testing. We expect that Mr. Killino will be providing a letter indicating that procedures intended to ensure that all such tires will not be put back on the road will be forthcoming. I am enclosing a copy of Mr. Killino's August 17, 2007 letter herewith.

Additionally, FTS amends its responses to information requests submitted on July 30, 2007. Particularly our response to Request Number 11 is hereby supplemented:

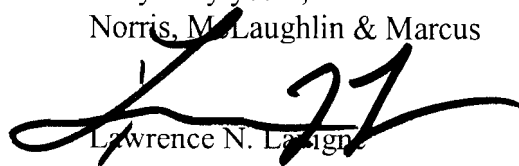
FTS had two HZ light truck radial tires one size LT245/75R16 manufactured in the 19th week of 2006 the other LT235/85R16 manufactured in the 21st week of 2006 examined and sectioned by Standard Testing Laboratories in Ohio. STL has reported that there are no gum strips visible in those tires. We have written to Hogan and Hartson for an explanation as this is contrary to the information HZR has provided to NHTSA. Likewise, another LTR225/75R16 tires and one Chaoyang tire (also manufactured by HZ) manufactured in the 40th week of 2006, are being examined.

NORRIS McLAUGHLIN & MARCUS, PA

The two tires that were sectioned are LT 23585R16, DOT number 7DUWXE22106 and LT245/75R-16 DOT number 7D3TFTS1906.

Thank you for your consideration.

Very truly yours,
Norris, McLaughlin & Marcus



Lawrence N. Laing

cc Kathleen DeMeter
James Savage, D.A.G.
Michael Kidney, Esq.
Richard Kuskin

WK
WOLOSHIN & KILLINO, P.C.
ATTORNEYS AT LAW

JEFFREY B. KILLINO, ESQUIRE
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August 17, 2007

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Via Facsimile (215) 587-9456

James W. Daly, Esquire
Deasey, Mahoney & Bender, Ltd.
Suite 1300
1800 John F. Kennedy Boulevard
Philadelphia, PA 19103-2978

**RE: Robert McCulley, et al. vs. General Motors Corp., et al.
CCP., Philadelphia County, April Term, 2007, No. 4376
Joao Paulo DaSilva vs. General Motors Corp., et al.
CCP., Philadelphia County, April Term, 2007, No. 4374**

Dear Mr. Daly:

The purpose of this correspondence is to memorialize and confirm our conversation and Agreement regarding tire preservation. Foreign Tire Sales (FTS) is presently conducting a recall of approximately 255,000 tires which are the subject of the above referenced litigation. Plaintiff is seeking to have a cross section of these tires preserved for testing. Plaintiff was prepared to present a Motion to Compel Tire Preservation before the Court on August 28, 2007. On August 16, 2007 a telephone conference including you, Larry Lavigne and myself was held in a good faith attempt to resolve a potential discovery dispute. Fortunately, we reached a resolution and Agreement regarding tire preservation.

We agreed that FTS would cooperate with Plaintiff's consulting expert Safety Research to obtain and preserve a cross section of tires. The tire preservation shall not interfere with the recall or violate Federal and State regulations in any capacity.

Our main obstacle is how to effectuate our Agreement from a logistical standpoint. Toward that end, we made a general Agreement which will require mutual cooperation and potential modification.

James W. Daly, Esquire
August 17, 2007
Page Two

Simply put the agreed process is as follows:

- (1) Contemporaneous with authorizing an individual tire dealer to replace recalled tires FTS will advise the dealer that Safety Research may contact them to obtain and preserve recalled tires for testing.
- (2) The tire dealer will be further advised that FTS has obtained a written agreement releasing the dealer of the obligation to render useless and recycle tires delivered to Safety Research.
- (3) The tire dealer will be further advised that this tire preservation is being conducted in full compliance with the regulations and mandates of NHTSA.
- (4) FTS will provide to Plaintiff and Safety Research, at least on a daily basis, all information necessary for Plaintiff to determine if the tires fit within the cross section needed for testing and all contact information to allow Plaintiff to obtain and preserve recalled tires.
- (5) FTS will also provide contact information for any consumer who they have declined to recall their tires so that Plaintiff may attempt to obtain and preserve those tires as well.
- (6) FTS will obtain consent for this tire preservation from NHTSA.
- (7) Plaintiff will provide a written agreement satisfactorily to FTS and the individual tire dealers which will relieve the dealer(s) of the obligations to render useless and recycle tires which have been delivered to Safety Research.

I trust this correspondence fairly and accurately confirms and memorializes the terms of our Agreement. If you disagree with anything set forth in this correspondence please notify me in writing immediately so that we may revise the written terms of our Agreement. If you are in agreement with everything set forth in this correspondence, please confirm the same in writing.

Thank you for your courtesy and cooperation.

Very truly yours,



JEFFREY B. KILLINO, ESQUIRE

JBK/emd

cc: Lawrence N. Lavigne, Esquire (Via Facsimile (908) 722-0755)

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 MERITAS LAW FIRMS WORLDWIDE

August 27, 2007

Michael Kidney, Esq.
Hogan & Hartson LLP
Columbia Square
555 Thirteenth Street
Washington, DC 20004

Re: NHTSA Recall No: 07-003

Dear Mr. Kidney:

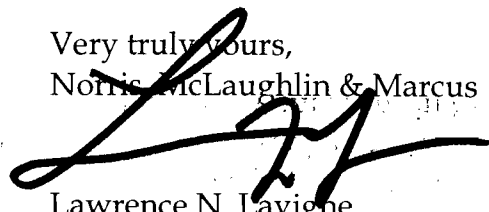
We recently had two HZ light truck radial tires manufactured in the year 2006 examined and sectioned by Standard Testing Laboratories. One was an LT235/85R-16 DT 7DUWXE22106 and the other LT245/75R-16, DOT 7D3TFTS1906. Examination of these tires indicates that there is **no apparent gum strip between the belt edges**.

Kindly explain, how in light of all the information that you and your client, Hangzhou Zhongce Rubber Company, Limited, have supplied to NHTSA and disseminated in the press, that the "Phase 3" tires all had gum strips in them, why these tires do not have gum strips.

Annexed hereto please find for comparison purposes photographs of a HZR LTR manufactured in 2003 which clearly shows the gum strip and the 2006 tires which appear to be lacking same.

Your immediate response will be greatly appreciated.

Very truly yours,
Norris McLaughlin & Marcus


Lawrence N. Lavigne

cc: Richard Kuskin
George Person, NHTSA