

# EXHIBIT 7

## TPM cracked or broken (Tx # 15078, 0.07 C/1000) Update for 08/14/09

### Problem Description...

Transmittal # 15078 describes this issue as follows:  
Dealers have been finding valve stems on both Continental [REDACTED] TPM's that are **broken or cracked**.

### History...

Black Belt project #11415 TPM **valve stem is broken or cracked** was started 04/06/09 to find and fix the cause. This and subsequent updates will be posted on this project in the Black Belt database for your reference. We will make data, pictures and trees available to those not on the Chrysler network through email.

Meet with Continental, Schrader, Oakley and Android Reps to discuss the problem description approach and next steps by Monday 04/27/09.

Pics taken by Conti on 5/08 to characterize the failure mode.

Meeting was held with Schrader, Conti Oakley, Android and DCX on Monday 04/27/09 to discuss where parts will be tested and who will test parts.

Analysis of strength test to make the split: variation in strength vs variation in energy completed on Friday 06/12/09. Data indicates anomalies in data, please see next steps.

Conti developed a fixture to test valve stem strength.

Met with Conti on Monday 6/15/09 to discuss anomalies in break data.

Developed a strength test which replicates the field failure mode.

Broke 60 parts at Conti. Currently analyzing data. Data and pic's will be posted on the Black Belt database

### Recent Developments...

60 parts used for the strength test indicate variation in strength of material.

Meeting held on Tuesday 8/11/09 revealed that Conti receives 2 tire valve assemblies from Schrader with 2 different heat treatments. The T6 treatment method is not as robust as the T4 treatment system, resulting in a weaker aluminum tire valve assembly. Extended time in the field could result in corrosion and breakage of the assembly. Conti has directed Schrader to ship on T4 treated assemblies to their facility. Timing TBD

### Next Steps...

1. **Black Belt project #11415 will be updated with revised trees and data by Friday 06/26/09.**

2. Continue looking for more broken/cracked TPM valve assemblies from dealers and QEC returns.
3. All sub assembly facilities instructed to report all broken/cracked (either broken in plant process or as received) tpm's to DCX.
4. 30 parts were insufficient sample size to determine extremes for strongest and weakest parts. We will continue to break parts at Conti on **Monday 08/14/09** until the we find the tails of the distribution.

**Road Blocks...**

None

Please call or email with any questions or concerns about broken or cracked TPM's.

