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August 23, 2006

2006 AUG 31 A 10:38

Mr. Daniel Smith
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, DC 20590

OFFICE OF THE ASSISTANT ATTORNEY GENERAL
FEDERAL BUREAU OF INVESTIGATION

06V-327
(5 pages)

**RE: Recall Campaign – Rear Shock Absorbers
2006 Rolls-Royce Phantom Models**

Dear Mr. Smith:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 and 49 CFR Part 573.

Pursuant to Section 573.6(c), we submit the following information.

1. Manufacturer: Rolls-Royce Motor Cars, Ltd.
Designated Agent: BMW of North America, LLC
Woodcliff Lake, NJ 07677
2. Make: Rolls-Royce

<u>Model Year / Model</u>	<u>Inclusive dates of manufacture</u>
2006 / Phantom	March 1, 2006 – March 31, 2006
3. The number of vehicles affected is approximately 32.
4. The percentage of vehicles estimated to actually contain the defect is approximately 2%.
5. The defect involves the rear shock absorbers (rear struts). Specifically, the lower rubber bushing may not have been manufactured to specification (improper vulcanization of the bushing may have occurred). Depending on vehicle operation and temperature conditions, this could lead to a loosening of the bushing within its shock absorber housing. If this condition was not corrected, then over time, the bushing could continue to loosen. Eventually, the bushing could separate from its housing. This could result in a situation in which vehicle handling and control were impaired.

The name, business address, telephone number, and contact person of the rear spring strut supplier is:

ZF Sachs AG
D-97419 Schweinfurt
Dr. H.-J. Heinrichs

Rolls-Royce Motor Cars

Rolls-Royce Motor Cars NA, LLC
Mailing Address: P.O. Box 1227, Westwood, NJ 07675-1227
Office Address: 300 Chestnut Ridge Road, Woodcliff Lake, NJ 07677-7731
Telephone (201) 573-7708 Fax (201) 782-0764
www.rolls-roycemotorcars.com
A BMW Group Company



VP, Corporate Quality
Tel. – 49.9721.98.2424
Fax. – 49.9721.98.3427

6. Rolls-Royce became aware of this matter through consultation with its supplier. Subsequent investigations and analyses resulted in a determination of the problem, as well as, the number of potentially affected vehicles.

Rolls-Royce has not received any reports, nor is Rolls-Royce otherwise aware of any accidents or injuries related to this issue.

7. Not applicable.

8. Rolls-Royce will conduct a recall campaign to remedy the affected vehicles. Specifically, the rear struts will be replaced.

Rolls-Royce expects to begin and complete dealer and owner notification in August 2006.

9. Not applicable.

10. A copy of the Service Bulletin will be submitted when available.

11. A draft copy of the owner notification letter was provided in our June 12, 2006 BMW Group notification to NHTSA, and is also attached to this report.

12. Not applicable.

Sincerely,



Thomas C. Baloga
General Manager
Safety Engineering and Intelligent Transportation Systems

Attachments

BMW Group

June 12, 2006

Mr. Daniel Smith
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, DC 20590

**Re: Amendment to Part 573 Report
Recall Campaign – Rear Shock Absorbers
2006 Rolls-Royce Phantom Models**

Dear Mr. Smith:

We are amending our June 2, 2006 Part 573 report noted above.

We are adding 32 Model Year 2006 Rolls-Royce Phantom models that were produced in March 2006.

We have attached a draft copy of the customer letter to be submitted to Rolls-Royce owners who are affected by this campaign.

Sincerely,



Thomas C. Baloga
General Manager
Safety Engineering and Intelligent Transportation Systems

Company
BMW Group Company

Mailing address
PO Box 1227
Westwood, NJ
07675-1227

Office address
300 Chestnut Ridge Road
Woodcliff Lake, NJ
07677-7731

Telephone
(201) 573-2071

Fax
(201) 782-0764

Attachment



DRAFT

June, 2006

Recall Campaign No. 06V-XXX: Rear Shock Absorbers

Dear Rolls-Royce Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

Rolls-Royce Motor Cars Ltd. has decided that a defect which relates to motor vehicle safety exists in certain 2006 Model Year Rolls-Royce Phantom models. Our records indicate that your car may be affected.

We sincerely apologize for any inconvenience this may cause you.

Description of Defect

The defect involves the lower rubber mount of the rear shock absorbers of your car. Specifically, this rubber mount (bushing) may not have been manufactured to specifications and therefore may not adhere correctly to its housing within the shock absorber.

Depending on vehicle operation and temperature conditions, the bushing could loosen. If this condition is not corrected, over time, the bushing could separate from its housing. This could eventually result in a situation that impairs the handling and control of your car.

You may continue to drive your car; however, you should have the problem corrected promptly. We urge you to observe the following precautions, and be extra mindful of traffic and driving conditions until the repairs have been completed. Rolls-Royce is not aware of any accidents or injuries as a result of this condition.

Precautions

- 1. Contact your Rolls-Royce Dealer immediately to have the necessary repair performed as soon as possible.**
- 2. If you notice a change in handling/control of your car, or hear an unusual noise coming from the area of the rear axle, your car may be experiencing this problem. In that case, you should pull over carefully to a safe location, and away from traffic. Do not continue to drive the car. Please contact Rolls-Royce Roadside Assistance immediately at 1-800-731-4488 to have your car brought to the nearest Rolls-Royce Dealer.**
- 3. Rolls-Royce recommends that you always wear your safety belt, and that all passengers are properly seated and restrained at all times.**
- 4. If you are not the only driver of this car, please advise all other drivers and passengers of this important information.**

Description of Repair

Rolls-Royce will conduct a recall campaign to remedy the affected vehicles. Specifically, the rear shock absorbers will be replaced.

The actual repair will require approximately 8 hours; however additional time will be required to prepare and process your car, and consequently, this work may require approximately 2 days to complete. Please note that this work will be performed *free of charge* by your Rolls-Royce Dealer.

Other Information

If you are no longer the owner of this car, we would appreciate your furnishing us with the name and address of the new owner, using the enclosed postage-paid card.

If you lease this car, Federal Regulations require you to forward this notice to your lessee.

Should you have any questions about this campaign, please contact your Rolls-Royce Dealer.

Again, we sincerely apologize for any inconvenience this may cause you.

We appreciate your confidence in our product, and we wish to do everything we can to retain your confidence. Should you need additional assistance, you may contact Rolls-Royce Customer Relations at 1-877-877-3735, or via email at customer.relations@rolls-roycemotorcarsna.com.

If the Rolls-Royce Dealer is unable to remedy the defect without charge or within a reasonable period of time, you may notify the Administrator, National Highway Traffic Safety Administration, 400 Seventh St., S.W., Washington, DC 20590, call the toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY: 1-800-424-9153), or go to <http://www.safercar.gov>.

Rolls-Royce Motor Cars NA, LLC