



April 28, 2011

Mr. Frank Boris
Director of Office of Defects Investigation
National Highway Traffic Safety Administration
US Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Mr. Frank Boris:

The following information is submitted in accordance with National Highway Traffic Safety Administration's reporting regulations, 49CFR Part 573.6.

Zero Motorcycles Inc. has decided that a defect which relates to motor vehicle safety exists on certain model year 2009 and 2010 Zero motorcycles.

IDENTIFICATION OF EQUIPMENT POTENTIALLY CONTAINING THE DEFECT:

The recall population of 160 motorcycles includes 2009 model year Zero S motorcycles built September 02, 2009 through December 22, 2009; 2009 model year Zero DS motorcycles built July 27, 2009 through December 28, 2009; 2010 model year Zero S motorcycles built February 01, 2010 through March 31, 2011; and 2010 model year Zero DS motorcycles built January 20 2010 through March 31, 2011. This covers the entire range of motorcycles potentially containing the subject defect.

DESCRIPTION OF DEFECT:

The subject motorcycles have a front brake caliper bracket that may experience permanent deformation when subjected to high braking loads. This condition could induce misalignment of the front brake pads with respect to the front brake rotor. Misalignment of the brake pads vs. the rotor may cause reduced front braking efficiency, which could lead to a possible crash and potential injury or death of the rider.

CHRONOLOGY OF EVENTS:

August 4, 2010: Zero received feedback from a journalist complaining about poor front brake performance on a 2010 model year S motorcycle. At the time, the root cause was determined to be a shifted seal in the front brake master cylinder. Hence, the questionable master cylinder was replaced, the system re-bled, and the motorcycle put back in service. There were no additional reported brake issues on this motorcycle.

August 25, 2010: Zero received a U.S. warranty case on a 2010 model year S motorcycle claiming front brake fade. Zero Customer Service replaced the front brake assembly, and there were no additional reports of brake issues on this motorcycle.

September 28, 2010: Zero Motorcycles opened an internal investigation into brake fade concerns our 2009 and 2010 model year front brake systems and notified our intended 2011 model year brake manufacturer of these concerns. Even though the 2009 and 2010 model year brake systems were sourced from a different supplier, they were manufactured by the same company as the 2011 model year brake systems.

November 29, 2010: Zero received an e-mail from a non-affiliated distributor in Australia claiming inefficient front brakes on a few of their 2010 model year S and DS motorcycles. With the help of Customer Service, front brakes were adjusted and re-bled, with no further reports.

December 15, 2010: Zero received a warranty case from Spain on a 2010 model year S motorcycle claiming excessive front brake lever travel. Customer Service had the front brake assembly replaced, and there were no additional reports on this motorcycle.

February 2, 2010: Zero received a report from England of a 2009 model year S motorcycle exhibiting ineffective front brakes. The Dealer claimed that the front caliper bracket was bending, causing brake pad misalignment with the rotor. Due to other issues with this motorcycle, it was replaced with a 2010 model year S motorcycle. No further brake concerns were reported by this customer.

February 8, 2011: Zero received a U.S. warranty case on a 2010 model year DS motorcycle claiming some front brake fade. Customer Service had the front brake assembly replaced, and there were no additional reports on this motorcycle.

March 16, 2011: Zero received a U.S. warranty case on a 2010 model year S motorcycle claiming excessive front brake lever travel. Customer Service had the front brake assembly replaced, and there were no additional reports on this motorcycle.

April 4, 2011: Zero completed its internal investigation of this issue and concluded that the front brake caliper used on 2009 and 2010 model year S and DS motorcycles could experience permanent deformation under high front braking loads, which could cause misalignment of the front brake pads vs. the rotor, which in turn could lead to efficiency losses and higher brake temperatures. Zero executive management considered this information and determined that a defect related to motor vehicle safety existed.

Zero is aware of no accidents or injuries caused by this condition.

DESCRIPTION OF THE PROGRAM TO REMEDY THE DEFECT:

The remedy of this defect is to replace the front brake caliper bracket with a re-designed component, and replace the front brake pads in case the existing pads experienced abnormal wear. The front brake fluid will also be inspected and, if signs of overheating are noted, it will be replaced and the system will be flushed.

SUPPLIER INFORMATION:

ALLIGATOR CABLE ENT. CO., LTD.
#46, TUNG KOO RD, HOMEITOWN 508, CHANGHUACOUNTY, TAIWAN
Tel: +886-4-7357739
Fax: +886-4-7353665
President: KUN YEN WEN
Contact Person: CHESTER WEN

DEALER AND OWNER NOTIFICATION:

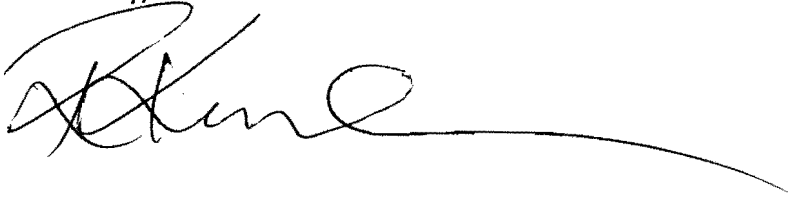
Zero motorcycle Inc. expects to notify its Dealer/IR network no later than the week of May 25, 2011 and the owner network no later than the week of May 2, 2011.

Part 577 NOTICE LETTER:

A draft of the owner notification letter is attached.

Please advise the undersigned of the campaign assigned by ODI to this recall.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Kenton', with a long horizontal flourish extending to the right.

Richard Kenton
Director of Customer Service
Zero Motorcycle Company, Inc.