



## IMPORTANT SAFETY RECALL NOTICE

This notice applies to your vehicle VIN# [REDACTED]  
Recall SV-ZMC-018-383 / NHTSA Recall #18V215

April 30, 2018



Dear Zero Motorcycles Owner,

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

Zero Motorcycles has decided that a defect, which relates to motor vehicle safety, exists on 2012 Model Year Zero S, Zero DS and Zero DSP model motorcycles built between October 21, 2011 and August 24, 2012. Due to a design defect by the cell and cell holder manufacturer, the cell pouches within the battery packs of these subject vehicles may wear against their holders, which may lead to a breach of their outer layers, allowing humidity to penetrate the pouch. Should humidity penetrate a pouch, this may lead to cell separator decay, which could allow an internal short within the cell. An electrical short can increase the risk of a fire.

Our records indicate that you purchased one of the motorcycles listed above.

Due to the fact that the design of these Model Year 2012 cells and their holders has not been changed by the manufacturer, Energy Innovation Group Ltd. ("EIG"), relative to these specific concerns, and these cells and battery pack architecture are unique to the 2012 Model Year Zero Motorcycles Models S, DS and DSP, Zero is unable to replace the battery pack as a solution. As a result, Zero Motorcycles will repurchase your motorcycle based on its fair market value.

("Fair Market Value" is defined as the "Blue Book Retail Value" calculated by reference to Kelly Blue Book values. It does not include the cost of any modifications you may have made to your motorcycle, unless you can provide verification that the modification was part of your original vehicle purchase. If your motorcycle has any Zero-approved accessories, these will be taken into consideration.)

In the alternative, you can elect to accept a financial trade-assist with a value greater than this fair market value towards a newer Model Year Zero Motorcycles motorcycle.

**The procedure you should follow to obtain your choice of the above remedies is provided in Appendix A to this letter and includes details related to the collection of your motorcycle at no charge to you. In the meantime, we strongly urge you not to ride or charge your motorcycle.**

If you no longer own this motorcycle, please contact us at 1-888-841-8085 so we may update our records and notify the new owner. Federal regulation requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.

If you have had this defect repaired before you received this letter, you may be eligible to receive reimbursement for the cost of obtaining a pre-notification remedy of the problem associated with this recall. For more information contact Zero Motorcycles at 1-888-841-8085.

If your dealer or Zero Motorcycles fails or is unable to remedy your motorcycle without charge or within a reasonable time, you may submit a complaint to the Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, SE, Washington, DC 20590, or call the toll-free hotline at 1-888-327-4236 (TTY: 1-800-424-9153); or go to <http://www.safercar.gov>.

We regret any inconvenience this may cause you, but we are initiating this action in the interest of your personal safety and satisfaction with our products. Thank you for your cooperation.

Sincerely,

Aaron Cheatham  
Director of Customer Service  
Zero Motorcycles Inc.

**APPENDIX A  
2012 SDS BATTERY PACK RECALL REMEDY PROCEDURE**

In order to receive your choice of remedies as a result of this recall, Zero Motorcycles asks that you follow the steps below. Please note that you must be the current registered owner of the motorcycle, and the motorcycle must include the battery pack in order to be eligible. If you have any questions regarding this process, please contact the Zero Hero or service department at your nearest Zero Motorcycles authorized dealer. If you are unsure of the location of the nearest dealer, please use our dealer locator on our website:

<https://www.zeromotorcycles.com/locator/>

If you need additional assistance or have unanswered questions, you may also contact our customer service team directly at 1-888-841-8085 or via email at [support@zeromotorcycles.com](mailto:support@zeromotorcycles.com).

<p>Document the current condition, mileage and ownership of your motorcycle</p>	<p>Please take pictures of the motorcycle’s left and right sides. Also, take a picture of the current mileage as shown on the odometer and the VIN#538SM3M35CCA00317 as etched on a raised plate on the right front of the head tube. Finally, if you have any Zero Motorcycles approved accessories, please include pictures of those.</p> <p>Confirm that you have the current title for the motorcycle and it reflects your ownership. Please take a picture of the front and rear of your title document.</p> <p>We ask you to submit these pictures, your Case #00029617 and the current odometer reading online via the 2012 SDS Battery Pack Recall link provided on the Owner Resources section of our website at:</p> <p><a href="http://www.zeromotorcycles.com/owner-resources/">http://www.zeromotorcycles.com/owner-resources/</a></p> <p>If you have any challenges obtaining this information or uploading these pictures, your dealer can assist you with this process, and can help confirm the process of obtaining a duplicate title in your state or province. They can also upload this information to our website on your behalf.</p> <p>If your motorcycle has been financed or is currently the subject of a lien, you will need to provide additional information including contact information for the lienholder and a 15-day payoff amount.</p>
<p>Arrange for</p>	<p>Zero Motorcycles has contracted with Urgent.ly to facilitate the</p>

collection of your motorcycle	collection of motorcycles in North America at no cost to you. Beginning on May 10, 2018, please contact Urgent.ly via the toll free phone number (833) 260-5343 and provide the last seven digits of the VIN #538SM3M35CCA00317 of your motorcycle and your Case #00029617. They will schedule a time with you to have your motorcycle picked up.
Confirm your choice of remedy with the dealer	<p>Once the dealer receives your motorcycle and confirms all required information has been collected and verified, they will contact you to confirm your choice of remedy and the compensation that you will receive.</p> <p>If you choose the repurchase remedy, you will receive an amount equal to or better than the fair market value of your motorcycle, which we determined using current Kelly Blue Book values for 2012 Zero S and DS motorcycles that are fully reconditioned and in excellent condition. Based on this information from KBB,</p> <ul style="list-style-type: none"> <li>• if you own a Zero S or DS with the ZF6 battery pack, you will receive \$5,080 unless the motorcycle has a salvage title or has been substantially damaged or altered, in which case you will receive \$2,540;</li> <li>• if you own a Zero S or DS with the ZF9 battery pack, you will receive \$6,040 unless the motorcycle has a salvage title or has been substantially damaged or altered, in which case you will receive \$3,020.</li> </ul> <p>If you purchased any Zero Motorcycles approved accessories and you submit pictures of them, you will receive an additional amount equal to 50% of the original manufacturer's suggested retail price.</p> <p>For those who choose the financial trade assist remedy, you will receive a voucher for the fair market value specified above plus an additional \$1,000 that can be used toward the purchase of a new Zero motorcycle.</p>
Steps to complete the repurchase remedy	<p>If you chose to have Zero Motorcycles repurchase your motorcycle, your dealer will receive a check in your name within 15 days from the date in which we receive all required information. They will contact you to schedule a time for you to deliver your countersigned title, made out to Zero Motorcycles, Inc. and you will receive the check in return at that time.</p> <p>If your motorcycle has an outstanding lien, the amounts owed will be sent to the lienholder according to the 15-day payoff</p>

	<p>authorization you provide. You will receive a check for the net amount during your dealer visit and a power of attorney will need to be signed to complete the sale.</p>
<p>Steps to complete the trade assist remedy</p>	<p>If you chose to trade your existing motorcycle for a new Zero motorcycle, then you will receive a voucher from your dealer for the fair market value plus an additional \$1,000 that can be used toward the purchase of a new Zero motorcycle.</p> <p>Please work with your dealer to complete a trade pursuant to the laws covering such transactions in your state. At your direction they can order a new Zero motorcycle for you. At the time the trade transaction is completed, they will have you countersign the title, made out to Zero Motorcycles, Inc.</p> <p>If your motorcycle has an outstanding lien, additional steps may be required to payoff the amounts owed and the voucher value will be applied accordingly.</p>
<p>Report sale of your 2012 Zero motorcycle to your state DMV</p>	<p>Each state has different requirements regarding the owner's responsibilities after selling a vehicle. To ensure the sale is completed smoothly, please be sure to submit any ownership transfer information required. If you are unsure what information is necessary, please contact your state DMV or your Zero motorcycles dealer likely will be able to provide these details.</p>