



RECEIVED

By Recall Management Division at 12:46 pm, Mar 03, 2010

NISSAN NORTH AMERICA, INC.

Corporate Headquarters
One Nissan Way
Franklin, TN 37068

Mailing Address: P.O. Box 685001
Franklin, TN 37068-5001

Telephone: 615.725.1000

10V-074
(5 Pages)

February 26, 2010

Associate Administrator for Enforcement
National Highway Traffic Safety Administration
Attn: Recall Management Division (NVS-215)
Room W48-302
1200 New Jersey Avenue, SE
Washington, D.C. 20590

Dear Sir:

We are transmitting the enclosed Defect Information Report in accordance with 49 CFR Part 573. A voluntary recall campaign will be initiated and your office provided with the notices. Nissan plans initial owner notification to begin on March 22, 2010. We will include a statement in the Part 577 owner notification concerning reimbursement for the cost of obtaining a pre-notification remedy.

Very truly,

John Gibbons
Senior Manager,
Technical Compliance

Encl.

DEFECT INFORMATION REPORT

1. Manufacturer:

Nissan North America, Inc.

2. Vehicles Potentially Involved:

Model	Dates of Manufacture
MY 2005-2009 Nissan Titan	16 May 2005 – 23 Oct 2008
MY 2005-2009 Nissan Armada	16 May 2005 – 13 Nov 2008
MY 2005-2009 Infiniti QX56	16 May 2005 – 23 Oct 2008

The affected vehicle production range was determined based on the production range of the affected part that may have been improperly manufactured. Vehicles manufactured prior to and after these dates are not affected.

The fuel sender card supplier is:

Inergy Automotive Systems
2710 Bellingham, Suite 400
Troy, MI 48083
248-743-5700

3. Total Number of Vehicles Potentially Involved:

Approximately 340,000. The approximate number by Model and Model Year follows:

Model	Number of Vehicles
MY 2005-2009 Titan	206,000
MY 2005-2009 Armada	96,000
MY 2005-2009 QX56	38,000

4. Percentage of Vehicles Estimated to Actually Contain the Defect:

The current incident rate is estimated to be less than 0.67%.

5. Description of the Defect:

The surface material used on certain fuel level sending unit potentiometer cards can wear down the contact brush. The resulting powder from abrasion can contaminate the potentiometer card. This causes the instrument panel fuel gauge to inaccurately display that the vehicle still has some fuel, typically about one quarter tank, when the fuel tank is empty.

6. Chronology of Principal Events:

March 2009 – April 2009: Nissan noticed a low, but elevated rate of warranty claims indicating that some Titan, Armada, and QX56 vehicles were running out of gas when the fuel gauge indicated that the vehicle still had a quarter of a tank of gas, and then began to analyze the issue further. Review of the warranty data at the time suggested that these incidents of inaccurate fuel gauge reading peaked in August 2005, at the time Hurricane Katrina hit Louisiana and damaged several refineries. Due to the low rate and possible contamination issue, in order to get a more reliable sample, the issue was decided to be monitored for three months.

July 2009 – August 2009: After the three month monitor period, updated warranty data were reviewed. The updated data revealed warranty claims that occurred before Hurricane Katrina and that additional warranty claims were being reported. Additional data analysis was performed including customer reports and a state by state breakdown of the claims. Also, the fuel specifications for several states were studied to analyze whether high sulfur content levels in certain fuel supplies fed by refineries hit by Hurricane Katrina was contributing to the reports of fuel gauge irregularities.

September 2009 – November 2009: The warranty and fuel specification data did not reveal a clear link between the sulfur content of the gasoline in the various states obtaining oil from Katrina hit refineries and warranty reports. Several field return parts were shipped from dealers in several different regions to Nissan for analysis and testing by field quality engineers. The review of these parts revealed some irregularities with the fuel sender card. Nissan then began an analysis of all production and design changes to the fuel sender card in all Titan, Armada, and QX56 vehicles.

November 2009 – January 2010: After identifying design changes to the fuel sender card, the warranty analysis of claims was broken down into periods that correlated with the design changes. Also, goodwill warranty claims were incorporated into the warranty study to account for

those claims that may have occurred outside of the normal warranty period. The study revealed a correlation between the first design change to the fuel sender unit on May 16, 2005 (application of a coating) and an elevated warranty rate that lasted until another design change was made on or before November 13, 2008 (contact plate material changed).

After this correlation was discovered, Nissan design engineers for the fuel sender unit obtained and analyzed field return parts, focusing specifically on the effect of changes to the coating and contact plates and the reason for these changes, to determine whether this may have contributed to these fuel gauge irregularities.

The analysis revealed that prior to the May 16, 2005 design change for the fuel sender unit, Nissan was receiving an elevated number of reports indicating that the fuel gauge does not read full when the vehicle was filled up with gas. It was determined that the sulfur from the gasoline was contaminating the contact plate of the sending unit. To address this, Nissan added a coating to the sender unit on May 16, 2005. Subsequent analysis of the data, however, revealed that the new coating actually caused more incidents of the fuel gauge not reading full when the tank was filled. In order to address this, Nissan changed the fuel sender unit's contact plate surface and the issue was resolved.

At the time of the two changes to the fuel sender unit, Nissan was only aware of reports that the fuel gauge was not reading full and was not aware of any claims that the vehicle ran out of gas when the fuel gauge indicates the vehicle still has some fuel.

Further data analysis confirmed that the November 13, 2008 contact surface change also resolved the issue of the vehicle running out of fuel when the fuel gauge indicated that the vehicle still had around a quarter tank of gas.

February 22, 2010: Nissan determined that a safety related defect may exist in certain Titan, Armada, and QX56 vehicles manufactured between May 16, 2005 and November 13, 2008.

7. Description of Corrective Action:

Owners of all potentially affected vehicles will be promptly notified of the potential fuel gauge inaccuracy and asked to maintain the fuel level in their vehicle so that the fuel gauge reads above the one half position. There will be a follow-up notification that will instruct customers to bring their vehicles to Nissan dealers to replace the fuel sender unit inside the fuel tank with a new one having the improved sender card.

8. Copy of Notices:

Copies of all notices will be provided to NHTSA as they become available.