



Global Electric Motorcars, LLC

A DaimlerChrysler Company
ISO Registered 9001:2000

1301 39th Street NW, Suite 2 • Fargo, ND 58102
Local: 701.232.2500 • Toll Free: 888.871.4367 • Fax: 701.446.0104
www.gemcar.com

September 7, 2006

06V-369
(10 pages)

Mr. Daniel C. Smith
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street SW, Room 5219
Washington, DC 20590

**VIA UPS and
FAX (202) 366-8065**

Dear Mr. Smith:

Attached is Global Electric Motorcars, LLC's Defect Information Report, complying with the requirements for 49 CFR Part 573, Defect and Noncompliance Reports, which contains details of a potential safety related defect in some 2006 model year GEM low-speed vehicles. Three bolts on the back of the Power Signal Distribution Module (PSDM) may not have been torqued properly by the supplier, which may cause a total loss of power to the vehicle.

Global Electric Motorcars, LLC will conduct a voluntary safety recall to inspect and replace, as necessary, the PSDM on all affected vehicles.

I have also included a draft owner notification letter for your review and approval. In addition, I've also included a draft of our dealer instructions for this recall campaign.

Subject to your approval of the enclosed owner notification, we expect to initiate formal notification to both dealers and owners within two weeks of the date of this letter.

Sincerely,

David Gannon
Director of Service

Enclosure: Defect Information Report

RECEIVED
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STREET LIGHTS

Defect Information Report for Global Electric Motorcars, LLC

Submission Date: September 7, 2006

Identifying classification of vehicles potentially affected:

Make	Model	Model Years	Inclusive Dates Of Manufacturing	Vehicle Volume (estimated)
GEM-NEV Low-Speed Vehicles	2 passenger 4 passenger 6 passenger Short Bed Long Bed	2006	6/6/06 through 8/8/06	170

Estimated percentage containing defect: Unknown

Description of Defect: Three bolts on the back of the Power Signal Distribution Module (PSDM) may not have been torqued properly by the supplier, which may cause a total loss of power to the vehicle. In some cases the vehicle may be restarted after the power loss or, in other cases, the vehicle cannot be restarted. A loss of power will render the car inoperative and, if it happens while driving, can render the vehicle a road hazard. Additionally, loss of headlamp, tail lamp or turn signal lamp functions could limit the vehicle's visibility to other drivers, increasing the risk of a crash.

The name, address and telephone number of the supplier who manufactured the subject component:

Phoenix International Corporation
1441 44th St. N
Fargo, ND 58102
(701) 282-9364

The following events occurred and led to the determination of a defect:

- Cars with no power were detected on the assembly line and the problem traced to the PSDM.
- The supplier was contacted and the supplier traced the problem to improper torquing on three bolts in one build lot.
- This data was presented to the Safety and Regulations Committee on August 30, 2006 who decided to conduct a safety recall to repair the affected vehicles.

Statement of measures to be taken to correct the defect:

Global Electric Motorcars, LLC will inspect and replace, as necessary, the PSDM on all affected vehicles.

Global Electric Motorcars, LLC will initiate notification to both dealers and owners within two weeks of the date of this report, subject to NHTSA approval of the owner notification letter. An adequate supply of parts to complete this recall is available from the supplier. We anticipate that repairs will begin by September 21, 2006.



Global Electric Motorcars, LLC

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1301 39th Street, Suite 2, Fargo, ND 58102-2807, Phone: (701) 764-0616, Fax: (701) 764-0617, Toll Free: (866) 764-0616, www.geminc.com

GLOBAL ELECTRIC MOTORCARS, LLC SAFETY RECALL – POWER SIGNAL DISTRIBUTION MODULE (PSDM)

Dear GEM Vehicle Owner:

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

Global Electric Motorcars, LLC (GEM) has decided that a defect, which relates to motor vehicle safety, exists in some 2006 MY vehicles (2-Passenger, 4-Passenger, 6-Passenger, Short Bed, Long Bed).

The problem: Three bolts on the back of the Power Signal Distribution Module (PSDM) may not have been torqued properly by the supplier, which may cause a total loss of power to the vehicle. In some cases the vehicle may be restarted after the power loss or, in other cases, the vehicle cannot be restarted. A loss of power will render the car inoperative and, if it happens while driving, can render the vehicle a road hazard. Additionally, loss of headlamp, tail lamp or turn signal lamp functions could limit the vehicle's visibility to other drivers, increasing the risk of a crash.

What GEM will do: Global Electric Motorcars will inspect and replace, as necessary, the PSDM of your GEM vehicle free of charge (parts and labor). The work will take about 30 minutes to complete. However, additional time may be required depending on how appointments are scheduled and processed.

What you must do: Simply contact Global Electric Motorcars to schedule a service appointment. The number to call is (866) 764-0616.

If you have already experienced this condition and have paid to have it repaired, you may send your original receipts and/or other adequate proof of payment to the following address for reimbursement: Global Electric Motorcars, 1301 39th St. NW, Suite 2, Fargo, ND 58102-2807, Attention: Safety Recall No. 003.

If Global Electric Motorcars fails or is unable to remedy this defect without charge and within a reasonable time, you may submit a written complaint to the Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, DC 20590, or call the toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY 1-800-424-9153), or go to <http://www.safercar.gov>.

We're sorry for any inconvenience, but we are sincerely concerned about your safety. Thank you for your attention to this important matter.

Customer Service
Global Electric Motorcars

Note to lessors receiving this recall: Federal regulation requires that you forward this recall notice to the lessee within 10 days.

Global Electric Motorcars, LLC

September 2006

Dealer Service Instructions for:

Safety Recall – Power Signal Distribution Module (PSDM)

Models

See attached VIN list.

IMPORTANT: Some of the involved vehicles may be in dealer new vehicle inventory. Federal law requires you to complete this recall service on these vehicles before retail delivery. Dealers should also consider this requirement to apply to used vehicle inventory and should perform this recall on vehicles in for service.

Subject

Three bolts on the back of the Power Signal Distribution Module (PSDM) may not have been torqued properly by the supplier, which may cause a total loss of power to the vehicle.

Repair

Global Electric Motorcars, LLC will inspect and replace, as necessary, the PSDM on all affected vehicles.

Parts Information

Parts to complete this recall repair will be available through the regular GEM parts system.

Service Procedure

See attached Service Bulletin (No. 06A1005) - "**Power Signal Distribution Module (PSDM) torque verification**".

Completion Reporting and Reimbursement

Claims for vehicles that have been serviced must be submitted on the GEMConnect warranty system. Claims submitted will be used by Global Electric Motorcars to record recall service completions and provide dealer payments.

Use the following labor operation numbers and time allowances:

<u>Labor Operation Number</u>	<u>Time Allowance</u>
ELE-01-34	0.5 hrs

Add the cost of the recall parts package plus applicable dealer allowance to your claim.

NOTE: See the Warranty Administration Manual for complete recall claim processing instructions.

Dealer Notification

All dealers will receive a copy of this dealer recall notification letter by mail. To view this notification on GEMConnect, select "Safety Recall No. 3" under "New Service Announcements."

Owner Notification and Service Scheduling

All involved vehicle owners known to Global Electric Motorcars are being notified of the service requirement by first class mail. They are requested to call (866) 764-0616 to find their nearest service provider and to schedule an appointment. A generic copy of the owner letter is attached.

Vehicle Lists, Global Recall System, VIP and Dealer Follow Up

All involved vehicles have been entered into the GEMConnect System. Dealers can call the GEM Customer Service group at (806) 764-0616 to inquire about a specific vin.

Dealers **must** perform this repair on all unsold vehicles ***before*** retail delivery.

Recall VIN lists may contain confidential, restricted owner name and address information that was obtained from the Department of Motor Vehicles of various states. Use of this information is permitted for this recall only and is strictly prohibited from all other use.

Additional Information

If you have any questions or need assistance in completing this action, please contact (866) 764-0616.

- 12.) Connect the front PSDM harnesses to their correct locations. **Be sure these latch in to place properly.** Connect Battery One Negative battery cable and temperature sensor to Battery One negative post. Torque to 70-95 in/lbs. Attach seat.
- 13.) Install upper and lower dashes. Reverse removal procedure. (See Service Manual, Section 7 – BODY) Turn MDS to ON position. Verify vehicle operation.

Time

Reimbursements: Labor Code ELE-01-34, 0.5 hours.

Special Notes: **To ALL Service providers; Please be absolutely sure to inspect every vehicle identified by Vehicle Identification Number noted below for this application. Every PSDM should be inspected and verified for proper torque and operation.**

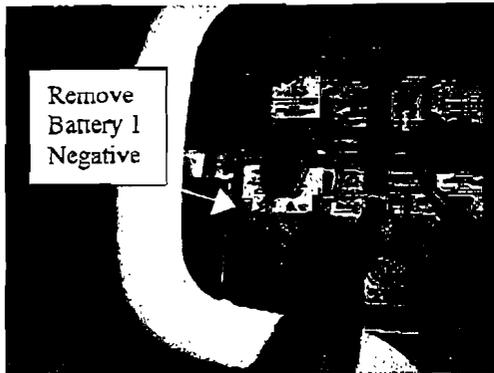


Photo 1

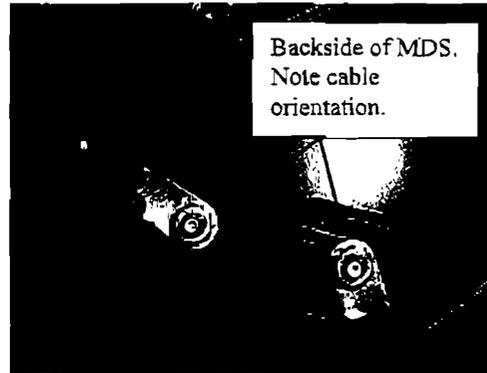


Photo 2



Photo 3

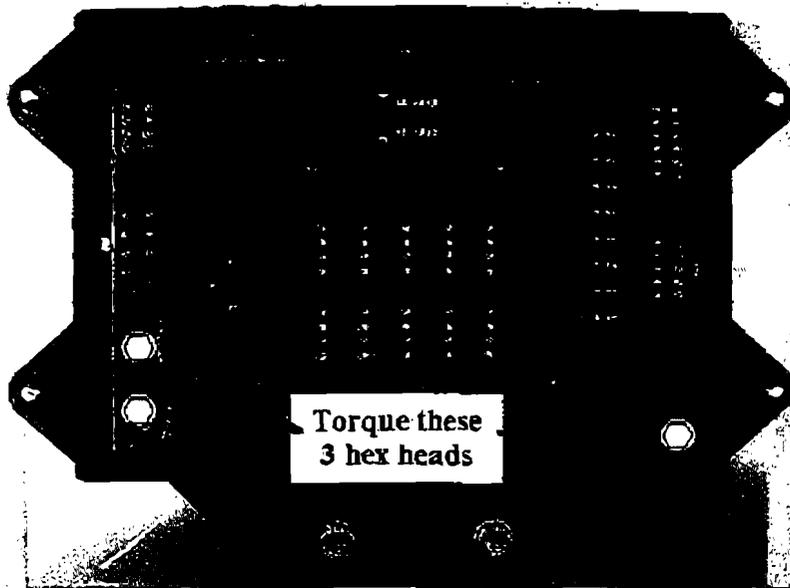


Photo 4

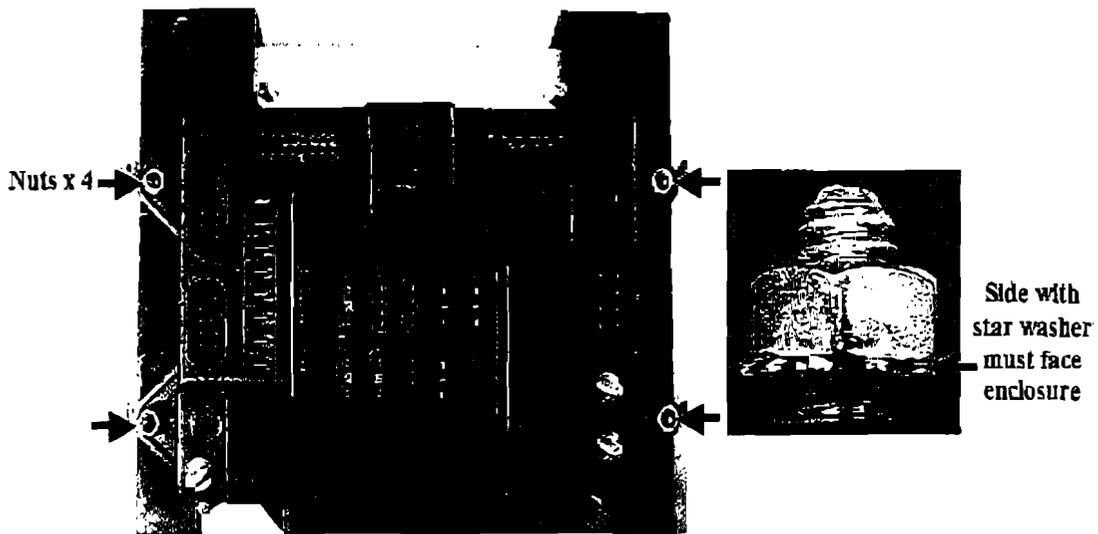


Photo 5

Vehicle Identification Number List

39871	39900	39921	39939	39958	39977	39995	42003	42021
39872	39904	39922	39940	39959	39978	39996	42004	42023
39873	39905	39923	39941	39960	39979	39997	42006	42024
39874	39906	39924	39942	39961	39980	39998	42006	42025
39875	39907	39925	39944	39962	39981	39999	42007	42026
39881	39908	39926	39945	39963	39982	40196	42008	42027
39883	39909	39927	39946	39964	39983	40197	42009	42028
39886	39910	39928	39947	39965	39984	40198	42010	42029
39887	39911	39929	39948	39966	39985	40199	42011	42031
39888	39912	39930	39949	39967	39986	40200	42012	42033
39889	39913	39931	39950	39969	39987	40201	42013	42034
39890	39914	39932	39951	39970	39988	40202	42014	42035
39891	39915	39933	39952	39971	39989	40203	42015	42036
39892	39916	39934	39953	39972	39990	40204	42016	42039
39893	39917	39935	39954	39973	39991	40240	42017	42101
39894	39918	39936	39955	39974	39992	42000	42018	42103
39895	39919	39937	39956	39975	39993	42001	42019	42120
39897	39920	39938	39957	39976	39994	42002	42020	