

Volvo Cars of North America, LLC

January 16, 2004

04V-029 Oor 3

Mr. Kenneth N. Weinstein, Esq.
Associate Administrator for Safety Assurance
National Highway Traffic Safety Administration (NSA-01)
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: DEFECT INFORMATION REPORT

Dear Mr. Weinstein:

Volvo has determined that a possible defect which relates to motor vehicle safety exists in certain MY2004 Volvo S60, V70, and S80 vehicles and is furnishing notification to the National Highway Traffic Safety Administration in accordance with Part 573 of Title 49, Code of Federal Regulations.

Vehicle Manufacturer.

Designated Agent

Volvo Car Corporation

Volvo Cars of North America

Gothenburg, Sweden

Rockleigh, N.J. 07647

2. Identification of Vehicles involved

The vehicles involved in this recall are the MY2004 Volvo S60, V70 and S80. The assembly plants, chassis numbers and inclusive dates of manufacture are:

Model	Chargis # Start	Production Date	Chassis # End	Production Date	Assembly Plant
	_ -	Start		<u>End</u>	
S60 MY04	0324013	March 31, 2003	0367530	October 6, 2003	Volvo, Gent
V70 MY04	0357556	March 31, 2003	0396426	October 6, 2003	Volvo, Tombuda
V70 MY04	0357739	March 31, 2003	0397910	October 6, 2003	Valvo, Gent
S80 MY04	0336762	March 31, 2003	0358377	October 6, 2003	Volvo, Torslanda

The recalled model population represents 100% of the total population assembled between March 31, 2003 and October 6, 2003 for the US.

3. Number of Vehicles Potentially Affected.

	Number of vehicles potentially affected by this recall in the U.S.
S60 MY04	16,553
V70 MY04	5,786
580 MY04	<u>7,647</u>
Total	29,986

Estimated percentage of Vehicles with the Defeot.

The actual number of recalled vehicles with the defect is unknown. This recall remedy will be implemented on 100% of the recalled vehicles. The production start date for this recall (March 31, 2003) was defined by the date the front control arms started being out of specification. Every vehicle as of the production end-date for this recall (October 6, 2003) has front control arms that are within specification and a new type of nut with increased assembly torque.

Description of the Defect.

In certain of the Volvo S60, V70 and S80's affected by this recall the front control arms may not have been manufactured within the agreed specifications and as a result the stud and not that secure the front control arm to the spindle may lose their initial axial tension. The customer may be warned that this has occurred by their steering wheel going out of alignment or by hearing front suspension noise. Under certain driving conditions this may cause the vehicle to become less responsive and the driver may experience steering wheel play. In the worst case this driving condition could eventually lead to separation between the front control arm and the spindle.

The supplier contact information for the front control arms is:

Auto Chassis International

Contact person: Bruno de SAINTE MARJE

15 avenue Pierre-Piffeult -F 72086 Le Mans Cedex 9

API LEM CTC 001 Tel + 02 43 15 43 80

Email: brung de-sainte-marle@auto-chassis.com

All S60, V70 and S80's built during the time period provided in number 2 above "Identification of Vehicles involved" will be recalled and remedied.

Chronology of Events.

September 2003 Deviation considered as customer critical

January 2004 Volvo Decision to Recall January 2004 Notification to NHTSA

There have been no reports of accidents, injuries, or fatalities in the US related to the recalled item.

Program for Remody of Defect.

All involved vehicles will be subject to the recall. Vehicle owners will receive a letter via first class mail. The letter will request that the owner of the vehicle take their vehicle to a Volvo retailer for remedy. The remedy is for a new type of nut to be installed with increased assembly torque. This will performed at no charge.

A schedule for notification to the dealers/retailers and customers will be provided to NHTSA at a future date. We are striving to implement this action as soon as possible.

8. Copies of Notices, Bulletins, etc.

Formal retailer notices, bulletins and other communications have not been completed. Copies of all such information will be forwarded to NHTSA as soon as they are available.

Volvo is not offering reimbursement to owners for any expenses prior to recall because there vehicles are still covered under the new car warranty program

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- Proposed Owner Notification Letter.
 Volvo's Owner notification letter is not yet drafted. A copy of such letter will be submitted to NHTSA for approval no fewer than five (5) Federal Government Business Days before Volvo intends to begin mailing it to owners.
- The Manufacturer's Campaign Number.
 Volvo has assigned Volvo Campaign Number R133 to this Safety Recall Campaign.

If you have any questions regarding this report please contact:

Diana Lidgett (201) 768-7300 X7249 phone, (201) 784-4989 fax, dlidgett@volvocars.com or myself.

Sincerely yours,

VOLVO CARS OF NORTH AMERICA, INC.

Customer Service

William Shapiro, P.E.

Manager, Regulatory and Product Compliance