

VOLVO

Volvo Cars of North America, Inc.

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OFFICE
DEFECTS INVESTIGATION

August 23, 1999

99V-235 (61)

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 defect may exist in the configuration of the headlight switch on certain 1997 model year Volvo 850 and 1998 Volvo S/V/C 70 Series vehicles.

In accordance with Section 573 of 49 CFR, we herein submit a Defect Notification Report.

1. Vehicle Manufacturer
Volvo Car Corporation
Gothenburg, Sweden

Designated Agent
Volvo Cars of North America, Inc.
Rockleigh, N.J. 07647

2. Identification of Vehicles Involved.

Volvo determined the affected recall population as follows:
In model years 1997 and 1998, series 850 and S/V/C 70 vehicles were built for the US market.

a. The assembly plants, chassis numbers, and inclusive dates of manufacture for 1997 Model Year 850 Series vehicles are:

| Plant 1 Torshanda, Sweden | Manufacturing dates |
|--------------------------------|---------------------|
| 854 372259 - 409465 | 08/96 - 12/96 |

| Plant 2 Ghent, Belgium |
|--------------------------------|
| 854 372261 - 408555 |
| 855 298110 - 342000 |

| Plant 3 Halifax, Canada |
|--------------------------------|
| 854 372723 - 422324 |
| 855 300691 - 356957 |

b. The assembly plants, chassis numbers, and inclusive dates of manufacture for 1998 model year Volvo 70 Series Wagons, Sedans,

Coupes and Convertibles (S/V/C) are:

| | |
|---------------------------|---------------------|
| Plant 1 Torshanda, Sweden | Manufacturing dates |
| S70 409466 - 519897 | 01/97 - 02/98 |
| Plant 2 Ghent, Belgium | |
| S70 408556 - 520733 | |
| V70 342001 - 480164 | |
| V70/AWD 342001 - 480164 | |
| Plant 3 Halifax, Canada | |
| S70 422325 - 520875 | |
| V70 356958 - 480202 | |
| Plant J Uddevalla, Sweden | |
| C70/COUPE 000339 - 002677 | |
| C70/CONV 000130 - 000161 | |

The supplier of the affected components is:

Alps Electric Ltd.
 Ida Industrial Estate Tiernaboul
 Killarney, Co Kerry
 Ireland

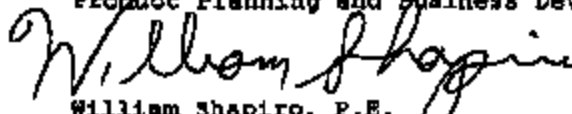
Tel: + 353 64 37000

- Number of Vehicles Potentially Affected
 A total of 28,630 model year 1997 Series 850 vehicles were imported into the US market and are potentially affected.
 A total of 110,958 model year 1998 Series S/V/C 70 vehicles were imported into the US market and are potentially affected.
- Estimated percentage of Vehicles with the Defect.
 The corrective action will be performed on all model year 1997 850 series and 1998 S/V/C 70 cars within the affected chassis ranges.
- Description of the Defect.
 Operation of the headlight switch, over an extended period of time, can result in inconsistent operation of the switch.
- Chronology of Events.
 May 1999-----Frequency of repair raises concerns.
 June - August 1999-----Volvo analyzes all data.
 August 1999-----Defect determination.
- Not applicable.

8. Program for Remedy of Defect.
All potentially affected vehicles will be recalled. Owners will receive a letter, via first class mail, requesting they return their vehicles to an authorized retailer for repair. The corrective action will consist of replacement of the headlight switch and will be done at no charge to the customer.
9. 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.
10. Proposed Owner Notification Letter.
Our owner notification letter will be drafted shortly. A copy of such letter will be submitted to NHTSA for approval no fewer than five Federal Government Business Days before Volvo intends to begin mailing it to owners.
11. The Manufacturer's Campaign Number
Volvo has assigned Campaign Number 94 to this Safety Recall Campaign.

Sincerely yours,

VOLVO CARS OF NORTH AMERICA, INC.
Product Planning and Business Development


William Shapiro, P.E.

Director, Regulatory Compliance and Environmental Affairs