



Volvo Cars of North America, LLC

May 2006

TO: US and Canada Dealer Principals, Service Managers, Parts Managers and Sales Managers
RE: Recall R157 Volvo XC90 (MY2003 – MY2006) Outer Tie Rod End May Fracture

Volvo Cars North America, LLC (VCNA) and Volvo Cars of Canada Corp. (VCCC) have decided to have a recall for the following vehicles in the US and Canada. We have notified NHTSA and Transport Canada of these actions:

RECALL R157 Volvo XC90 (MY2003 - 6) Outer Tie Rod End May Fracture

In a certain few vehicles, deformation at high loads may cause loss of clamping force of the outer tie rod (ball joint) and the nut may loosen, which may eventually lead to a fatigue fracture of the outer tie rod (ball joint.) If this occurs, the driver may notice that the vehicle is difficult to maneuver. The remedy is replacement of the outer tie rods (ball joints) with improved outer tie rods (ball joints) using new assembly parameters.

Note: This action affects approximately 108,766 vehicles in the US and 7,069 vehicles in Canada

CONSUMER INQUIRIES:

We are sending you this information before formally launching this Recall to help you prepare for customer inquiries. Please work with your local Volvo Field representative to handle these consumers.

Tips for handling customer inquiries -

- Inform the customer that letters have not yet been sent. Our intention is to mail letters as soon as we have the parts to perform the recall.
- Explain to the customer that postings to NHTSA's and Transport Canada's websites accurately indicate that there will be a recall but NHTSA / Transport Canada posts their information independent of the manufacturer's timing to initiate the recall.

COMMUNICATION:

Volvo Cars of North America and Volvo Cars of Canada Corp. provided defect notification concerning Volvo's recall decisions to NHTSA and Transport Canada on May 3, 2006. NHTSA or Transport Canada may post these to their respective websites as soon as May 8, 2006. Other websites may soon copy these postings to their own websites and/or publications. It is possible that customers may contact you upon seeing these postings from NHTSA or another publication.

CORRECTIVE ACTION:

Updated repair and claim instructions are attached. Please be advised that current repair instructions may be modified.

PARTS:

We are currently getting parts from the suppliers and will advise you when they are available. You will be notified of all necessary parts involved via parts bulletin. Parts allocation will be done based on the number of customer notification letters for your facility. Customer notification will be done in conjunction with parts availability and service capacity, a staggered launch is planned for the owner notification process (see OWNER NOTIFICATION, below.)

OWNER NOTIFICATION:

Vehicle owners will receive letters via first class mail. Due to the large number of involved vehicles, not all letters will be sent at the same time. A detailed schedule of owner letter mailings will be provided to retailers at a future date. The letters will request that the owner of the vehicle take their vehicle to an authorized Volvo retailer for remedy

Volvo appreciates your cooperation in providing quality customer care to those owners of vehicles involved in these upcoming recall actions.

Drive Safely,

Volvo Cars of North America, LLC / Volvo Cars of Canada Corporation

<h1>VOLVO</h1> <h2>Service Manager Bulletin</h2>				TITLE:		GROUP:	NO:	
				Recall 157 Outer Tie Rod End May Fracture		64	157	
				MODEL YEAR		ISSUING DEPARTMENT:		
				2003-2006 XC90		Warranty		
				REFERENCE BULLETINS:		CARMARKET:		
				TNN# 64-157		United States, Canada		
Service Personnel: read and initial.	SERVICE MANAGER	SERVICE WRITER	WARRANTY ADMINISTRATOR	DATE:		YEAR	MONTH	DAY
				2006 05 10				
				Page 1 of 3				

BULLETIN REFERENCE

- A. RECALL CAMPAIGN 157 DESCRIPTION
- B. VEHICLES INVOLVED
- C. PARTS INFORMATION/PARTS RETURN
- D. OWNER NOTIFICATION
- E. VEHICLES IN RETAILER INVENTORY
- F. RETAILER RESPONSIBILITY
- G. CAMPAIGN REIMBURSEMENT PROCEDURES
- H. TECHNICIAN COMPETENCY REQUIREMENT
- I. RETAILER ALLOWANCE

A. RECALL CAMPAIGN 157 DESCRIPTION

In a certain few vehicles, deformation at high loads may cause loss of clamping force of the outer tie rod (ball joint) and the nut may loosen, which may eventually lead to a fatigue fracture of the outer tie rod (ball joint). If this occurs, the driver may notice that the vehicle is difficult to maneuver. The remedy is replacement of the outer tie rods (ball joints) with improved outer tie rods (ball joints) using new assembly parameters.

Note: This action affects approximately 108,766 vehicles in the U.S. and 7,069 vehicles in Canada.

B. VEHICLES INVOLVED

NOTE: RETAILER MUST CONFIRM VEHICLE ELIGIBILITY PRIOR TO BEGINNING REPAIR FOR THIS CAMPAIGN.

"Fixed Right — First Time"



Vehicle eligibility should be confirmed:

- Inquire via VEN or VRC² - Vehicle Warranty where the message "RECALL CAMPAIGN 157 INCOMPLETE" will appear for eligible vehicles.

All vehicles should be checked for any other incomplete recalls or service campaigns or service upgrades. All open Recall, Service Campaign or Service Upgrade repairs should be completed.

RETAILER VEHICLE CAMPAIGN LIST

"A Retailer Campaign List" will be posted on VRC² in the Reports Menu under the Service Tab. This list details all affected vehicles that are on record as being retailed or currently in stock at your facility, and is updated monthly. Vehicle eligibility must be confirmed via VRC² prior to performing this service campaign.

C. PARTS INFORMATION / PARTS RETURN

PART#	DESCRIPTION	QTY
30760806	Ball Joint Kit (Left)	1
30760807	Ball Joint Kit (Right)	1

PARTS RETURN

Parts are not required to be returned for repairs done in accordance with this recall campaign.

D. OWNER NOTIFICATION

In June, Volvo will begin mailing announcement letters directly to the owners of the affected vehicles.

E. VEHICLES IN RETAILER INVENTORY

All vehicles in retailer's inventory and qualifying for this Recall Campaign should be repaired prior to a customer taking possession of the vehicle.

F. RETAILER RESPONSIBILITY

Retailers are to perform this campaign on eligible vehicles regardless of mileage/kilometers or vehicle age. The campaign work covered under Recall Campaign 157 is free of charge to the owner. If a customer presents a recall or service campaign letter for a vehicle that is not found via the VRC² inquiry function, please verify that the letter applies to the customer's vehicle and call the Warranty Assistance Desk at 1-800-807-7712 for instructions. If the Warranty Assistance Desk verifies that the vehicle qualifies for the Recall or Service Campaign, please perform the repair and place the recall or service campaign letter in the customer's file. Under no circumstances should a customer be denied the required service without a confirmation from VCNA/VCCL.

G. CAMPAIGN REIMBURSEMENT PROCEDURES

All claims should be submitted using the SHORT FORM application.

H. TECHNICIAN COMPETENCY REQUIREMENT

The technician competency requirement for this campaign repair is: Level 2.

I. RETAILER ALLOWANCE (SHORT FORM APPLICATION)

Labor reimbursement is effective at time of release and may change in the future.

<u>Claim Type</u>	<u>Repair Code</u>	<u>Repair Description</u>	<u>Labor Time</u>
R66021	02	Replace Tie Rods & Adj Toe-In	1.4