VOLKSWAGEN of America, Inc.

Product Compliance 3800 Hamlin Road Auburn Hills, MI 48326 Phone: 1 (248) 754-5000 Fax: 1 (248) 754-5093

November 22, 2006

Ms. Patricia Wallace
Recall Analyst for Safety Assurance
National Highway Traffic Safety Administration
NSA-11
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, DC 20590

Subject: Recall Campaigns N4 (06V-183) and JS (06V-403)

Dear Ms. Wallace:

Pursuant to the requirements set forth in Part 573.6 of Title 49 of the Code of Federal Regulations, we are submitting three (3) copies of the following communications for recall campaigns N4 (06V-183) and JS (06V-403): Dealer notification (including customer notification, work procedure, and accounting procedure) and Frequently Asked Questions (FAQ) documents and video (N4 only).

If you have any questions or require additional information please contact Chris Sandvig at 248-754-5563 or Maria Cotter at (248) 754-4856.

Sincerely,

John Maddox

Product Compliance Officer

Enclosures





VOLKSWAGEN DEALERSHIP COMMUNICATION

To: Dealer Principal, Service Manager, Parts Manager and Warranty Administrator

Name

Title

Subject: Safety Recall N4

Replace Brake Light Switch

Product Compliance

Department

1998-2002 Volkswagen New Beetle with Cruise Control and 1999-2002 Volkswagen Jetta with Cruise Control

November 2006 Date

IMPORTANT NOTICE TO DEALERS - FOR IMMEDIATE DISTRIBUTION SAFETY RECALL ANNOUNCEMENT

Volkswagen has issued Safety Recall N4 in the United States as follows:

What is the issue?

Volkswagen has decided that the affected vehicles may have a brake light switch that may malfunction. If this happens, the brake lights could become inoperative or come on and stay on, even though the vehicle is parked. Failure to provide the proper signal when braking could lead to a crash without warning.

What does the repair involve?

In order to correct this defect, we will replace the brake light switch on affected vehicles with a newly-designed switch. Installation instructions are enclosed with each new part, and a video demonstrating this repair can be found under the Service tab on ServiceNet. These instructions and video are only intended to supplement the campaign work procedure — they DO NOT replace it. Dealership personnel should always rely on the campaign circular as their primary source of information.

Parts Allocation Information

Dealers will receive their 40% initial parts allocation well before customer notification begins on November 27, 2006. Parts will be blocked until November 29. After November 29, parts will not be blocked, however, upper order limits will be in place. Thereafter, additional parts can be ordered through your facing PDC.

Important Reminder on Vehicles Affected by Safety and Compliance Recalls

Federal law prohibits any person from knowingly selling, or offering for sale, any motor vehicle that either contains a defect related to motor vehicle safety or does not comply with applicable motor vehicle safety standards prescribed under Chapter 301 ("Motor Vehicle Safety") of Title 49, United States Code. Immediately upon completion of the repair, enter the claim into the system. Claims will only be paid for vehicles that show Safety Recall N4 open in ElsaWeb on the day of the repair.

Closure of Safety Recalls WT and WX

Safety Recalls WT and WX will be closed on November 27, 2006. This is because they are being replaced with Safety Recall N4. After this date, WT and WX will no longer be visible in ElsaWeb. To help accommodate any customers you may have already scheduled, claims must have a repair date on or before November 27, 2006. Please ensure that any outstanding claims for Safety Recalls WT and WX are entered into the system on or before December 15, 2006. After this date, the system will not accept any claims under Safety Recalls WT and WX (including WTAB and WXAB claims).

Where can dealers get additional information?

Please refer to **Safety Recall N4 and the accompanying FAQ** posted on the VW HUB for additional information, and please be sure to share this information with all personnel with campaign-related responsibilities. As always, any press/media related questions should be directed to our public relations team.

We would like to take this opportunity to remind you that any vehicle with an open Campaign or Required Vehicle Update TB must be repaired <u>prior to delivery to the customer</u>. This will ensure that the measures that are developed to address customer satisfaction issues are effective.

Volkswagen Product Compliance

Frequently Asked Questions (FAQ) Safety Recall N4

This FAQ is intended to provide supplementary information regarding the N4 Safety Recall. For additional information, please refer to the N4 Safety Recall circular that will be posted on ElsaWeb and on VWHub/ServiceNet.

■ What vehicles are affected?

Some 1998-2002 New Beetle and 1999-2002 Jetta vehicles (A4 platform) equipped with cruise control.

■ What is the problem?

The affected vehicles may contain a brake light switch that may malfunction.

■ What can happen?

If this happens, the brake lights could become inoperative or come on and stay on. Failure to provide the proper signal when braking could lead to a crash without warning.

Can I drive the vehicle until it is repaired?

Affected vehicles can continue to be driven as usual, but if the vehicle experiences a brake light switch malfunction, motorists should contact without delay an authorized Volkswagen dealer to make an appointment for service.

■ What are some symptoms of a malfunctioning brake light switch?

A vehicle with a malfunctioning brake light switch may:

- have inoperative (or intermittently inoperative) brake lights
- be unable to shift out of PARK (for automatic transmissions)
- have brake lights that come on and stay on, even when the vehicle is turned off

■ How many vehicles are affected and when will customer notification begin?

There are approximately 645,500 affected vehicles in the United States; approximately 91,400 affected vehicles in Canada. Customer notification is scheduled to begin on or about November 27, 2006.

■ What exactly will be repaired on the vehicle?

An improved brake light switch will be installed in the vehicle.

How long does the repair take?

The repair takes less than one hour to complete.

■ Is a loaner vehicle being covered under this action?

A loaner vehicle is not required since the repair takes less than one hour to complete.

Is towing being covered under this action?

Towing is covered if it was necessary due to a brake light switch malfunction. Dealers should review the towing coverage information found in the N4 Safety Recall campaign circular for additional details. Customers who have incurred out-of-pocket towing expenses related to a brake light switch malfunction are eligible for reimbursement consideration under goodwill through Volkswagen Customer CARE.

■ Do I have to make an appointment?

Yes, after you receive a letter confirming that you are the owner of an affected vehicle and parts are available.

When will this repair be available?

Owners of affected vehicles will be notified beginning on or about November 27, 2006.

IMPORTANT INFORMATION

Please inform and provide a copy of this document to every person in your dealership with canipaign-related responsibilities including Service. Parts and Accounting personnel. By law, dealers must correct, prior to delivery for sale or lease, any vehicle that fails to comply with an applicable Federal Motor Vehicle Safety Standard or that contains a defect relating to motor vehicle safety. If you have questions regarding this or any other campaign, please call (800) 741-2919.



Safety Recall Circular

Subject: 1998-2002 MY New Beetle and

1999-2002 Jetta (A4 Platform) with Cruise Control

Replace Brake Light Switch

November 2006

Code: N4

Problem Description

Volkswagen has found that some model year 1998-2002 New Beetle and 1999-2002 Jetta (A4 platform) vehicles with cruise control may have a brake light switch that may malfunction. If this happens, the brake lights could become inoperative or remain on. Failure to provide the proper signal when braking could lead to a crash without warning.

Corrective Action

Replace the brake light switch.

VIN Ranges & Production Date of Affected Vehicles U.S.A.

1998-2002 New Beetle w/ Cruise Control
3VW___1C_WM000320 - 3VW___1C_2M429649
1999-2002 Jetta (A4) w/ Cruise Control
3VWRF_9M_XM001567 - 3VWRF_9M_YM201386
3VWRP_9M_1M000171 - 3VWRP_9M_2M095847
3VWP_9M_1M086907 - 3VWP_9M_1M230630
3VWT__9M_XM026011 - 3VWT__9M_2M095756
3VWS__9M_XM000877 - 3VWS__9M_2M096212

Canada

1998-2002 New Beetle W/ Cruise Control

3VW __1C_WM000320 - 3VW __1C_2M429649

1999-2002 Jetta (A4) W/Cruise Control

3VWRF_9M_XM001570 - 3VWRF_9M_YM201866

3VWRP_9M_1M000182 - 3VWRP_9M_2M092872

3VWP_9M_1M093552 - 3VWP_9M_1M217394

3VWT_9M_XM062902 - 3VWT_9M_2M066053

3VWS_9M_XM001606 - 3VWS_9M_2M096176

* US & Canadian vehicles produced up to November 2001

NOTE: Check ELSAWeb on the day of repair to verify vehicle eligibility and attach the screen print to the repair order. This is the only valid campaign Inquiry and verification source. Some vehicles may be involved in an additional action(s); any additional work can be done while the vehicle is in for this action.

Allocation Report of Affected Vehicles

In the Service Manager's Package, dealers with affected vehicles will receive a report containing the complete VIN, customer name and address data. Dealers will not receive a report if they have no affected vehicles.

NOTE: The allocation report contains owner names and addresses obtained from Motor Vehicle Registration Records. By law, this data may only be used for recall purposes. Use for any other reason may be a violation of law in many states/provinces. Accordingly, you must limit the use of this report.

Parts Information and Allocation

On or about November 20, 2006 you will receive an initial allocation of parts. Parts will be blocked until November 29. After November 29, parts will not be blocked, however, upper order limits will be in place. Thereafter, additional parts can be ordered through your facing PDC.

Owner Notification Mailing

Beginning November 27, 2006 Volkswagen will notify all known owners of affected vehicles by first class mail. A sample copy of the owner letter is enclosed.

Claim Entry Procedure

Immediately upon completion of the repair work, enter the correct code listed below. Claims will only be paid for vehicles that show this campaign open in ELSAWeb on the day of the repair. To help ensure prompt and proper payment, attach the screen print to the repair order.

Damage Code	Time Units	Work Scope
N4 12	40 T.U.	- Replace brake light switch
		1 1C0 945 511A NAR Brake light switch
N4 13	80 T.U.	 Replace brake light switch; clear DTC & create engine readiness code
		1 1C0 945 511A NAR Brake light switch
N4 20	0 T.U.	- Customer refused repairs
There is N	O reimbur	sement for Vehicle Wash or Loaner Vehicle.
		r part and labor applicable to the codes above. Next Page for TOWING COVERAGE
	SUB LAB	OR SUB PARTS
\$0.00		\$0.00

TOWING GOODWILL COVERAGE

Claim Type: W5
Part ID: N4CS

- In the sublet labor field of the <u>W5</u> claim, the dollar amount should equal the actual towing cost incurred.
- In the comments field of the <u>W5</u> claim, put the following: 100% N4 RECALL. CAR TOWED.

Customer Letter Example (U.S.A.)

November 2006

Safety Recall N4 Subject:

1998-2002 Volkswagen New Beetle with Cruise Control and

1999-2002 Volkswagen Jetta with Cruise Control

Replace Brake Light Switch

Dear Volkswagen Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Volkswagen has decided that a defect, which relates to motor vehicle safety, exists in some 1998-2002 New Beetle and 1999-2002 Jetta vehicles equipped with cruise control. Our records show that you are the owner of one of these vehicles.

What is The Problem?

The affected vehicles may have a brake light switch that may malfunction. If this happens, the brake lights could become inoperative or come on and stay on, even though the vehicle is parked. Failure to provide the proper signal when braking could lead to a crash without warning.

What Will Volkswagen Do?
In order to correct this defect, we will replace the brake light switch in your vehicle.

What We Would Like You To Do
Please contact your authorized Volkswagen dealer and arrange for an appointment without delay. This service will take less than one hour and will be free of charge. Please keep in mind that your dealer may need additional time for the preparation of the repair, as well as to accommodate their daily workshop schedule.

Lease Vehicles

If you are the lessor and registered owner of the vehicle identified in this action, the law requires you to forward this information immediately via first-class mail to the lessee within ten (10) days of receipt of this notification.

Have You Changed Your Address Or Sold The Vehicle?

If you have, please fill out the enclosed prepaid Owner Reply card and mail it to us so we can update our records.

Reimbursement of Expenses

If you have previously paid for replacement of the brake light switch, or if you have incurred towing expenses directly as a result of a brake light switch malfunction, the enclosed form explains how to request reimbursement. We would be pleased to review your reimbursement request.

Service Help from Us

If your authorized Volkswagen dealer fails or is unable to complete this work free of charge within a reasonable time, please call or write to:

> Volkswagen of America, Inc. Attn: Customer CARE Center - Hills East (N4) 3499 West Hamlin Road Rochester Hills, MI 48309 1-800-893-5298

If you still cannot obtain satisfaction, you may file a complaint with: The Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW., 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 apologize for any inconvenience this matter may cause; however we are taking this action to help ensure your safety and continued satisfaction with your vehicle. Thank you for driving a Volkswagen!

Sincerely,

Volkswagen Product Compliance

Customer Letter Example (Canada)

November 2006

Subject: Safety Recall N4

1998-2002 Volkswagen New Beetle with Cruise Control and

1999-2002 Volkswagen Jetta with Cruise Control

Replace Brake Light Switch

Dear Volkswagen Owner:

Earlier this year, we informed customers about the upcoming Safety Recall N4 for the brate-light switch. We're pleased to inform you that your authorized Volkswagen dealer now has these new switches available, and we encourage you to make an appointment as soon as possible so that this repair can be performed at no cost to you.

This notice is sent to you in accordance with the requirements of the Canadian Motor Vehicle Safety Act. Volkswagen has decided that a defect, which relates to motor vehicle safety, exists in some 1998-2002 New Beetle and 1999-2002 Jetta vehicles equipped with cruise control. Our records show that you are the owner of one of these vehicles.

What is The Problem?

The affected vehicles may have a brake light switch that may malfunction. If this happens, the brake lights could become inoperative or come on and stay on, even though the vehicle is parked. Failure to provide the proper signal when braking could lead to a crash without warning.

What Will Volkswagen Do?

In order to correct this defect, we will replace the brake light switch in your vehicle.

What We Would Like You To Do

Please contact your authorized workswagen dealer and arrange for an appointment without delay. This service will take less than one hour and will be free of charge. Please keep in mind that your dealer may need additional time for the preparation of the repair, as well as to accommodate their daily workshop schedule.

Lease Vehicles

If you are the lessor and registered owner of the vehicle identified in this action, the law requires you to forward this information immediately via first-class mail to the lessee within ten (10) days of receipt of this notification.

Have You Changed Your Address Or Sold The Vehicle?

If you have, please fill out the enclosed prepaid Owner Reply card and mail it to us so we can update our records.

Reimbursement of Expenses

If you have previously paid for replacement of the brake light switch, or if you have incurred towing expenses directly as a result of a brake light switch malfunction, the enclosed form explains how to request reimbursement. We would be pleased to review your reimbursement request.

Service Help from Us

If your authorized Volkswagen dealer fails or is unable to complete this work free of charge within a reasonable time, please call or write to:

> Volkswagen Canada Inc. Attn: Customer CARE Center (N4) P.O. Box 842, Stn. A Windsor, ON N9A 9Z9 1-800-893-5298

We apologize for any inconvenience this matter may cause; however we are taking this action to help ensure your safety and continued satisfaction with your vehicle. Thank you for driving a Volkswagen!

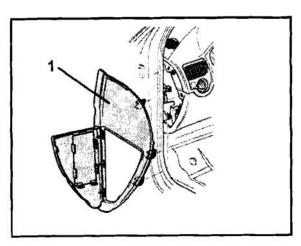
Sincerely,

Volkswagen Product Compliance

Parts:

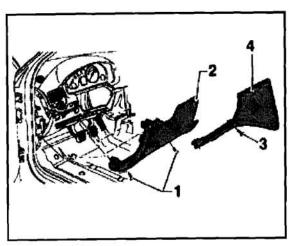
Quantity	Part Number	Part Name	
1	1C0 945 511A NAR	Brake Light Switch	
	G 052 142 A2	Lubricant	

Work Sequence



Section A - Jetta Trim and Cover Panel Removal

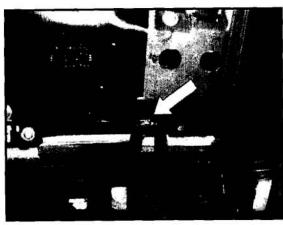
□ Remove dashboard end cover -1-



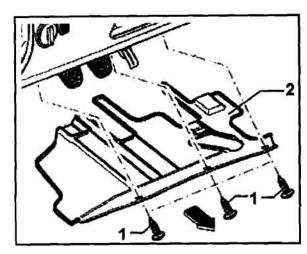
- Remove (2) T15 Torx screws -1- and remove trim panel -2-
- Remove (1) T15 Torx screw -3- at inner edge of trim panel -4-



Tip: Trim panel -4- does not need removal

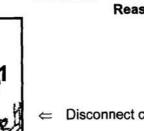


- Pry cover panel retaining clip -arrow- from slot in dash panel
- Remove cover from behind lower edge of right trim panel, and pull out of rear holding clips
- Go to Section C

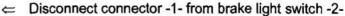


Section B - New Beetle Cover Panel Removal

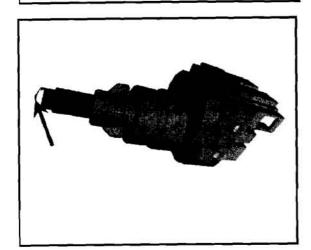
- Remove 3 screws -1- securing cover -2- under dashboard on driver's side
- Pull cover out of rear holding clips and remove
- Go to Section C



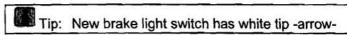
Section C - Brake Light Switch Replacement and Reassembly



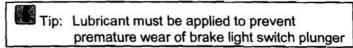
 Remove brake light switch by turning left (counterclockwise) and pulling it out of retainer mounting hole

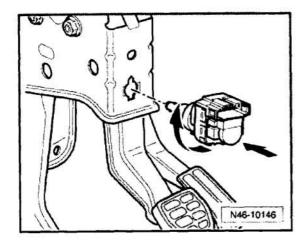


Obtain new brake light switch (1C0 945 511A NAR)



Apply a light coat of lubricant (G 052 142 A2) to end of plunger -arrow-



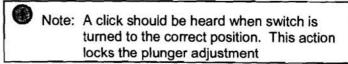


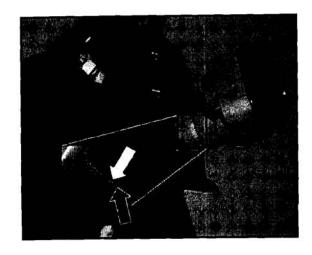
Tip: New brake light switch can be installed multiple times

Note: Leave brake pedal in resting position.

<u>DO NOT</u> depress or hold up brake pedal during switch installation

- Slowly and carefully insert switch -2- fully into mounting hole (only fits into hole one way) pressing plunger against pedal to adjust plunger position
- Secure switch and plunger position by slowly turning switch fully to the right (clockwise) approximately 45° to its stop





- The internal stop pin (white arrow) of the brake light switch is fully seated at end of slot in outer shell (black arrow) when the brake light switch is correctly installed
- Reconnect brake light switch connector and ensure connector is locked into brake light switch
- If the EPC or glow plug light was blinking and there
 was a diagnostic trouble code (DTC) stored in the
 engine control module and the DTC is related to the
 brake light switch, connect the VAS 5051 or VAS
 5052 to clear DTC and create engine readiness code



Note: Only DTCs related to the brake light switch malfunction are covered by this recall.

Any other checking, diagnosis or repairs are not part of or covered under this recall

- Operate brake pedal to verify proper function and brake light activation
- Reinstall cover under dashboard and secure with three screws
- If removed, reinstall trim panel and dash panel end cover
- Destroy and properly dispose of removed part

WORK IS COMPLETE