

Audi of America, Inc.

SAFETY RECALL INFORMATION

Audi of America, Inc. 3800 Hamlin Road Auburn Hills, MI 48326 United States of America www.audiusa.com

R

November 2006

Subject: Safety Recall JS

1996-1997 Model Year Audi A4 Replace Ignition Switch

Dear Audi Dealer Principal and Service Manager:

This letter is to inform you of Safety Recall JS.

What is the Issue?

As a result of a problem in the production process of the ignition switch the anchor point of the spring may crack. This could potentially cause the return spring force to be insufficient for returning the ignition key to the running position after starting the engine. This condition causes electrical accessories such as windshield wipers and headlights to become inoperative increasing the risk of a crash.

Owner Notification Mailing

On or about November 27, 2006 Audi will notify all known owners of affected vehicles by first-class mail.

What Does the Repair Involve?

In order to correct this defect, a new ignition switch with an optimized anchor point will be installed.

Parts Allocation Information

On or about November 17, 2006, you will receive a 25% initial allocation of parts. If you have exhausted your allocated parts and you require additional parts for vehicles affected by this safety recall, but have exceeded your Upper Order Limit, please submit your requests for additional parts via email to upperorderlimits@audi.com. Prior to submitting your request, ensure that the vehicle has the JS code open in ElsaWeb. Be sure to include the affected VINs. Your order will be reviewed and processed accordingly.

Customer Assistance

Dealers will be provided additional CAP budget for customer satisfaction for the JS Safety Recall. Please see the JS Safety Recall campaign circular for recommended methods of customer assistance for owners of affected vehicles. Customer assistance reimbursement will expire 18 months after initiation of the JS Safety Recall campaign.



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. It is therefore imperative that you correct any vehicle in your inventory that is affected by this recall prior to delivery for sale or lease. A failure to properly repair vehicles as per the campaign circular could also expose the acting dealership to civil liability under applicable state/provincial law under theories of negligence, product liability, and other causes of action.

LE Campaign Expiration

As of November 27, 2006, the LE safety campaign will expire, and will be superseded by **Safety Recall JS**. After this date, the LE safety campaign will not be visible in ElsaWeb and no additional claims with a repair date after November 27, 2006 will be accepted.

Please ensure that any outstanding claims for LE safety campaign are entered into the system before December 15, 2006. After this date, the system will not accept any claims under the LE safety campaign.

Where to Find Complete Campaign Information

Please refer to **Safety Recall JS** posted on ElsaWeb and on Access Audi for additional information, and please be sure to share this information with all personnel with campaign-related responsibilities.

Thank you for your cooperation and assistance in this important matter.

Audi Product Compliance

Safety Recall JS Information

Frequently Asked Questions & Answers for Upcoming JS Safety Recall Campaign – Ignition Switch

This FAQ is intended to provide supplementary information regarding the JS Safety Recall Campaign. For additional information, please refer to the JS Safety Recall Campaign circular that will be posted on ElsaWeb and on AccessAudi.

-	What	vehicles	210	affected?
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Model Year 1996-1997 Audi A4 with date of Production: October 1995 - August 1997

The affected VIN range is as follows:

WAU __8D_TA047001 - WAU __8D_VA294397 (USA) WAU __8D_TA056819 - WAU __8D_VA292599 (CAN)

How many vehicles are affected?

Approximately 27,773 vehicles are affected in the United States and approximately 2,770 vehicles are affected in Canada.

■ What is the problem?

As a result of a problem in the production process of the ignition switch the anchor point of the spring may crack. This could potentially cause the return spring force to be insufficient for returning the ignition key to the running position after starting the engine.

■ What can happen?

This condition could cause electrical accessories such as windshield wipers and headlights to become inoperative.

■ What exactly will be repaired on the vehicle and how long will the repair take?

In order to correct this defect, a new ignition switch with an optimized anchor point will be installed. The replacement of the ignition switch should take approximately one hour.

■ Can the customer continue to drive the vehicle?

Yes, the vehicle can still be driven. However, Audi recommends scheduling an appointment with your authorized Audi dealer without delay.

■ Is a loaner vehicle being offered under this action?

A loaner may be provided from dealer's Service Loaner Program. However if the dealer does not belong to the Service Loaner Program, the dealer may utilize the Customer Assistance coverage to obtain alternate transportation for the customer.

■ Will the customer be reimbursed if they previously paid for replacement of the ignition switch?

For customer reimbursement requests, AoA will consider such expenses according to reimbursement guidelines.

■ When will this repair be available?

Audi expects that dealer notification will take place on or about November 20, 2006 and customer notification will take place on or about November 27, 2006.

IMPORTANT INFORMATION

Please inform and provide a copy of this document to every person in your dealership with campaign-related responsibilities including Service. Parts and Accounting personnel. By law idealers 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: 1996 - 1997 Model Year Audi A4 Replace Ignition Switch

November 2006

Code: JS

Problem Description

As a result of a problem in the production process of the ignition switch the anchor point of the spring may crack. This could potentially cause the return spring force to be insufficient for returning the ignition key to the running position after starting the engine. This condition causes electrical accessories, such as windshield wipers and headlights, to become inoperative, increasing the risk of a crash.

Corrective Action

Install a new ignition switch with an optimized anchor point.

VIN Range & Production Dates of Affected Vehicles Produced between October 1995 & February 1997

1996-1997 Audi A4 (USA)

WAU __8D_TA047001 - WAU __8D_VA294397

1996-1997 Audi A4 (CAN)

WAU 8D TA056819 - WAU 8D VA292599

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 with 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 17, 2006 you will have received a 25% initial allocation of parts. If you have exhausted your allocated parts for vehicles affected by this safety recall, but have exceeded your Upper Order Limit, please submit your requests for additional material via email to upperorderlimits@audi.com.

Owner Notification Mailing

On or about November 27, 2006 Audi 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.

Customer Assistance Expiration Date

The additional CAP budget provided to dealers for customer satisfaction assistance is available for 18 months, through May 1, 2008, after which time it will expire and will no longer be available.

Damage Code	Time Units	Work Scope
JS12	100 T.U.	 Remove and Replace Ignition Switch Switch 4A0 905 849B
JS20	0 T.U.	- Customer refused repairs

There is NO reimbursement for Vehicle Wash or Loaner
The system will enter labor & part applicable to the codes above

SUB LABOR	LOANER/RENTAL
None	\$0 Utilize Service Loaner

CUSTOMER ASSISTANCE COVERAGE

PID: JSCA

Claim Type: W5

Dealers have been provided additional CAP budget for customer satisfaction for the JS Safety Recall. Customer assistance reimbursement will expire 18 months after initiation of the JS Safety Recall campaign

Audi recommends the following:

- · Interior detailing or car wash
- · Gift certificate for use from Audi Collection
- · Complete fill-up of fuel tank
- Loaner if dealer does not belong to Service Loaner Program

Customer Letter Example (USA)

November 2006

Subject: Safety Recall JS

1996-1997 Model Year Audi A4 Replace Ignition Switch

Dear Audi Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Audi has decided that a defect, which relates to motor vehicle safety, exists in some 1996-1997 model year Audi A4 vehicles. Our records show that you are the owner of one of these vehicles.

What Is The Problem?

As a result of a problem in the production process of the ignition switch, the anchor point of the spring may crack. This could potentially cause the return spring force to be insufficient for returning the ignition key to the running position after starting the engine. This condition causes electrical accessories, such as windshield wipers and headlights to become inoperative, increasing the risk of a crash.

What Audi Will Do

In order to correct this defect, a new ignition switch with an optimized anchor point will be installed.

What We Would Like You To Do

Please contact your authorized Audi dealer and arrange for an appointment without delay. This service will take about 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 ignition switch, the enclosed form explains how to request reimbursement. We would be pleased to review your reimbursement request.

Service Help from Us

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

Audi of America, Inc.
Attn: Customer Relations – Hills East (JS)
3499 West Hamlin Road
Rochester Hills, MI 48309
1-800-822-2834

If you still cannot obtain satisfaction, you may file a complaint with: Administrator, National Highway Traffic Safety Administration, U.S. Department of Transportation, 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 regret any inconvenience this matter may cause. Thank you for your continued loyalty!

Audi Product Compliance

Customer Letter Example (CANADA)

November 2006

Subject: Safety Recall JS

1996-1997 Model Year Audi A4 Replace Ignition Switch

Dear Audi Owner:

This notice is sent to you in accordance with the requirements of the Canadian Motor Vehicle Safety Act. Audi has decided that a defect, which relates to motor vehicle safety, exists in some 1996-1997 model year Audi A4 vehicles. Our records show that you are the owner of one of these vehicles.

What Is The Problem?

As a result of a problem in the production process of the ignition switch the anchor point of the spring may crack. This could potentially cause the return spring force to be insufficient for returning the ignition key to the running position after starting the engine. This condition causes electrical accessories, such as windshield wipers and headlights to become inoperative, increasing the risk of a crash.

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Reimbursement of Expenses

If you have previously paid for replacement of the ignition switch, the enclosed form explains how to request reimbursement. We would be pleased to review your reimbursement request.

Service Help from Us

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

Audi Canada Attn: Customer Relations (JS) P.O. Box 842, Stn. A Windsor, ON N9A 9Z9 1-800-822-2834

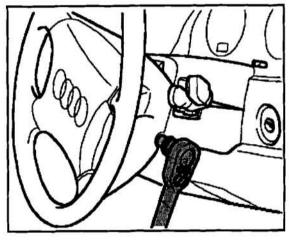
We regret any inconvenience this matter may cause. Thank you for your continued loyalty!

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Parts:

Quantity	Part Number	Part Name
1	4A0 905 849 B	Ignition switch

Work Sequence



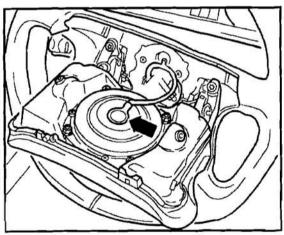
Section A - Disassembly

Open hood and disconnect ground cable (GND) from the negative (-) battery terminal

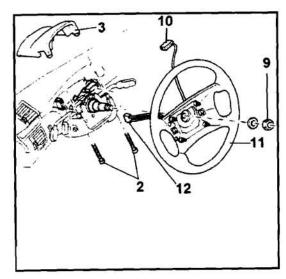


Note: Observe all safety precautions before starting work on any part of the airbag system

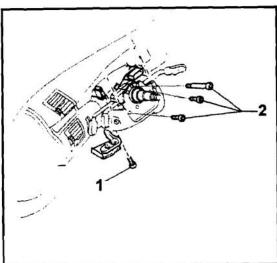
Remove two bolts securing air bag to steering wheel using a T30 torx bit



- □ Disconnect harness connector -arrow- from spiral spring
- ⊏ Remove air bag and set aside by placing airbag unit down with padded side facing upward
- Pull out adjustable steering column as far as it will go and set to lowest position



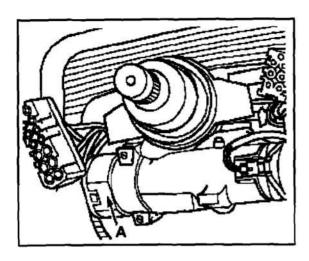
- of trim for steering column
- Carefully remove upper half -3- of steering column cover
- □ Disconnect harness connector -10- for horn contact and -12- for air bag spiral spring
- Turn steering wheel to straight-ahead position and mark steering wheel for reassembly
- carefully remove steering wheel -11- with spiral spring



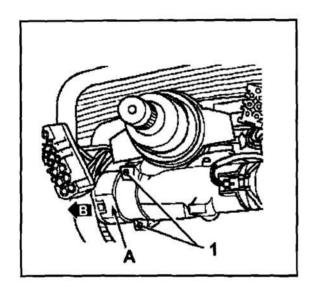
- ← Remove three Phillips head screws -2- from steering column lower cover
- ← Remove the M4 socket head bolt -1- from bottom of the lower steering column cover
- Carefully pull lower steering column cover rearward and off steering column shaft



Tip: Cover cannot be fully removed without removing the steering column lock lever. The cover can temporarily hang on the lock lever



 Disconnect ignition harness connector from end -A- of ignition switch



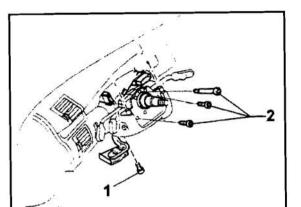
Section B – Ignition Switch Removal and Installation

- ← Remove paint seal covering screws -1-
- Loosen two screws -1- with a small flat screwdriver, and pull ignition switch -A- out of housing in direction of -arrow B-



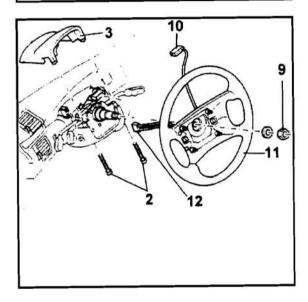
Tip: Ignition switch and lock cylinder must be in the same position, e.g. "Ignition off" when installing new switch; otherwise, switch will not go into housing

- Install new ignition switch (4A0 905 849 B) fully into housing and tighten screws
- Seal screws with any color of locally available paint



Section C - Reassembly

- Reconnect ignition harness connector to ignition switch
- ⇐ Reinstall lower steering column cover and secure with 3 Phillips screws -2- and socket head bolt -1-



- Carefully reinstall steering wheel -11- with spiral spring onto steering column
- Secure steering wheel with nut -9- and tighten to 40 Nm (30 ft. lbs.)
- ← Reconnect airbag electrical connector -12- and horn electrical connector -10-
- Reinstall upper steering column cover -3- and secure with two screws -2-
- Carefully place air bag on steering wheel and reconnect harness connector from spiral spring to air bag



Tip: When reconnecting harness, make sure connector audibly engages (clicks)

Secure air bag to steering wheel reusing bolts and tighten 7 Nm (62 in. lbs.)



WARNING! ✓

Make certain the passenger compartment is not occupied before connecting the battery

Turn ignition switch on and reconnect ground cable (GND) to the negative (-) battery terminal and torque bolt to 5 Nm (44 in. lbs.)

- Reset time on clock
- Reset radio stations presets
- Check system with VAG 1551 or VAS 5051 and clear any faults
- · Set engine basic settings as required
- Program windows for "one-touch up/down" feature, where applicable
- Destroy and properly discard all removed parts

WORK IS COMPLETE