

Safety Defect and Noncompliance Report Guide for Equipment
PART 573 Defect and Noncompliance Report

On March 22, 2007, CARDONE Industries, Inc. decided that a defect which relates to motor vehicle safety exists in certain Master Cylinders for the applications stated below. These Master Cylinders were remanufactured, marketed and sold by CARDONE Industries, who is furnishing notification to the National Highway Traffic Safety Administration in accordance with 49 CFR Part 573, Defect and Noncompliance Reports.

The applications affected are shown below, along with a detailed part number listing.

Date this report was prepared: March 22, 2007

1. Identify the full corporate name of the fabricating manufacturer/brand name/trademark owner of the recalled item of equipment.

Brand Name/Trademark Owner and Fabricating Manufacturer (Remanufacturer):

CARDONE Industries, Inc.
5501 Whitaker Avenue
Philadelphia, PA 19124-1799

Identify the corporate official, by name and title, whom the agency should contact with respect to this recall.

Evan Curry

Sr. VP Corporate Quality/Compliance

Telephone Number: 215-912-3049 **Fax No.:** 215-912-3009

Name and Title of Person who prepared this report.

Thomas Mathew

Supervisor, Quality Systems

Signed:

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NHTSA

I. Identify the Recalled Items of Equipment

2. Identify the Items of Equipment Involved in this Recall.

Remanufactured Master Cylinders with below given part numbers and application are involved.

Part #	Make	Model	Year	Application
10-2925	CHRYSLER	SEBRING CONVERTIBLE	2006-05	All w/4 Wheel Disc
10-2925	CHRYSLER	SEBRING CONVERTIBLE	2004	All w/2.7L Eng
10-2925	CHRYSLER	SEBRING CONVERTIBLE	2003-01	All
10-2925	CHRYSLER	SEBRING COUPE	2002-01	All 2.4L Eng. w/DOHC
10-2925	CHRYSLER	SEBRING SEDAN	2006-05	All w/4 Wheel Disc
10-2925	CHRYSLER	SEBRING SEDAN	2004	All w/2.7L Eng
10-2925	CHRYSLER	SEBRING SEDAN	2003-01	All
10-2925	DODGE	STRATUS	2006	All w/4 Wheel Disc
10-2925	DODGE	STRATUS	2005-03	Sedan w/4 Wheel Disc
10-2925	DODGE	STRATUS	2002	Sedan
10-2925	DODGE	STRATUS	2001	Sedan
10-2987	FORD TRUCKS	ESCAPE	2004-01	All
10-2987	MAZDA TRUCKS	TRIBUTE	2004-01	All
10-3083	CHRYSLER	SEBRING CONVERTIBLE	2006-05	All w/2 Wheel Disc
10-3083	CHRYSLER	SEBRING CONVERTIBLE	2004	All w/2.4L Eng
10-3083	CHRYSLER	SEBRING SEDAN	2006-05	All w/2 Wheel Disc
10-3083	CHRYSLER	SEBRING SEDAN	2004	All w/2.4L Eng
10-3083	DODGE	STRATUS	2006	All w/2 Wheel Disc
10-3083	DODGE	STRATUS	2005-03	Sedan w/2 Wheel Disc
11-3015	TOYOTA TRUCKS	SEQUOIA	2007-04	All
11-3015	TOYOTA TRUCKS	SEQUOIA	2002	All
11-3015	TOYOTA TRUCKS	SEQUOIA	2001	All w/ABS
11-3015	TOYOTA TRUCKS	TUNDRA	2006	All 4.7L Eng. w/Double Cab w/Stability Control
11-3042	AUDI	TT	2002-01	All w/Electronic Stability Package
11-3042	AUDI	TT QUATTRO	2002-01	All w/Electronic Stability Package
11-3042	VOLKSWAGEN	GOLF	2001	All w/Electronic Stability Package
11-3044	BMW	325Ci	2006-04	All w/Dynamic Stability Control
11-3044	BMW	325Ci	2003-01	Convertible
11-3044	BMW	325Ci	2003-01	Coupe w/Dynamic Stability Control
11-3044	BMW	325i	2005-02	All w/Dynamic Stability Control
11-3044	BMW	325i	2001	Sport Wagon
11-3044	BMW	330Ci	2006-01	All w/Dynamic Stability Control
11-3044	BMW	330i	2005-02	All w/Dynamic Stability Control
11-3044	BMW	330i	2001	All w/Dynamic Stability Control
11-3045	VOLKSWAGEN	BEETLE	2006	All w/Electronic Stability Package
11-3045	VOLKSWAGEN	BEETLE	2005-03	All w/Electronic Stability Package
11-3045	VOLKSWAGEN	GOLF	2006-02	All w/Electronic Stability Package
11-3045	VOLKSWAGEN	JETTA	2005	All w/Electronic Stability Package To VIN # 9M-5-149 999
11-3045	VOLKSWAGEN	JETTA	2004-02	All w/Electronic Stability Package

11-3045	VOLKSWAGEN	R32	2005-04	All
11-3047	VOLVO	S60 SERIES	2001	All w/Traction Control
11-3047	VOLVO	S80 SERIES	2001	All w/o Dynamic Stability Control To Chassis #174094
11-3047	VOLVO	S80 SERIES	2000-99	All w/o Dynamic Stability Control
11-3047	VOLVO	V70 SERIES	2001	All w/Traction Control
11-3064	VOLVO	C70 SERIES	2001-00	All
11-3064	VOLVO	S70 SERIES	2000	All
11-3064	VOLVO	V70 SERIES	2000	All
11-3156	VOLVO	S60 SERIES	2006-02	All w/o Dynamic Stability Control
11-3156	VOLVO	S80 SERIES	2006-02	All w/o Dynamic Stability Control
11-3156	VOLVO	S80 SERIES	2001	All w/o Dynamic Stability Control From Chassis #174095
11-3156	VOLVO	V70 SERIES	2006-05	All w/o Dynamic Stability Control
11-3156	VOLVO	V70 SERIES	2004	All w/o Traction Control
11-3156	VOLVO TRUCKS	XC70 SERIES	2006-03	All w/o Dynamic Stability Control

Generic name of the item: Master Cylinder

Make: CARDONE

Model: MASTER CYLINDER

Part Number: see above

Size: N/A

Function: Master Cylinder converts brake pedal pressure into hydraulic pressure for brake system operation.

Identify the approximate percentage of the production of all the recalled models manufactured by your company between the inclusive dates of manufacture provided above, that the recalled model population represents.

The affected part numbers represents 0.55% of the total master cylinder production.

II. Identify the Recall Population

3. Furnish the total number of items of equipment recalled potentially containing the defect.

13,128 over last 3 years

4. Furnish the approximate percentage of the total number of items of equipment estimated to actually contain the defect:

Based upon analysis of customer returns data, we believe the approximate percentage containing the defect to be 12%

Identify and describe how the recall population was determined:

The recall population was determined by referencing the dates the defective units were remanufactured to the date the units were pulled and quarantined, and all products in CARDONE's inventory were removed.

III. Describe the Defect

5. Describe the defect.

External brake fluid leak from rear of Master Cylinder may occur during bench bleed, or brake fluid may leak on vehicle into Power Brake Booster.

Describe the cause of the defect condition.

P2 Seal assembly (Component Part#10-02788) on this family has a potential dimensional set problem on seal I.D.

Describe the consequence of the defect condition.

As a result, external brake fluid leak may occur during bench bleed, or brake fluid may leak on vehicle into PBB. A leak at bench bleeding is a nuisance to the consumer; a leak on the vehicle will reduce the braking performance.

Identify any warning which can (a) precede or (b) occur.

Indicator lights on the instrument panel to alert the driver when the brake fluid level is low and/or a low brake pedal condition. If the warning goes unnoticed, the braking performance of the vehicle will be affected in half of the vehicle's tandem system.

If the defect is in a component or assembly purchased from a supplier, identify the supplier by corporate name and address.

The seal assemblies were manufactured by:
Neff-Perkins Co.
16080 Industrial Parkway
Middlefield, OH-44062

IV. Provide the Chronology in Determining the Defect

If the recall is for a defect, complete item 6, otherwise item 7.

6. With respect to a defect, furnish a chronological summary (including dates) of all the principle events that were the basis for the determination

of the defect. The summary should include, but not be limited to, the number of reports, accidents, injuries, fatalities, and warranty claims.

Beginning on or about March 1, 2007, CARDONE commenced an investigation on master cylinder part#10-2987 after receiving several tech service calls and an increase in warranties. Based upon this investigation, CARDONE determined on March 22, 2007 to conduct this recall. There are no reported accidents, injuries or fatalities associated with this issue.

7. With respect to a noncompliance, identify and provide the test results or other data (in chronological order and including dates) on which the noncompliance was determined.

Data still pending investigation by seal manufacturer

V. Identify the Remedy

8. Furnish a description of the manufacturer's remedy for the defect. Clearly describe the differences between the recall condition and the remedy.

All unsold inventory will be repurchased, and CARDONE will implement a campaign to recover as many units from consumers as possible. CARDONE will provide a full refund to customers for units returned. The returned products will be reworked properly before being resold. All Stock was held and reworked on all affected part numbers. An alternative seal assembly was chosen and validated by Engineering to replace the subject seal assembly.

Clearly describe the distinguishing characteristics of the remedy component/assembly versus the recalled component/assembly.

Remedy products will have a manufacturing date code of 3/19/2007 or later.

Identify and describe how and when the recall condition was corrected in production. If the production remedy was identical to the recall remedy in the field, so state. If the product was discontinued, so state.

Alternate seal assembly used as described above.

VI. Identify the Recall Schedule

Furnish a schedule or agenda (with specific dates) for notification to other manufacturers, dealers/retailers, and purchasers. Please, identify any foreseeable problems with implementing the recall.

Within 1 week of NHTSA approval of this campaign, CARDONE will advise all affected customers. CARDONE expects this recall to be completed within two weeks after the affected customers receive the recall notice.

VII. Furnish Recall Communications

9. Furnish a final copy of all notices, bulletins, and other communications that relate directly to the defect or noncompliance and which are sent to more than one manufacturer, distributor, or purchaser. This includes all communications (including both original and follow-up) concerning this recall from the time your company determines the defect or noncompliance condition on, not just the initial notification.

No written communications have been sent. A copy of CARDONE's draft Customer Notification letter and a bulletin, pursuant to 49 C.F.R. § 577, are attached.

VIII. Reimbursement Program

10. Pursuant to 49 C.F.R. § 577.11(e), CARDONE requests that it be exempt from providing notification of a reimbursement plan. All of the affected units are covered by CARDONE's lifetime warranty. Accordingly, no person would be eligible for reimbursement pursuant to § 573.13.



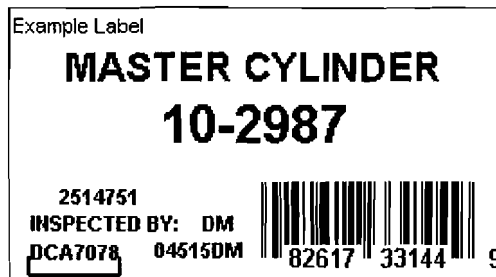
Product Recall Notice

March 22, 2007

Subject: - CARDONE Industries has decided that a potential defect may exist in the following Master Cylinder part numbers:

10-2925	10-3083	11-3044	11-3064
10-2987	11-3015	11-3045	11-3156
10-2987MZA	11-3042	11-3047	

Note: - See application details below



Only return units with date codes **lower than DCA7078** (located here)
(Only return units where the 4 digit portion of date code is **lower than 7078**)

Summary

The subject Master Cylinders may contain a potential defect, which could cause an external brake fluid leak during bench bleed, or on the vehicle. As a result, the braking performance could be reduced in half of the vehicle's braking system. Master Cylinders affected were manufactured prior to March 19, 2007.

Consequence

If brake fluid leaks, braking ability could be reduced in half of the vehicle's braking system. Prior to reduced braking ability, the brake warning light will illuminate and a low brake pedal may be experienced.

Remedy

We will provide a full refund or credit for returned products upon their return to CARDONE. All inventories at CARDONE have been corrected and can be ordered to replace your inventory and customer returns. If you do not receive the replacement Master Cylinder in a reasonable time, contact CARDONE Industries at 1-800-777-4780.

NHTSA Campaign ID Number: 07E-023

Part #	Make	Model	Year	Application
10-2925	CHRYSLER	SEBRING CONVERTIBLE	2006-05	All w/4 Wheel Disc
10-2925	CHRYSLER	SEBRING CONVERTIBLE	2004	All w/2.7L Eng
10-2925	CHRYSLER	SEBRING CONVERTIBLE	2003-01	All
10-2925	CHRYSLER	SEBRING COUPE	2002-01	All 2.4L Eng. w/DOHC
10-2925	CHRYSLER	SEBRING SEDAN	2006-05	All w/4 Wheel Disc

Contd...

CARDONE®

Product Recall Notice

March 30, 2006

Part #	Make	Model	Year	Application
10-2925	CHRYSLER	SEBRING SEDAN	2004	All w/2.7L Eng
10-2925	CHRYSLER	SEBRING SEDAN	2003-01	All
10-2925	DODGE	STRATUS	2006	All w/4 Wheel Disc
10-2925	DODGE	STRATUS	2005-03	Sedan w/4 Wheel Disc
10-2925	DODGE	STRATUS	2002	Sedan
10-2925	DODGE	STRATUS	2001	Sedan
10-2987	FORD TRUCKS	ESCAPE	2004-01	All
10-2987	MAZDA TRUCKS	TRIBUTE	2004-01	All
10-3083	CHRYSLER	SEBRING CONVERTIBLE	2006-05	All w/2 Wheel Disc
10-3083	CHRYSLER	SEBRING CONVERTIBLE	2004	All w/2.4L Eng
10-3083	CHRYSLER	SEBRING SEDAN	2006-05	All w/2 Wheel Disc
10-3083	CHRYSLER	SEBRING SEDAN	2004	All w/2.4L Eng
10-3083	DODGE	STRATUS	2006	All w/2 Wheel Disc
10-3083	DODGE	STRATUS	2005-03	Sedan w/2 Wheel Disc
11-3015	TOYOTA TRUCKS	SEQUOIA	2007-04	All
11-3015	TOYOTA TRUCKS	SEQUOIA	2002	All
11-3015	TOYOTA TRUCKS	SEQUOIA	2001	All w/ABS
11-3015	TOYOTA TRUCKS	TUNDRA	2006	All 4.7L Eng. w/Double Cab w/Stability Control
11-3042	AUDI	TT	2002-01	All w/Electronic Stability Package
11-3042	AUDI	TT QUATTRO	2002-01	All w/Electronic Stability Package
11-3042	VOLKSWAGEN	GOLF	2001	All w/Electronic Stability Package
11-3044	BMW	325Ci	2006-04	All w/Dynamic Stability Control
11-3044	BMW	325Ci	2003-01	Convertible
11-3044	BMW	325Ci	2003-01	Coupe w/Dynamic Stability Control
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11-3064	VOLVO	C70 SERIES	2001-00	All
11-3064	VOLVO	S70 SERIES	2000	All
11-3064	VOLVO	V70 SERIES	2000	All
11-3156	VOLVO	S60 SERIES	2006-02	All w/o Dynamic Stability Control
11-3156	VOLVO	S80 SERIES	2006-02	All w/o Dynamic Stability Control
11-3156	VOLVO	S80 SERIES	2001	All w/o Dynamic Stability Control From Chassis #174095
11-3156	VOLVO	V70 SERIES	2006-05	All w/o Dynamic Stability Control
11-3156	VOLVO	V70 SERIES	2004	All w/o Traction Control
11-3156	VOLVO TRUCKS	XC70 SERIES	2006-03	All w/o Dynamic Stability Control