

Volvo Cars of North America, LLC

January 2008

TO: ALL VOLVO RETAILERS

RE: RECALL 185

Volvo Cars of North America, LLC (Volvo) has decided that a defect related to motor vehicle safety exists in the Engine Control Module (ECM) software of certain 2007-2008 model XC90 vehicles.

Volvo has found that under certain conditions the Climate Control Module (CCM) may receive a "Shutdown signal" from the Engine Control Module (ECM) after ignition key insertion. If this condition occurs, the climate control functions will not be available (including defroster) during that driving cycle. Inoperative defrosters under inclement weather conditions could cause impaired visibility which has the potential to result in personal injury and/or vehicle and property damage.

The corrective action will be a software upgrade of the Engine Control Module (ECM).

Recall 185 affects approximately 37,000 vehicles in the U.S. and 2,300 in Canada.

OWNER NOTIFICATION

Owner notification is scheduled to begin in January.

RETAILER RESPONSIBILITIES

Retailers must perform this Recall Campaign on eligible vehicles regardless of miles/kilometers or vehicle age. All work performed under this Recall Campaign is free of charge to the owner.

In the event that a customer does not have a notification letter, the owner is not to be refused this work. Your regional representative will follow up to ensure that this Recall Campaign is proceeding smoothly.

A complete description of the Recall Campaign requirements and claim submission procedures will follow.

It is the retailer's responsibility to review the details provided in the materials listed below with all involved personnel.

- Service Manager Bulletin
- Tech Net Note
- Parts Bulletin

Your cooperation in completing this important Recall is greatly appreciated.

Drive Safely,

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

| Service Person- | SERVICE MANAGER | SERVICE WRITER | WARRANTY ADMINISTRATOR | PB# 87-185, TNN# 87-185 | 2008 | MONTH 01 | 04 |
|--------------------|--------------------|---------------------------------------|---------------------------|----------------------------|--------|-------------|------------|
| Box (| | ulle | tin - | REFERENCE BULLETINS: | | DATE: | |
| | 100 | | | | United | States, | Canada |
| | Mar | nad | er . | 2007 & 2008 XC90 | C | AR MARKE | ——— :T: |
| Service | | No CCM Function After Engine Start | Warranty | | | | |
| 6. | | | | No CCM Function | ISSUIN | IGDEPART | MENT: |
| | VO] | LV | U | RECALL 185 | 87 | | 185 |
| • | 701 | T W 7 | | TITLE: | GROU | P: | NO: |

BULLETIN REFERENCE

- A. RECALL 185 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 185 DESCRIPTION

Volvo Cars of North America, LLC (Volvo) and Volvo Cars of Canada Corp. have found that under certain conditions the Climate Control Module (CCM) may receive a "Shut-down signal" from the Engine Control Module (ECM) after ignition key insertion. If this condition occurs, the climate control functions will not be available (including defroster) during that driving cycle.

The corrective action will be a software upgrade of the Engine Control Module (ECM).

Recall 185 affects approximately 37,000 vehicles in the U.S. and approximately 2,300 in Canada.

B. VEHICLES INVOLVED

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

Vehicle eligibility should be confirmed:

Inquire in VRC² - Vehicle Warranty where the message "RECALL 185 INCOMPLETE" will appear for eligible vehicles.

"Fixed Right — First Time"



Page 2 of 3

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 Number | Part Description | Qty |
|-------------|-----------------------|-----|
| 30677021 | ECM Software Download | 1 |

PARTS RETURN

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

D. OWNER NOTIFICATION

In late January, 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 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 185 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 customers 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 only.

H. TECHNICIAN COMPETENCY REQUIREMENT

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

I. RETAILER ALLOWANCE (SHORT FORM APPLICATION)

| Campaign | Claim | Repair | Repair | Labor |
|---------------|-------------|-------------|-----------------------|-------------|
| <u>Number</u> | <u>Type</u> | <u>Code</u> | <u>Description</u> | <u>Time</u> |
| R185 | R27105 | 02 | ECM Software Download | 0.3 |

Tech-Net Notes

"Fixed Right - First Time"

Volvo Technicians, Service and Parts Managers

NO

87-185

| DATE: | 01-04-2008 | |
|---------------------------|--|--|
| MODEL: | XC90 equipped with SI6 (engine code 98 | 3) |
| CHASSIS | 328000-448032 | |
| MODEL YEAR | 2007- 2008 | |
| | OT ALL VEHICLES WITHIN THE CHASSIS L | |
| AFFECTED. | RETAILER MUST CONFIRM VEHICLE ELIG | |
| | BEGINNING RECALL CAMPAIGN R | |
| SUBJECT: | Recall 185 - No CCM function after engir | ne start |
| REFERENCE: | VIDA, SMB 87-185, PB 87-185 | |
| | | |
| DESCRIPTION: | | |
| Volvo has found th | nat under certain conditions the Climate Co | ntrol Module (CCM) may receive |
| a "Shut-down sign | al" from the Engine Control Module (ECM) | after ignition key insertion. If |
| this condition occu | irs, the climate control functions will not be | available (including defroster) |
| during that driving | | |
| The corrective acti | ion will be a software upgrade of the Engine | e Control Module (ECM) |
| | | |
| SERVICE: | | |
| If the vehicle is wit | thin the chassis limitations above, perform a | an ECM upgrade P/N 30677021. |
| | | |
| , | ve a VIDA error 134 for the ECM (HW alrea | ndy contains the latest SW |
| <i>package),</i> no furth | er action is necessary. | |
| | | |
| | IM INFORMATION | |
| LABOR OP | LABOR DESCRIPTION | LABOR TIME |
| XXXXXX | Software control module downloading | 0.3hr |
| Claims may be submitted | l under the new car warranty when there is a documented cu | ustomer complaint using claim type: 01 |
| VOLVO for life, | | |
| Volvo Cars of Nor | th America IIC | |
| Please circulate, r | • | arts Mgr Shop Foreman |
| riease circulate, i | ead and midal | onop i oreman |
| | | TECHS |
| | | |
| Warranty A | dministrator | S. Advisors |



| Recall 185 - No CCM Function After Engine Start | | | | | GROUP 87 | | NO | 185 |
|--|-----------|-------------|-----------------------|------|-----------|-------------|------------------|-----|
| MY 2007/2008, XC90 COPYTO/CIRCULATIONS (PLEASE INITIAL) | | | United States, Canada | | PAGE | 1 of 1 | | |
| GENERAL MGR | PARTS MGR | SERVICE MGR | SALES MGR | DATE | YEAR 2008 | MONTH 01 | DAY 04 | |

SOFTWARE ONLY, NO PARTS REQUIRED

Reference Bulletins: SMB 87-185, TNN 87-185

Volvo Cars of North America, LLC (Volvo) and Volvo Cars of Canada Corp. have found that under certain conditions the Climate Control Module (CCM) may receive a "Shut-down signal" from the Engine Control Module (ECM) after ignition key insertion. If this condition occurs, the climate control functions will not be available (including defroster) during that driving cycle.

The corrective action will be a software upgrade of the Engine Control Module (ECM).

The following software part number applies:

| Part Number | Description | Qty |
|-------------|----------------------------|-----|
| 30677021 | ECM Upgrade, Recipe ID 223 | 1 |

IMPORTANT RECALL NOTICE

[CAMPAIGN 185: 2007 & 2008 XC90 SAMPLE OWNER NOTIFICATION LETTER UNITED STATES]

January 2008

Dear Volvo Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

The reason for this campaign:

Volvo Cars of North America, LLC (Volvo) has decided that a defect related to motor vehicle safety exists in the Engine Control Module (ECM) software of certain 2007-2008 model XC90 vehicles.

Volvo has found that under certain conditions the Climate Control Module (CCM) may receive a "Shut-down signal" from the Engine Control Module (ECM) after ignition key insertion. If this condition occurs, the climate control functions will not be available (including defroster) during that driving cycle. Inoperative defrosters under inclement weather conditions could cause impaired visibility which has the potential to result in personal injury and/or vehicle and property damage.

The corrective action will be a software upgrade of the Engine Control Module (ECM).

What you need to do:

Please call your authorized Volvo retailer as soon as possible to schedule an appointment. This procedure will be completed at no cost and will take approximately 30 minutes. Due to service scheduling, your Volvo retailer may require your vehicle for a longer period of time.

If you previously paid to have this corrective action performed, your authorized Volvo retailer will honor your receipt with a refund. Please contact the Service Department for details.

Please contact:

If you have any questions, please contact your Volvo retailer. If your retailer is unable to answer your questions, please contact Volvo Customer Care Center at 1 Volvo Drive, Rockleigh, NJ 07647 or phone 1-800-458-1552, Monday through Friday, 8:30 A.M. to 6:00 P.M. Eastern Time. You may also e-mail us at customercare@volvoforlife.com.

We have advised the National Highway Traffic Safety Administration (NHTSA) that we are conducting this recall. If you are unable to have this procedure performed without charge and within a reasonable period of time, you may contact the NHTSA Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Ave SE, 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.safecar.gov.

Federal law requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days. Lessor means a person or entity that is the owner, as reflected on the vehicle title, of any five or more leased vehicles.

Your safety and continued satisfaction with your Volvo and the Volvo organization are very important to us. We apologize for any inconvenience this may cause and we appreciate your cooperation in arranging to have this important service completed as quickly as possible.

Sincerely,

Rich E. Buchheit Manager, Customer Support