

GM SERVICE AND PARTS OPERATIONS
DCS1968
URGENT - DISTRIBUTE IMMEDIATELY

Date: February 1, 2008

Subject: 07204 - Product Safety Recall
Drive Axle Seal Leak – Replace Seal

Models: 2005-2007 Cadillac CTS, CTS-V, SRX, STS
2006-2007 Cadillac STS-V
2007 Daewoo G2X
2007 Opel GT
2006-2007 Pontiac Solstice
2007 Saturn SKY

To: All Cadillac and Pontiac Dealers and Saturn Retailers

Attention: Service Manager, Parts Manager, and Warranty Administrator

PRODUCT FIELD ACTION ANNOUNCEMENT

General Motors is announcing Product Safety Recall 07204 today. The total number of vehicles involved is 311,071. Please see the attached bulletin for details.

Mailing Information

Customer notification letter mailing will begin on February 8, 2008.

GM Vehicle Inquiry System (GMVIS)

GMVIS information is currently available.

DealerWorld Global Warranty Management Application (Saturn)

The 'Investigate Vehicle History' link on the Global Warranty Management application within DealerWorld will be available on Monday, February 4, 2008.

Service Information System (SI)

Bulletin 07204 is scheduled to be available in SI today, February 1, 2008.

Campaign Initiation Detail Report (CIDR)

The CIDR will be available in DealerWorld today, February 1, 2008.

.

**CLICK ON THE ICON BELOW TO
VIEW OR PRINT THE BULLETIN**

END OF MESSAGE
GM SERVICE AND PARTS OPERATIONS



Recall Bulletin



PRODUCT SAFETY RECALL

SUBJECT: Drive Axle Seal Leak – Replace Seal

MODELS: 2005-2007 Cadillac CTS, CTS-V, SRX, STS
2006-2007 Cadillac STS-V
2007 Daewoo G2X
2007 Opel GT
2006-2007 Pontiac Solstice
2007 Saturn SKY

CONDITION

General Motors has decided that a defect, which relates to motor vehicle safety, exists in **certain** 2005-2007 model year Cadillac CTS, CTS-V, SRX, STS; 2006-2007 model year Cadillac STS-V; 2007 model year Daewoo G2X and Opel GT; 2006-2007 model year Pontiac Solstice; and 2007 model year Saturn SKY vehicles. The drive axle differential seal (two on all-wheel drive vehicles) may leak because it does not meet GM's specifications. If a seal is leaking, there will be fluid on the ground where the vehicle is parked. If enough fluid leaks, the differential will become noisier because of reduced lubrication. After about two-thirds of the differential fluid is lost, the bearings may no longer be lubricated and may start to overheat. Damage to the bearings and other differential components could then occur. Damaged bearings will create noise that may be heard by the vehicle occupants. If the vehicle is not repaired and damage progresses, three conditions can occur: (1) When the vehicle is stopped and shifted to reverse, the differential may jam and prevent vehicle movement; (2) the damage can cause drag that will feel like the brake is applied; or (3) the differential could jam and lock the drive wheels while the vehicle is in motion. If (3) occurs, the driver may not be able to control the vehicle and a crash could occur without warning.

CORRECTION

Dealers/retailers are to install a new drive axle differential seal (two on all-wheel drive vehicles).

VEHICLES INVOLVED

Involved are **certain** 2005-2007 model year Cadillac CTS, CTS-V, SRX, STS; 2006-2007 model year Cadillac STS-V; 2007 model year Daewoo G2X and Opel GT; 2006-2007 model year Pontiac Solstice; and 2007 model year Saturn SKY vehicles built within these VIN breakpoints:

Year	Division	Model	From	Through
2005	Cadillac	CTS	50207119	50237751
2006	Cadillac	CTS	60100001	60213969
2007	Cadillac	CTS	70100002	70198445
2005	Cadillac	CTS-V	50207126	50234392
2006	Cadillac	CTS-V	60102809	60209495
2007	Cadillac	CTS-V	70100001	70197204
2005	Cadillac	SRX	50207077	50237338
2006	Cadillac	SRX	60100011	60222963
2007	Cadillac	SRX	70105009	70193999
2005	Cadillac	STS	50207130	50237744
2006	Cadillac	STS	60100019	60222184
2007	Cadillac	STS	70100056	70197027
2006	Cadillac	STS-V	60104156	60217940
2007	Cadillac	STS-V	70100060	70195959
2007	Daewoo	G2X	7Y136494	7Y140874
2007	Opel	GT	7Y111678	7Y142685
2006	Pontiac	Solstice	6Y000001	6Y120195
2007	Pontiac	Solstice	7Y103375	7Y142882
2007	Saturn	SKY	7Y100001	7Y142740

Important: Dealers/retailers are to confirm vehicle eligibility prior to beginning repairs by using the system(s) below. Not all vehicles within the above breakpoints may be involved.

- GM dealers and Canadian Saturn retailers should use GMVIS.
- Saturn US retailers should use the "Investigate Vehicle History" link on the Global Warranty Management application within DealerWorld.

For dealers/retailers with involved vehicles, a listing with involved vehicles containing the complete vehicle identification number, customer name, and address information has been prepared and will be provided through the applicable system listed below. Dealers/retailers will not have a report available if they have no involved vehicles currently assigned.

- US GM dealers/Saturn retailers - GM DealerWorld Recall Information
- Canadian GM/Saturn dealers/retailers - GMInfoNet Recall Reports
- Export dealers - sent directly to dealers

The listing may contain customer names and addresses obtained from Motor Vehicle Registration Records. The use of such motor vehicle registration data for any purpose other than follow-up necessary to complete this recall is a violation of law in several states/provinces/countries. Accordingly, you are urged to limit the use of this report to the follow-up necessary to complete this recall.

PARTS INFORMATION

GM and Saturn Canada Only: Parts required to complete this program are to be obtained from General Motors Service and Parts Operations (GMSPO). Please refer to your “involved vehicles listing” before ordering parts. Normal orders should be placed on a DRO = Daily Replenishment Order. In an emergency situation, parts should be ordered on a CSO = Customer Special Order.

Saturn US Only: A pre-shipment of the required parts to perform this repair has been sent to involved Saturn US retailers from Saturn Service Parts Operations (SSPO).

Part Number	Description	Quantity/ Vehicle
19179933	Seal Kit, Diff Drv P/Gr (CTS, STS, SRX, Solstice, SKY, GT) (Note: STS AWD & SRX AWD will also require P/N 19179936)	1
19179934	Seal Kit, Diff Drv P/Gr (STS-V, CTS-V)	1
19179936	Seal Kit, Frt Diff Drv P/Gr (STS AWD, SRX AWD) (Note: STS AWD & SRX AWD will also require P/N 19179933)	1
89021677 – US 89021678 – CN	Lubricant, Gr Synthetic, SAE 75W-90	1-2 (as needed)
01052358 – US 00992694 - CN	Lubricant, Limited-Slip Differential	1 (if needed)

SERVICE PROCEDURE

Important: When replacing the pinion seal, make sure that the pinion bore is free of excess fluid that could get trapped before the yoke is installed. Install the new seal and yoke promptly, before excess fluid seeps into the area. It may be necessary to drain some or all of the axle fluid to assure that the pinion bore remains free of fluid during seal installation. This should prevent the lube from being trapped behind the dust shield.

Important: DO NOT reuse the flange and nut as instructed in the service procedure in SI. Use the new flange and nut provided in the kit.

1. Remove the pinion seal. Refer to the appropriate pinion replacement procedure in SI.
2. Replace the pinion seal. Refer to the appropriate pinion seal replacement procedure in SI.

CUSTOMER REIMBURSEMENT – For GM US

All customer requests for reimbursement of previously paid repairs for the recall condition will be handled by the Customer Assistance Center, not by dealers.

A General Motors Customer Reimbursement Procedure and Claim Form is included with the customer letter.

IMPORTANT: (For GM US Only) Refer to the GM Service Policies and Procedures Manual, section 6.1.12, for specific procedures regarding customer reimbursement and the form.

CUSTOMER REIMBURSEMENT – For Canada and Export

Customer requests for reimbursement of previously paid repairs for the recall condition are to be submitted to the dealer by February 28, 2009.

All reasonable customer paid receipts should be considered for reimbursement. The amount to be reimbursed will be limited to the amount the repair would have cost if completed by an authorized General Motors dealer.

When a customer requests reimbursement, they must provide the following:

- Proof of ownership at time of repair.
- Original paid receipt confirming the amount of repair expense(s) that were not reimbursed, a description of the repair, and the person or entity performing the repair.

Claims for customer reimbursement on previously paid repairs are to be submitted as required by WINS.

IMPORTANT: Refer to the GM Service Policies and Procedures Manual, section 6.1.12, for specific procedures regarding customer reimbursement verification.

CUSTOMER REIMBURSEMENT – For Saturn US Only

All customer requests for reimbursement for previous repairs for the recall condition are handled by submitting a recall reimbursement claim form directly to Saturn retailers for processing; however, if customers choose, they may file a claim through the Saturn Customer Assistance Center.

A Saturn Customer Reimbursement Procedure and Claim Form are included with the customer letter.

COURTESY TRANSPORTATION – For US and Canada

The General Motors Courtesy Transportation program is intended to minimize customer inconvenience when a vehicle requires a repair that is covered by the New Vehicle Limited Warranty. The availability of courtesy transportation to customers whose vehicles are within the warranty coverage period and involved in a product program is very important in maintaining customer satisfaction. Dealers are to ensure that these customers understand that shuttle service or some other form of courtesy transportation is available and will be provided at no charge. GM dealers/retailers should refer to the General Motors Service Policies and Procedures Manual for Courtesy Transportation guidelines. Saturn Canada retailers should refer to applicable Home Office letter on this subject.

CLAIM INFORMATION – GM and Saturn Canada Only

Submit a Product Recall Claim with the information indicated below:

Repair Performed	Part Count	Part No.	Parts Allow	CC-FC	Labor Op	Labor Hours	Net Item
Replace Rear Differential Seal		---	*	MA-96	V1777		N/A
• CTS, SRX (RWD), STS (RWD)	2-3					1.3	
• SRX (AWD), STS (AWD)	4-5					2.8	
• GT, Solstice, SKY Add: w/Driveline Support Bracket w/RPO MA5	2-3					2.0	
						1.6	
Courtesy Transportation for vehicles within the New Vehicle Limited Warranty (US & Canadian GM Dealers)	N/A	N/A	N/A	MA-96	**	N/A	***
Customer Reimbursement (Canadian & Export Dealers/US CAC)	N/A	N/A	N/A	MA-96	V1778	0.2	****

* The "Parts Allowance" should be the sum total of the current GMSPD Dealer net price plus applicable Mark-Up or Landed Cost Mark-Up (for Export) for seal kit(s) needed to complete the repair.

** Submit courtesy transportation using normal labor operations for courtesy transportation as indicated in the GM Service Policies and Procedures Manual for vehicles within the New Vehicle Limited Warranty.

*** The amount identified in the "Net Item" column should represent the actual dollar amount for courtesy transportation.

**** The amount identified in the "Net Item" column should represent the dollar amount reimbursed to the customer.

Refer to the General Motors WINS Claims Processing Manual for details on Product Recall Claim Submission.

CLAIM INFORMATION – Saturn US Only

1. To receive credit, submit a claim with the information below:

Repair Performed	Parts Allow.	Sale Type	Case Type	Labor Op.	Labor Hrs.	Admin Hrs.**
Replace Rear Differential Seal	*	WC	VC	V1777	2.0	0.1
- Add: w/Driveline Support Bracket w/RPO MA5					1.6	

* The parts allowance should be the sum total of the current SSPO retailer net price plus 40% of all parts required for the repair.

** Administrative allowance

2. Submit courtesy transportation using Net Item C.

Service Performed	Sale Type	Case Type	Labor Op.	Net Item Amount	Net Item Code	# Days Rental
Customer Reimbursement	WC	VC	V1778	***	R	N/A

*** Customer requests for reimbursement of previously paid repairs to replace the drive axle differential seal.

Customer Reimbursement Claims - Special Attention Required

Customer reimbursement claims must have the date of the (service repair) prior replacement entered into the “repair date” field of the CSO in the “Labor Detail/Comments” screen.

Customer reimbursement claims must have the mileage of the prior repair of the (service repair) entered on the “Service Order Hub” screen in the “miles in” field.

Customer reimbursement claims must have entered into the “technician comments” field the CSO # (if repair was completed at a Saturn Retail Facility) date, mileage, customer name, and any deductibles and taxes paid by the customer.

Customer reimbursement claims must be submitted on a different CSO than the Recall repair. This is because the repair date and mileage differ between the two repairs.

CUSTOMER NOTIFICATION – For US and Canada

General Motors will notify customers of this recall on their vehicle (see copy of customer letter included with this bulletin).

CUSTOMER NOTIFICATION – For Export

Letters will be sent to known owners of record located within areas covered by the US National Traffic and Motor Vehicle Safety Act. For owners outside these areas, dealers should notify customers using the attached sample letter.

DEALER RECALL RESPONSIBILITY – For US and Export (US States, Territories, and Possessions)

The US National Traffic and Motor Vehicle Safety Act provides that each vehicle that is subject to a recall of this type must be adequately repaired within a reasonable time after the customer has tendered it for repair. A failure to repair within sixty days after tender of a vehicle is prima facie evidence of failure to repair within a reasonable time. If the condition is not adequately repaired within a reasonable time, the customer may be entitled to an identical or reasonably equivalent vehicle at no charge or to a refund of the purchase price less a reasonable allowance for depreciation. To avoid having to provide these burdensome remedies, every effort must be made to promptly schedule an appointment with each customer and to repair their vehicle as soon as possible. In the recall notification letters, customers are told how to contact the US National Highway Traffic Safety Administration if the recall is not completed within a reasonable time.

DEALER RECALL RESPONSIBILITY – All

All unsold new vehicles in dealers' possession and subject to this recall must be held and inspected/repaired per the service procedure of this recall bulletin before customers take possession of these vehicles.

Dealers are to service all vehicles subject to this recall at no charge to customers, regardless of mileage, age of vehicle, or ownership, from this time forward.

Customers who have recently purchased vehicles sold from your vehicle inventory, and for which there is no customer information indicated on the dealer listing, are to be contacted by the dealer. Arrangements are to be made to make the required correction according to the instructions contained in this bulletin. A copy of the customer letter is provided in this bulletin for your use in contacting customers. Recall follow-up cards should not be used for this purpose, since the customer may not as yet have received the notification letter.

In summary, whenever a vehicle subject to this recall enters your vehicle inventory, or is in your dealership for service in the future, you must take the steps necessary to be sure the recall correction has been made before selling or releasing the vehicle.



February 2008

Dear General Motors Customer:

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

General Motors has decided that a defect that relates to motor vehicle safety exists in certain 2005-2007 model year Cadillac CTS, CTS-V, SRX, STS; 2006-2007 model year Cadillac STS-V; 2007 model year Daewoo G2X and Opel GT; 2006-2007 model year Pontiac Solstice; and 2007 model year Saturn SKY vehicles. As a result, GM is conducting a safety recall. We apologize for this inconvenience. However, we are concerned about your safety and continued satisfaction with our products.

IMPORTANT

- Your vehicle is involved in safety recall 07204.
- Schedule an appointment with your GM dealer/retailer.
- This service will be performed for you at **no charge**.

Why is your vehicle being recalled?

The drive axle differential seal (two on all-wheel drive vehicles) may leak because it does not meet GM's specifications. If a seal is leaking, there will be fluid on the ground where the vehicle is parked. If enough fluid leaks, the differential will become noisier because of reduced lubrication. After about two-thirds of the differential fluid is lost, the bearings may no longer be lubricated and may start to overheat. Damage to the bearings and other differential components could then occur. Damaged bearings will create noise that may be heard by the vehicle occupants. If the vehicle is not repaired and damage progresses, three conditions can occur: (1) When the vehicle is stopped and shifted to reverse, the differential may jam and prevent vehicle movement; (2) the damage can cause drag that will feel like the brake is applied; or (3) the differential could jam and lock the drive wheels while the vehicle is in motion. If (3) occurs, the driver may not be able to control the vehicle and a crash could occur without warning.

What will we do?

Your GM dealer/retailer will install a new drive axle differential seal (two on all-wheel drive vehicles). This service will be performed for you at **no charge**. Because of service scheduling requirements, it is likely that your dealer/retailer will need your vehicle longer than the actual service correction time of approximately 1 hour and 20 minutes to 2 hours and 50 minutes.

If your vehicle is within the New Vehicle Limited Warranty your dealer/retailer may provide you with shuttle service or some other form of courtesy transportation while your vehicle is at the dealership/facility for this repair. Please refer to your Owner's Manual and your dealer/retailer for details on courtesy

transportation.

What should you do?

You should contact your GM dealer/retailer to arrange a service appointment as soon as possible. Bring the enclosed customer reply form with you when you visit your dealer/retailer. The form identifies the repairs required. If you no longer own this vehicle, please let us know by completing the form and mailing it back to us.

Did you already pay for this repair?

The enclosed form explains what reimbursement is available and how to request reimbursement if you have paid for repairs for the recall condition.

Do you have questions?

If you have questions or concerns that your dealer/retailer is unable to resolve, please contact the appropriate Customer Assistance Center at the number listed below. More information about this recall can be found at the Owner Center at MyGMLink, <http://www.gm.com/recall>

Division	Number	Text Telephones (TTY)
Cadillac	1-866-982-2339	1-800-833-2622
Pontiac	1-800-620-7668	1-800-833-7668
Saturn	1-800-972-8876	1-800-833-6000
Hummer	1-866-964-8663	
Guam	1-671-648-8450	
Puerto Rico – English	1-800-496-9992	
Puerto Rico – Español	1-800-496-9993	
Virgin Islands	1-800-496-9994	

If after contacting your dealer/retailer and the Customer Assistance Center, you are still not satisfied we have done our best to remedy this condition without charge and within a reasonable time, you may wish to write the Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, 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.safercar.gov>.

Federal regulation requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.

Scott Lawson
General Director,
Customer and Relationship Services