

Volvo Cars of North America, LLC

Volvo Drive Rockleigh, NJ 07647 Phone: 201-768-7300 www.volvocars.us

> 08V-101 (2 Pages)

Adam Kopstein, Manager Automotive Safety & Compliance

February 29, 2008

Daniel Smith, Associate Administrator Enforcement National Highway Traffic Safety Administration (NSA-01) 1200 New Jersey Avenue, SE, West Building, Fourth Floor Washington, DC 20590.

Re: DEFECT INFORMATION REPORT

Dear Mr. Smith,

Pursuant to Part 573 of Title 49 of the Code of Federal Regulations, Volvo Cars of North America, LLC (Volvo) submits the following information concerning a safety recall program that it is voluntarily initiating.

1. Vehicle Manufacturer. Designated Agent

Volvo Car Corporation Volvo Cars of North America Gothenburg, Sweden Rockleigh, N.J. 07647

2. Identification of Vehicles involved

The vehicles involved in this Recall are certain Model Year 2007 C30, C70, S40 and V50 Volvo vehicles. The assembly plants and inclusive dates of manufacture are listed in the chart below; please note that the vehicle chassis numbers reflect global production and not only vehicles available for sale in the United States.

| Model | Model Year | Number of cars involved [Global] | Assembly Plant(s) | Production dates; Start / End | Chassis Numbers; Start / End |
|-------|---------------|---|-------------------|----------------------------------|---------------------------------|
| C30 | 2007 | 1995 | 22 | 07-01-18 - 07-03-03 | 0010877- 0019184 |
| C70 | 2007 | 1226 | 38 | 07-02-19 - 07-03-12 | 0022371- 0023734 |
| S40 | 2007 | 1924 | 22 | 07-01-18 - 07-03-03 | 0297302- 0305575 |
| V50 | 2007 | 1944 | 22 | 07-01-18 - 07-03-03 | 0314140- 0321961 |

3. Number of Vehicles Potentially Affected.
The number of vehicles potentially affected by this recall in the U.S. is 1,114

4. Estimated percentage of Vehicles with the Defect. Unknown

5. Description of the Defect.

Volvo Car Corporation (Volvo) has determined that a defect related to motor vehicle safety exists in certain master cylinders that may be fitted to certain Model Year 2007 C30, C70, S40 and V50 vehicles.

A soft anodized layer in the master cylinder may trigger early wear on a rubber seal that can result in internal leakage of brake fluid. If affected, the driver may experience reduced brake performance when applying and maintaining force on the brake pedal. Over time, the capacity to brake will gradually deteriorate forcing the driver to use a higher than expected force on the brake pedal when compared to an intact brake system. The deterioration can eventually result in complete loss of the brake system functionality increasing the risk of a crash.

Not all vehicles contain defective components. If the date code marking on the master cylinder is marked 050w7 or w0107 the master cylinder and brake fluid reservoir must be replaced and a cleansing of the affected pipes must be performed.

Supplier:

Continental-Teves – contact information will be forwarded.

6. Chronology of Events.

Volvo Investigation: October 29, 2007 Volvo Decision February 25, 2008 NHTSA Notification February 29, 2008

7. Program for Remedy of Defect.

An inspection of the date code on the master cylinder will be performed, if necessary the brake master cylinder and brake fluid reservoir will be replaced and certain brake lines cleaned.

The owner letter will instruct them to visit an authorized Volvo retailer for installation free of charge.

8. Copies of Notices, Bulletins, etc.

Copies of information are being drafted and will be submitted to the agency shortly.

9. Proposed Owner Notification Letter.

A draft copy of Volvo's Owner notification letter is being created and will be submitted to the agency shortly.

10. The Manufacturer's Campaign Number.

Volvo has assigned Volvo Campaign Number R194 to this Recall Campaign.

If you have any questions regarding this report please contact me at (201) 768-7300 ext. 7908, email akopstei@yolvocars.com

Sincerely yours,

VOLVO CARS OF NORTH AMERICA, LLC.

Customer Service

Adam Kopstein

Manager, Automotive Safety & Compliance

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