

VOLKSWAGEN

GROUP OF AMERICA

MARIA COTTER NAME
LEAD CAMPAIGN ADMINISTRATOR TITLE
PRODUCT COMPLIANCE DEPARTMENT
248-754-5000 PHONE
248-754-5093 FAX
JULY 29, 2008 DATE

Ms. Patricia Wallace
Recall Analyst for Safety Assurance
National Highway Traffic Safety Administration
Attn: Recall Management Division (NVS-215)
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, DC 20590

VOLKSWAGEN GROUP OF AMERICA, INC.
3800 HAMLIN ROAD
AUBURN HILLS, MI 48326
PHONE 41 248 754 5000

Subject: Recall Campaign 08V-178 (Volkswagen Code 69H1/R6)

Dear Ms. Wallace:

Pursuant to the requirements set forth in Part 573.6 of Title 49 of the Code of Federal Regulations, we are submitting three (3) copies of the following communications for recall campaign 08V-063 (69H1/R6):

- Dealer Notification Letter
- Frequently Asked Questions (FAQ)
- Work Procedure and Claiming Instructions

If you have any questions or require additional information, please contact me.

Sincerely,



Maria Cotter
Lead Campaign Administrator
Product Compliance -Service and Quality
Enclosures



VOLKSWAGEN DEALERSHIP COMMUNICATION

To: Dealer Principal, Service Manager, Parts Manager and Warranty Administrator

Name

Title

Subject: Safety Recall 69H1/R6

Product Department
Compliance

USA: 2003-2005 New Beetle Convertible and 2004-2005 New Beetle

CANADA: 2003-2005 New Beetle Convertible

Inspect/Replace Air Bag Frontal Crash Sensor(s) on Vehicles with Advanced (Dual-Stage) Front Air Bag System

July 2008 Date

IMPORTANT NOTICE TO DEALERS - FOR IMMEDIATE DISTRIBUTION Safety Recall 69H1/R6

This is to inform you of Safety Recall 69H1/R6.

What Vehicles are Affected?

Safety Recall 69H1/R6 affects some 2003-2005 New Beetle Convertible and 2004-2005 New Beetle vehicles in the United States, and some 2003-2005 New Beetle Convertible vehicles in Canada.

What is the Problem?

Some affected vehicles equipped with an advanced (dual-stage) air bag system have air bag frontal crash sensors that contain a solder joint on the circuit board that may crack under certain conditions of high temperature and vibration. If this occurs, the air bag control module switches over to a fallback algorithm and the air bags may deploy more forcefully in low-severity frontal impacts. This can increase the possibility of injury to out-of-position front seat occupants in a low-severity frontal crash.

What Will Volkswagen Do?

Dealers will inspect and, if necessary, replace 1F0 909 606 air bag frontal crash sensor(s) on affected vehicles. This work will be performed at no cost to customers.

Parts Return Requirement

Air bag frontal crash sensors replaced under this safety recall are subject to parts return. Please refer to the return instructions in the 69H1/R6 campaign circular for additional information.

When Will This Repair Be Available?

Dealers will be notified and parts will be shipped on or about July 28, 2008 and an adequate supply of parts will be allocated and shipped to you prior to owner notification. The owner notification is scheduled for July 31, 2008. The 69H1/R6 code will show open on affected vehicles on or about July 31, 2008. Dealers with additional questions about this or any other campaign should contact the Campaign Helpline (800-741-2919) for assistance.

Volkswagen Product Compliance

IMPORTANT!

To ensure that ALL of your personnel are aware of this recall before receiving questions from any customer, please share this information with ALL personnel who have campaign-related responsibilities, including service writers, technicians, parts employees, warranty administrators, etc.

Frequently Asked Questions (FAQ) for Safety Recall 69H1/R6

This FAQ is intended to provide supplementary information regarding this campaign. For additional information, please refer to the campaign circular.

■ What vehicles are affected?

United States: 2003-2005 New Beetle Convertible (produced July 30, 2002 – October 31, 2004) and 2004-2005 New Beetle (produced July 24, 2003 – October 31, 2004)

Canada: 2003-2005 New Beetle Convertible (produced July 30, 2002 – October 31, 2004)

■ How many vehicles are affected?

Approximately 76,900 in the United States, approximately 2,670 in Canada.

■ What is the problem and what can happen?

The affected vehicles equipped with an advanced (dual-stage) airbag system may have airbag frontal crash sensors (1F0 909 606) that contain a solder joint on the circuit board that may crack under certain high temperature conditions. If this occurs the airbag indicator light will illuminate and the fallback algorithm will ensure that the front airbags always deploy in a frontal crash in which the vehicle's deceleration is high enough to activate the frontal airbags. In low-severity frontal impacts, the front airbags may deploy more forcefully than designed, increasing the possibility of injury to out-of-position front seat occupants.

■ Can I drive the vehicle until it is repaired?

The vehicle can be driven until the recall is conducted. However, if the air bag indicator light illuminates, customers are advised to proceed immediately to the nearest authorized Volkswagen dealer or qualified workshop if they believe that it is safe to do so in order to have the airbag system on the vehicle inspected. Customers should also refer to the airbag information found in their Owner's Manual for additional information.

■ When will this repair be available?

Dealers will be notified and parts will be shipped on or about July 28, 2008. The owner notification is scheduled for July 31, 2008.

■ What exactly will be repaired on the vehicle?

Volkswagen will inspect and, if necessary, replace 1F0 909 606 airbag frontal crash sensor(s) on affected vehicles. This work will be performed at no cost to customers.

■ How long does the repair take?

The inspection and repair will take up to two hours to complete; however, dealers may need additional time for the preparation of the repair, as well as to accommodate their daily workshop schedule.

■ Is a loaner vehicle or towing being covered under this action?

In rare cases, if a loaner vehicle is required, it should be covered under the existing loaner vehicle policy through your FOM. Towing is not covered under this campaign.

■ Do I have to make an appointment?

Yes, after you receive a letter confirming that you are the owner of an affected vehicle and parts are available.

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, dealers 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

Code: 69H1/R6

**Subject: 2003-2005 Model Year New Beetle Convertible and
2004-2005 Model Year New Beetle
Inspect/Replace Air Bag Frontal Crash Sensor(s) on Vehicles with
Advanced (Dual-Stage) Front Air Bag System**

July 2008

Problem Description

Some affected vehicles equipped with an advanced (dual-stage) air bag system have air bag frontal crash sensors that contain a solder joint on the circuit board that may crack under certain conditions of high temperature and vibration. If this occurs, the air bag control module switches over to a fallback algorithm and the air bags may deploy more forcefully in low-severity frontal impacts. This can increase the possibility of injury to out-of-position front seat occupants in a low-severity frontal crash.

Corrective Action

Inspect and, if necessary, replace the air bag frontal crash sensor(s) on affected vehicles.

VIN Range & Production Date of Affected Vehicles

U.S.A.

New Beetle Convertible

3VW__1Y_3M300193 - 3VW__1Y_5M318423

Production date: July 30, 2002 – October 31, 2004

New Beetle

3VW__1C_4M402760 - 3VW__1C_5M407750

Production date: July 24, 2003 – October 31, 2004

CANADA

New Beetle Convertible

3VW__1Y_3M300193 - 3VW__1Y_5M318069

Production date: July 30, 2002 – October 31, 2004

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 VIN, customer name, city, state and zip code. Dealers will not receive a report if they have no affected vehicles.

Parts Information and Allocation

Prior to owner notification, parts will be allocated to all dealers. Ensure that these parts are inventoried in a secure manner and are used ONLY for this campaign. If you have exhausted your allocated parts for vehicles

affected by this safety recall, but have exceeded your weekly Upper Order Limit, please submit your requests for additional material via email to upperorderlimits@vw.com. If you have questions regarding parts please contact the Parts Helpline at 800-767-6552.

Parts Return

All removed crash sensors must be properly tagged and shipped to the applicable Volkswagen address below.

(USA) Dealers:

Removed crash sensors must be properly tagged and shipped to:

Volkswagen of America, Inc.
3800 Hamlin Road
Auburn Hills, MI 48326

ATTN: Warranty Parts Center (69H1/R6) – GE024

(CANADA) Dealers:

Removed crash sensors must be properly tagged and shipped to:

Volkswagen Canada Inc.
777 Bayly Street West
Ajax, ON L1S 7G7

ATTN: Niel Nicolaisen (69H1/R6)

Owner Notification Mailing

On or about July 31, 2008 Volkswagen 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 Applicable Criteria ID and Repair Operation(s) from the chart on the following page. **The Applicable Criteria ID is shown in ElsaWeb.** 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.

Saga Claim Entry Procedure

Check in the system Service-Online, FISH (VSI), to determine whether the "69H1" campaign is open.

Service No.: (69H1)

Damage Code: 0099

Parts Manufacturer – Removed part: Use vendor code AE4.

Sold vehicle = 7 10

Unsold vehicle = 7 90

Accounting Instructions

Criteria 01 – Check front airbag crash sensors – NO FURTHER WORK REQUIRED

Repair operation: 0183 00 99 20 T.U.

OR

Criteria 01 – Check and replace ONE front airbag crash sensor

Repair operation: 6953 55 99 210 T.U.

1 6Q0 909 606H Front airbag crash sensor

OR

Criteria 01 – Check and replace TWO front airbag crash sensors

Repair operation: 6953 56 99 230 T.U.

2 6Q0 909 606H Front airbag crash sensor

There is NO reimbursement for Vehicle Wash or Loaner

If Customer Refused Repairs

Fax the Repair Order to VVoA at (248) 754-5093 and provide VIN, applicable Service Number, Customer Information, Dealer Number and Date

Customer Letter Example (U.S.A.)

July 2008

Subject: Safety Recall 69H1/R6
2003-2005 Model Year Volkswagen New Beetle Convertible and
2004-2005 Model Year Volkswagen New Beetle
Inspect/Replace Air Bag Frontal Crash Sensor(s) on Vehicles with Advanced (Dual-Stage) Front
Air Bag System

Dear Volkswagen Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Volkswagen has decided that a defect, which relates to motor vehicle safety, exists in some 2003-2005 model year Volkswagen New Beetle Convertible vehicles and in some 2004-2005 model year Volkswagen New Beetle vehicles equipped with an advanced (dual-stage) air bag system. Our records show that you are the owner of one of these vehicles.

What Is The Problem?

Volkswagen has decided that some affected vehicles equipped with an advanced (dual-stage) air bag system have air bag frontal crash sensors that contain a solder joint on the circuit board that may crack under certain conditions of high temperature and vibration. If this occurs, the air bag control module switches over to a fallback algorithm and the air bags may deploy more forcefully in low-severity frontal impacts. This can increase the possibility of injury to out-of-position front seat occupants in a low-severity frontal crash.

What Will Volkswagen Do?

In order to identify and correct this defect, dealers will inspect and, if necessary, replace the air bag frontal crash sensor(s) on affected vehicles.

What We Would Like You to Do

Please contact your authorized Volkswagen dealer and arrange for an appointment without delay. This service may take up to two hours 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 air bag frontal crash sensors not related to accident damage, the enclosed form explains how to request reimbursement. We would be pleased to review your reimbursement request.

Service Help from Us

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

Volkswagen of America, Inc.
Attn: Customer CARE Center – Hills East (69H1/R6)
3499 West Hamlin Road
Rochester Hills, MI 48309
1-800-893-5298

If you still cannot obtain satisfaction, you may file a complaint with: 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>.

We apologize for any inconvenience this matter may cause; however we are taking this action to help ensure your safety and continued satisfaction with your vehicle. Thank you for driving a Volkswagen!

Sincerely,

Volkswagen Product Compliance

The information in this document is intended for use only by skilled technicians who have the proper tools, equipment and training to correctly and safely maintain your vehicle. These procedures are not intended to be attempted by "do-it-yourselfers," and you should not assume this document applies to your vehicle, or that your vehicle has the condition described. To determine whether this information applies, contact an authorized Volkswagen dealer. ©2008 Volkswagen Group of America, Inc. and Volkswagen Canada Inc. All Rights Reserved.

Customer Letter Example (CANADA)

July 2008

**Subject: Safety Recall 69H1/R6
2003-2005 Model Year Volkswagen New Beetle Convertible
Inspect/Replace Air Bag Frontal Crash Sensor(s) on Vehicles with Advanced (Dual-Stage) Front
Air Bag System**

Dear Volkswagen Owner:

This notice is sent to you in accordance with the requirements of the Canadian Motor Vehicle Safety Act. Volkswagen has decided that a defect, which relates to motor vehicle safety, exists in some 2003-2005 model year Volkswagen New Beetle Convertible vehicles equipped with an advanced (dual-stage) air bag system. Our records show that you are the owner of one of these vehicles.

What Is The Problem?

Volkswagen has decided that some affected vehicles equipped with an advanced (dual-stage) air bag system have air bag frontal crash sensors that contain a solder joint on the circuit board that may crack under certain conditions of high temperature and vibration. If this occurs, the air bag control module switches over to a fallback algorithm and the air bags may deploy more forcefully in low-severity frontal impacts. This can increase the possibility of injury to out-of-position front seat occupants in a low-severity frontal crash.

What Will Volkswagen Do?

In order to identify and correct this defect, dealers will inspect and, if necessary, replace the air bag frontal crash sensor(s) on affected vehicles.

What We Would Like You to Do

Please contact your authorized Volkswagen dealer and arrange for an appointment without delay. This service may take up to two hours 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 air bag frontal crash sensors not related to accident damage, the enclosed form explains how to request reimbursement. We would be pleased to review your reimbursement request.

Service Help from Us

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

*Volkswagen Canada
Attn: Customer CARE Center (69H1/R6)
P.O. Box 842, Stn. A
Windsor, ON N9A 9Z9
1-800-893-5298*

We apologize for any inconvenience this matter may cause; however we are taking this action to help ensure your safety and continued satisfaction with your vehicle. Thank you for driving a Volkswagen!

Sincerely,

Volkswagen Product Compliance

Campaign Work Procedure

69H1/R6 Safety Recall

If there are questions regarding the work procedure, contact the Campaign Helpline at 1-800-741-2919.

Parts:

<u>Quantity</u>	<u>Part Number</u>	<u>Part Name</u>
2	6Q0 909 606H	Front airbag crash sensor (one or two, as needed)

Special Tools:

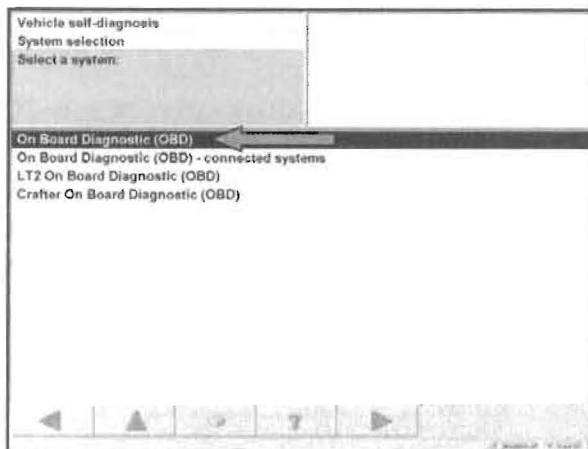
 The image shows two diagnostic tools. On the left is the VAS 5051B, a large, complex diagnostic interface with a screen and various buttons. On the right is the VAS 5052, a smaller, more compact diagnostic tool with a screen and a few buttons.	• VAS 5051B or VAS 5052 Diagnostic Tester
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Work Sequence

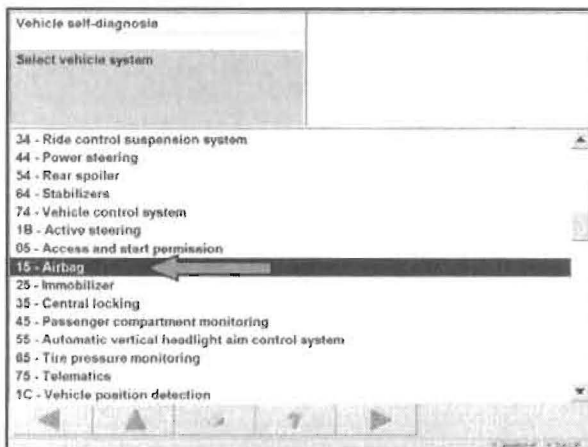


Section A – Check Airbag Light

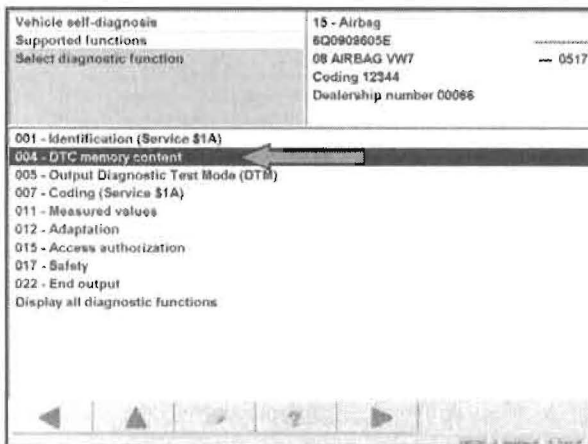
- If airbag light is not illuminated, **Proceed to Section B**
- If airbag light is illuminated, enter Vehicle Self Diagnosis
- Enter VIN number when prompted or select the printer button from this screen to enter the VIN



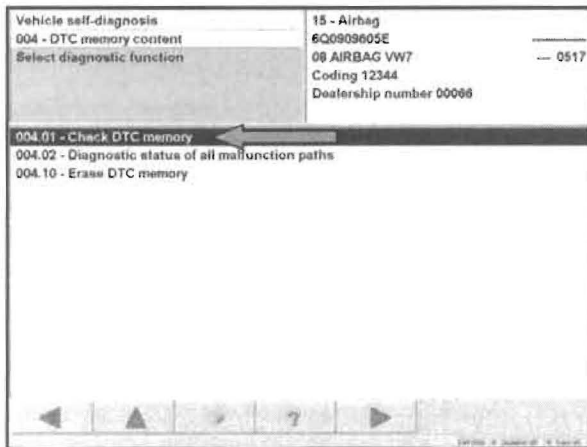
- Select On Board Diagnostic (OBD) and press ►



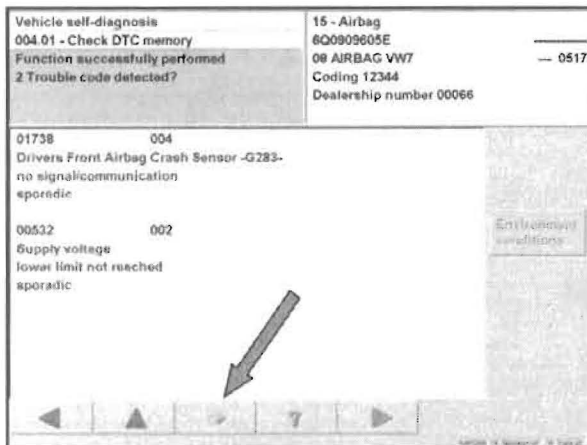
- Select 15 – Airbag and press ►



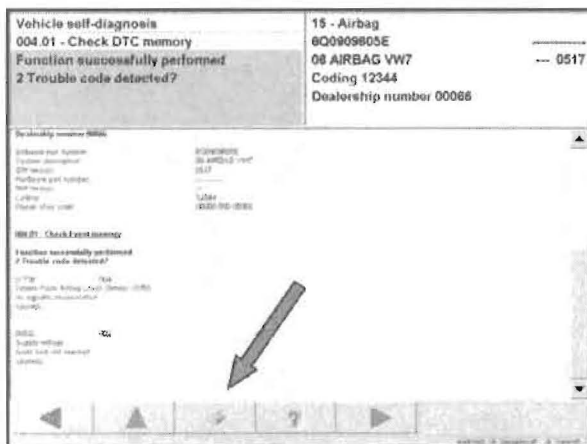
- Select 004 – DTC memory content and press ►



- Select 004.01 – Check DTC memory and press ►



- Select printer button -arrow- then select Display Self-Diagnosis protocol



- Select printer button -arrow- to print Self-Diagnosis protocol
- Attach printout of Self-Diagnosis protocol to repair order



Tip: The following DTCs are common to front airbag crash sensors:

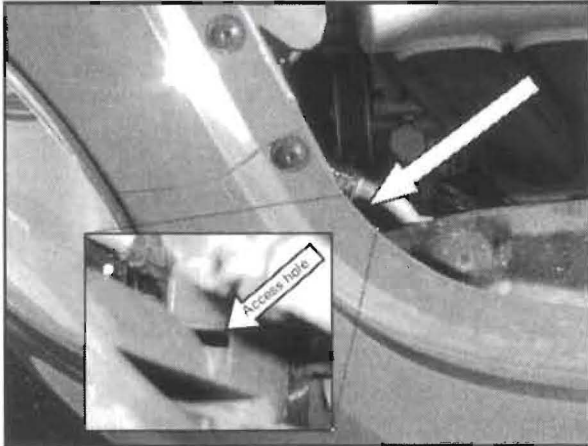
- 01738 0xx
- 01739 0xx
- 00532 0xx

DTCs not listed above must be addressed prior to continuing with this work procedure

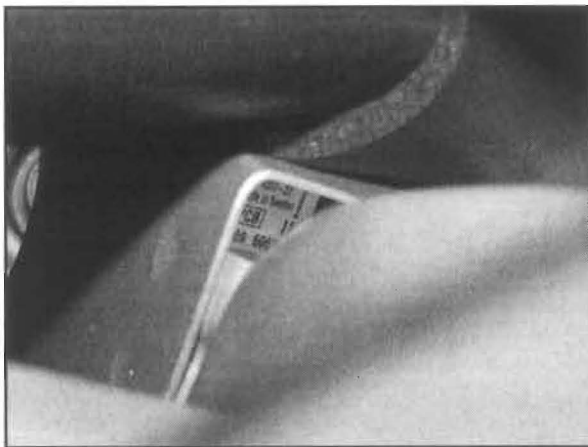
Vehicle must not leave the shop with the airbag light on

- Exit Vehicle Self Diagnosis and disconnect scan tool from vehicle
- **Proceed to Section B**

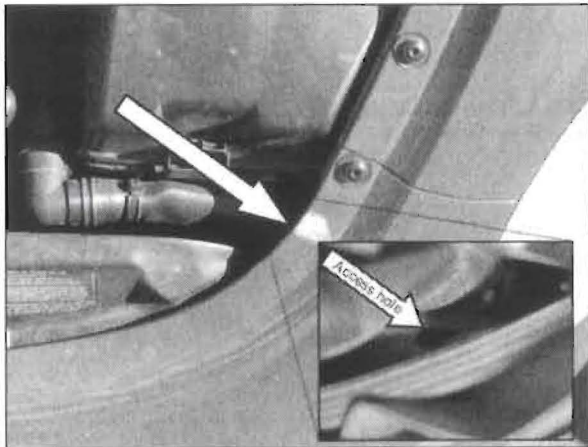
Section B – Inspect Crash Sensors



- Open hood
- ⇐ Find passenger side access hole -arrow- for inspection
- Using a flashlight, look through access hole to view front airbag crash sensor part number
- Record part number



 Note: Part number may not be completely visible



- ⇐ Find driver side access hole -arrow- for inspection
- Using a flashlight, look through access hole to view front airbag crash sensor part number

 Tip: Hood release cable may need to be pushed out of the way

- Record part number
 - If both part numbers are 6Q0 909 606H,
Work is Complete
 - If one or both part numbers are
1F0 909 606, **continue to Section C**

Section C – Remove and Install Crash Sensor(s)



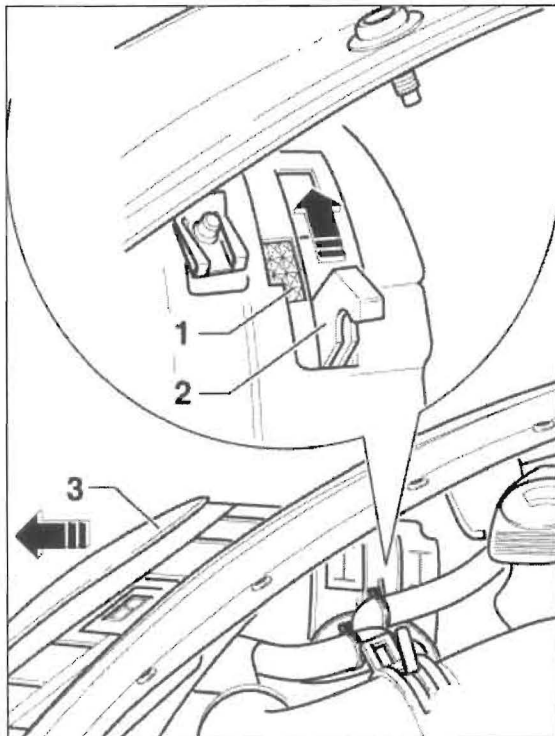
WARNING!

Observe safety precautions for working on airbags

Ensure no one is in vehicle

Never let anyone sit in the passenger compartment when airbag system is being worked on, especially when airbag system is being connected to a power source or the battery is being reconnected

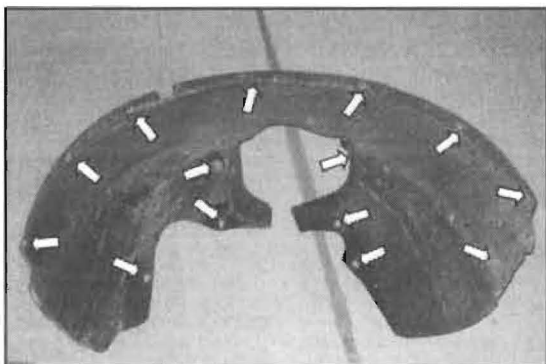
- Record radio code and presets
- Switch ignition off
- Disconnect battery ground (GND) strap



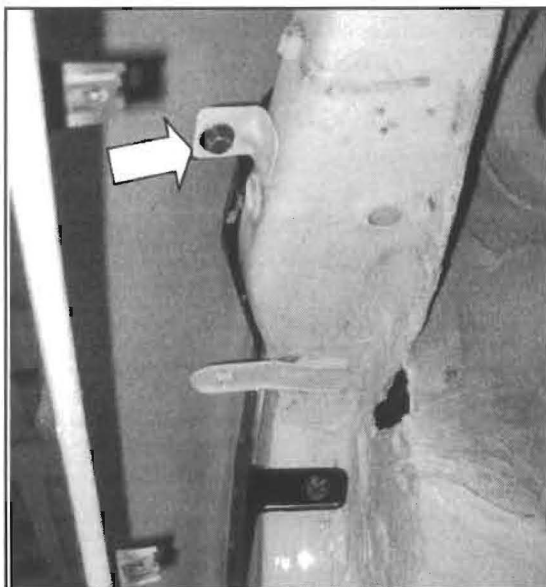
- ⇐ Press release button-1- and push up lever -2-.
- ⇐ Pull headlamp housing -3- slightly forward
- Disconnect electrical connectors from headlamp
- ⇐ Remove headlamp housing -3-.
- Repeat for other headlamp



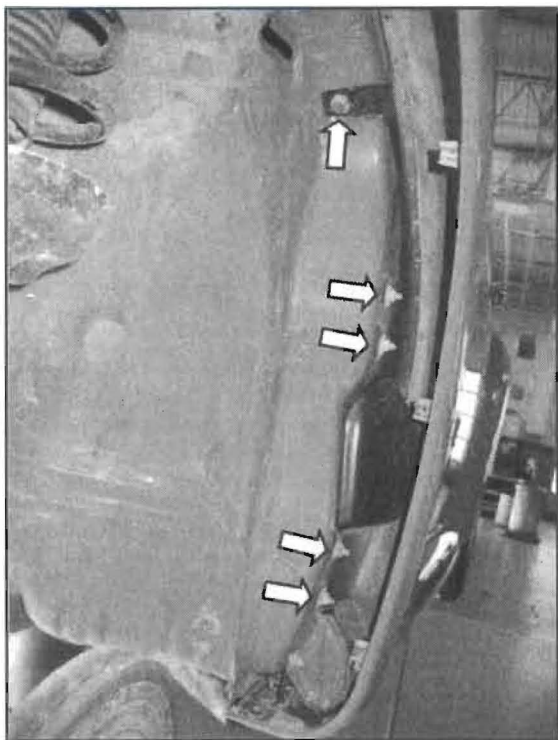
Note: Damaged headlight retainer rings and headlight components, missing or non-functional headlight components are not covered under this campaign



- Lift vehicle on hoist
- Remove front wheels
- ⇐ Remove 14 bolts securing wheel well housing liner -arrows- and remove wheel well housing liner
- Repeat for other wheel well housing liner



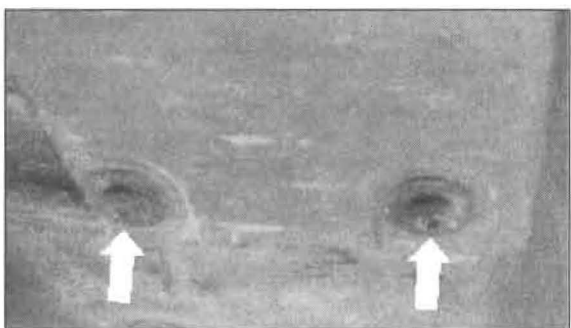
- ⇐ Remove bolt -arrow- securing fender assembly to body



- ⇐ Remove five nuts -arrows- securing fender assembly to body



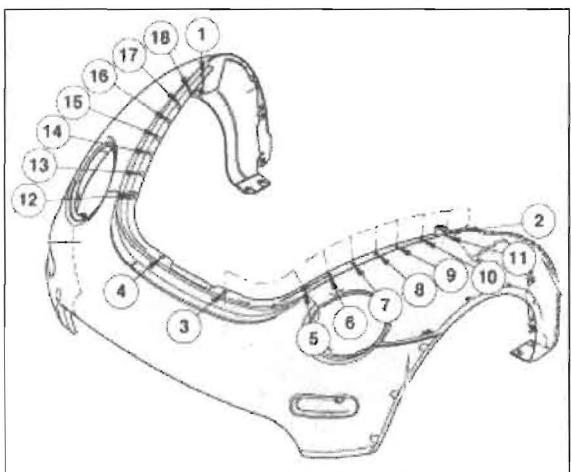
- ⇐ Remove bolt -arrow- from front inside fender well



- ⇐ Remove two bolts -arrows- from lower rocker panel area securing fender assembly to body



- ⇐ Remove three push-in fasteners from front valence area -arrows- by pressing the spreader pin through
- Disconnect harness connectors for turn signals, fog lights, and ambient temperature sensor
- Disconnect hose connector in vehicles with headlight washer system, if equipped



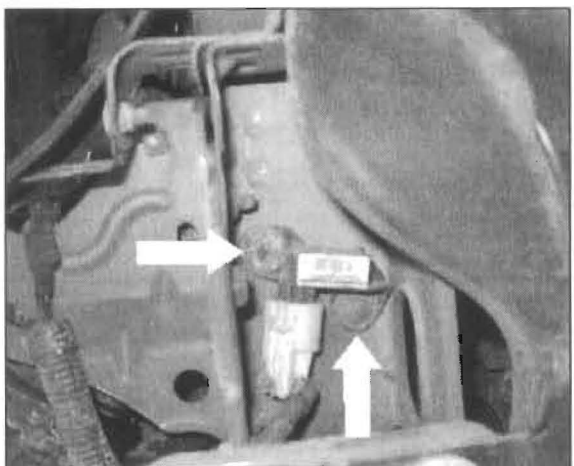
- Lower vehicle on hoist to access bolts for fender and bumper assembly
- ⇐ Remove 18 bolts from fender and bumper assembly



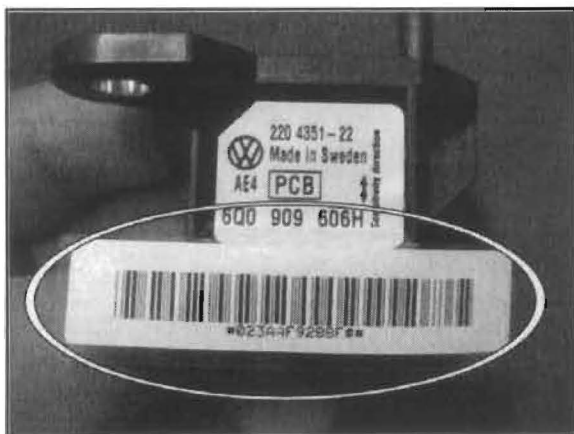
- With aid of a second technician, carefully remove fender and bumper assembly by pulling assembly outward off threaded pins and remove forward from vehicle



Note: Take extra precaution when removing fender and bumper assembly as it may cause damage to the painted surfaces. **Damage to painted surfaces is not covered in this action.**



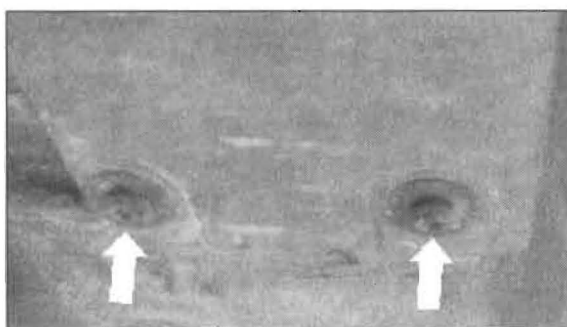
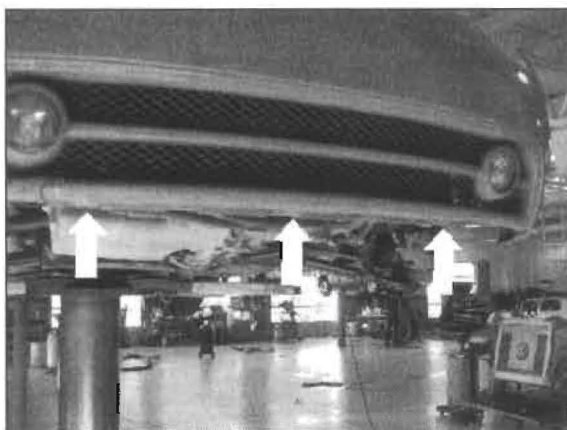
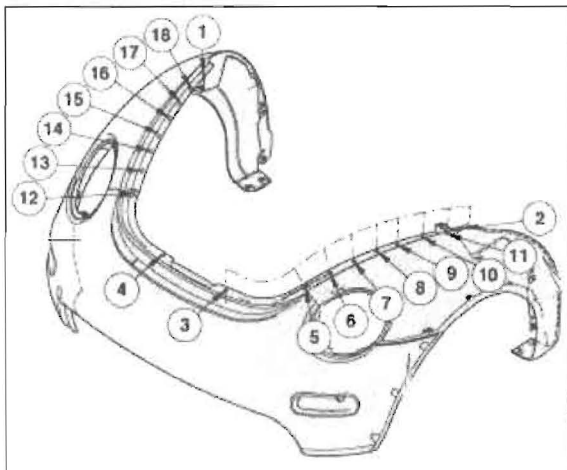
- ⇐ Remove nuts -arrows-, then disconnect airbag crash sensor connector



- ⇐ Remove bar code sticker -circle- from new crash sensor and attach to repair order
- Reconnect electrical connector(s)
- ⇐ Install new crash sensor(s) (6Q0 909 606H) and torque to 6 Nm (53 lb-in)



Note: Do not use ratcheting or power tools to install new sensor(s)



Note: Fender and bumper assembly must be installed free of stress

- With the aid of a second technician, carefully reinstall fender and bumper assembly



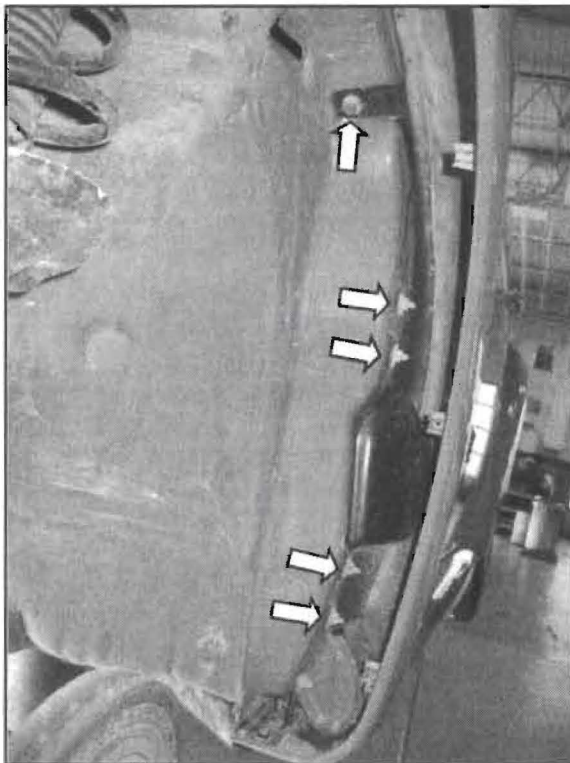
Note: Take extra precaution when reinstalling fender and bumper assembly to prevent damage to painted surfaces.

Damage to painted surfaces is not covered in this action.

- ⇐ Reinstall bolts -1 through 18- in numerical sequence using blue medium strength locking compound
- Torque to 7.5 Nm (66 lb-in)
- Reconnect hose connector in vehicles with headlight washer system, if equipped
- Reconnect harness connectors for turn signals, fog lights, and ambient temperature sensor
- ⇐ Reinstall three push-in fasteners from front valence area -arrows- (replace fasteners, if necessary)
- ⇐ Reinstall two bolts -arrows- for lower rocker panel area to secure fender assembly using blue medium strength locking compound
- Torque bolts to 7.5 Nm (66 lb-in)

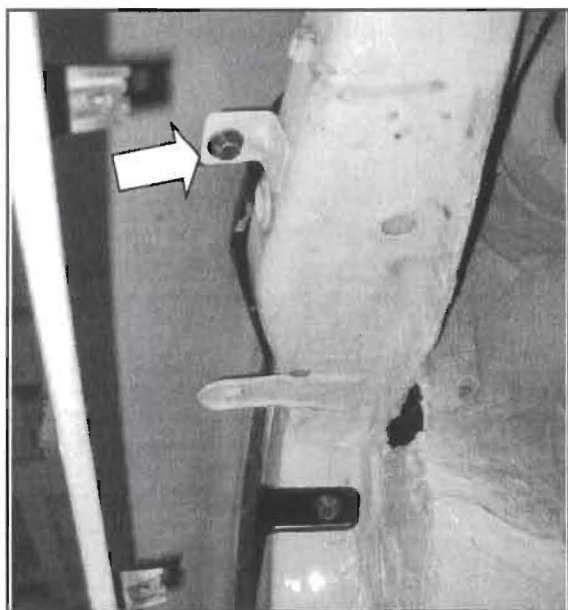


⇐ Reinstall bolt -arrow- from front inside fender well and torque to 6 Nm (53 lb-in)



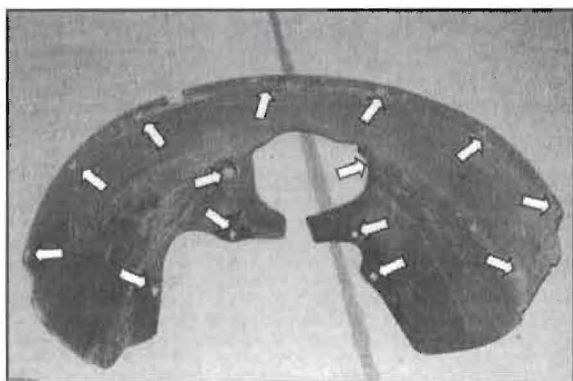
⇐ Reinstall five nuts -arrows- to secure fender assembly

- Torque to 6 Nm (53 lb-in)



⇐ Reinstall bolt -arrow- to secure fender assembly

- Torque to 6 Nm (53 lb-in)



⇐ Reinstall wheel well housing liner and 14 bolts -arrows- securing wheel well housing

- Repeat for other wheel well housing liner

- Reinstall front wheels
- Lower vehicle on hoist
- Torque wheel bolts to 120 Nm (86 lb-ft)



WARNING!

Observe safety precautions for working on airbags

Ensure no one is in vehicle

Never let anyone sit in the passenger compartment when airbag system is being worked on, especially when airbag system is being connected to a power source or the battery is being reconnected

- Close doors and reconnect battery ground (GND) strap
- Clear fault codes from vehicle



Note: After connecting battery, vehicle options (radio, clock, electric window regulator) must be checked according to repair manual and/or user manual

(USA) Dealers: Crash Sensor Part Return

Removed crash sensors must be properly tagged and shipped to:

*Volkswagen of America, Inc.
3800 Hamlin Road
Auburn Hills, MI 48326*

ATTN: Warranty Parts Center (69H1/R6) – GE024

(CANADA) Dealers: Crash Sensor Part Return

Removed crash sensors must be properly tagged and shipped to:

*Volkswagen Canada Inc.
777 Bayly Street West
Ajax, ON L1S 7G7
ATTN: Niel Nicolaisen (69H1/R6)*

ALL WORK IS COMPLETE