

**Volvo Cars of North America, LLC**

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Adam Kopstein, Manager
 Automotive Safety & Compliance

10V-255
(3 Pages)

June 08, 2010

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 2010 S40 and V50 vehicles and certain model year 2010 & 2011 C30 vehicles equipped with 6-speed manual transmissions. 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 or its territories.

MODEL	MODEL YEAR	PRODUCTION DATES	CHASSIS RANGE
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S40	2010	2009-10-14 – 2010-05-11	0497461-0514357
V50	2010	2009-10-16 – 2010-05-11	0543653-0579597
C30	2010-2011	2009-10-15 – 2010-05-11	0182625-0213511

3. Number of Vehicles Potentially Affected.

The number of vehicles potentially affected by this recall in the U.S. is 536.

4. Estimated percentage of Vehicles with the Defect.
Unknown, this recall inspection/remedy will be implemented on 100% of the recalled vehicles.
5. Description of the Defect.
Volvo has identified that the gearshift lever stud assembly may not have been tightened to the correct specification during assembly. If the gearshift lever cable or stud assembly becomes loose, it may not be possible to engage, disengage or shift gears. This condition can increase the risk of a vehicle crash.

The corrective action is to torque the gearshift lever stud assembly to the correct specification.

Root cause: Insufficient calibration interval for the screw driver tool at the sub supplier.

Symptom/driver experience: If the shift lever cable or stud assembly becomes loose, it may not be possible to engage, disengage or shift gears.

6. Chronology of Events.
Listed below are the investigation details available as of 06/08/10.

- 03/25/10
Insufficient calibration interval for the screw driver tool was detected at the sub supplier.
- 04/26/10
Condition considered potentially critical by the Volvo Car Corporation Critical Concern Group
- 06/02/10
Field action decision by Volvo Field Action Board
- 06/04/10
Volvo issued a vehicle stop sale notification to all U.S. and Canadian retailers. In this notification, retailers were instructed to repair the 79 U.S. vehicles in dealer inventory prior to sale.

Volvo has received 1 Field Technical Report for 1 U.S. vehicle.

7. Program for Remedy of Defect.
All involved vehicles will be subject to the recall. Vehicle owners will receive a letter via first class mail. The letter will request that the owner of the vehicle take their vehicle to an authorized Volvo retailer for remedy at no charge. For vehicles remaining in retailer inventory or Volvo inventory, the recall will be performed prior to sale.
The corrective action is to torque the gearshift lever stud assembly to the correct specification.

8. Copies of Notices, Bulletins, etc.

A copy of the vehicle stop sale notice was sent to RMD. The complete Recall 227 retailer package will be sent to RMD when it is ready for release to Volvo retailers early next week.

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 Recall Campaign Number R227 to this Recall Campaign.

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

Sincerely yours,

VOLVO CARS OF NORTH AMERICA, LLC.
Customer Service

A handwritten signature in blue ink that reads "A. Kopstein". The signature is fluid and cursive, with a long horizontal stroke at the end.

Adam Kopstein
Manager, Automotive Safety & Compliance