

VOLKSWAGEN DEALERSHIP COMMUNICATION

Date: April 11, 2014

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

Subject: Upcoming Safety Recall 38B9

Certain 2014 MY Volkswagen Vehicles with 1.8T Engine and Torque-Converter Automatic

Transmission

Transmission Oil Cooler

Upcoming Voluntary Safety Recall 38B9

This is to inform you about an upcoming voluntary safety recall affecting the automatic transmission oil cooler on certain 2014 model year Volkswagen vehicles with a 1.8T engine and torque-converter automatic transmission. This recall affects the dealer inventory vehicles that were placed under stop-sale hold earlier this week.

What should dealers do?

- · Customer vehicles *must* be given priority over inventory units for this repair.
- The affected inventory vehicles will be identified on a dealer's VIM report with the campaign code 38B9.
- Check your VIM report to see if you have any in-stock vehicles affected by this mandatory stop sale.
 Only dealers with inventory vehicles affected by this action will see vehicles tagged with the <u>38B9</u> code on their VIM report.
- If you have an affected vehicle, <u>DO NOT</u> sell, lease, or dealer-trade it until the recall repair has been made. If you are using an affected vehicle as a demo, discontinue using it immediately.
- Please keep any affected vehicle in a secure area where it cannot be made available for sale, lease
 or trade until the recall repair has been made.

What will Volkswagen do?

- An initial parts allocation of the O-rings needed for this repair will be sent to dealers on or about April 11, 2014. Remaining parts needed will arrive in a subsequent shipment.
- On or about April 14, 2014 safety recall circular 38B9 will be available in Elsa and in ServiceNet.

Important Reminder on Vehicles Affected by Safety and Compliance Recalls 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.



Please refer to the attached Campaign Data Sheet for additional information. If you have any questions or require additional assistance, please contact Warranty. As always, any press inquiries should be directed to Volkswagen Public Relations.

Volkswagen Product Compliance

Attachment: Campaign Data Sheet (1)



CAMPAIGN DATA SHEET

CAMPAIGN TYPE		Safety Recall	
SAGA CODE		38B9	
MARKET(S)		United States and Canada	
AFFECTED VEHICLES		2014 MY Jetta, Beetle, Beetle Convertible & Passat with 1.8T engine and torque-converter automatic transmission	
TOPIC		Transmission Oil Cooler	
PROBLEM DESCRIPTION		Due to a supplier material change during the production of the transmission oil cooler, the O-ring seals in affected vehicles may be out of specification. If the O-ring does not completely seal between the oil cooler and transmission, a fluid leak may result. In the event of a leak, the fluid could contact a hot surface and result in a vehicle fire.	
CORRECTIVE ACTION		Replace the O-ring seals in the transmission oil cooler.	
CUSTOMER NOTIFICATION DATE		Anticipated April 2014	
ELSA VISIBILITY DATE		On or about April 14, 2014	
VIM VISIBILITY DATE		On or about April 14, 2014	
VEHICLE COUNT	TOTAL AFFECTED	USA: Approximately 26,452	CANADA: Approximately 1,917
	DEALER INVENTORY	USA: Approximately 7,474	CANADA: Approximately 602
	CPO INVENTORY	USA : 0	CANADA: 0
APPROXIMATE REPAIR TIME		Up to 130 TU	
SPECIAL TOOLS NEEDED?		SEE WORK PROCEDURE INSTRUCTIONS	
PARTS REQUIRED		YES – SEE WORK PROCEDURE INSTRUCTIONS	
COMPLETION FACTOR/REPLACEMENT RATE (TARGETED ALLOCATION INFORMATION)		N/A	
PROJECTED DEALER RETURN BLOCK DATE		To be determined	
INITIAL PARTS ALLOCATION DATE		On or about April 11, 2014	
TECHNICIAN TRAINING REQUIRED?		SEE WORK PROCEDURE INSTRUCTIONS WHEN AVAILABLE	
EXPIRATION DATE		NONE	
ADDITIONAL INFORMATION		An initial parts allocation of the O-rings needed for this repair will be sent to dealers on or about April 11, 2014. Remaining parts needed will arrive in a subsequent shipment. Important Reminder on Vehicles Affected by Safety and Compliance Recalls: 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.	

IMPORTANT! To ensure that ALL of your personnel are aware of this action 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. See the campaign circular on Elsa for the most current repair information. Refer to the campaign circular for complete repair and claiming instructions.