

Volkswagen Warranty Policies and Procedures – April 2014

Foreword

This document regulates handling and processing of warranty liabilities between authorized Volkswagen dealers and Volkswagen Group Canada Inc. It is part of the Dealer Agreement Standard Provisions, and should be used as a reference guide for Warranty Administrators and Service Managers in their daily decision-making.

Any and all rights and obligations of Volkswagen and its authorized dealers are subject to any applicable provincial or federal law or regulation.

From time to time Warranty Policy and Procedures Bulletins will be published to modify or add to existing warranty policies or procedures. These policies may not immediately be incorporated into the published version of this manual. The policies described in the Warranty Policy and Procedures Bulletins will be incorporated into the next scheduled revision of this manual. Always check the current Warranty Policy and Procedures Bulletins for additional and important information.

All currency listed in this manual will be in Canadian dollars unless otherwise specified.

Commonly-Used Terms and Their Acronyms

Better Business Bureau	BBB
Canadian Motor Vehicle Arbitration Plan	CAMVAP
Canada Border Services Agency	CBSA
Certified pre-owned (formerly "Certified Pre-Owned")	CPO
Volkswagen product owner	Customer/Owner
Dangerous Goods (a.k.a. Hazardous Materials, or HAZMAT)	HAZMAT/DG
Authorized Volkswagen Dealer or Authorized Service Centre	Dealer, Dealership
Electronic Control Module	ECM
Electronic Service Information System (Repair Manuals, Wiring Diagrams, Technical Bulletins, etc.)	ElsaWeb
Environmental Protection Act	EPA
Electronic Repair Order	ERO
Fixed Operations Manager	FOM
Guided Fault Finding	GFF
Hazardous Material(s), or Dangerous Goods	HAZMAT/DG
Inspection and Maintenance	I/M
New Vehicle Limited Warranty	NVLW
Minimum Allowed Thickness	MAT
Malfunction Indicator Lamp	MIL
Motor Vehicle Manufacturing Association	MVMA
Model Year	MY
On Board Diagnostic, or On Board Diagnostic II	OBD, OBD-II
Parts Distribution Centre	PDC
Pre-Delivery Inspection	PDI
Powertrain Control Module	PCM
Repair Order	RO
ServiceNet (additional repair, warranty, campaign and special tool information not found in ElsaWeb)	ServiceNet
Suggested Repair Time(s)	SRT
Subject to Inspection	STI
Technical Quality Manager	TQM
Transmission Control Module	ТСМ
Volkswagen Hub	www.vwhub.com
Volkswagen Inventory Management	VIM
Vehicle Certification Administration System	VCAS
Vehicle Identification Number	VIN
Volkswagen Group Canada Inc.	Volkswagen or VGCA
Warranty Field Specialist	WFS
Warranty Parts Return Centre	WPRC

1 All Warranty Types

1.1 Important Warranty Information for All Warranty Types

1.1.1 Warranty Coverage and Guidelines, All Warranty Types

There are several types of warranties for Volkswagen vehicles. These are:

- New Vehicle Limited Warranty (NVLW)
- Powertrain Limited Warranty
- Corrosion Perforation Limited Warranty
- Federal Emissions Warranty
- Parts and Accessories Limited Warranty
- Limited Warranty Extensions for specific components
- Hybrid System Limited Warranty

The following terms apply to all of these warranties unless otherwise noted within their specific policies.

Warranty Obligation

Damages to the vehicle may be caused by the way its components are composed or processed during manufacturing. These types of damages are the manufacturer's responsibility and are eligible for warranty reimbursement. The Volkswagen warranties cover the repair of the defect(s) or replacement of the defective part(s) as described in each warranty's policy. If a part or number of parts is required to be replaced, either new or remanufactured genuine Volkswagen parts may be installed per policy.

Supplements or changes to policies may be contained in current Warranty Policy and Procedure Bulletins. Always check the current Warranty Policy and Procedures Bulletins for additional and important information.

Start of Warranty Period

The warranty period begins with the date of delivery to the original purchaser or the original lessee (including original fleet purchases), which is the "in-service date," or the date the vehicle is first placed in service as a demonstrator or company vehicle, whichever comes first. If not stated otherwise the warranties are applicable for the original purchaser / lessee and subsequent owners.

End of Warranty Period

The warranty period ends at the earliest one of these two events (i.e. whichever occurs first):

- When the vehicle reaches the specific warranty's exact stated mileage limit (e.g. for the 4 year/80,000 km NVLW, the warranty ends at precisely 80,000 km—not 80,001 km), or,
- On midnight of the day before the given 'anniversary' of the in-service date (e.g. for the 4 year/80,000 km NVLW, if the vehicle's in-service date is 1 December 2009, the warranty ends at midnight, on 30 November 2013—not 1 December 2013)

Repair orders must be opened prior to the end of the warranty period in order to be eligible for warranty reimbursement.

Free-of-charge Repair

Repairs described under these warranties are free of charge unless otherwise noted (e.g. battery proration).

Basic Terms

These warranties are issued by Volkswagen Group Canada Inc. (VGCA) and DO NOT apply to Volkswagen vehicles or parts and accessories not imported or distributed by VGCA.

The New Vehicle Limited Warranty, the Corrosion Perforation Limited Warranty, the Powertrain Limited Warranty, the Emissions Warranties and the Hybrid System Limited Warranty are the only express warranties made in connection with the sale of a Volkswagen. Any implied warranty, including any warranty of merchantability or warranty of fitness for a particular purpose, is

limited in duration to the stated periods of these written warranties.

Some provinces do not allow limitations on how long an implied warranty lasts, so, the above limitation may not apply to the owner.

VGCA reserves the right to make improvements or change the design of any Volkswagen model at anytime with no obligation to make similar changes on vehicles previously sold.

Neither Volkswagen nor the manufacturer assumes, or authorizes any person to assume, any other obligation or liability on its behalf.

Where to go for warranty service

Only authorized Volkswagen dealers may perform warranty work. They must ensure that covered repairs/replacements for all eligible Volkswagen customers are performed free of charge and in compliance with these guidelines. An exception may be made in the case of an emergency repair. Please refer to Section 1.1.7, "Emergency Repairs, All Warranty Types."

Normal Wear and Tear

All mechanical parts of an automobile are subject to wear. Therefore, repair(s) or replacement(s) of most parts due to normal wear are the customer's responsibility, and are NOT eligible for warranty reimbursement. However, some components ARE covered for wear and tear. Please refer to Section 1.3.3 "<u>New Vehicle Limited Warranty (NVLW), Components Covered for Wear and Tear</u>" for coverage of these components.

Use of Volkswagen Genuine Parts

New or remanufactured Genuine Volkswagen parts are required to be used for all repairs performed under VGCA warranty. VGCA will not reimburse the cost of non-genuine parts used for warranty repairs except when the warranty work is eligible for sublet to an independent repair facility and the required parts are not in the Volkswagen parts program. For more information on proper parts use, please refer to Section 8.1.1, "Parts, Genuine."

Engine oil requirement for all Volkswagen vehicles

When performing any warranty repairs, repairs for campaigns, and maintenance repairs during scheduled CPO Inspections requiring oil changes or additions, technicians are required to use Castrol brand engine oil. For specifications on acceptable oil types, please refer to Section 2.16.1, "Engine Oil Quality Standards for All Volkswagen Vehicles" of this Manual.

Data quality of warranty claims

Dealers must ensure a high quality of warranty data by submitting claims that are correct, complete, and on time. Correct claim types, causal parts, part manufacturer codes, and damage codes, along with short claim submission times enable Volkswagen to identify quality improvement potential without delay.

Diagnostic Methodology, from MY 2004

For MY 2004 and newer models, either Guided Fault Finding (GFF) or Guided Functions (GF) must be utilized for diagnosis of warranty repairs or replacements, unless otherwise instructed in Volkswagen publications including, but not limited to Technical Bulletins, UPDATE Bulletins, Warranty Policy and Procedures Bulletins, and Campaign Circulars. In some cases, the procedures in these documents may specifically instruct the technician to use Vehicle Self Diagnosis (VSD). <u>Please refer to Section 6.5.4.4,</u> <u>"Diagnosis Time" for more instructions on methods for diagnosis.</u>

With the paperless GFF process, diagnostic logs can be uploaded daily. Refer to ServiceNet for the latest information.

Repairs Required While Travelling Out of Country

<u>Canadian customers</u> who require warranty repairs while travelling in the <u>United States</u> should have repairs performed by a authorized Volkswagen dealer. If the vehicle is covered by a Volkswagen Group Canada Inc. warranty, United States dealers can submit a warranty claim. As of MY 2009, proof of Canadian residency is required.

If a United States dealer cannot submit a warranty claim, the customer may be asked to pay for the repair. On the customer's return to Canada, they should present the invoice to a Canadian Volkswagen dealer, who should submit a warranty claim on the customer's behalf and obtain reimbursement for them.

IMPORTANT:

From MY 2009, if a vehicle is purchased in Canada and then exported to (and registered in) the United States, the warranty obligation from Volkswagen Group Canada Inc. will not be honoured in the United States.

<u>United States customers</u> who require warranty repairs while travelling in Canada should have repairs performed by an authorized Volkswagen dealer. If the vehicle is covered by a Volkswagen Group of America, Inc. warranty, Canadian dealers can submit a warranty claim. As of MY 2009, proof of United States residency is required.

If the Canadian dealer cannot submit a warranty claim, the customer may be asked to pay for the repair. On the customer's return to the United States, they should present the invoice to a United States Volkswagen dealer, who should submit a warranty claim on the customer's behalf and obtain reimbursement for them.

IMPORTANT:

From MY 2009, if a vehicle is purchased in the United States and then exported to (and registered in) Canada, the warranty obligation from Volkswagen Group of America, Inc. will not be honoured in Canada.

Campaigns and Recalls Required While Travelling

All campaigns and recalls for which a vehicle is eligible can be performed in any country, regardless of the country of purchase. For more information on campaigns and other actions, please refer to Section 11, "Recalls, Campaigns, and UPDATEs."

1.1.2 Warranty Coverage Denial, All Warranty Types

Volkswagen Warranty reserves the right to charge back (debit) or deny claims that are not in compliance with the policies and procedures outlined in this manual, current Warranty Policy and Procedures Bulletins, and other Volkswagen Warranty publications.

Maintenance Requirements

The dealer may deny warranty coverage unless the customer presents proof in the form of Service or Repair Orders (receipts), which show that all scheduled maintenance was performed in a timely manner. This applies only if maintenance service repairs may have been a factor in warranty eligibility.

1.1.3 Warranty Coverage Exclusions, All Warranty Types

For exclusions or exceptions for any specific warranty type, ALWAYS refer to the policies for the individual warranty type found under Section 1.3, "<u>Warranties in Detail</u>". For component-specific exclusions or exceptions, please refer to Section 2, "<u>Warranty by Components</u>."

The warranties do not cover incidental damage, including loss of value of the vehicle, lost profits or earnings, or out-of-pocket expenses for substitute transportation or lodging.

IMPORTANT! Any implied warranty, including any warranty of merchantability or warranty of fitness for a particular purpose, will continue in force only during the warranty period of the limited warranties. Neither Volkswagen nor the manufacturer assumes, or authorizes any person to assume, any other obligation or liability on its behalf. Some provinces do not permit a limitation on how long an implied warranty lasts, or on the exclusion or limitation of incidental or consequential damages, so the above limitation may not apply to the owner. The warranties give owners specific legal rights, and they may also have other rights that vary from province to province.

Vehicles Used for Commercial Purposes

VGCA does NOT offer Powertrain Limited Warranty coverage for vehicles used for commercial purposes including, but not limited to, taxis, couriers or delivery services, or limousines. If a commercial vehicle is sold to a subsequent retail owner (a private individual), the warranty still does not apply. These vehicles are still entitled coverage from the New Vehicle Limited Warranty (NVLW).

Maintenance Services and Mechanical Adjustments

The following are maintenance-related services / adjustments NOT covered under VGCA warranty:

- The replacement of any of the following, unless their replacement is a necessary part of warranty service on a covered component:
 - o Spark plugs
 - o Clutch discs
- Tire pressure adjustment
- The cost of parts and / or labour in performing scheduled maintenance described in the Owner's Manual, Maintenance Booklet, or the current Maintenance Schedule on ServiceNet.
- After 1 year or 20 000 km, whichever occurs first, mechanical or service adjustments that do not usually involve the replacement of parts including, but not limited to adjustment of headlight aim, a door latch, or parking brake. Please refer to Section 1.3.2, "<u>New Vehicle Limited Warranty, Exclusions</u>," for further clarification.

Wheel Alignment and Balance

Once a vehicle is declared in-service, wheel alignment and balancing will not be considered under the terms of any warranty unless required in conjunction with a separate, warrantable repair. Wheel alignment and balancing will only be covered during the PDI or if this task is specified in an applicable Technical Bulletin.

User-Programmable Settings

Some systems in Volkswagen vehicles have user-adjustable settings (i.e., non-basic tire pressure monitoring systems or lighting control systems in the MFI). The programming of these systems is NOT a warrantable repair.

Vehicle Batteries

If a battery is discharged or fails to hold a charge due to outside influence (i.e., if a customer forgets to turn off a light or accessory and discharges the battery), then the cost of testing, charging or replacing the battery is NOT covered.

Repairing of any damage is NOT covered under warranty. Cases of damage include, but are not limited to the following:

Damage caused by the lack of maintenance, improper maintenance and / or repair or failure to comply with Volkswagen standards including, but not limited to:

• Failure to follow recommended maintenance and use requirements as set forth in the Volkswagen Owner's Manual and the Maintenance Booklet

- The use of improper tools or maintenance / repair procedures (including any consequential damage from this action)
- Repeat repairs / replacements due to incorrect diagnosis or improper maintenance / repair procedures
- Failure to follow Volkswagen's procedures for the maintenance of vehicles in storage (e.g. maintaining the proper charge of the battery, protecting the body surface, etc.)
- Lack of tire balancing or wheel alignment or road hazards

Damage caused by accident, alteration, misuse, and negligence of the vehicle, including, but not limited to:

- Collision or any other types of accidents
- Fire
- Any major or structural alterations including, but not limited to the conversion of the vehicle to a convertible or the modification of the roof to accommodate a glass roof structure or other similar structural alterations
- Modification of the vehicle that alters the original engineering and / or operating specifications such as chip tuning, increasing turbo size or output, or other electronic or mechanical modifications of factory-installed engine management systems that would alter the vehicle performance specifications from those set by the vehicle manufacturer
- Modification of the suspension, including, but not limited to the installation of aftermarket springs, shock absorbers, and lowering kits
- Installation or use of high-performance or custom/customized parts, or parts designated for 'Off-Road' use
- Improper installation of accessories including, but not limited to alarm systems, audio systems, any communications equipment, speakers, amplifiers, subwoofers, remote starters, or roof racks
- Misuse, negligent, and / or dangerous use of the vehicle, such as racing or any other competitive events (whether organized or not), driving over curbs, or driving on surfaces not intended for normal vehicular traffic
- Intentional or unintentional use of contaminated, improper or modified fuel (including, but not limited to leaded fuel, racing fuel or fuel treated with racing or 'high-performance' additives, such as octane boosters) or the use of an incorrect fuel type (including, but not limited to using Diesel fuel in a gasoline-powered vehicle, or gasoline in a Diesel-powered vehicle)
- Malfunctions caused by lack of maintenance, improper maintenance or failure to comply with maintenance requirements
 described in the Maintenance Booklet or Owner's Manual. For MY 1999 and newer vehicles, the owner must be able to
 gather proof in the form of service RO's (receipts) that all scheduled maintenance was performed in a timely manner. A
 record must be kept, along with dated bills, of all maintenance performed by facilities other than authorized VW dealers
 as proof that the maintenance was performed when required.
- Prolonged use of the vehicle after discovery of a defect in material or workmanship
- Prolonged use of the vehicle after a warning light, gauge reading or any other warning or warnings indicate a mechanical or operational problem, for which the Owner's Manual states the vehicle should be shut off or otherwise not operated
- Installation or use of used parts (except factory remanufactured parts)

Damage caused by the environment, including, but not limited to:

- Water ingress allowed by the failure to clear and subsequent clogging of built-in drainage systems with leaves, sticks, pollen, seedlings, or other air-borne or fallen debris (e.g. in the plenum, sunroof and areas around the trunk and hood seals)
- Bird droppings, tree sap, or other air-borne or falling debris
- Stone chips, scratches, dings or dents, objects striking the vehicle
- Hail, unusually strong wind, storms, lightning, earthquake, fire, flooding or floodwater, or other similar occurrences
- Airborne industrial pollutants (e.g. acid rain)

Damage caused by the customer, outside influence, and inappropriate repairs

Damages resulting from negligence, customer driving habits, or outside influences are beyond the control of Volkswagen. These types of damages are not eligible for warranty reimbursement. It is the customer's responsibility to operate the vehicle in accordance with the Owner's Manual and to perform all regular scheduled maintenances as detailed in the Maintenance Booklet.

Damage caused by Dealer service

Damages resulting from misdiagnosis, improper repair, and / or dismantling or installation of parts are the dealer's responsibility and are not eligible for warranty reimbursement.

1.1.4 Items and/or Conditions with NO Warranty Coverage

No warranty coverage or reimbursement exists for items and/or conditions including, but not limited to:

- Tires—tires are not covered by any Volkswagen warranty, but are separately warranted by the tire manufacturer. To
 assist the owner in obtaining related warranty information, a list of tire manufacturers and addresses is provided within
 this manual. Verify with the tire manufacturer what is covered under their warranty (see Section 2.23, "<u>Tires</u>").
- Glass breakage, unless due to a defect in manufacturer's material or workmanship
- Filters, oil, lubricants, fluids, washer solvent, or air conditioning freon, unless their replacement is a necessary part of warranty service (see Section 6.5.3, "<u>Reimbursement for Fluids and Lubricants</u>")
- From MY 2007: spark plugs and clutch discs, unless defective
- Fuel system cleaning (e.g. the removal of carbon deposits/coking)
- Unnecessary replacement of parts/units, unless written Volkswagen policy states otherwise, such as replacement of an entire multi-component kit when only specific components require replacement
- Part(s) found to be damaged upon removal from packaging and prior to installation on a vehicle. There is NO coverage for parts damaged while in inventory at the dealership.
- Shop supplies, including, but not limited to rags, lubricants, cleaning solvents, adhesives, wire, brake cleaner or any other solvents/cleaners
- The disposal of shop supplies, trash, or other by-products of the repair process.
- Unwired wireless headphones (Routan). Unwired wireless headphones are warranted by the headphone manufacturer.
- Cost of towing

1.1.5 VGCA Warranty Keys and Process to Request a Vehicle Alert

Model/Model Year: All VGCA vehicles with any remaining Warranties

In order to better protect our customers and their Volkswagen Warranties, Volkswagen Group Canada Inc. (VGCA) has created a series of 'Warranty Keys' that will be used as 'Vehicle Alerts' in cases of vehicle misuse or modification. These 'Warranty Keys' are visible in ELSA and are listed below:

Кеу	Description	
T10	Motor tuning/ racing car/ Extreme usage	
T23	Chip Tuning	
T26	Change Exhaust System/ diesel particulate	
T40	Running Gear Tuning	
T50	Changed Vehicle Body	
T68	Change Inside Furnishing	
Т90	Change instrumentation / speedometer	

Part 1: What Should you Do if A ' Vehicle Alert ' Appears when Reviewing A Vehicle's History in ELSA?

When applicable, a 'Vehicle Alert' will appear when an affected VIN is entered in the "Vehicle –Specific Notes" screen within ELSA.

Vehicle-Specific Notes
Vehicle Data
Service History
Customer Data:
Radio Code

If and when a 'Vehicle Alert' does apply to a vehicle that is still under Warranty and is either in your dealership for repair, or scheduled for repair, please follow the steps below:

- Do not perform any Warranty work on the vehicle (this does not apply to Recalls/Service Actions or Emission related repairs).
 - Inform the customer of your findings and advise them that you will need to obtain additional information from VGCA:
 - Contact your Warranty Claim Specialist (WCS). Your WCS will provide you with supporting information and documentation regarding any and all possible areas of the vehicle where the warranty would **not** apply.
 - After further investigation, your WCS in conjunction with your FOM will decide whether the repair should be completed under warranty.
- Communicate the final decision to your customer.

Part 2: How to Request a 'Vehicle Alert' for A Specific Vehicle (VIN)

When diagnosing a vehicle that is in your dealership for repair, a technician may identify a possible area where modification or misusage of the vehicle appears to be responsible for the current problem, or where it could be attributable to potential future issues.

In the event this occurs, please follow the steps below:

- Do not perform any warranty work on the vehicle (this does not apply to Recalls/Service Actions or Emissions related repairs).
- Inform the customer of your findings and advise that you will need to contact VGCA to discuss the situation.
- Gather all back-up information:

- o Obtain the detailed technician's comments and Repair Order.
- o If applicable, take pictures of any and all affected area(s).
- Save and print all data including scanning tools and screen-prints.
- Complete in full the 'Vehicle Alert Request Form' (See VGCA Warranty > Forms).
- Contact your FOM and forward all above information to him/her.
- The FOM will review all information and will decide if there is sufficient information gathered to support removing the Warranty on the specified component(s). If a decision is made to do so:
 - Scan and e-mail the completed form and all applicable documentation to your FOM and carbon copy your Warranty Claims Specialist (WCS) at <u>VWGC.warranty@vw.ca</u>. Note: the Subject line of your e-mail should read: 'Dealer Number + 17 digits VIN + Vehicle Alert Request'.

For example: 4991234 XXXXXXXXXXXXXXXXX Vehicle Alert Request

- o Once received, all information will be reviewed by the VGCA Warranty Manager, Product Support and your FOM.
- A decision will be made and communicated to you.
- If it is decided that the warranty will be removed on the specified component(s) then a 'Warranty Alert' will be added to the vehicle profile. This will be available in ELSA within 48 hours.
- Ensure you inform your customer of the decision. Also advise them that a 'Vehicle Alert' has been added to their vehicle if in fact the warranty has been removed on the particular component(s).
- If the vehicle is deemed still warrantable, then no further actions are necessary on your part.

VGCA - Vehicle Alert Request Process

Dealer

 Identifies a potential modification or misuse of vehicle Informs customer •Gathers all back-up documentation (technician's comments, repair order, pictures) Contacts FOM •Does NOT perform warranty work

FOM

•Reviews back-up documentation

forward •Informs dealer of

the next step(s)

necessary)

Dealer

Scans all back-up documentation •Contacts TQM for technical advice (if •E-mails documentation to their AASM and carbon copies their Warranty Claim Specialist (WCS) •Decides whether or not to move •Note: the subject line of the e-mail should read 'Dealer Number + VIN + Vehicle Alert Request'

Review of Request •All information received is reviewed by the FOM, the Product Support Manager and the VGCA Warranty Manager •Decision is made Dealer is informed

Warranty Systems are updated with applicable information

Dealer informs customer of the decision

1.1.6 Voidance of Warranties, All Warranty Types

All warranties are voided under the following circumstances:

- The vehicle identification number (VIN) has been altered or removed.
- The odometer has been altered or the actual km cannot be determined.
- The vehicle is reported as dismantled, fire/flood damaged, junk, rebuilt, reconstructed, salvaged, severely damaged, and/or declared a total loss by an insurer or the vehicle has been substantially reassembled from or repaired with parts obtained from another new or used vehicle.
- The vehicle has been stolen.

1.1.7 Emergency Repairs, All Warranty Types

Emergency warranty repairs may be necessary at a time or place where the customer is unable to have repairs performed by an authorized Volkswagen Dealer, and has no other recourse but to have them performed by an independent / non-franchise repair shop.

An example would be when a vehicle has broken down, and the local authorized Volkswagen Dealer is closed (e.g. on a Saturday, Sunday or holiday), or if it is impossible or unreasonable to have the vehicle towed to the nearest authorized Volkswagen dealer.

Customer and Dealer Responsibilities

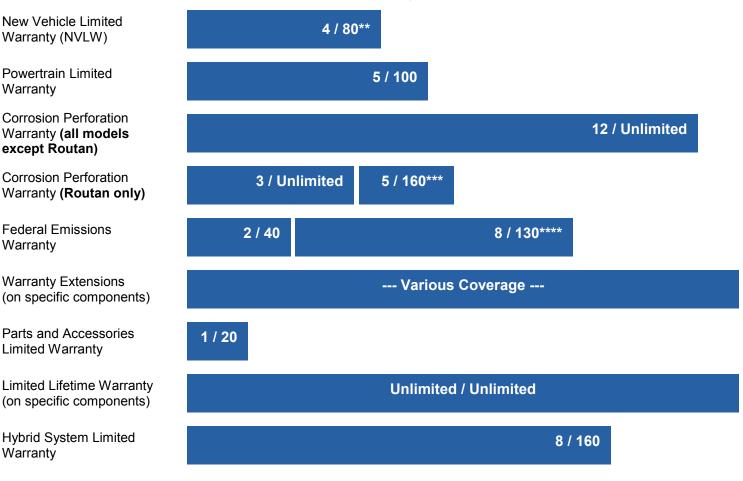
A statement of the circumstances that prevented the customer from getting to an authorized Volkswagen dealer, together with the paid receipts, repair orders, and replaced parts must be submitted to the authorized Volkswagen dealer in order to be considered for reimbursement.

It is the responsibility of the Service Manger to determine if the service qualifies for reimbursement. If Management is uncertain, your Warranty Claims Specialist may be contacted.

Please refer to Section 12.7.1, "<u>Emergency Repairs</u>," for details on procedural steps to be taken when an issue involves emergency repairs.

1.2 Warranty Types and Duration, Overview

Overview of Warranties, from Model Year 2004*



* Excludes Winnebago Rialta, Winnebago Vista, and Itasca Sunstar

** 4/80: This means 4 years or 80,000 km, whichever occurs first. Other intervals are in same format (years/km).

*** Routan: 3/unlimited for all Sheet Metal Panels, and 5/160,000, or whichever comes first, for Outer-Body Sheet Metal Panels - those panels that are finish-painted and can be seen while walking around the vehicle.

**** All parts and systems which affect emissions control are covered for 2 years or 40 000 km, whichever occurs first. See Section 1.3.10, "Federal Emissions Warranty, Coverage by Component" for a listing of certain emissions parts which are covered for 8 years or 130 000 km, whichever occurs first.

1.3 Warranties in Detail

1.3.1 New Vehicle Limited Warranty (NVLW), Coverage

Coverage Duration by Model

Model Year	Model	Dura	ation*
MODEL Fear	Woder	Years	Kilometres
2002 and newer	2002 and newer All models except Winnebago Rialta, Winnebago Vista, Itasca Sunstar		80,000
2002 – 2003	Winnebago Rialta Winnebago Vista Itasca Sunstar	2	40,000

*Whichever occurs first

IMPORTANT!

For extremely important policy information on this and other warranty types, such as:

- The start or end of the warranty period,
- Where to go for warranty service,
- Repairs required while travelling, or emergency repairs,
- Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Warranty Period

For all Volkswagen vehicles of MY 2002 and newer (excluding Winnebago Rialta, Vista and Itasca Sunstar), the coverage under this warranty lasts for <u>4 years or 80,000 km</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Any implied warranty, including any warranty of merchantability or warranty of fitness for a particular purpose, will continue in force only during the warranty period – as described in this section – of the New Vehicle Limited Warranty (NVLW). Neither Volkswagen nor the manufacturer assumes, or authorizes any person to assume, any other obligation or liability on its behalf. Some provinces do not permit a limitation on how long an implied warranty lasts or the exclusion or limitation of incidental or consequential damages. This warranty gives owners specific legal rights, and they may also have other rights that vary from province to province.

Warranty Coverage

The NVLW covers any defect(s) in material(s) or workmanship as defined in this manual and its bulletins (periodic, separately published supplements to this manual) for the duration of the warranty period stated above, except as noted under Section 1.3.2, "<u>New Vehicle Limited Warranty (NVLW), Exclusions.</u>"

Warranty Obligation

The NVLW covers the repair of the defect(s) or replacement of the defective part(s). The NVLW also covers the repair or replacement of certain wear and tear items as described in Section 1.3.3, "<u>New Vehicle Limited Warranty (NVLW), Components</u> <u>Covered for Wear and Tear.</u>" The NVLW does not allow repairs defined in Section 1.1.3, "<u>Warranty Coverage Exclusions, All</u> <u>Warranty Types.</u>" If a part or number of parts is required to be replaced, either new or remanufactured Genuine Volkswagen parts may be installed. Please refer to Section 8.1.1, "<u>Parts, Genuine</u>" for appropriate use of new or remanufactured parts.

Transference

This NVLW is automatically transferred without cost if the ownership of the vehicle changes within the warranty period.

Paint

Warranty repairs related to paint issues / conditions are covered under the NVLW but require pre-authorization from the dealer's respective Paint and Corrosion Warranty Specialist prior to any repairs being performed. Please refer to Section 5.2, "<u>Dealer</u> <u>Responsibilities for Paint and Corrosion Warranty Claims</u>," for instructions to be followed by the dealer upon receiving a warrantable paint-related condition. Claim coding instructions for paint can be found in Section 5.3.2, "Paint Claim Coding."

1.3.2 New Vehicle Limited Warranty (NVLW), Exclusions

IMPORTANT

For exclusions or exceptions for any specific warranty type, ALWAYS refer to:

- 1. Warranty Coverage Exclusions, All Warranty Types
- 2. The policies for the individual warranty type

For component-specific exclusions or exceptions, refer to: <u>Warranty Coverage by Components</u>.

The NVLW specifically excludes the following:

- Wheel alignment and balancing. Please refer to Section 2.29, "Wheel Alignment and Balance."
- Tire pressure adjustment, tire balance and the repair or replacement of tires.
- Wireless headphones (Routan). Wireless headphones are warranted by the headphone manufacturer.
- Glass breakage, unless due to a defect in material or workmanship.
- Service adjustments that do not usually involve the replacement of parts including but not limited to the adjustment of headlights, door latches, and parking brakes are NOT covered for the entire NVLW period. These adjustments may only be eligible for the NVLW during a period of <u>1 year or 20,000 km</u>, whichever occurs first, starting from the vehicle's original in-service date.

Specific components by Service Number

The "Wear and Tear" components identified in the following tables are covered for wear and tear for <u>1 year / 20,000 km</u>, whichever occurs first, unless stated otherwise. However, listed wear and tear components are covered for defect(s) in material or workmanship for the entire NVLW period.

2006 and Prior MY Components Covered for wear and re			
Service Number	Component		
1730	oil filter		
2424	air filter		
3056	clutch disc		
4636	front brake pads		
4638	rear brake pads		
74nn	seat upholstery and covers*		
9227	front wiper blade		
9243	rear wiper blade		
9429	license plate bulb		
9433	tail light bulb		
9435	rear turn bulb		
9437	brake light bulb		
9467	fog light halogen bulb		
9469	rear fog light bulb		
9475	back-up light bulb		
9622	dome light bulb		
9632	air jet bulb		
9641	luggage compartment bulb		
9647	map light bulb		
9654	fresh air/heater regulator bulb		
9659	glove compartment light bulb		

2006 and Prior MY Components Covered for Wear and Tear

*Includes all part identifiers/Service Numbers in Group 74 seat upholstery and covers (with the exception of electrical parts, like seat heaters, which are covered for the entire NVLW period).

All other light bulbs, with the exception of Halogen/Xenon headlight bulbs (Service Number 9423) and instrument cluster bulbs (Service Number 9629), are covered for wear for <u>1 year / 20,000 km</u>. Halogen/Xenon headlight bulbs & instrument cluster bulbs, replaced for wear, are covered for the <u>entire NVLW period</u>.

Service Number	Component	
4636	front brake pads	
4638	rear brake pads	
4650	front brake disc	
4653	rear brake disc	
9227	front wiper blade**	
9243	rear wiper blade**	
9429	license plate bulb	
9433	tail light bulb	

2007 and Newer MY Components Covered for Wear and Tear

9435	rear turn bulb		
9437	brake light bulb		
9467	fog light halogen bulb		
9469	rear fog light bulb		
9475	back-up light bulb		
9622	dome light bulb		
9632	air jet bulb		
9641	luggage compartment bulb		
9647	map light bulb		
9654	fresh air/heater regulator bulb		
9659	glove compartment light bulb		
**Covered for <u>6 months / 10,000 km</u> , whichever occurs first.			

All other light bulbs not listed are also covered for wear for <u>1 year / 20,000 km</u>, with the exception of Halogen/Xenon headlight bulbs (Service Number 9423). Halogen/Xenon headlight bulbs replaced for wear are covered for the <u>entire NVLW period</u>.

Please refer to Section 2, "<u>Warranty by Components</u>" for additional information on some of the items affected by wear and tear coverage policies.

1.3.4 Powertrain Limited Warranty, Coverage

Coverage Duration by Model

Model Year	Model	Du	iration*
	Model	Years	Kilometres
2002 and newer	All models except Winnebago Rialta, Winnebago Vista, Itasca Sunstar	5	100,000
2002 – 2003 2002 – 2003 2002 – 2003	Winnebago Rialta Winnebago Vista Itasca Sunstar	5	80,000
1996 – 2001	1996 – 2001 All Models		80,000

*Whichever occurs first

IMPORTANT!

For extremely important policy information on this and other warranty types, such as:

- The start or end of the warranty period,
- Where to go for warranty service,
- Repairs required while travelling, or emergency repairs,
- Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Warranty Period

For all Volkswagen vehicles of MY 2002 and newer, the coverage under this warranty lasts for <u>5 years or 100,000 km</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Any implied warranty, including any warranty of merchantability or warranty of fitness for a particular purpose, will continue in force only during the warranty period – as described in this section – of the Powertrain Limited Warranty. Neither Volkswagen nor the manufacturer assumes, or authorizes any person to assume, any other obligation or liability on its behalf. Some provinces do not permit a limitation on how long an implied warranty lasts or the exclusion or limitation of incidental or consequential damages. This warranty gives owners specific legal rights, and they may also have other rights that vary from province to province.

Warranty Coverage

The Powertrain Limited Warranty covers any repair to correct a manufacturing defect(s) in material(s) or workmanship for the duration of the warranty period stated above for the following Volkswagen parts and components:

- Engine: cylinder block and all internal parts, cylinder head and all internal parts, valve train, toothed belt, flywheel, oil pump, water pump, intake manifold, related seals and gaskets.
- **Transmission:** transmission case and all internal parts, torque converter, seals and gaskets, Transmission Control Module—TCM—for all models except Routan. For Routan, the Powertrain Control Module—PCM—is covered for transmission-related defects ONLY.
- **Drivetrain:** differential and all internal parts, drive shaft, and constant velocity (C.V.) joints.

For a list of covered components (including Service Numbers), please refer to ServiceNet under VGCA Warranty > Job Aids and Quick Reference Claim Coding and select Powertrain Service Numbers. The exceptions to coverage under the Powertrain

Limited Waranty can be found under Section 1.3.5, "Powertrain Limited Warranty, Exclusions."

A more condensed list of components covered and not covered under the Powertrain Limited Warranty can be found in Section 14.8, "Powertrain Limited Warranty, Component Coverage Chart."

IMPORTANT! The list of covered components is subject to change. Always refer to the current list for the latest information.

Warranty Obligation

The Powertrain Limited Warranty covers the repair of the defect(s) or replacement of the defective part(s) as listed above. This warranty does not allow repairs as defined in Section 1.1.3, "<u>Warranty Coverage Exclusions, All Warranty Types</u>." If a part or number of parts is required to be replaced, either new or remanufactured Genuine Volkswagen parts may be installed. Please refer to Section 8.1.1, "<u>Parts, Genuine</u>" for appropriate use of new or remanufactured parts.

Transference

This Powertrain Limited Warranty is automatically transferred without cost if the ownership of the vehicle changes within the warranty period.

1.3.5 Powertrain Limited Warranty, Exclusions

IMPORTANT

For exclusions or exceptions for any specific warranty type, ALWAYS refer to:

- 1. Warranty Coverage Exclusions, All Warranty Types
- 2. The policies for the individual warranty type

For component-specific exclusions or exceptions, refer to:

Warranty Coverage by Components

Exclusions

- Vehicles sold for commercial use, e.g. taxi, courier or delivery service or limousine. This includes vehicles that were originally used for commercial purposes and later sold to a non-commercial owner.
- Loaner vehicles are not provided.

1.3.6 Corrosion Perforation Limited Warranty, Coverage

Coverage Duration by Model

Model Year	Model		Du Years	ration* Kilometres
		All Sheet Metal Panels	3	Unlimited
2009~	Routan	Outer-Body Sheet Metal Panels: finish-painted panels that can be seen while walking around the outside of the vehicle	5	160,000
2009~	EOS			
2006~	Passat (B6), CC (B6	i), GTI (A5), Rabbit (A5)		
2005~	Jetta (A5)			
2004~	Touareg Phaeton New Beetle, New Beetle Conv.		12	Unlimited
2004-2006				
1998~				
1999~	Golf (A4), Jetta (A4)			Uninnited
1998-2005	Passat (B5)	Passat (B5)		
2000-2003	Eurovan		8	
1999-2002	Cabrio			
1997-1999	1997-1999 Golf (A3), Jetta (A3)		6	
1995-1997	Passat (B4)			
1995-2005	Winnebago Rialta			
2002-2003	Winnebago Vista		N/A	N/A
2002-2003	Itasca Sunstar			

*Whichever occurs first

IMPORTANT!

For extremely important policy information on this and other warranty types, such as:

- The start or end of the warranty period,
- Where to go for warranty service,
- Repairs required while travelling, or emergency repairs,
- Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Warranty Period

For all new Volkswagen vehicles (excluding Routan), the coverage under the Corrosion Perforation Limited Warranty lasts for <u>12</u> <u>years, regardless of vehicle mileage</u>, starting from the vehicle's original in-service date. ALWAYS refer to the chart above for specific coverage duration by model / model year.

For the Volkswagen Routan, the coverage duration of this warranty for <u>outer-body sheet metal panels</u> is <u>5 years or 160,000 km</u>, whichever occurs first, starting from the vehicle's in-service date. "Outer-body sheet metal panels" on a Routan are defined as those panels that are finish-painted and can be seen while walking around the outside of the vehicle. <u>All other sheet metal panels</u> are covered for <u>3 years, regardless of mileage</u>, starting from the vehicle's original in-service date.

The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the

original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Any implied warranty, including any warranty of merchantability or warranty of fitness for a particular purpose, will continue in force only during the warranty period – as described in this section – of the limited Corrosion Perforation Limited Warranty. Neither Volkswagen nor the manufacturer assumes, or authorizes any person to assume, any other obligation or liability on its behalf. Some provinces do not permit a limitation on how long an implied warranty lasts or the exclusion or limitation of incidental or consequential damages. This warranty gives owners specific legal rights, and they may also have other rights that vary from province to province.

Corrosion Perforation

It is essential for dealers to realize exactly what the definition of corrosion perforation is in the context of the Corrosion Perforation Limited Warranty. Throughout this section and other related portions of this manual, corrosion perforation or "rust-through" generally refers to <u>corrosion originating from inside the vehicle.</u>

Typically, corrosion perforation begins as a "bubble" visible on the surface of the paint. This is caused by expanding of the sheet metal due to corrosion under the surface of the paint. A reimbursable condition of corrosion perforation has little to no visible occurrences of surface corrosion around the affected area and shows no signs of any type of outside influence.

Corrosion perforation does NOT refer to a hole in a sheet metal panel due to unrepaired or improperly repaired corrosion. VGCA reserves the right to refuse a corrosion claim similar to this if discovered to be caused by any type of outside influence and / or customer neglect. Please refer to the heading below, "Corrosion Maintenance / Repair Expectations," for further clarification.

For visual examples of conditions covered and NOT covered under the Corrosion Perforation Limited Warranty, please refer to the Warranty Paint and Corrosion Handbook found in ServiceNet under VGCA Warranty > Corrosion.

Warranty Coverage

Throughout the applicable period stated above, the Corrosion Perforation Limited Warranty covers body sheet metal panels that are affected by a corrosion or "rust-through" condition – as described above – which originates from the inside of the affected panel(s) and has been proven to NOT be caused by any sort of outside influence. "Body sheet metal panels" are defined as those panels that are finish-painted and can be seen while walking around the outside of the vehicle.

For a clear list of corrosion conditions NOT covered under this warranty, please refer to Section 1.3.7, "<u>Corrosion Perforation</u> <u>Limited Warranty, Exclusions</u>."

Warrant Obligation

This warranty states that the repair(s) and / or replacement of affected, eligible body sheet metal panels will be fully reimbursed. All corrosion-related repairs must be pre-authorized by the dealership's respective Paint and Corrosion Warranty Specialist prior to being performed. Repairs will be made in order to best match the vehicle's original finish, but this warranty does NOT cover the cost of painting additional, adjacent panels on the vehicle solely for paint matching / blending.

In order to receive full reimbursement, dealers must comply with the repair specifications and claiming requirements described for warrantable paint- and corrosion-related issues found in Section 5, "Paint and Corrosion."

Corrosion Maintenance / Repair Expectations

Every Volkswagen vehicle is originally corrosion protected at the factory. Customers do NOT need to purchase rust-proofing upon vehicle purchase in order to keep this warranty in effect.

Beyond that, it is the vehicle owner's responsibility to promptly repair paint damage, damaged undercoating, or surface corrosion, at the owner's expense, to maintain the Corrosion Perforation Limited Warranty for the affected area of the eligible vehicle. Neglecting to have the vehicle promptly repaired will result in refusal of coverage of the affected area under this warranty.

"Rust-through" conditions on any body sheet metal panel originating from the inside of the affected panel(s) and not caused by outside influences must be addressed with an authorized Volkswagen dealer at the earliest stage possible. Neglecting to have the vehicle promptly repaired will result in refusal of coverage of the affected area under the Corrosion Perforation Limited Warranty.

During these repairs, it is important to note that dealers will do their best to match the vehicle's original finish, but this warranty will still NOT cover the cost of painting additional, adjacent panels solely for paint matching / blending.

Transference

This Corrosion Perforation Limited Warranty is automatically transferred without cost if the ownership of the vehicle changes within the warranty period.

For eligibility criteria, claim coding instructions, and other additional information concerning the Corrosion Perforation Limited Warranty, please refer to the Warranty Paint and Corrosion Handbook found in ServiceNet under VGCA Warranty > Corrosion.

1.3.7 Corrosion Perforation Limited Warranty, Exclusions

IMPORTANT!

For exclusions or exceptions for any specific warranty type, ALWAYS refer to:

- 1. Warranty Coverage Exclusions, All Warranty Types
- 2. The policies for the individual warranty type

For component-specific exclusions or exceptions, refer to: <u>Warranty Coverage by Components</u>.

Exclusions

The following are corrosion conditions which are NOT covered under the Corrosion Perforation Limited Warranty and should NOT be submitted by the dealer for pre-authorization:

- Surface corrosion: Any corrosion originating from the outer portions of a body sheet metal panel.
- Corrosion resulting from any type of outside influence.
- Corrosion resulting from failure to promptly repair existing conditions of paint damage, damaged undercoating, surface corrosion, or corrosion perforation. Please refer to the Corrosion Repair / Maintenance Expectations header in Section 1.3.6, "Corrosion Perforation Limited Warranty, Coverage."
- Corrosion due to failure to wash or otherwise regularly care for the vehicle as described in the Owner's Manual.
- Excessive corrosion resulting from failure to promptly repair paint damage, damaged undercoating or surface corrosion and / or from failure to otherwise regularly care for the vehicle as described in the Owner's Manual.
- Corrosion caused by un-repaired collision damage or improper collision repair (including lack of proper rust proofing or lack of rust proofing altogether).
- Corrosion caused by failure to treat repaired or newly installed body parts with a rust proofing agent that is compatible with Volkswagen's own factory corrosion protection.
- Corrosion resulting from the use of inferior rust proofing agents or methods.
- Corrosion resulting from damage due to use of any chemical that is not compatible with Volkswagen's own factory corrosion protection.
- Corrosion due to modification(s) of the factory original paint / painted surface and / or configuration of the body sheet metal panel(s).
- Corrosion resulting from paint damage caused by fallout, sandblasting, salt, foreign material deposits (bird droppings, tree sap, etc.), stone chips, or car wash chemicals.
- Corrosion resulting from paint damage caused by airborne industrial pollutants (e.g. acid rain), stones, flood water, wind storms, tree sap or other similar occurrences.

For visual examples of conditions covered and NOT covered under the Corrosion Perforation Limited Warranty, please refer to the Warranty Paint and Corrosion Handbook found in ServiceNet under VGCA Warranty > Corrosion.

Aluminum Parts

This warranty does NOT cover corrosion perforation due to failure to perform body repairs in accordance with Volkswagen's specified repair procedures including, but not limited to the use of non-aluminum alloy parts where an aluminum part was originally installed onto the vehicle at the factory.

Paint Matching / Blending

This warranty does NOT cover the cost of painting the entire vehicle or any additional, adjacent body sheet metal panel(s) solely for paint matching / blending. Only the repair of the body sheet metal panels which are affected by a warrantable corrosion condition may be reimbursed.

1.3.8 Federal Emissions Warranty, Coverage

Coverage Duration by Parts

Dorto	Madal Vaar	Madal	Duration*		
Parts	Model Year	Model	Years	Kilometres	
All Emissions Parts			2	40,000	
Specific Major Emissions Control Components**	1996 and newer	All	8	130,000	

*Whichever occurs first

**A full list of components is found in Section 1.3.10, "Federal Emission Warranty, Coverage by Component."

Any implied warranty, including any warranty of merchantability or warranty of fitness for a particular purpose, will continue in force only during the warranty period – as described in this section – of the limited Federal Emissions Warranty. Neither Volkswagen nor the manufacturer assumes, or authorizes any person to assume, any other obligation or liability on its behalf. Some provinces do not permit a limitation on how long an implied warranty lasts or the exclusion or limitation of incidental or consequential damages. This warranty gives owners specific legal rights, and they may also have other rights that vary from province to province.

IMPORTANT!

For extremely important policy information on this and other warranty types, such as:

- 1. The start or end of the warranty period,
- 2. Where to go for warranty service,
- 3. Repairs required while travelling, or emergency repairs,
- 4. Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Federal Emission Warranty Types

The Federal Emission Warranty is composed of two distinct types as described below:

Emissions Control System Defect Warranty

Emission-related parts that fail to conform with Environment Canada regulations due to a defect(s) in material(s) or workmanship (coverage period is <u>2 years or 40,000 km</u>, whichever occurs first, for any emission related part and <u>8 years or 130,000 km</u>, whichever occurs first, for specific control devices).

Emissions Control System Performance Warranty

Emission-related parts that fail to pass an Emissions Test or the 'Smog Check' inspection (coverage period is <u>2 years or 40,000</u> <u>km</u>, whichever occurs first for any emission related part and <u>8 years or 130,000 km</u>, whichever occurs, first for specific control devices).

Warranty Claim Coding				
Claim Type		1E1		

1.3.9 Federal Emissions Warranty, Types

1.3.9.1 Emissions Control System Defect Warranty

Volkswagen Group Canada Inc. (VGCA), the authorized importers of Volkswagen vehicles in Canada, warrants to the original retail purchaser or original lessee and any subsequent purchaser or lessee that every Volkswagen vehicle imported by Volkswagen was designed, built and equipped so as to conform at the time of sale with all applicable regulations found in Environment Canada's Canadian Environmental Protection Act and applicable Provincial requirements.

Defect Warranty Obligation

The Emissions Control Defect Warranty establishes VGCA's obligation to warrant the repairs of defect(s) in material(s) and workmanship found in emissions-related parts and / or components, free of charge, which would cause the vehicle to fail to conform to Environment Canada regulations.

Warranty Duration

All emissions parts are covered for 2 years after the original in-service date or until the vehicle has been driven 40,000 km, whichever occurs first. After this period, only major emissions control components which fail to meet Environment Canada standards will be covered for 8 years after the original in-service date or until the vehicle has been driven 130,000 km, whichever occurs first.

The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

1.3.9.2 Federal Emissions Performance Warranty

Performance Warranty Coverage / Obligation

Volkswagen Group Canada Inc., (VGCA) warrants to the original retail purchaser or original lessee of any Volkswagen vehicle and any subsequent purchaser(s) or lessee(s), that any authorized Volkswagen dealer in Canada will remedy any nonconformity, as determined below, free of charge, under the following conditions:

- the vehicle fails to conform at any time during 2 years or 40,000 km, whichever occurs first, to applicable emission
 inspection standards as determined by an Emissions Test adopted by Environment Canada or any Canadian province, or
- if the vehicle has been in use for more than 2 years or 40,000 km, but less than 8 years or 130,000 km, whichever occurs first, and the vehicle fails an Emissions Test resulting only from a malfunction of a catalytic converter, engine electronic control module or on-board diagnostic device (OBD), and
- the failure of the Emissions Test requires the vehicle owner to bear any penalty or other sanction, including the denial of the right to use the vehicle under local, provincial or federal law, <u>and</u>
- the vehicle has been maintained and operated in accordance with Volkswagen's instructions for proper maintenance and use.

Performance Warranty Claims

A claim may be raised under this warranty immediately after a vehicle has failed an Emissions Test if, as a result of that failure, the dealer is required by law to repair the vehicle to avoid imposition of a penalty or cancellation of the owner's right to use the vehicle. The owner need not actually suffer the loss or lose the right to use the vehicle or pay for the repair before presenting their claim.

Owners may present their claims only by bringing their vehicle to any authorized Volkswagen dealer in Canada. The dealer will honour or deny their claim within a reasonable time, not to exceed thirty (30) days, from the time at which the vehicle is presented for repair or within any time period specified by local, provincial or federal law, whichever is shorter, except when a delay is caused by events not attributable to Volkswagen or the dealer. If the dealer denies the claim, the owner will be notified in writing of the reasons for rejecting the claim. If the owner does not receive notice of denial of the claim within the above time period, Volkswagen is required by law to honour the claim.

Under certain circumstances, the owner's claim may be denied because they have failed to comply with instructions for scheduled maintenance contained in their Volkswagen Maintenance booklet. To determine whether they have complied with the instructions for scheduled maintenance and proper use, Volkswagen may require the owner to furnish proof of compliance only with maintenance instructions. VGCA reserves the right, in certain conditions, to assume that - if maintenance repairs were not performed at their required intervals - a lack of maintenance / service repairs may be the cause of an Emissions Test failure.

Volkswagen may deny an Emissions Performance Warranty claim on the basis that a replacement part not certified by Environment Canada was used in the maintenance or repair of the vehicle. If Volkswagen can prove that the non-certified part is either defective in materials or workmanship, or not equivalent from an emission standpoint to the original part, and the owner is not able to offer information that the part is either not defective or equivalent to the original part with respect to its emission performance, then the warranty claim will be denied.

Volkswagen will not deny a claim relating to:

- warranty work or pre-delivery service performed by an authorized Volkswagen dealer, or
- work performed in an emergency to rectify an unsafe condition attributable to Volkswagen, provided the owner has taken steps in a timely manner to put the vehicle back into a conforming condition, or
- the use of an uncertified part or to non-compliance with the instructions for proper maintenance and use, which is not related to the Emissions Test failure

1.3.10 Federal Emissions Warranty, Coverage by Component

For 2 Years or 40,000 km

A warranted part is any part installed on a motor vehicle or its engine by the vehicle or engine manufacturer or installed during a warranty repair which affects any regulated emission from a motor vehicle or engine which is subject to Environment Canada emission standards. The following parts or systems listed are covered under the Federal Emissions Warranty if proven to cause the vehicle to fail to conform to regulations set forth by Environment Canada and / or fail an Emissions Test due to defect(s) in material(s) or workmanship:

- Evaporative Emission Control System: including fuel tank, filler cap, filler neck and leak detection pump
- Exhaust System: including manifolds, turbochargers, catalytic converters, down pipes and particulate traps
- EGR System: including valves, pipes and coolers
- Fuel Injection System: including control modules, sensors, switches, valves and fuel lines
- Air Intake System: including camshaft adjuster units, sensors, manifold, pipes and control valves
- Ignition System: including coils and sensors
- OBD System: including Malfunction Indicator Lamp (MIL) and Data Link Connector
- Positive Crankcase Ventilation (PCV) System: including control valves and pipes
- Secondary Air Injection System: including air pump and control valves
- Emission-related hoses, gaskets, clamps and other accessories used with the above components

For 8 Years or 130,000 km

If a vehicle has been in use for more than 24 months or 40,000 km, but less than 8 years or 130,000 km, whichever occurs first, then VGCA will only cover the following major emission control components:

Component	Service No.	Description
Catalytic Converter	2673	Any and all catalysts and parts which are an integral part of any converter(s) and / or would necessitate the replacement of such converter(s) if they fail. This includes
Pre-Catalytic Converter	2670	converter shells, nipples, heat shield, heater, and warm-up circuits.
Electronic Control Module (ECM) – For all <u>except</u> Routan OR Powertrain Control Module (PCM) – For Routan	2470 (TDI: 2360)	Any and all hardware, software, wires, harnesses, connectors and the case which are an integral part of the control unit and / or would necessitate repair or replacement of the unit if they fail.
On-Board Diagnostic (OBD) Device	9752	Any and all hardware, software, wires, harnesses, connectors, case, etc. that are integral parts of the device or those parts which would necessitate repair or replacement of the device if any of these items were to fail. This includes any portion of the wiring harness which affects the proper operation of the vehicle's OBD Device, as well as the MIL bulb. This does not include any other parts or systems which the OBD system monitors.
Related Parts and Labour	N/A	The following parts and respective labour times are covered if required during replacement of any of the above components: gaskets, seals; wires, harnesses, connectors; nuts, bolts, screws, fasteners.

1.3.11 Federal Emissions Warranties, Important Additional Information

Note: Verify that the component for which you are reviewing coverage is not considered a Powertrain Warranty component (e.g. turbocharger). Certain items may be covered by the Powertrain Warranty.

Proper Maintenance and Use

Instructions for proper maintenance are contained in the Volkswagen Maintenance booklet. Time and km intervals at which maintenance is to be performed may vary from model to model. Volkswagen recommends that the authorized Volkswagen dealer or other service facility that performed the maintenance validates the Volkswagen Maintenance booklet at the approximate time or km intervals.

If the customer performs the maintenance work them self, they must keep all documentation as proof they have performed the maintenance at the approximate time or km intervals recommended, that they have used proper parts, and that they were able to perform the maintenance properly.

Failure to maintain the vehicle according to the instructions for proper maintenance may cause the vehicle to exceed applicable emissions standards and could result in denial of warranty coverage. However, Volkswagen will not deny a warranty claim solely on the basis of the customer's failure to maintain the vehicle according to the instructions or failure to keep a record of maintenance.

Instructions for proper use of the vehicle are contained in the Volkswagen Owner's Manual.

Use of Genuine Volkswagen Parts

Volkswagen recommends that Genuine Volkswagen parts be used as replacement parts for the maintenance, repair or replacement of emission control systems. Use of replacement parts which are not equivalent to Genuine Volkswagen parts in emission performance and durability may impair the effectiveness of emission control systems. Although use of parts other than Genuine Volkswagen parts does not invalidate these warranties, Volkswagen assumes no liability under these warranties for failure of such parts and damage to other parts caused by such failure.

Certified Replacement Parts

Maintenance, repair, or replacement of emission control devices and systems may be performed by any automotive service and repair establishment or qualified individual using Environment Canada certified replacement parts.

Sublet Repairs

The customer may choose to have maintenance, repair or replacement of emission control components performed by any automotive service establishment or individual qualified to perform such services without invalidating these warranties. However, the cost of such services is only covered for an emergency situation (Please refer to Section 1.1.7, "<u>Emergency Repairs, All</u> <u>Warranty Types</u>"). If the independent service establishment finds a warrantable defect, the customer may deliver the vehicle to an authorized Volkswagen dealer and have the defect corrected free of charge. Volkswagen will not be liable for any expenses which the customer has incurred at any independent service establishment except for emergency repairs.

Parts NOT Scheduled for Inspection or Replacement

Any part, which is not scheduled for inspection or replacement at maintenance intervals specified in the Volkswagen Maintenance booklet, is covered by this warranty for defects in material or workmanship only during the full warranty period.

Parts Scheduled for Inspection or Replacement

A part scheduled only for inspection in accordance with Volkswagen's instructions or required scheduled maintenance is covered for the duration of these warranties. A part installed in accordance with Volkswagen's instructions or required scheduled maintenance is warranted until the next scheduled replacement interval or for the duration of these warranties

An exception to this policy is made for oxygen sensors. This component is covered for defects in material or workmanship only during the entire applicable warranty period. However, to keep warranty in effect for oxygen sensors, they must be replaced <u>at</u> <u>the customer's expense</u> as per replacement interval specified for the particular model.

Damage to Parts NOT Covered

A part not covered under the emissions warranties will only be reimbursed if a covered part causes consequential damage to the part which is not normally covered.

Totalled Vehicles

Claims made by a consumer under any of the statutory Emissions Warranties are required to be honoured even if a vehicle may have been declared a "total loss" by an insurance company as long as it remains operative and has been placed back into service. However, damage to emission components caused by flood, accident or other external events for which Volkswagen has no responsibility may not be claimed under any of these Emissions Warranties. When servicing such a vehicle, please disclose to the owner in writing any unsafe conditions discovered in the vehicle and recommend that these conditions be repaired before the vehicle is operated on public streets.

Vehicles Equipped with All-Wheel Drive

Part of the emission testing programs of some provinces is to check the tailpipe emissions by running the vehicle on a dynamometer. Most of these dynamometers are designed to test two-wheel drive vehicles and do not have rollers for all four wheels. Therefore, make sure to inform customers that running full-time all-wheel drive vehicles on such dynamometers will cause damage to the vehicle driveline. These vehicles carry badges that indicate they have all-wheel drive, such as "4Motion," or "4XMotion."

1.3.12 Volkswagen Obsolete Limited Warranty Extensions

1.3.12.1 Obsolete Limited Warranty Extensions, Quick Reference Chart

The table below contains a list of obsolete limited warranty extensions which are no longer in effect and / or affect models / parts no longer within the limitations of the warranty extension period:

	Component(s) with Volkswagen Limited Extension Warranties	Model Year(s)	Model(s)		Duration ¹	
Sec.				Engine(s)	Years ² or date	Mileage (km)
.2	Front Window Regulator Mechanism Limited Warranty Extension	2003-2005	Golf, GTI, Jetta Sedan/Wagon, New Beetle Sedan	All	7	Unlimited
.3	Ignition Switch Limited Warranty Extension	1996-1997	Passat, Jetta	All	8	160,000
			Golf	2.0L, 1.9L TDI		
			GTI	VR6 2.8L		
4	Mass Air Flow (MAF) Sensor Emissions	1999-2001	Jetta	2.0L, 1.9L TDI, VR6 2.8L	7	115,000
.4	Control System Limited Warranty Extension		New Beetle	2.0L, 1.9L TDI, 1.8T	7	
			Passat	1.8T		
		2000-2001	Golf, Jetta	1.8T		
.5	Oil Sludge Limited Warranty Extension	1998-2004	Passat	1.8T	8	Unlimited
.6	Catalytic Converter Limited Warranty	1999-2001	Golf, Jetta, New Beetle	2.0L ³	10	193,000
	Extension (10/193k)	1999-2000	GTI			
		2002-2004	Jetta Sedan ⁶		5/25/2005	
.7	"Comfort Seat" Limited Warranty Extension ⁴	2003-2005	Jetta Wagon ⁶	All	to	Unlimited
		2003-2005	Golf, GTI ⁶		6/30/2010	
.8	Passat (M2/M3) Seat Heater Limited Warranty Extension ⁵	2002-2003	Passat ⁶	All	10/31/2005 to 6/30/2010	Unlimited
.9	Passat (R2/R3) Seat Heater Limited Warranty Extension ⁷	2003-2004	Passat ⁶	All	9/28/2007 to 9/30/2010	Unlimited
.10	Glow Plug Limited Warranty Extension	2004-2006	All ⁶	TDI	Until 10/31/2012	Unlimited

¹ Whichever occurs first.

² From the original date of sale or lease (in-service date).

³ Specific Engine Codes found in respective detailed descriptions of the Warranty Extension.

⁴ VV/VZ Campaign.

⁵ M2/M3 Campaign.

⁶ For specific VIN range of vehicles, see Technical Bulletin in the respective detailed description of the Warranty Extension.

⁷ This limited warranty extension will be in effect until September 30, 2010 and will be activated only after the R2 and R3 Customer Satisfaction campaigns have been performed. Owners of the affected vehicles will have until September 30, 2009 to have the campaigns completed.

1.3.12.2 Front Window Regulator Mechanism Limited Warranty Extension

Affected Models / Model Years

- 2003-2005 MY Golf, GTI
- 2003-2005 MY Jetta, Jetta Wagon (A4 Only)
- 2003-2005 MY New Beetle

Warranty Policy

Volkswagen Group Canada Inc. is offering an extended limited warranty good for <u>7 years, regardless of mileage</u>, from original vehicle in-service date covering the mechanical malfunction of the driver and passenger door front window regulator mechanism(s).

For information on symptoms and diagnosis, repair instructions, and required part numbers, please refer to Technical Bulletins 64-08-05 (No. 2010640), "Window, Driver and Passenger Door Window Regulator, Repairing" and 64-08-06 (No. 2012394), "Door Windows May Separate from Window Regulator Clamps." Failure to comply with the contained eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty covers only the diagnosis repair of the window regulator mechanism(s) upon diagnosis of a mechanical malfunction while the vehicle was still covered under the limitations of this warranty as stated above.

All other malfunctions of the window regulator electrical components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). No action is necessary for the customer to activate this extended front window regulator mechanism warranty. This warranty extension will also be transferred to all subsequent owners of the affected vehicles for any driver and passenger door front window regulator mechanism mechanical malfunction repair.

Some symptoms / conditions may require repairs unrelated to the window regulator mechanism(s) in order to properly diagnose the warrantable condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

Additional repair(s) or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the window regulator mechanism(s) mechanical malfunction.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the electrical system and / or other related parts / systems.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Warranty Extension Claim Coding	
Claim Type:	110
Service Number:	5730
Damage Code:	0055

For claim coding instructions and any other additional information, please refer to Technical Bulletins 64-08-05 (No. 2010640), "Window, Driver and Passenger Door Window Regulator, Repairing" and 64-08-06 (No. 2012394), "Door Windows May Separate from Window Regulator Clamps."

1.3.12.3 Ignition Switch Limited Warranty Extension

Affected Models / Model Years:

• 1996-1997 MY Jetta, Passat

Warranty Policy

Volkswagen Group Canada, Inc. (VGCA) has implemented an extended limited warranty covering the electrical portion of the ignition switch for vehicles listed above during a period of <u>8 years or 160,000 km</u>, whichever occurs first, from the original inservice date of the vehicle.

The original in-service date of the vehicle is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Warranty Coverage / Obligation

The Ignition Switch Limited Warranty Extension will only cover the diagnosis and repair of the electrical portion of the vehicle's ignition switch that, upon failure, results in the windshield wipers, headlamps, and / or the air conditioning system becoming inoperative immediately after the engine is started.

Some symptoms / conditions may require repairs unrelated to the ignition switch malfunction in order to properly diagnose the warrantable condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

Additional repair(s) or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the malfunctioning ignition switch.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to electrical system and / or other related parts / systems.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Warranty Extension Claim Coding				
Claim Type:	110			
Service Number:	2804			
Damage Code:	0040			
Labour Operation:	28041900 (Confirm via ElsaWeb)			

1.3.12.4 Mass Air Flow (MAF) Sensor Emissions Control System Limited Warranty Extension

Affected Models / Model Years

The following models with specific engine types could be affected by this warrantable condition:

- 1999-2001 MY Golf 2.0L, 1.9L, TDI
- 1999-2001 MY GTI VR6 2.8L
- 1999-2001 MY Jetta 2.0L, 1.9L TDI, VT6 2.8L
- 1999-2001 MY New Beetle 2.0L, 1.9L TDI, 1.8T
- 1999-2001 MY Passat 1.8T
- 2000-2001 MY Golf, Jetta 1.8T

Warranty Policy

Volkswagen Group Canada, Inc. (VGCA) has implemented an extension to the Emissions Control Systems Warranty for mass air flow (MAF) sensors for <u>7 years or 115,000 km</u>, whichever occurs first, from the vehicle's original in-service date.

The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Warranty Coverage / Obligation

This warranty extensions only covers the diagnosis and repair of a vehicle's malfunctioning MAF sensor. For proper diagnosis instructions, see Technician Tip Bulletin 24-02-23, "Mass Air Flow Sensor Replacement."

Some symptoms / conditions may require repairs unrelated to the MAF sensor in order to properly diagnose the warrantable condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

Additional repair(s) or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the malfunctioning MAF sensor.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the engine and / or other related parts / systems.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Warranty Extension Claim Coding				
Claim Type:	1E1			
Service Number:	2445 (Gas) or 2359 (Diesel)			

1.3.12.5 Oil Sludge Limited Warranty Extension

Volkswagen has implemented an extended warranty for "oil sludge" related repairs for 1998-2004 Model Year Volkswagen Passats equipped with 1.8L Turbo engines. Repairs performed within 8 years, unlimited km, from the original in-service date will be covered at 100%. This extended warranty is fully transferable to a subsequent owner. This extended warranty does not affect other applicable warranty coverage.

Volkswagen will cover necessary engine repairs if "oil sludge" causes a malfunction in the engine where the owner can provide documentation of oil changes in accordance with the published maintenance schedule. This extended Warranty only applies to "oil sludge" related repairs for vehicles maintained as recommend by Volkswagen.

This warranty extension does not cover normal wear and tear or engine damage due to improper maintenance. Any malfunction not related to engine "oil sludging" remains subject to the normal terms of the New Vehicle Limited Warranty. If the recommended oil change procedures are not followed, this warranty extension may not apply.

Claim Type: 110 Service Number: S617 Damage Code: 0010 Outside Labour Operation (Engine Repair or Replace): S6171000 Outside Labour \$ Amount:

- Engine Repair: \$ amount equivalent to 700 TU, plus an additional 80 TU if camshaft adjuster replacement was necessary •
- Engine Replacement: \$ amount equivalent to 1200 TU

Oil sludge-related engine repair/replacement for vehicles that fall out of the oil sludge limited warranty extension parameters, specific to the maintenance history only. For example: If a customer has missed, or was late in completing a maintenance interval and the vehicle is still within the 8 year limit from the vehicles original in-service date

For oil sludge customers who have shown a good faith pattern of maintaining their vehicle with oil changes and who can provide documented proof of doing so: Based on the number of maintenances, Service Managers, at their own discretion, are empowered to assist customers one-time only on a case-by-case basis and authorize up to \$2,000 in repairs without having VGCA approval prior to taking care of the customer. Service Managers will confirm diagnosis with VGCA for repairs estimates higher than \$2,000.

Service Managers must contact the Technical Helpline to confirm oil sludge diagnosis and how to affect the repair. The Service Manager must contact the FOM for their assistance in determining eligibility for the repair.

- After reviewing the diagnosis, the Technical Helpline will validate the replacement of the engine or will instruct the • technician on the appropriate repair procedure.
- The engine will be held for FOM inspection. •
- FOM will sign and date the repair order to validate the repair after part inspection. •

The Service manager must write the following comments on each repair order:

- "One time only repair" •
- Date:_____ Service Manager Signature: _____ •

SAGA Claim Coding for "One Time Only" Oil Sludge-Related Engine Repair/Replacement Engine Repaired **Engine Replaced**

Claim Type:	1-10	1-10
Service Number:	S617	S617
Damage Code:	0010	0010
Outside Labour Operation:		
Enter Outside Labour \$	S6171000, 700 TU	S6171000, 1200 TU
	S6171000, 80 TU (Replace camshaft adjuster, if necessary)	
Comments:		
Enter the code GWSLDG in the first 6 spaces o	f the claim comments section	

enter the code GWSLDG in the first 6 spaces of the claim comments section.

1.3.12.6 Catalytic Converter Limited Warranty Extension (10 years or 193,000 km)

Affected Models / Model Years:

- 1999-2001 MY Golf, Jetta, New Beetle with AEG engine code
- 1999-2000 MY GTI 2.0L with AEG engine code

Warranty Policy

Volkswagen has extended the Emission Control System Warranty for catalytic converter replacement under specific conditions to <u>10 years or 193,000 km</u>, whichever occurs first, from the vehicle's original in-service date.

The vehicle may demonstrate one of the following symptoms:

- Rattling noise coming from under the vehicle in the area of the converter
- Malfunction Indicator Light (MIL) may illuminate

Please refer to Technical Bulletin 26-07-04 (No. 2010464), "MIL is ON and/or Catalytic Converter is Rattling," for details on the diagnosis and repair of this condition and to determine vehicle eligibility. Failure to comply with the contained eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers the diagnosis and replacement of the catalytic converter, if necessary, without charge as long as the vehicle remains within the limitations of the warranty stated above.

There are other conditions that may result in the illumination of the MIL light, including some that may require repairs unrelated to the catalytic converter, but necessary for proper diagnosis. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's emission system back up to factory specifications.

Additional repair(s) or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the catalytic converter malfunction.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the converter or exhaust system.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

In the event a customer refuses to have the repair performed after completion of the diagnosis, the technician diagnosis time will be covered under this limited extended warranty, if supported with proper punch time and documentation.

C	Catalytic Converter Warranty Extension Claim Coding
Claim Type:	1E1
Service Number:	2673
	0012 Diagnosis only, no repair performed
Damage Code:	0016 Replacement, MIL light on, fault P0422
	0015 Replacement, rattling caused by broken or deteriorated monolith
Comments:	Repair details including fault code(s) if applicable

It is essential to follow Technical Bulletin 26-07-04 (No. 2010464), "MIL is ON and/or Catalytic Converter is Rattling," to determine if the extended warranty is applicable. Failure to comply with these requirements may result in a partial or complete debit of the warranty claim.

1.3.12.7 "Comfort Seat" Limited Warranty Extension

Affected Models/Model Years

The following vehicles involved in the Customer Satisfaction Campaigns VV and VZ may be affected by the warrantable condition described below:

- 2002-2004 MY Jetta Sedan
- 2003-2005 MY Jetta Wagon
- 2003-2005 MY Golf, GTI

For specific VIN ranges of eligible Volkswagen models, see Technical Bulletin 72-07-02 (No. 2014657), "Seat, Heater, Inoperative." Also, please refer to this Technical Bulletin for proper diagnosis and repair instructions. Failure to comply with the contained eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Note: This warranty extension does not apply to models found within the VIN range which have an in-service date more recent then May 25, 2005.

Warranty Policy

The "Comfort Seat" Limited Warranty Extension will be in effect during the period from <u>May 25, 2005 to June 10, 2010,</u> <u>regardless of vehicle mileage</u>. Only during this time may warranty repairs be performed following the launch of the Customer Satisfaction Campaigns VV and VZ. This extension is only applicable after completion of the VV and VZ campaigns for a potentially eligible vehicle.

Warranty Coverage / Obligation

This warranty extension covers the diagnosis and repair of the "Comfort Seat" electrical mechanism of all eligible vehicles. Parts covered for proper repair include an Electrical Repair Kit and the Seat Heater Switch (Please refer to ETKA for applicable part numbers). The only other part(s) and / or labour which can be claimed under this warranty extension are those which have damage(s) consequential to the original seat cover issue. These additions must be clearly documented in the technician notes. There is NO coverage for conditions related to normal wear and tear.

Some other symptoms / conditions may require repairs unrelated to the "Comfort Seat" malfunction in order to properly diagnose the warrantable condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the electrical system and / or other related parts / systems.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Warranty Eligibility

To determine if a specific vehicle is eligible for this warranty extension, enter the VIN in ElsaWeb and go to Campaign/Action Information > Open Campaigns/Actions, and proceed as described in the following scenarios:

- If campaigns are open and vehicle does not present seat-heating malfunctions.
 - Perform and code the VV and VZ campaigns as described in their respective Customer Satisfaction Campaign Circulars.
- If campaigns are open and vehicle presents seat-heating malfunctions.
 - Perform and code the VV and VZ campaigns as described in their respective Customer Satisfaction Campaign Circulars.
- If campaigns are not shown in ElsaWeb under Campaign/Action Information > Open Campaigns/Actions and vehicle presents seat-heating malfunctions.
 - Check ElsaWeb > Campaign/Action Information > Detailed Campaign History to confirm that the campaigns were, at one time, opened and performed.
 - If so, proceed with repair and claim the covered seat heating components and labour while following the "Comfort Seat" Extended Warranty Policy and code the repair as listed below.
 - If not, the warranty extension does not apply.

Warranty Extension Claim Coding			
Claim Type:	110		
Service Number:	7426		
Comments:	Include VV and VZ Campaign, Dealer Number, Claim ID, description of repair and consequential related part(s) replacement, if applicable.		

For claim coding instructions and any other additional information, please refer to Technical Bulletin 72-07-02 (No. 2014567), "Seat, Heater, Inoperative."

Affected Models/Model Years

The following vehicles involved in the Customer Satisfaction Campaigns M2 and M3 may be affected by the warrantable condition described below:

• 2002-2003 MY Passat

For a specific VIN range of eligible vehicles, see Technical Bulletin 72-07-02 (No. 2014657), "Seat, Heater, Inoperative." Also, please refer to this Technical Bulletin for proper diagnosis and repair instructions. Failure to comply with the contained eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Policy

This Seat Heater Limited Warranty Extension will be in effect during the period from <u>December 19, 2005 to June 10, 2010,</u> <u>regardless of vehicle mileage</u>. Only during this time may warranty repairs be performed following the launch of the Customer Satisfaction Campaigns M2 and M3. This extension is only applicable after completion of the M2 and M3 campaigns for a potentially eligible vehicle.

Warranty Coverage / Obligation

This warranty extension covers the diagnosis and repair of the seat heater electrical mechanism of all eligible vehicles. Parts covered for proper repair include an Electrical Repair Kit, the Seat Heater Switch, and tie wraps as required (Please refer to ETKA for applicable part numbers). The only other part(s) and / or labour which can be claimed under this warranty extension are those which have damage(s) consequential to the original seat cover issue. These additions must be clearly documented in the technician notes. There is NO coverage for conditions related to normal wear and tear.

Some other symptoms / conditions may require repairs unrelated to the seat heater malfunction in order to properly diagnose the warrantable condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the electrical system and / or other related parts / systems.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Warranty Eligibility

To determine if a specific vehicle is eligible for this warranty extension, enter the VIN in ElsaWeb and go to Campaign/Action Information > Open Campaigns/Actions, and proceed as described in the following scenarios:

- If campaigns are open and vehicle does not present seat-heating malfunctions.
 - Perform and code the M2 and M3 campaigns as described in their respective Customer Satisfaction Campaign Circulars.
 - If campaigns are open and vehicle presents seat-heating malfunctions.
 - Perform and code the M2 and M3 campaigns as described in their respective Customer Satisfaction Campaign Circulars.
- If campaigns are not shown in ElsaWeb under Campaign/Action Information > Open Campaigns/Actions and vehicle presents seat-heating malfunctions.
 - Check ElsaWeb > Campaign/Action Information > Detailed Campaign History to confirm that the campaigns were, at one time, opened and performed.
 - If so, proceed with repair and claim the covered seat heating components and labour while following the "Comfort Seat" Extended Warranty Policy and code the repair as listed below.
 - If not, the warranty extension does not apply.

	Warranty Extension Claim Coding
Claim Type:	110
Service Number:	7426
Comments:	Include M2 and M3 Campaign, Dealer Number, Claim ID, description of repair and consequential related part(s) replacement, if applicable.

For claim coding instructions and any other additional information, please refer to Technical Bulletin 72-07-02 (No. 2014567), "Seat, Heater, Inoperative."

1.3.12.9 Passat (R2/R3) Seat Heater Limited Warranty Extension

Affected Models/Model Years

The following vehicles involved in the Customer Satisfaction Campaigns R2 and R3 may be affected by the warrantable condition described below:

• 2003-2004 MY Passat

The VIN range of eligible vehicles is as follows:

- WVW _ _ _ 3B _ 3E234958 to WVW _ _ _ 3B _ 4E350871
- WVW ____ 3B _ 3P288936 to WVW ____ 3B _ 4P335062

Note: Always refer to ElsaWeb to confirm vehicle eligibility. See "Warranty Eligibility" header for specific instructions.

Warranty Policy

This Seat Heater Limited Warranty Extension will be in effect during the period from <u>September 28, 2007 to September 30,</u> <u>2010. regardless of vehicle mileage</u>. Only during this time may warranty repairs be performed following the launch of the Customer Satisfaction Campaigns R2 and R3. This extension is only applicable after completion of the R2 and R3 campaigns for a potentially eligible vehicle.

Warranty Coverage / Obligation

This warranty extension covers the diagnosis and repair of the seat heater electrical mechanism of all eligible vehicles. Parts covered for proper repair include an Electrical Repair Kit and the Seat Heater Switch as required (Please refer to ETKA for applicable part numbers). The only other part(s) and / or labour which can be claimed under this warranty extension are those which have damage(s) consequential to the original seat cover issue. These additions must be clearly documented in the technician notes. There is NO coverage for conditions related to normal wear and tear.

Some other symptoms / conditions may require repairs unrelated to the seat heater malfunction in order to properly diagnose the warrantable condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the electrical system and / or other related parts / systems.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Warranty Eligibility

To determine if a specific vehicle is eligible for this warranty extension, enter the VIN in ElsaWeb and go to Campaign/Action Information > Open Campaigns/Actions, and proceed as described in the following scenarios:

- If campaigns are open and vehicle does not present seat-heating malfunctions.
 - Perform and code the R2 and R3 campaigns as described in their respective Customer Satisfaction Campaign Circulars.
- If campaigns are open and vehicle presents seat-heating malfunctions.
 - Perform and code the R2 and R3 campaigns as described in their respective Customer Satisfaction Campaign Circulars.
- If campaigns are not shown in ElsaWeb under Campaign/Action Information > Open Campaigns/Actions and vehicle presents seat-heating malfunctions.
 - Check ElsaWeb > Campaign/Action Information > Detailed Campaign History to confirm that the campaigns were, at one time, opened and performed.
 - If so, proceed with repair and claim the covered seat heating components and labour while following the "Comfort Seat" Extended Warranty Policy and code the repair as listed below.
 - If not, the warranty extension does not apply.

Warranty Extension Claim Coding				
Claim Type:	110			
Service Number:	7427 7428	Seat heater control unit Front seat heater element		
Comments:	Include R2 and R3 Campaign, Dealer Number, Claim ID, description of repair and consequential related part(s) replacement, if applicable.			

1.3.12.10 Glow Plug Limited Warranty Extension

Affected Models / Model Years:

• Certain 2004-2006 MY Volkswagen TDI Vehicles

Note: For specific VIN ranges of eligible Volkswagen models, see Technical Bulletin 28-10-05 (No. 2024284), "Hard or No Start at or Below 0°C (32°F) after 28E6/R8 Campaign."

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has determined that after the 28E6/R8 emissions service action had been performed, certain vehicles had the potential to exhibit a hard or no-start condition when temperatures dropped below freezing.

In order to address this concern VGCA is extending the warranty that covers glow plugs and related software in affected diesel engine vehicle until <u>October 31, 2012</u>.

For further information on diagnosis and repair of this condition please refer to Technical Bulletin 28-10-05 (No. 2024284), "Hard or No Start at or Below 0°C (32°F) after 28E6/R8 Campaign." Failure to comply with the eligibility requirements and/or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and replacement of affected glow plugs and related software, if necessary. This applies only to vehicles which experience a hard or no-start condition when temperatures drop below freezing and have records to show that the 28E6/R8 emissions service action was previously performed.

Hard or no-start conditions that occur when ambient temperatures are above freezing are not related to this issue and are not covered under this warranty. Other conditions unrelated to the glow plug issue described above may cause starting concerns with your vehicle. These conditions may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's emission system or related software back up to factory specifications.

Additional repairs or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the previously performed 28E6/R8 emissions service action.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the Glow Plug Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Warrar	nty Extension Claim Coding
Claim Type:	110
Service Number:	2884
Damage Code:	0016

For further information on claim coding, please refer to Technical Bulletin 28-10-05 (No. 2024284), "Hard or No Start at or Below 0°C (32°F) after 28E6/R8 Campaign."

Any malfunctions of non-emissions electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners.

1.3.13 Volkswagen Active Limited Warranty Extensions

1.3.13.1 Active Limited Warranty Extensions, Quick Reference Chart

The table below contains a list of currently active limited warranty extensions which are component-specific:

	Component(a) with Volkowagan		Madal		Duration ¹	
Sec.	Component(s) with Volkswagen Limited Extension Warranties	Model Year(s)	Model(s)	Engine	Years ² or date	Mileage (km)
		2001-2003	Passat	1.8T		
.2	Engine Coolant Temperature (ECT) Sensor Limited Warranty Extension	2001	Golf, GTI, Jetta, New Beetle	1.8T ³	10	160,000
		2004	GTI, Jetta GLI	2.8L VR6		
	Catalytic Convertor Limited Warranty	2004	New Beetle Conv.			
.3	Catalytic Converter Limited Warranty Extension (10/193k)	2004-2005	New Beetle	2.0L ³	10	193,000
		2004-2006	Golf			
	Catalytic Converter Limited Warranty	2001-2003	Golf, Jetta, New Beetle			
.4	Catalytic Converter Limited Warranty Extension (10/160k)	2003	New Beetle Conv.	2.0L ³	10	160,000
		2002	Cabrio			
.5	Centre High-Mounted Stoplight Light- Emitting Diodes (LEDs) Limited Warranty Extension	2006-2009	GTI	All	10	Unlimited
.6	DSG Transmission Limited Warranty Extension	2007-2010	Eos, GTI, Jetta Sedan/Wagon, Passat, CC	All	6	160,000
.7	Transmission Valve Body Limited Warranty Extension	2005-2008	New Beetle Sedan/Conv. Jetta, Rabbit Passat Sedan/Wagon	All (with AQ-250 transmission system)	7	160,000
	Eos Window Regulator Cables Limited			. ,		
.8	Warranty Extension	2007-2011	Eos	All	5	Unlimited
.9	Enhanced Oil Sludge Limited Warranty Extension	2001-2004	Passat	1.8T	10	192,000
.10	Camshaft Follower Limited Warranty Extension	2006-2007	Eos, GTI, Jetta, Passat Sedan/Wagon	2.0L TFSI ³	10	192,000
.11	Fuel Pressure Sensor Limited Warranty Extension	2007-2008	Eos, GTI, Jetta, Passat Sedan/Wagon	2.0L TFSI ³	10	192,000
.12	Positive Crankcase Ventilation (PCV) Valve Limited Warranty Extension	2006-2008	Eos, GTI, Jetta, Passat Sedan/Wagon	2.0L TFSI ³	10	192,000
.13	Intake Manifold Runner Control Motor Limited Warranty Extension	2007-2008	Eos, GTI, Jetta, Passat Sedan/Wagon	2.0L TFSI ³	10	192,000
.14	Routan Front Wheel Bearing Limited Warranty Extension	2009-2010	Routan	All	5	145,000
.15	Jetta Driver Door Wiring Harness Limited Warranty Extension	2006	Jetta ⁴	All	8.5	165,000
	Diesel Engine Exhaust Flap Limited Narranty Extension	2009-2012	Jetta Sedan/Wagon			
		2010-2012	Golf	TDI ³	10	193,000
		2012	Passat			
.17	Secondary Air Pressure Sensor Limited Warranty Extension	2009	Jetta, Golf	2.5L ³	10	193,000

¹Whichever occurs first.

² From the original date of sale or lease (in-service date).

³ Specific Engine Codes found in respective detailed descriptions of the Warranty Extension.

⁴ For specific VIN range of vehicles, see the respective detailed description of the Warranty Extension.

1.3.13.2 Engine Coolant Temperature (ECT) Sensor Limited Warranty Extension

Affected Models / Model Years

- 2001-2003 MY Passat 1.8T
- 2001 MY New Beetle, Golf, GTI, Jetta, 1.8T with AWV or AWW Engine code
- 2004 MY GTI, Jetta GLI 2.8L VR6

Warranty Policy

The Emissions Control Systems Warranty for Engine Coolant Temperature (ECT) sensor replacement under specific conditions has been extended to <u>10 years or 160,000 km</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Symptoms of a malfunctioning ECT sensor could include but are not limited to erratic operation or complete malfunction of the coolant temperature gauge, and illumination of the Malfunction Indicator Light (MIL).

Warranty Coverage / Obligation

This limited warranty extension only covers the diagnosis and replacement of the ECT sensor, if necessary, without charge as long as the vehicle is within the time and kilometre limits stated within this warranty extension.

Some other symptoms / conditions may require repairs unrelated to the ECT sensor. Repairs of these symptoms are outside the emissions-related warranty and are the owner's responsibility. As a result, any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

Additional repair(s) or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the malfunctioning ECT sensor.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the emissions system and / or other related parts / systems.
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Warranty Extension Claim Coding			
Claim Type:	1E1	Federal Emissions Warranty	
Service Number:	2462	Temperature Sensor (for engine coolant)	
Damage Code:	0040	Electrical Malfunction	

1.3.13.3 Catalytic Converter Limited Warranty Extension (10 years or 193,000 km)

Affected Models / Model Years:

- 2004 MY New Beetle Conv. with 2.0L BGD Engine code
- 2004-2005 MY New Beetle, Jetta with 2.0L BEV Engine code
- 2004-2006 MY Golf with 2.0L BEV Engine Code

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has extended the Emission Control System Warranty for catalytic converter replacement under specific conditions to <u>10 years or 193,000 km</u>, whichever occurs first, from the vehicle's original in-service date.

The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

The vehicle may demonstrate one of the following symptoms:

- Rattling noise coming from under the vehicle in the area of the converter
- Malfunction Indicator Light (MIL) may illuminate

See Technical Bulletin 26-11-01 (No. 2023049), "MIL is ON and / or Catalytic Converter is Rattling," for details on vehicle eligibility, how to properly diagnose the symptoms, and how to perform repair(s) to fix the issue. Failure to comply with the contained eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers the diagnosis and replacement of the catalytic converter, if necessary, without charge as long as the vehicle remains within the limitations of the warranty period stated above.

There are other conditions that may result in the illumination of the MIL light, including some that may require repairs unrelated to the catalytic converter, but are necessary for proper diagnosis. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's emission system and / or related system(s) back up to factory specifications.

Additional repairs or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the catalytic converter malfunction.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the converter or exhaust system,
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the Catalytic Converter Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters as shown:

Vehicle Data

Brand:	v	VIN:		9BW0	GL21J164000122			
Model Year:	2005	Descriptio	n:	GOLF	2.0 NAR GLS 116	5 hpA4S		
Model Code:	9B15H3	Production		2005	-05-30			
Engine Code:	BEV	Delivery D	ate:	2005	-08-23			
Transmission Code:	FDF	Type Appr	oval Number:					
Color Trim								
Model	Col	Color Code Paint numbe (Paint No.)		r	Description			
Exterior (body/roof)	8E/	BE	LA7W		reflex silver metallic/reflex silver metallic			
Interior	HX	łΧ		black/black				
Enhanced Coverage								
Coverage: 20110304	4 - Exten	ded Warran	ties USA/CA	N				
Status:	Acti	ive Sta		rt Dat	e:	2005-08-23	Start Mileage:	1 KM
NOTICE: THIS WARRANTY IS VALID ONLY UNTIL THE VEHICLE REACHES THE END DATE OR END MILEAGE DISPLAYED BE								
Coverage Kind:	05	End		l Date	:	2015-08-23	End Mileage:	1930
Coverage Type:	CA	CVW-WTYEXT TALYTIC CON RRANTY EXT //193K KM(0)	IVERTER	n Date	e:			

In the event a customer refuses to have the repair performed after completion of the diagnosis, the technician diagnosis time will be covered under this limited extended warranty, if supported with proper punch time and documentation.

Catalytic Converter Warranty Extension Claim Coding			
Claim Type:	1E1, Federal Emissions Warranty		
Service Number:	2673		
	0012 Diagnosis only, no repair performed		
Damage Code:	0016 Replacement, MIL light on, fault P0420		
	0015 Replacement, rattling caused by broken or deteriorated monolith		
Comments: Repai	r details including fault code if applicable		

Note: It is essential to follow Technical Bulletin 26-11-01 (No. 2023049), "MIL is ON and / or Catalytic Converter is Rattling," to use proper claim coding and determine if the extended warranty is applicable. Failure to comply with these requirements may result in a partial or complete debit of the warranty claim.

Any malfunctions of non-emissions electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners.

1.3.13.4 Catalytic Converter Limited Warranty Extension (10 years or 160,000 km)

Models / Model Years Affected:

The following models equipped with 2.0L engines can be affected by this warrantable condition:

- 2001-2002 MY Golf, Jetta and New Beetle with AVH or AZG Engine code
- 2003 MY Golf, Jetta, New Beetle with AVH Engine code
- 2003 MY New Beetle Convertible with BDC Engine code
- 2002 MY Cabrio with ABA Engine code

Warranty Policy

The Emissions Control Systems Warranty for catalytic converter replacement under specific conditions has been extended to <u>10</u> years or 160,000 km, whichever occurs first, from the vehicle's original in-service date.

The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

The vehicle may demonstrate one or both of the following symptoms:

- Rattling noise coming from under the vehicle in the area of the converter.
- Malfunction Indicator Light (MIL) may illuminate.

For details on how to diagnose the symptoms, determine the vehicle's eligibility, and perform proper repair(s) please refer to Technical Bulletin 26-10-04 (No. 2016073), "MIL is ON and / or Catalytic Converter is rattling." Failure to comply with the contained eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This limited warranty extension only covers diagnosis and replacement of the catalytic converter, if necessary, without charge as long as the vehicle is within the time and kilometre limits stated within this warranty extension.

There are other conditions that may result in the illumination of the MIL, including some that may require repairs unrelated to the catalytic converter, or that are otherwise required to bring the vehicle's emission system up to factory specifications. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's emission system up to factory specifications.

Additional repairs or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the catalytic converter malfunction.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the converter or exhaust system,
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

In the event a customer refuses to have the repair performed after completion of the diagnosis, the technician diagnosis time will be covered under this limited extended warranty, if supported with proper punch time and documentation.

		Warranty Claim Coding		
Claim Type 1E1, Federal Emissions Warranty				
	0012	Diagnosis Only, no repair performed (with proper documentation)		
Damage Code	0015	Replacement; rattling caused by broken or deteriorated monolith		
	0016	Replacement; MIL on, DTC P0420		
Damage Location	003, Ce	ntre		
Comments Record repair details, including DTC's, if applicable.				

Note: It is essential to follow Technical Bulletin 26-10-14 (No. 2016073) to determine if the extended warranty is applicable. Failure to comply with these requirements may result in a partial or complete debit of the warranty claim.

Any malfunctions of other components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). Additionally, should ever the vehicle be sold, this warranty is fully transferable to subsequent owners.

Affected Models / Model Years:

• 2006-2009 MY GTI

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has extended the New Vehicle Limited Warranty that covers the centre high-mounted stoplight LEDs in certain GTI vehicles to **<u>10 years, regardless of the vehicle mileage</u>**, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service

Note: The centre high-mounted stoplight is composed of 4 groups of lights with each group of lights containing 6 individual LEDs.

Warranty Coverage / Obligation

This warranty extension only covers the replacement of the centre high-mounted stoplight due to inactive LEDs under the specific terms and conditions described below:

- <u>If a vehicle is less than 7 years from its original in-service date</u>, then Volkswagen will replace the centre highmounted stoplight at no cost if any LEDs stop working.
- If a vehicle is 7 to 10 years from its original in-service date, then Volkswagen will replace the centre high-mounted stoplight at no cost if any of the 4 LED groups completely stop working or if within all 4 LED groups, a total of 6 or more individual LEDs stop working.

These conditions may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring any of the vehicle's systems up to factory specifications.

Additional repairs or part(s) replacement will only be admissible under this limited extended warranty if directly caused by the malfunctioning LEDs.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to the centre high-mounted stoplight and / or other related parts,
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Centre Hig	h-Mounted Stoplight Warranty Extension Claim Coding
Claim Type:	110
Service Number:	9470
Damage Code:	00XX Use applicable damage code found in ElsaWeb
Vendor Code	EXG
Comments:	Details of repair and nature of failure

Any malfunctions of other electrical and mechanical components – unrelated to the centre high-mounted stoplight – remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW).

1.3.13.6 DSG Transmission Limited Warranty Extension

Affected Models / Model Years:

The following models / model years equipped with a DSG transmission and whose production date (as shown below in ElsaWeb) lies between February 19, 2007 and August 6, 2009 can be affected by this warrantable condition:

2007-2010 MY Eos, GTI, Jetta Sedan/Wagon, Jetta Sedan/Wagon TDI, Passat, CC

VIN *	bvwRL8AJ3AM001241	Submit			
Make *	r V	Lookup	Sales Model	1K239M	Look
Model Year *	2010	Lookup	Engine	CJAA	Look
			Transmission	LQV	Look
			Final Drive		Look
Color Code	A1/A1 TW	l	Production Date	Jul 20, 2009	
Delivery Date	Oct 29, 2009		Ordering Dealer	999-91487	
Delivering Dealer			Leasing Code	1	

Warranty Policy

Volkswagen Group Canada Inc. has extended the warranty on the DSG gearbox transmission on some of these vehicles to <u>10</u> years or 160,000 km, whichever occurs first, from the vehicle's original in-service date.

The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and repair of the DSG transmission.

Other conditions unrelated to the DSG transmission issue described above may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's transmission system or related software back up to factory specifications.

Additional repairs or part(s) replacement will only be admissible under this limited extended warranty if directly caused by this condition.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks or parking curbs or other items, or outside influence.

Additionally, the DSG transmission of the vehicle must have been maintained in accordance with the maintenance requirements found in the vehicle owner's manual for this warranty extension. The customer is responsible to retain records proving that all maintenances were completed as per the owner's manual.

DSG Transmission Warranty Extension Claim Coding

Dealers must use <u>one</u> (1) of the following claim types and <u>one</u> (1) of the applicable service numbers when submitting warranty claims for the DSG transmissions warranty extension.

			, ,	1			
Required Claim	110	From	Start of New Vehicle Limited Warranty	to	4 years / 80,000 km, whichever occurs first		
Type 1PT From		From	Start of Powertrain Limited Warranty / End of New Vehicle Limited Warranty	to	10 years / 160,000 km, whichever occurs first		
Service Number		per	Part				
	3490		Speed Sensor				
	3511			Mechatronics			
				•			
	110	From	Start of New Vehicle Limited Warranty	to	4 years / 80,000 km, whichever occurs first		
Required Claim Type	1PT	From	Start of Powertrain Limited Warranty / End of New Vehicle Limited Warranty	to	5 years / 100,000 km, whichever occurs first		
	1SP	From	End of Powertrain Limited Warranty		10 years / 160,000 km, whichever occurs first		
Servi	ce Numl	ber	Part				
	3059		Cover for Multi-Clutch				
	3060		Multiple Clutch				
	3435		Transmission: use service number 3435 for all other DSG transmission repairs and make sure to check the appropriate causal part				
	3460		Mechatronics Cover				
3461			Oil Pump Cover				
3472			Oil Pump				
3474			Oil Cooler				
	3925			Fla	ange Shaft		

Any malfunctions of non-transmission electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners.

If you have any inquiries regarding this extended warranty, please contact your Warranty Claim Specialist.

1.3.13.7 Transmission Valve Body Limited Warranty Extension

Affected Models / Model Years:

The following models / model years equipped with AQ-250 automatic transmission can be affected by this warrantable condition:

- 2003-2006 MY New Beetle, New Beetle Conv.
- 2005-2008 MY Jetta, Rabbit
- 2006-2008 MY Passat Sedan, Wagon

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has received customer complaints of affected vehicles that may experience a hard shift from first to second gear, and also from second to third gear.

To address this issue, VGCA has extended the warranty which covers the valve body in AQ-250 automatic transmission vehicles to <u>7 years or 160,000 km</u>, whichever occurs first, from the vehicle's in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and repair of the transmission valve body.

Other conditions unrelated to the malfunctioning valve body may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's transmission system or related software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of transmission management components ("chipped" or "tuned" TCMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the Transmission Valve Body Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Valve Body Warranty Extension Claim Coding				
Claim Type:	1PT			
Service Number:	3877			

Any malfunctions of non-transmission electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners.

Affected Models / Model Years:

• 2007-2011 MY Eos

Warranty Policy

For the vehicles above, corrosion can develop on the window regulator cables which can cause window operation to deteriorate over time, eventually causing the window to become stuck or inoperable.

To address this issue, Volkswagen Group Canada (VGCA), Inc. has extended the warranty which covers the window regulator cables for such models to <u>5 year, regardless of mileage</u> from the vehicle's in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and repair of the window regulator cables.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

Other conditions unrelated to this issue may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle or its software back up to factory specifications.

To determine if a vehicle is eligible for the Eos Window Regulator Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters as shown:

Enhanced Coverage								
Coverage: 20110121 - Extended Warranties USA/CAN								
Status:	Active	Start Date:	2006-04-30	Start Mileage:	1 KM	Importer:	CAN-999	
	NOTICE: THIS WARRANTY IS VALID ONLY UNTIL THE VEHICLE REACHES THE END DATE OR END MILEAGE DISPLAYED BELOW, WHICHEVER OCCURS FIRST.							
Coverage Kind:	05	End Date:	2011-04-30	End Mileage:	999999 KM	Dealer Number:		
Coverage Type:	USCVW-WTYEXT- EE EOS WINDOW REGULATOR WARRANTY EXT(0)	Sign Date:				Origin:		

Please be sure to use ETKA and ElsaWeb for applicable part(s) and labour operation(s).

Window Regulator Cables Warranty Ex	tension Claim Coding
Claim Type:	110
Service Number:	6452

Any malfunctions of electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners.

1.3.13.9 Enhanced Oil Sludge Limited Warranty Extension

Affected Models / Model Years:

The following models / model years equipped with a 1.8T engine can be affected by this warrantable condition:

• 2001-2004 MY Passat

Warranty Policy

VGCA has extended the warranty which covers oil sludge related repairs or engine replacement due to oil sludge to <u>10 years or</u> <u>192,000 km</u>, whichever occurs first, from the vehicle's in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Oil sludge refers to oil deposits, including coking, which can form in 1.8T engines due to excessive degradation of engine oil and which impairs engine lubrication. If there is engine damage NOT due to oil sludge, then this warranty extension does not apply.

Warranty Coverage Overview

This warranty extension covers only the repair of oil sludge-related conditions or engine replacement – if required – due to oil sludge. Customers are also eligible to receive a one-time-only \$25 oil and filter change discount.

The table below describes the specific conditions required for coverage. For a more detailed explanation of coverage specifications, refer to the next header.

Enhanced Oil Sludge Limited Warranty Extension Coverage Overview						
Amount of Oil Changes Required by the Oil Maintenance Schedule ¹	Proof Provided by the Customer	Amount of Reimbursement for Parts and Labour				
None	Proof that the last 2 oil and filter changes – required prior to June 10, 2011 – were performed using oil specified in the Owner's Manual.	100%				
	No Proof	50%				
1	 Proof that the last oil and filter change – required after June 10, 2011 – was performed using VW Specification 502 00 oil². Proof that the last oil and filter change – required prior to June 10, 2011 – were performed using oil specified in the Owner's Manual. 	100%				
	Proof that the last oil and filter change – required after June 10, 2011 – was performed using VW Specification 502 00 oil ² .	50%				
	Otherwise	No Coverage				
2 or more	Proof that all the oil and filter changes – required after June 10, 2011 2 or more – were performed using VW Specification 502 00 oil ² .					
	Otherwise	No Coverage				
	Amount of Oil Changes Required by the Oil Maintenance Schedule ¹ None	Amount of Oil Changes Required by the Oil Maintenance Schedule1 Proof Provided by the Customer None Proof that the last 2 oil and filter changes – required prior to June 10, 2011 – were performed using oil specified in the Owner's Manual. None Image: None for the state of the				

¹Since June 10, 2011.

²Any synthetic oil certified as complying with VW Specification 502 00 also qualifies

Warranty Coverage Specifications

In order to qualify, the customer must present proof that – after June 10, 2011 – he / she had every oil and filter change which was required at the currently specified oil maintenance intervals performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 oil.

This means that the dealer must acquire proof that all required oil and filter changes after June 10, 2011 (a) were performed, and (b) were performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 oil. Refer to the next header for information on what is considered proof.

Coverage under the Enhanced Oil Sludge Limited Warranty Extension depends on how many oil and filter changes were required under the vehicle's oil maintenance schedule after June 10, 2011, and the proof presented by the customer. There are three (3)

basic categories to consider:

- (1) <u>At the time the vehicle is brought in, no oil and filter changes were required under the oil maintenance schedule since June 10, 2011.</u>
- (2) <u>At the time the vehicle is brought in, one (1) oil and filter change was required under the oil maintenance schedule since June 10, 2011.</u>
- (3) <u>At the time the vehicle is brought in, two (2) or more oil and filter changes were required under the oil maintenance schedule since June 10, 2011.</u>

CATEGORY 1 – WHAT PROOF DOES THE DEALER NEED FOR COVERAGE WHEN, AT THE TIME THE VEHICLE IS BROUGHT IN, NO OIL AND FILTER CHANGES HAD BEEN REQUIRED UNDER THE OIL MAINTENANCE SCHEDULE SINCE JUNE 10, 2011?

The customer will be entitled to coverage for 100% parts and labor if he/she presents proof that the last two (2) required oil and filter changes were performed using an oil permitted by the maintenance schedule. If the customer cannot present proof of the last two (2) required oil and filter changes, he/she will be entitled to limited coverage for 50% parts and labor.

CATEGORY 2 – WHAT PROOF DOES THE DEALER NEED FOR COVERAGE WHEN, AT THE TIME THE VEHICLE IS BROUGHT IN, ONE (1) OIL AND FILTER CHANGE WAS REQUIRED UNDER THE OIL MAINTENANCE SCHEDULE SINCE JUNE 10, 2011?

<u>For 100% Coverage</u> – Parts and Labor: The customer will be entitled to coverage for 100% parts and labor if he/she presents proof of two things: (1) that the oil and filter change required after June 10, 2011 was performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00, and (2) that the last oil and filter change required before June 10, 2011 was performed using an oil originally specified by the Owner's Manual. Proof of both is necessary for 100% parts and labor coverage.

<u>50% Coverage –</u> Parts and Labor: If the customer only presents proof of # 1 - the oil and filter change required after June 10, 2011 using VW specification 502 00 oil – then he/she will be entitled to limited coverage for 50% parts and labor.

<u>No Coverage</u> – If the customer does not present proof of # 1 – that the oil and filter change required after June 10, 2011 was performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 – there is no coverage under the Enhanced Oil Sludge Warranty. This is because the customer must show proof that every oil and filter change required by the oil maintenance schedule after June 10, 2011 was performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 oil or a synthetic oil certified as complying with VW 502 00.

CATEGORY 3 – WHAT PROOF DOES THE DEALER NEED FOR COVERAGE WHEN, AT THE TIME THE VEHICLE IS BROUGHT IN, TWO (2) OR MORE OIL AND FILTER CHANGES WERE REQUIRED UNDER THE OIL MAINTENANCE SCHEDULE SINCE JUNE 10, 2011?

The customer will be entitled to coverage for 100% parts and labor if he / she presents proof that all of the oil and filter changes required after June 10, 2011 were performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00. If the customer does not present such proof, there is no coverage under the Enhanced Oil Sludge Warranty.

<u>For example</u>, if eight (8) oil and filter changes were required under the vehicle's oil maintenance schedule after June 10, 2011, and the customer has proof that 7 of the required 8 were performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00, the customer is not eligible for coverage under the Enhanced Oil Sludge Warranty. Proof of all required oil and filter changes after June 10, 2011, using the proper oil stated above, is needed for the customer to have coverage.

Criteria for Proof

The dealer must acquire proof that all required oil and filter changes after June 10, 2011: (a) were performed, and (b) were performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 oil. The following outlines the acceptable types of proof of oil and filter changes:

- If the oil and filter change was performed at an oil change facility:
 - Cancelled cheque(s), credit/debit card receipt(s), or oil maintenance receipt(s) from the oil change facility, and
 - Written confirmation or verification from the oil change <u>facility which shows that the oil and filter change(s) were</u> <u>actually performed using the required oil.</u>
- If the oil and filter change was performed by the customer:
 - o Receipt(s), cancelled cheque(s), credit/debit card receipt(s) for the purchase of the required oil, and
 - Affidavit, signed by the customer and notarized, stating the date(s) and mileage(s) when each of the oil and filter change(s) were performed, and attesting that VW specification 502 00 oil was used after June 10, 2011, and oil specified in the Owner's Manual was used prior to June 10, 2011

One-Time-Only Oil and Filter Change Discount

- 1. The oil and filter change discount only applies to 2001-2004 MY Volkswagen Passat vehicles equipped with 1.8T engines.
- 2. The oil change must be performed using VW specification 502 00 oil or a synthetic oil certified as complying with VW specification 502 00 in order for the customer to qualify for the discount. Other types of oil do not qualify.
- 3. This \$25.00 credit is available one-time only per each eligible vehicle.
- 4. The one time oil change discount expires on April 30, 2012. Customers are only eligible for the discount until that date.

Claim Processing

Enhanced Oil Sludge I	imited Warranty Extension Claim Coding
Claim Type:	110
Service Number:	S617
Damage Code:	0010
Refer to Technical Bulletin 17-10	-02 (No. 2013233) for applicable repair procedure

One-Time-Only O	il and Filter Change Claim Coding					
Claim Type:	710					
Service Number:	1720					
Damage Code:	0099					
Criteria ID	VW					
Outside Labour Operation	A000 00 00					
Outside Labour Amount	\$25					
	Even though the \$25 oil change discount is claimed like a campaign, this is not a campaign and will not have a code visible in the Campaign / Action Information					

campaign and will not have a code visible in the Campaign / Action Information screen. This discount is a one-time offering only. To ensure that this discount has not been previously applied to the vehicle, check for a claim in the Service History section of ElsaWeb. Duplicate discount claims will not be processed.

Additional Information

Other conditions unrelated to oil sludge may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's engine system or related software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

Any malfunctions of non-transmission electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners. If you have any inquiries, please contact your Warranty Claims Specialist.

1.3.13.10 Camshaft Follower Limited Warranty Extension

Affected Models / Model Years:

The following models / model years equipped with a 2.0L TFSI engine can be affected by this warrantable condition:

• 2006-2007 MY Eos, GTI, Jetta Sedan/Wagon, Passat Sedan/Wagon with BPY Engine code

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has determined that under specific conditions, certain production deficiencies affecting the intake camshaft and camshaft follower of the vehicle's engine could make them susceptible to premature wear and degraded performance. If this happens, the premature wearing of these components could, in rare cases, lead to wear in the base of the high pressure fuel pump camshaft follower. This issue does not cause vehicle stalling.

Additionally, the Malfunction Indicator Lamp (MIL) on the instrument cluster may illuminate due to the presence of specific fault codes caused by this condition. In some instances, an illuminated MIL could cause the vehicle to fail a smog check program, and the vehicle registration application could be denied.

Because of this, VGCA has made the decision to extend the warranty that covers the intake camshaft, camshaft follower and other related components to <u>**10 years or 192,000 km**</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

For proper diagnosis and repair instructions, please refer to Technical Bulletin 15-12-02 (No. 2015153), "MIL ON, DTC P0087, P1093 or P2293 Stored in ECM Fault Memory." Failure to comply with the eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers the following items only if repairs were needed as a direct result of camshaft and / or camshaft follower wear: diagnosis and repair of the intake camshaft and camshaft follower, high-pressure fuel pump, and one oil change.

Other conditions unrelated to this issue may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle or its software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

Additionally, for viable coverage, the engine of the vehicle must have been maintained in accordance with the maintenance requirements found in the owner's manual. For verification purposes, the customer must retain and present proof of each regularly scheduled maintenance repair in order to receive reimbursement.

To determine if a vehicle is eligible for the Camshaft Follower Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters as shown:

Coverage: 20110303 - Extended Warranties USA/CAN								
Status:	Active	Start Date:	2005-08-26	Start Mileage:	1 KM	Importer:	CAN-999	
NOTICE: THIS WARRANTY IS VALID ONLY UNTIL THE VEHICLE REACHES THE END DATE OR END MILEAGE DISPLAYED BELOW, WHICHEVER OCCURS FIRST.								
Coverage Kind:	05	End Date:	2012-08-26	End Mileage:	192000 KM	Dealer Number:		
Coverage Type:	USCVW- WTYEXT-EN CAM FOLLOWER WARRANTY EXT(0)	Sign Date:				Origin:		
Warranty Extension Claim Coding								
		Turran			•			
Cl	aim Type:				1PT			
Service Number:					1505			

0018

Damage Code:

Any malfunctions of other components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). Additionally, should ever the vehicle be sold, this warranty is fully transferable to subsequent owners.

1.3.13.11 Fuel Pressure Sensor Limited Warranty Extension

Affected Models / Model Years:

The following models / model years equipped with a 2.0L TFSI engine can be affected by this warrantable condition:

• 2007-2008 MY Eos, Passat Sedan/Wagon, Jetta, GTI with BPY Engine code

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has determined that under specific conditions, the fuel pressure sensor can be susceptible to degraded performance. If this happens, the Malfunction Indicator Lamp (MIL) on the instrument cluster may illuminate due to the presence the following specific DTC fault codes: P310B, P129F, P008B, P129E, P008A, P2540, and P0087.

VGCA has made the decision to extend the warranty that covers the fuel pressure sensor to <u>**10 years or 192,000 km**</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

For proper diagnosis and repair instructions, please refer to Technical Bulletin 01-12-20 (No. 2027458), "MIL ON DTCs P310B, P129F, P008B, P129E, P008A, P2540 or P0087 Stored in ECM Fault Memory." Failure to comply with the contained eligibility requirements and / or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and replacement of the fuel pressure sensor.

Other conditions unrelated to this issue may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions. <u>However,</u> <u>20 time units may be claimed if a customer visits the dealership with a MIL illuminated but DTC codes P310B, P129F, P008B, P129E, P008A, P2540 and P0087 are NOT present. This is an initiative to increase customer satisfaction and to minimize any inconvenience for our customers and not to promote or warrant unnecessary GFF diagnostics.</u>
- Repairs required to bring the vehicle or its software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the Fuel Pressure Sensor Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Warranty Extension Claim Coding	
Claim Type:	110
Service Number:	2409
Damage Code:	0010
Vendor Code:	WWO or 3ME

For further claim coding information, please refer to Technical Bulletin 01-12-20 (No. 2027458).

Any malfunctions of other components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). Additionally, should ever the vehicle be sold, this warranty is fully transferable to subsequent owners.

1.3.13.12 Positive Crankcase Ventilation (PCV) Valve Limited Warranty Extension

Affected Models / Model Years:

The following models / model years equipped with a 2.0L TFSI engine can be affected by this warrantable condition:

• 2006-2008 MY Eos, GTI, Jetta, Passat Sedan/Wagon with BPY Engine Code

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has determined that under specific conditions, the positive crankcase ventilation (PCV) valve can be susceptible to degraded performance. If this happens, the Malfunction Indicator Lamp (MIL) on the instrument cluster may illuminate due to the presence the following specific DTC fault codes: P1297, P2187, and P2279.

VGCA has made the decision to extend the warranty that covers the PCV valve to <u>**10 years or 192,000 km**</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

For diagnosis and repair instructions, please refer to Technical Bulletin 01-12-18 (No. 2027454), "MIL ON DTCs P1297, P2187 or P2279 are Stored in ECM Fault Memory, Possible Oil Leak." Failure to comply with the eligibility requirements and/or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and replacement of the PCV valve.

Other conditions unrelated to the malfunctioning valve may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions. <u>However</u>, <u>20 time units may be claimed if a customer visits the dealership with a MIL illuminated but DTC codes P1297</u>, P2187, and P2279 are NOT present. <u>This is an initiative to increase customer satisfaction and to minimize any inconvenience for our customers and not to promote or warrant unnecessary GFF diagnostics.</u>
- Repairs required to bring the vehicle's transmission system or related software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the PCV Valve Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Warranty Extension Claim Coding			
	Within NVLW Period	Past NVLW Period	
Claim Type:	110	1PT	
Service Number:	1726	1726	
Damage Code:	0010	0010	
Vendor Code:	WWO or 3ME	WWO or 3ME	

For further claim coding information, please refer to Technical Bulletin 01-12-18 (No. 2027454).

Any malfunctions of other components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). Additionally, should ever the vehicle be sold, this warranty is fully transferable to subsequent owners.

1.3.13.13 Intake Manifold Runner Control Motor Limited Warranty Extension

Affected Models / Model Years:

The following models / model years equipped with a 2.0L TFSI engine can be affected by this warrantable condition:

• 2006-2008 MY Eos, Jetta, GTI, Passat Sedan/Wagon with BPY Engine code

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has determined that under specific conditions, the intake manifold runner control motor can be susceptible to degraded performance in certain vehicles. If this happens, the Malfunction Indicator Lamp (MIL) on the instrument cluster may illuminate due to the presence the following specific DTC fault codes: P0642, P2004, P2008, P3137, and P3138.

VGCA has made the decision to extend the warranty that covers the intake manifold runner control motor to <u>10 years or 192,000</u> <u>km</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

For diagnosis and repair instructions, please refer to Technical Bulletin 01-12-19 (No. 2027457), "MIL ON DTCs P0642, P2004, P2008, P3137 or P3138 Stored in ECM Fault Memory." Failure to comply with the eligibility requirements and/or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and repair of the intake manifold runner control motor.

Other conditions unrelated to this issue may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions. <u>However, 20 time units may be claimed if a customer visits the dealership with a MIL illuminated but DTC codes P0642, P2004, P2008, P3137, and P3138 are NOT present. This is an initiative to increase customer satisfaction and to minimize any inconvenience for our customers and not to promote or warrant unnecessary GFF diagnostics.
 </u>
- Repairs required to bring the vehicle or its software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the Intake Manifold Runner Control Motor Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

	Warranty Extension Claim Coding
Claim Type:	110
Service Number:	2447
Damage Code:	0010
Vendor Code:	WWO or 3ME

For further claim coding information, please refer to Technical Bulletin 01-12-19 (No. 2027457).

Any malfunctions of other components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). Additionally, should ever the vehicle be sold, this warranty is fully transferable to subsequent owners.

Affected Models / Model Years:

• 2009-2010 MY Routan

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has determined that some Routan vehicles may experience premature front wheel bearing wear, resulting in a growl, hum or grinding noise while driving.

VGCA has made the decision to extend the warranty that covers the intake manifold runner control motor to <u>5 years or 145,000</u> <u>km</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

For diagnosis and repair instructions, please refer to Technical Bulletin 40-12-03 (No. 2028396), "Growl, Hum or Grind Sound at the Front Wheel Hub and Bearing." Failure to comply with the eligibility requirements and/or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers the initial diagnosis of the vehicle's front wheel bearings. This warranty extension will also cover the replacement of the front wheel bearings should the diagnosis indicate that this repair is needed.

Please be aware that other conditions may cause noises from the front of the vehicle. Other conditions unrelated to this issue may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle or its software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

To determine if a vehicle is eligible for the Routan Front Wheel Bearing Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Warranty Extension Claim Coding		
Claim Type:	110	
Service Number:	4067	

For further claim coding information, please refer to Technical Bulletin 40-12-03 (No. 2028396).

Any malfunctions of other components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). Additionally, should ever the vehicle be sold, this warranty is fully transferable to subsequent owners.

1.3.13.15 Jetta Driver Door Wiring Harness Limited Warranty Extension

Affected Models / Model Years:

• 2006 MY Jetta within the following VIN range: <u>1K_6M000660 to 1K_6M759703</u>

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. has made the decision to extend the warranty for failure of the left front driver's door wiring harness in some Jetta models. This may cause intermittent or permanent problems related to the use of accessories and / or use of power from the electrical system of the vehicles covered.

These vehicles will receive a warranty extension of <u>8.5 years (102 months) or 165,000 km</u>, whichever comes first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

If an affected part is defective <u>or</u> if the wiring harness shows signs of wear, the vehicle owner is entitled full warranty coverage. For further diagnosis and repair instructions, please refer to Technical Bulletin 97-11-05 (No. 2017600), "Door, Left Front, Harness Wires Broken." Failure to comply with the eligibility requirements and/or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers the diagnosis and replacement of the wiring harness and all other consequently affected parts. Note that previously repaired parts ARE covered by this warranty extension given that the repair(s) were performed by a certified Volkswagen dealer and / or other appropriate, certified partisan.

Other conditions unrelated to this issue may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle or its software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

To determine if a vehicle is eligible for the Jetta Driver's Door Wiring Harness Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Note: This warranty covers parts, related parts and labour <u>BUT the customer will pay a \$60 deductible plus applicable to tax to</u> <u>the dealer</u>. DO NOT process this deductible through SAGA. It will be deducted from the Claim Total Amount at time of payment on the weekly <u>Credit Note</u>. Please refer to the following example of the deductible process:

Deductible Process <u>EXAMPLE</u> (Ontario dealer):

Regular Repair Payment	Repair \$	Тах	Total		
Dealer input claim in SAGA	\$300.00 +	\$300.00 + \$39.00 Tax added to credit note =			
Payment with deductible					
Customer pay deductible to Dealer	\$60.00 +	\$7.80 Tax =	\$67.80		
Dealer claim repair in SAGA	\$300.00	·			
Credit note reimbursement	\$240.00 +	\$31.20 Tax added to credit note =	\$271.20		
(\$300.00 – 60.00 deductible)					
Total Dealer Reimbursement	\$271.20 + \$67.80 = \$339.00				

	Warranty Extension Claim Coding
Claim Type:	110
Service Number:	9732
Damage Code:	0015

For further information regarding claim coding as well as part(s) and labour repair(s), please refer to Technical Bulletin 97-11-05 (No. 2017600).

Any malfunctions of other components remain covered by the normal terms of the New Vehicle Limited Warranty (NVLW). Additionally, should ever the vehicle be sold, this warranty is fully transferable to subsequent owners.

If you have any inquiries, please contact your Warranty Claims Specialist.

1.3.13.16 Diesel Engine Exhaust Flap Limited Warranty Extension

Models / Model Years Affected:

The following models / model years equipped with 2.0L TDI Clean Diesel® engines may be affect by this warrantable condition:

- 2009-2012 MY Jetta Sedan/Wagon/SportWagen with CBEA or CJAA Engine code
- 2010-2012 MY Golf with CJAA Engine code
- 2012 MY Passat with CKRA Engine code

Warranty Policy

Volkswagen has determined that under specific conditions, certain deficiencies affecting the engine exhaust flap on some TDI® Clean Diesel Engine vehicles could make the engine exhaust flap susceptible to degraded performance. If this happens, the Malfunction Indicator Lamp (MIL) on the instrument cluster may illuminate due to the presence of specific fault codes caused by a faulty engine exhaust flap. In some locales, an illuminated Malfunction Indicator Lamp could cause the vehicle to fail a smog check program, and the vehicle registration application could be denied. Volkswagen has not identified any vehicle drivability concerns related to this issue.

Volkswagen is informing you of our decision to extend the Emissions Control Systems Warranty for engine exhaust flap replacement under specific conditions to <u>10 years or 193,000 km</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

For further information on repair and diagnosis of this issue, please refer to Technical Bulletin 26-13-03 (No. 2031583). Failure to comply with the eligibility requirements and/or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and replacement of the diesel engine exhaust flap.

Other conditions unrelated to the malfunctioning exhaust flap may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's powertrain system or related software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the Diesel Engine Exhaust Flap Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Warranty Extension Claim Coding				
Claim Type: 110				
Service Number:	2671			

For further information on claim coding issue, please refer to Technical Bulletin 26-13-03 (No. 2031583).

Any malfunctions of other electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners.

If you have any inquiries, please contact your Warranty Claims Specialist.

1.3.13.17 Secondary Air Pressure Sensor Limited Warranty Extension

Models / Model Years Affected:

The following models / model years equipped with 2.5L engines may be affect by this warrantable condition:

• 2009 MY Jetta, Golf with Engine Code CBUA and CBTA

Warranty Policy

Volkswagen has determined that under specific conditions, certain deficiencies affecting the secondary air pressure on some vehicles equipped with 2.5L engines could make the secondary air pressure sensor susceptible to degraded performance. If this happens, the Malfunction Indicator Lamp (MIL) on the instrument cluster may illuminate due to the presence of specific fault codes caused by a faulty secondary air pressure sensor. In some locales, an illuminated Malfunction Indicator Lamp could cause the vehicle to fail a smog check program, and the vehicle registration application could be denied. Volkswagen has not identified any vehicle drivability concerns related to this issue.

Volkswagen is informing you of our decision to extend the Emissions Control Systems Warranty for secondary air pressure sensor replacement under specific conditions to <u>10 years or 193,000 km</u>, whichever occurs first, from the vehicle's original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

For further information on repair and diagnosis of this issue, please refer to Technical Bulletin 26-12-04 (No. 2028415). Failure to comply with the eligibility requirements and/or repair instructions may result in a partial or complete debit of the warranty claim.

Warranty Coverage / Obligation

This warranty extension covers only the diagnosis and replacement of the secondary air pressure sensor.

Other conditions unrelated to the malfunctioning secondary sir pressure sensor may require repairs that are needed for proper diagnosis of the underlying condition. Any repairs related to the following are not covered under this warranty extension:

- Repairs necessary for proper diagnosis of these other conditions.
- Repairs required to bring the vehicle's powertrain system or related software back up to factory specifications.

The following are also not covered under this limited extended warranty:

- Damage due to intentional or unintentional modification(s) to related systems;
- Damage from collision or contact with rocks, parking curbs or other items causing outside influence.

This warranty extension will not cover any damage or malfunctions caused by installation of non-EPA certified parts, or parts that alter the performance of the engine; engine controls; or exhaust system, such as the installation of engine management components ("chipped" or "tuned" ECMs) not approved by Volkswagen.

To determine if a vehicle is eligible for the Secondary Air Pressure Sensor Limited Warranty Extension, check the VIN in ElsaWeb > Vehicle Specific Notes > Vehicle Data. If the warranty extension is applicable to the vehicle, The "Enhanced Coverage" section of the "Vehicle Data" screen in ElsaWeb will be populated with the warranty extension parameters.

Warranty Extension Claim	Coding
Claim Type:	110
Service Number:	2666

For further information on claim coding issue, please refer to Technical Bulletin 26-12-04 (No. 2028415).

Any malfunctions of other electrical and mechanical components remain covered by the normal terms of the New Vehicle Limited Warranty. Additionally, should the vehicle be sold, this warranty is fully transferable to subsequent owners.

If you have any inquiries, please contact your Warranty Claims Specialist.

1.3.14 Warranty Extension for Vehicles Placed in Service Prior to Delivery

Some vehicles may be put into service before their retail delivery date. These vehicles may include:

- Demonstrators
- Service loaners
- Dealer daily rentals
- VGCA company cars purchased by the dealer

Warranty extensions may be purchased for these vehicles during retail delivery to a customer so as to extend the New Vehicle Limited Warranty (NVLW). The warranty will be extended by the time and kilometres driven while used prior to the delivery date. When both the demonstrator extension and Volkswagen Certified pre-owned Limited Warranty apply, the demo extension takes precedence. This extension only pertains to the NVLW. No other warranties can be extended.

Obsolete Purchase

As of August 1, 2007, the demonstrator extension can no longer be purchased for vehicles that have been put in service prior to the retail delivery date. Claims submitted for warranty extensions purchased through July 31, 2007 will continue to be honoured until their normally scheduled expiry date or kilometre, whichever occurs first.

Claim Process

The warranty extension claim is processed in the usual manner. Claim type S10 extends the NVLW by the remaining time and kilometres of the warranty extension.

1.3.15 Volkswagen Parts and Accessories Limited Warranty

IMPORTANT!

For extremely important policy information on this and other warranty types, such as:

- The start or end of the warranty period,
- Where to go for warranty service,
- Repairs required while travelling, or emergency repairs,
- Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Warranty Policy

Volkswagen Group Canada (VGCA), Inc. warrants that every new and factory-remanufactured part and accessory, (excluding tires and batteries) which is imported or distributed by VGCA and sold as a new or factory-remanufactured part or accessory to a retail customer or authorized dealer, will be free from defects in material and workmanship under normal use and service for <u>1</u> <u>year</u> after the date of installation of the part or accessory or until the vehicle in which the part or accessory is installed has been driven <u>20,000 km</u>, whichever occurs first.

Warranty Coverage / Obligation

The following terms of warranty issued by VGCA apply to all new and factory-remanufactured parts and accessories sold by authorized Volkswagen dealers:

Parts Installation

- If the defective part or accessory was installed by an authorized Volkswagen dealer and the vehicle is brought during this period to the workshop of any authorized Volkswagen dealer, the dealer will, without charge, either repair or replace it with a new or factory-remanufactured part or accessory.
- If the defective part or accessory was sold "Over-the-Counter" at a Volkswagen Dealership and installed by a third-party
 repair facility, the dealer will-repair the part or accessory or provide a new or remanufactured part or accessory. However,
 the labour required to remove the defective part or accessory and to install the new or remanufactured part or accessory
 is NOT reimbursable.

Parts Installation Date

- If a part is installed **during** the New Vehicle Limited Warranty (NVLW) period (as a warranted replacement part), the part is covered for the remainder of the NVLW period, or for 1 year or 20,000 km, whichever is greater.
- If a part is installed in a vehicle **after** the New NVLW period has expired, that part is warranted for 12 months or 20,000 km, whichever occurs first. If the replaced part fails during that period, an additional new or remanufactured part will also be installed and will receive a 12-month or 20,000-km warranty, whichever occurs first.

Accessories and Others

- If an accessory (e.g., block heater, CD changer, cruise control) is installed prior to New Vehicle delivery, it is covered for the entire New Vehicle Limited Warranty (NVLW) period (4 years or 80 000 km, whichever occurs first). If an accessory is installed after New Vehicle delivery, it is covered for 12 months or 20,000 km, whichever occurs first.
- Electrical parts and electronic components are subject to inspection by VGCA and, if found to be damaged due to
 improper installation or handling by an unauthorized repair facility, cannot be accepted for warranty reimbursement. For
 details about coverage for batteries, see your Volkswagen Parts or Service Professional or refer to Section 4, "<u>Battery</u>."

Transference

The Volkswagen Parts and Accessories Limited Warranty is transferable to subsequent owners free of charge.

Damage and malfunctions NOT covered by warranty

VGCA is not responsible for damage or malfunctions resulting from:

- Misuse, negligence, alteration, modification, environmental damage, accident or fire;
- Improper repair of the vehicle or damage due to improper installation or diagnosis;

- Use of the part or accessory in a vehicle used for a competitive purpose; or
- Failure to follow recommended maintenance intervals and requirements.

Wear and tear and maintenance and service items NOT covered by warranty

This warranty does not cover wear and tear items such as clutch linings, brake pads, brake linings, windshield wiper blades, fuses, radio tape head cassette cleaning, worn seat covers and other trim and appearance items that wear as a result of normal use, lack of normal care, or deterioration.

Maintenance and service items are at the expense of the owner <u>except</u> where specifically required as part of a repair for a different condition covered under warranty.

No Other Warranties Made

This warranty is in lieu of all other express warranties of VGCA, the Manufacturer, and the selling dealer for new or factoryremanufactured parts and accessories. Any implied warranty, including any implied warranty of merchantability or warranty of fitness for a particular purpose, is limited to the duration of this written warranty.

Neither VGCA nor the Manufacturer assumes, or authorizes any person to assume on its behalf, any other obligation or liability.

Some provinces do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to the owner.

Consequential Damage Excluded

VGCA is not responsible for incidental or consequential damage, including lost profits or earnings, or out-of-pocket expenses for substitute transportation or lodging. Some provinces do not allow the exclusion or limitation of incidental or consequential damages, so this limitation or exclusion may not apply to the owner.

Other Legal Rights

This warranty also gives the owner specific legal rights, and they may also have other rights, which vary from province to province.

Warranty information may be obtained by phoning 1-800-822-8987, or by writing to:

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

1.3.16 Volkswagen Limited Lifetime Warranty

IMPORTANT!

For extremely important policy information on this and other warranty types, such as:

- The start or end of the warranty period,
- Where to go for warranty service,
- Repairs required while travelling, or emergency repairs,
- Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Purchase Date	Part Covered	Duration		
Fuichase Date	Fait Covered	Years	Kilometres	
1989~	Mufflers			
1996~	Shock Absorbers Struts Strut Inserts	Unlimited	Unlimited	

Warranty Period

If the vehicle's current owner is the original purchaser of a malfunctioning muffler, shock absorber, strut, or strut insert, then the Volkswagen Limited Lifetime Warranty covers that part **at any time** provided the vehicle is eligible per policy.

If the vehicle's current owner is NOT the original purchaser a malfunctioning muffler, shock absorber, strut, or strut insert, then only the Volkswagen Parts and Accessories Limited Warranty will cover that part for <u>1 year or 20,000 km</u>, whichever occurs first, from the original purchase date of the part.

Warranty Policy

The following terms of warranty apply to Volkswagen replacement mufflers, shock absorbers, struts and strut inserts sold by Volkswagen Group Canada Inc. (VGCA):

Mufflers

VGCA warrants against the malfunction of any Volkswagen replacement mufflers (hereafter referred to as "Replacement Parts") which were acquired by a retail customer and installed in a Volkswagen vehicle on or after January 1, 1989, for as long as the original purchaser of these replacement parts continues to own or lease the vehicle on which they were originally installed. The covered part must have been purchased by a retail customer and installed by an authorized Volkswagen Dealer.

Shock Absorbers, Struts, and Strut Inserts

VGCA warrants against the malfunction of any Volkswagen replacement shock absorbers, struts or strut inserts (hereafter referred as "Replacement Parts") which were acquired by a retail customer and installed by an authorized Volkswagen dealer in a Volkswagen vehicle on or after January 1, 1996, for as long as the purchaser continues to own or lease the vehicle.

Warranty Coverage / Obligation

In the event that any of the parts listed above experience a malfunction, VGCA will provide a new Replacement Part free of charge. However, the cost of removal of the malfunctioning part from the vehicle and the installation of a new Replacement Part into the vehicle are NOT covered by this warranty.

Labour may only be reimbursable under the Volkswagen Parts and Accessories Limited Warranty within 1 year or 20,000 km, whichever occurs first, from date of purchase of the Replacement Part (only if installed by an authorized Volkswagen dealership). VGCA is not responsible for labour reimbursement beyond 1 year or 20,000 km, whichever occurs first.

The new replacement mufflers, shock absorbers, struts and strut inserts will continue to be covered by the Volkswagen Limited Lifetime Warranty.

Transference

The Volkswagen Limited Lifetime Warranty is **NOT** transferable to subsequent owners.

Owner's Obligations

In order to claim under this warranty, the original purchaser of the replacement part must provide the following:

- the vehicle equipped with the malfunctioning part to any authorized Volkswagen dealer in Canada for repair,
- the Volkswagen "Limited Lifetime Warranty" certificate delivered to the purchaser on the date of the original sale of the Replacement Part and,
- proof of current vehicle registration to any authorized Volkswagen dealer in Canada or to the service facility which
 installed the warranted component. In order to be acceptable, such proof of vehicle registration must, at a minimum,
 show the purchaser's name and the Vehicle Identification Number (VIN) of the vehicle in which the Replacement Part was
 originally installed.

Warranty Claims

To process a warranty claim under the Volkswagen Limited Lifetime Warranty, utilize Parts on Command (NOT SAGA). For questions regarding claim submission, refer to your Volkswagen Parts Managers' Handbook, Claim Section for details.

Exclusions from the Lifetime Warranty

Catalyst, exhaust pipes (unless part of muffler assembly) clamps, gaskets, hangers, and any other mounting hardware associated with the replacement of the mufflers, shock Absorbers, struts and strut inserts are not covered by this warranty.

Damage or Malfunctions Unrelated to a Malfunction of the Replacement Part

Damage to or malfunctions of the Replacement Part caused by misuse, negligence, alteration, accident, fire, the improper repair of the vehicle, environmental damage, or the use of the vehicle in competitive events are not covered by this warranty.

Consequential and Incidental Damage

This warranty does not cover any consequential or incidental damage, including loss of value of the vehicle, lost profits or earnings or out-of-pocket expenses for substitute transportation or lodging.

Some provinces do not allow the exclusion or limitation of incidental or consequential damage, so this limitation or exclusion may not apply to the owner.

No Other Warranties Made

This warranty is the only express warranty made by VGCA, the Manufacturer, and the selling dealer in connection with the sale or installation of a Replacement Part covered by this warranty. Any implied warranty, including any implied warranty of merchantability or warranty of fitness for a particular purpose, is limited to the duration of this written warranty.

Neither VGCA nor the Manufacturer assumes, or authorizes any person to assume on its behalf, any other obligation or liability.

Specific Legal Rights

This warranty also gives the owner specific legal rights, and they may also have other rights, which vary from province to province.

Warranty information may be obtained by phoning 1-800-822-8987, or by writing to: **Volkswagen Group Canada Inc.** Customer Relations 777 Bayly Street West Ajax, ON, L1S 7G7

1.3.17 Hybrid System Limited Warranty

IMPORTANT!

For extremely important policy information on this and other warranty types, such as:

- The start or end of the warranty period,
- Where to go for warranty service,
- Repairs required while travelling, or emergency repairs,
- Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Warranty Coverage

The Hybrid System Limited Warranty covers **defect(s) in material(s) or workmanship only** as defined in this manual for the following list of components:

- High-voltage battery (including protective box)
- Battery energy control module
- Battery cooling system (including battery fans, housing, and air induction vents)
- Hybrid electric motor
- Hybrid electric motor clutch
- Hybrid electric motor clutch actuator
- Power electronics (inverter and converter)
- High-voltage cables (including connection boxes, safety plugs and pilot line cable system)
- Electronic control module (ECM)
- Power steering system (including pump and control module)
- Electric transmission oil pump (including control module)

Note: This warranty does NOT cover conditions / issues related to normal wear and tear.

Warranty Period

The above coverage applies during a period of <u>8 years or 160,000 km</u>, whichever occurs first, from the original in-service date. The vehicle's original in-service date is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Any implied warranty, including any warranty of merchantability or warranty of fitness for a particular purpose, will continue in force only during the warranty period of the limited warranties. Neither Volkswagen nor the manufacturer assumes, or authorizes any person to assume, any other obligation or liability on its behalf. Some provinces do not permit a limitation on how long an implied warranty lasts or the exclusion or limitation of incidental or consequential damages. The warranties give owners specific legal rights, and they may also have other rights that vary from province to province.

Warranty Obligation

The Hybrid System Limited Warranty covers the repair or replacement of part(s) which have defect(s) in material(s) and / or workmanship for specified Hybrid System components listed above.

Warranty Exclusions

This warranty coverage excludes vehicles used for commercial purposes including but not limited to taxis, couriers, driving schools, and delivery services.

Transference

This Hybrid System Limited Warranty is automatically transferred without cost if the ownership of the vehicle changes within the warranty period.

2 Warranty by Components

2.1 ABS Control Unit

NVLW: Policy applies to Passat MY 1998-2005

The electronic component of the ABS control unit is available as a separate unit. When an ABS electronic malfunction is diagnosed, only the electronic component of the ABS control module may be replaced.

• Note: Hydraulic malfunction requires replacement of the complete ABS control module/hydraulic unit.

Claim coding process

Claim Type	1 - 10	
Service Number	4545	
Labour Operation		
45010100	Check ABS	TU: See ElsaWeb
47010750	Bleed brake system	TU: See ElsaWeb
45301950	Remove and install ABS hydraulic unit	TU: See ElsaWeb
45455555	Replace ABS control unit	TU: See ElsaWeb
Part Number	8E0 998 375_* (ABS version 5.3), or 4B0 998 375_* (ABS version 5.7)	Repair kit: Anti-lock brake control unit
*See ETKA se	ction 927-00 for applicable part number suffix	

2.2 Air Conditioner

Reimbursement for replacement of refrigerant R-134a, 1 unit = 0.01 oz. Up to 16 oz. will be reimbursed for testing purposes (R-134a = ZVP000134). Claim necessary quantity for replacement of refrigerant lost due to a defect in material or workmanship. Reimbursement does not cover air conditioner recharging due to seasonal maintenance.

While airbag systems have proven to be exceptionally reliable and durable, Volkswagen does not approve the use of airbag systems and components removed from accident, salvage or other vehicles.

Airbag systems are designed and manufactured by Volkswagen for use in specific models and are not interchangeable with airbags designed for other models. For this reason a record is maintained by Volkswagen of the identification number of each airbag installed into each vehicle during production.

Salvage or used airbags may be unsuitable for reuse for a variety of reasons, including the following:

- The salvage or used airbag was designed for installation into a different make, model or model year vehicle.
- The salvage or used airbag was designed for the same model vehicle but technical changes were made in the airbag system of the model within mid-model year causing the salvage or used airbag to become superseded and unsuitable for replacement purposes.
- The salvage or used airbag was improperly removed from the vehicle into which it was originally installed during production.
- The salvage or used airbag, in particular its electrical connectors and the airbag material, may have been adversely
 affected by exposure to weather conditions which may have reduced the conductivity of wiring and connectors or the
 integrity or impact characteristics of the airbag material due to corrosion, excessive moisture, dust or grease and oil
 products.

All of the factors cited above may affect the performance of airbag systems.

Once an airbag has deployed or has been deployed, then that airbag must never be used again. Accordingly, a deployed airbag must never be repaired. A malfunctioning or deployed airbag and airbag components that have been consumed or stressed in a deployment must always be replaced with new replacement parts that have the same specifications as those that were originally installed and are available from Volkswagen.

It should also be noted that Volkswagen does not warrant salvage or used airbags against defects in materials or workmanship or in any other respect.

Volkswagen will not accept responsibility for the consequences. Therefore, Volkswagen will not under any circumstance defend or indemnify any dealer against claims arising from the usage of repaired airbags and/or used components.

When deploying any airbag for disposal purposes, follow the instructions provided in the Instruction Booklet for the J-44210 Airbag and Safety Belt With Pretensioner Deployment Device (available on ElsaWeb/ServiceNet or by calling Equipment Solutions at 1-800-892-9650, part number J-44210-5A).

Important: Defective seat covers for an airbag-equipped seat that enclose an airbag must always be replaced and not repaired.

2.4 Brake Components

2.4.1 Brake Discs Replaced Under Warranty

All brake disc replacements for Volkswagen vehicles are under part request by the Warranty Parts Return Centre (WPRC). All brake discs will be evaluated. Any brakes discs found to have been replaced due to outside influence may be subject to a debit of the warranty claim.

NOT Covered by NVLW
Customer/Dealer causeOutside influence
Brake disc conditions that are also NOT covered include, but are not limited to:
Corrector
Corrosion
 Localized overheating/hotspots Damage due to improper removal of components
Damage to brake disc due to exceeding wear limits (e.g., metal
 to metal friction) Damage due to improper operation of the vehicle

Conditions for Replacement of Brake Discs Under New Vehicle Limited Warranty

The *Brake Disc Measurement Form* must be filled out whenever brake discs are replaced, and attached to the repair order for the vehicle. A copy of the completed form must also be sent together with the replaced discs if they have been requested by the Warranty Parts Return Centre.

MY 2006 and prior

- Brake pads that are within or worn beyond published wear limits (i.e. pads that are thinner than the minimum allowed thickness) are covered for wear and tear for 1 year/20,000 km, whichever occurs first. Wear specs must be documented. Refer to ElsaWeb Repair Manual for published brake pad and disc wear limits.
- Brake discs are NOT covered for wear and tear.
- Brake pads and brake discs are covered for defects in material or workmanship for the entire NVLW period.

MY 2007 ~

- Brake pads or discs that are within or worn beyond published wear limits (i.e. pads or discs that are thinner than the
 minimum allowed thickness) are covered for wear and tear for 1 year/20,000 km, whichever occurs first. Wear specs must
 be documented. Refer to ElsaWeb Repair Manual for published brake pad and disc wear limits.
- Brake pads and brake discs are covered for defects in material or workmanship for the entire NVLW period.

2.4.3 Brake Disc/Drums Machining

Machining of brake discs is reimbursable under warranty under specific conditions (refer to the latest Technical Bulletin instance for specifications and requirements). Machining of brake drums is not a warrantable repair for any reason.

2.4.4 Brake Noise/Squeal

Brake noise/squeal can occur and may be normal. Replacement of pads or linings for brake noises is not a warranty matter, unless instructed in writing by your FOM (unless otherwise instructed by a Technical Bulletin). Also see Section 2.4.3 "Brake Disc/Drums, Machining."

2.5 Bulbs

Also see New Vehicle Limited Warranty (NVLW), Components Covered for Wear and Tear.

NVLW:

MY 2006 and prior

- Bulbs replaced for wear and tear are covered for 1 year/20,000 km, whichever occurs first, with the exception of Halogen/Xenon headlights and instrument cluster bulb (part ID/Service Number 9629). Halogen/Xenon headlights and instrument cluster bulb, replaced for wear, are covered for 4 years or 80,000 km, whichever occurs first. Halogen/Xenon headlights damaged from outside influence are not covered.
- Bulbs replaced for defects in material or workmanship are covered for 4 years or 80,000 km, whichever occurs first.

MY 2007 ~

- Bulbs replaced for wear and tear are covered for 1 year/20,000 km, whichever occurs first, with the exception of Halogen/Xenon headlights. Halogen/Xenon headlights, replaced for wear, are covered for 4 years or 80,000 km, whichever occurs first. Halogen/Xenon headlights damaged from outside influence are not covered.
- Bulbs replaced for defects in material or workmanship are covered for 4 years or 80,000 km, whichever occurs first.

2.6 Cabrio Top/Camper Top Repairs

All repairs to Cabrio tops and Camper roofs require prior FOM authorization

• Repairs must be performed within 30 days of authorization.

Repairs/replacements should be claimed using one of the following claim types:

- 1-10: New Vehicle Limited Warranty
- 9-10: Before Delivery

Exclusions:

- Normal wear and tear is NOT COVERED under warranty.
- Damages due to outside influence are NOT COVERED under warranty.

2.7 Clutch, Clutch Discs

MY 2006 and prior

 Clutch discs are covered for 1 year /20,000 km, whichever occurs first, for wear and tear. Clutch discs are covered for defects in material or workmanship for the entire NVLW period.

MY 2007 ~

- Clutch discs are NOT covered for wear and tear. Clutch discs are covered for defects in material or workmanship for the entire NVLW period.
- Note: If needed, your FOM can assist you in determining the warranty coverage for Clutch/Clutch disc repairs.

2.8 Distributor Cap, Ignition Rotor, High Tension (Ignition) Wires

The distributor cap, ignition rotor, and ignition wires are covered under the NVLW for manufacturing defects only. Wear and tear is not covered.

2.9 Fuel Cap, Loose

The following customer satisfaction policy is applicable within the NVLW for a customer concern that the "Malfunction Indicator Lamp" (MIL) is illuminated and a diagnostic trouble code (DTC) is present for a gross or small evaporative emission (EVAP) system leak.

If it is determined that the cause of the EVAP system leak is a loose or missing fuel cap, and the vehicle is within the parameters of the NVLW period, Volkswagen will reimburse you for diagnosis as outlined below. This diagnostic payment is for a "No Trouble Found" (NTF) condition, not a defect in material or workmanship, and may be claimed one-time only. The customer should be educated regarding a loose fuel cap and illumination of the MIL and advised that this concern will be covered under warranty one-time only.

Claim processing		
Claim Type:	1-10	
Service Number:	2005	
Labour Operation:	(Claim one	of the following, one-time only)
Through MY 2003:	01290021	20 TU
From MY 2004:	01500000	Actual TU from Guided Fault Finding Diagnostic Log

Diagnosis time must be punched on and off separately and a copy of the 5051B/5052A/6150 printouts must be attached to the repair order hard copy.

2.10 Filters Installed On Non-Volkswagen Vehicles

Volkswagen factory replacement filters are warranted for use on Volkswagen as well as non-Volkswagen vehicles.

However, if a Volkswagen factory replacement filter is installed on a non-Volkswagen vehicle, the filter is warranted only until the first filter replacement interval recommended by the vehicle manufacturer even if the Volkswagen warranty has not yet expired. To claim a defective filter, which was installed on a non-Volkswagen vehicle, submit a stock part claim using claim type 131. Enter these claims like any others, except enter the part delivery date and part km. You do not need to enter a VIN for 131 claim type.

- Enter parts and labour amounts in the appropriate "outside" fields in SAGA.
- An explanation of the subsequent or consequential damage or failure and reference to brand of the competitive-make
 product is required in the comments section.

This warranty is included in the Limited Parts and Accessories Warranty. All exclusions and limitations that apply to the Limited Parts and Accessories Warranty also apply to this warranty.

2.11 Glass

Glass is covered under the NVLW for manufacturing defects only. Stone chips in the glass are not covered.

All windshield glass repairs require prior FOM approval.

Glass Components Requested by the Warranty Parts Return Centre (WPRC)

There are specific procedures to be followed for the packaging and sending of glass components to the WPRC. Please refer to Section 8.3.3.2, "Procedures for Shipping Specific Parts."

2.12 Headphones, Wireless (Routan)

Routan wireless headphones are not covered under the NVLW. Wireless headphones are warranted by their respective headphones manufacturer.

2.13 Maintenance

2.13.1 General

Customer requests for warranty assistance may not be denied because of a missing Maintenance Booklet. A replacement booklet should be obtained and provided to the owner.

The warranty does not apply to malfunctions resulting from improper or inadequate maintenance.

Maintenance performed by other than authorized Volkswagen dealers

A record must be kept, along with dated bills, of all maintenance performed as proof that the maintenance was performed when required.

2.13.2 Free Scheduled Maintenance Program (Volkswagen Phaeton only)

General Policy

The Volkswagen Free Scheduled Maintenance Program (or Volkswagen Protection Plus):

- Applies exclusively to 2004-2006 Phaeton Models
- Covers the manufacturer's required scheduled maintenance services listed in the Maintenance Booklet for the duration of the New Vehicle Limited Warranty (NVLW) period

Vehicle eligibility must be verified by reviewing the Maintenance Booklet and the vehicle's Service History in ElsaWeb and making sure that the model and model year of the vehicle is eligible for free maintenance.

Volkswagen Group Canada (VGCA), Inc. recommends that the customer have maintenance services performed at the scheduled time or kilometre intervals, however, if a maintenance service is missed, it need not be "picked up" later. Instead, Volkswagen dealers should perform the most appropriate service upon considering the vehicle's age and distance driven. <u>Reimbursement for</u> missed scheduled maintenance services will not be provided.

Maintenance Booklet

It is the servicing dealer's responsibility to stamp the Maintenance Booklet in the correct place once the maintenance service is completed. Free maintenance services will be paid by Volkswagen one time only; disputes between dealers must be settled between the two service departments involved.

Failure to stamp the booklet may result in non-payment of warranted maintenance service, as any maintenance service performed twice will have to be discussed and resolved between the two dealerships involved. After the matter is resolved, the erring dealer should contact the Warranty Helpline, in writing, so appropriate corrections can be performed. If the customer has lost the booklet, it is the dealer's responsibility to provide a new booklet and bring it up to date with any completed services. The service performed may not be entered into the SAGA system until the book is stamped.

Repairs Claimed Separately

Claims for reimbursement of the cost the following are to be submitted separately from claims for regularly scheduled maintenance services and filed under 1MA claim type, as a stand-alone Service Number:

- Brake fluid
- Air cleaner element
- Any labour required for repair / replacement of above components

Where to go for Volkswagen Protection Plus Service (Free Scheduled Maintenance Program)

Volkswagen Protection Plus service can be honoured by any authorized Volkswagen dealer in Canada.

For owners travelling in the United States, the Volkswagen Protection Plus Program service should be performed by an authorized Volkswagen dealer. If the vehicle is eligible for Volkswagen Protection Plus Program service, United States dealers can submit a maintenance claim. As of MY09, proof of Canadian residence is required. If the United States dealer cannot submit a maintenance claim, the owner may be asked to pay for the repair. Upon the customer's return to Canada, the customer may present their invoice to a Canadian Volkswagen dealer, who should submit a claim on their behalf and obtain reimbursement for them. Volkswagen will only reimburse owners for maintenance service performed by an authorized Volkswagen dealer.

If a Volkswagen vehicle is brought to an authorized Volkswagen dealer outside Canada, the *Volkswagen Protection Plus Program* does not apply (except for owners travelling in the United States, as explained in this section).

Total Loss Vehicles

Vehicles severely damaged and/or declared to be a total loss by an insurer or vehicles substantially reassembled from or repaired with parts obtained from another used vehicle are not covered by the Volkswagen Protection Plus Program.

Free Maintenance claim type and documentation

Free Maintenance claims are subject to the same documentation and retention requirements as other Warranty claims. Free Maintenance claims that are not properly documented and retained will be subject to debit. Claim Type: 1MA

2.14 Main Wiring Harness

Main wiring harness replacements require prior approval by the VGCA Technical Helpline. The VTA case code must be included on the repair order and in the Comments field of the warranty claim.

2.15 Mass Air Flow Sensor

Refer to Mass Air Flow Sensor Emissions Control System Limited Warranty Extension.

2.16 Oil

2.16.1 Engine Oil Quality Standards for All Volkswagen Vehicles

For all repairs under warranty, repairs for campaigns, and maintenance / repairs performed during CPO inspections, technicians are required to use Castrol brand engine oil where the addition or refilling of engine oil is required.

The following tables summarize pricing and reimbursement rates listed for all applicable engine oil types to be used in all Volkswagen vehicles:

	SAGA Castrol Oil Reimbursement Table									
Gasoline Engines		Oil Pricing per Litre		VW Castrol Oil Reimbursement						
Applicable Vehicles	Oil Type	Castrol Dropship Material	Purchase Volume	Dealer Net	Retail Price (MSRP)	<u>SAGA</u> Material Part Number	Weight ¹ avg. Dealer Net Price	SAG/ Reimbur <u>Per 0.1</u> Litre ²		
	Mineral 5W 20	ZVW352520Q DSP	1 Litre	\$4.37	\$5.46	G 052107S0		\$0.47	\$4.70	
		ZVW352092Q DSP	1 Litre	\$4.35	\$5.44					
		ZVW352094 DSP	208.2 Litre (Drum)	\$2.98	\$3.73					
Routan		ZVW352130 DSP	Bulk	\$2.98	\$3.73		* 0.00	\$0.40	\$4.00	
3.6L, 4.0L		ZVW352082Q DSP	1 Litre	\$3.22	\$4.03	G 052108S0	\$3.20	\$U.4 U	\$4.00	
	Mineral 5W 30	ZVW352084 DSP	208.2 Litre (Drum)	\$2.61	\$3.26	-				
		ZVW352530 DSP	Bulk	\$2.98	\$3.73					
All		ZVW352540S DSP	1 Quart	\$6.56	\$8.20	G 052167S0			_	
gasoline engine vehicles (except	Synthetic 5W 40	ZVW352540SDDSP	208.2 Litre (Drum)	\$5.92	\$7.40		\$6.09	\$0.76	\$7.60	
Routan)		ZVW352540SBDSP	Bulk	\$5.63	\$7.04					

1 - Weighted average for Mineral & Synthetic Oil is determined based on their respective national dealer purchase volume percentage.

2 – Parts pricing in SAGA for <u>Gasoline engine oil</u> reimbursement is based on <u>one tenth (1/10) of a litre</u>

	SAGA Castrol Oil Reimbursement Table							
TDI (Diesel) Engines		Oil Pricing per Litre		VW Castrol Oil Reimbursement				
Applicable	Oil Type	ype Castrol Dropship Materiel	Purchase	Dealer	Retail Price		Retail Price per	<u>SAGA</u> Oil Reimbursement
Vehicles Oil Type		Volume	Net	(MSRP)		Litre	Per Litre	
2006 MY & newer TDI	Synthetic SLX 504/507	G 0521951L	1 Litre	\$7.67	\$9.59	G 0521951L	\$9.59	\$9.59
2006 MY & older TDI	Synthetic 505 01	G 052167M2	1 Litre	\$7.53	\$9.41	G 052167M2	\$9.41	\$9.41

2.16.2 Oil Leaks

Policy

In the case of oil leaks from the upper engine area, oil leak diagnosis categorization for the replacement of camshaft adjusters/camshaft adjuster gasket/cylinder head cover gasket is necessary. Please refer to Section 2.16.3, "<u>Camshaft Adjuster / Camshaft Adjuster Gaskets / Cylinder Head Cover Gasket Policy Overview</u>" for further clarification.

The New Vehicle Limited Warranty (NVLW), Powertrain Limited Warranty and Certified Pre-Owned (CPO) Limited Warranty, cover camshaft adjuster gaskets and cylinder head cover gaskets for defect(s) in material(s) or workmanship. The Emission Warranties do not cover camshaft gaskets.

Affected Models

This policy applies to all Volkswagen model/model year vehicles with 5-valve technology (5V) covered under one of the warranties mentioned above.

5 Valve technology (5V) models:

- 1.8T with engine code: APH, AWV, AWP, BKF, BNU, AWD, AWW, AEB, AUG, ATW, AWM
- 2.8L (V6) with engine code: AHA, ATQ
- 4.2L (V8) with engine code: AXQ, BHX, BGH, BGJ

2.16.3 Camshaft Adjusters / Camshaft Adjuster Gasket / Cylinder Head Cover Gasket Policy Overview

	Categorization of oil leaks						
Category	Description	Reimbursement					
	The component (such as the oil pan or valve cover) and immediately adjacent components it is mounted to	With Customer Concern	Without Customer Concern (add-on repairs)				
Category 1	may be wet with fluid residue, however, there is no droplet formation and no other components are affected.	Cleaning (Max 10 TU per bank)	No reimbursement				
Category 2	is wet with fluid residue, and there is droplet formation or slight seepage, however, those droplets are not dropping off.	Cleaning (Max 10 TU per bank)	No reimbursement				
Category 3	is wet (sweating) with fluid residue, there is droplet formation and those droplets are dropping off.	Follow diagnostic and rep Technical Bulletin 15-05- Leaks From Upper Engin Guidelines." Road tests of 10 TU per road test.	01 (No. 2010667), "Oil				

Cleaning may be reimbursed for a category 1 and 2 leak with a customer concern, at a maximum of 10 TU per bank. For a category 3 leak, cleaning is included in the associated labour operation as stated in ElsaWeb. Road tests are reimbursable as a separate item.

Diagnosis and Repair Procedures

All Categories

All warranty repairs must be performed as described in the latest edition of the Volkswagen repair manual and / or Technical Bulletin in effect at time of repair. Camshaft adjuster and / or gasket repairs that are not performed to the full extent of the factory repair procedures and repeat / shop comeback repairs may not be reimbursed.

Note: Repairs not performed to the full extent may result in damage to the cylinder head.

Category 3 Oil Leak Procedure

As outlined in the Technical Bulletin 15-05-01 (No. 2010667), the first repair procedure that must be performed when a category 3 oil leak is diagnosed is the replacement of the cylinder head cover gasket (Service Number 1580), followed with an after repair road test. The technician will proceed with the replacement of the camshaft adjuster and/or gasket (1584) only if a category 3 oil leak is still present after the road test. Each repair procedure is required to be claimed on a separate line.

Inspection and Self-Authorization of Repair

Add-on Repair Authorization

Prior to repair work, all repair procedures without a customer concern must be inspected and self-authorized by the Service Manager.

Camshaft Adjuster / Camshaft Adjuster Gasket Authorization

Regardless of whether the repair is substantiated by a customer concern, all camshaft adjuster and/or camshaft adjuster gasket replacements must be inspected and self-authorized by the Service Manager with a complete, legible signature and a time punch to verify the authorization date/time. The authorization must be placed next to the technician notes (3C's) describing the diagnosis and repair steps on the repair order hard copy.

Documentation

Volkswagen Warranty must be able to establish why the replacement of the camshaft adjuster/camshaft adjuster gasket/cylinder head cover gasket was necessary. The technician notes on the repair order must contain detailed documentation of all diagnosis

and repair procedures together with the condition of the part including, but not limited to:

- The oil leak category
- All steps performed to locate the origin of the leak
- The leaking part

The following documentation must be attached to the repair order and submitted with the part if requested by the WPRC.

- Copy of front and back of the repair order with detailed technician notes and service manager's complete signature.
- Copy of technician's punch times.
- Volkswagen may request a copy of Daily Time and Payroll Records (flag sheet) covering the time and dates of the warranty repair containing any other R.O. for warranty, internal and customer pay repair.

Warranty Claim Coding					
Service Number1580If the oil leak is traced to the cylinder head cover gasket1584If the oil leak is traced to the camshaft adjuster gasket		If the oil leak is traced to the cylinder head cover gasket			
		If the oil leak is traced to the camshaft adjuster gasket			
Labour Operations		Road tests (maximum allowed 10 TU per road test) Road test labour operation 01210002 is not reimbursable			
	15809999	Cleaning procedure for category 1 & 2 (maximum allowed 10 TU per bank)			

2.17 Oxygen Sensor

When the oxygen sensor is covered by an emissions warranty, it will be covered for the entire applicable emission warranty period for the model and model year. To keep the warranty in effect, the oxygen sensor must be replaced at <u>the customer's</u> <u>expense</u> at the replacement interval specified for the particular model. Check the maintenance schedule for the oxygen sensor replacement interval.

There are two oxygen sensors on all vehicles equipped with the OBD II system: the post oxygen sensor (after the converter), and the pre-oxygen sensor (before the converter).

Post Oxygen Sensor: PI 2473 Pre-Oxygen Sensor: PI 2469

2.18 Repeat Repairs/Shop Comebacks

Warranty claims will be charged-back if repeat repairs/shop comebacks are due to technicians performing improper repairs.

2.19 Road Test Labour Operations

The following claim processing guidelines apply for road test labour operations.

Labour Operation 01210000 - Road Test - TU: See ElsaWeb

May be utilized to verify customer complaint and no repairs required. Cannot be used in conjunction with 01210002 or 01201951.

Labour Operation 01210002 - Road Test - TU: See ElsaWeb

May be utilized when customer complaint has been verified and vehicle components will be replaced or repaired. Cannot be used in conjunction with 01210000.

Labour Operation 01210004 - Road Test - TU: See ElsaWeb

May be utilized to verify that vehicle has been repaired correctly and customer complaint has been satisfied. Cannot be used in conjunction with 01210000.

Important:

- Detailed technician notes explaining the technical rationale for the road test must be made on the repair order when claiming a road test.
- All supporting documentation must be attached to the repair order hard copy.
- Any road test labour operation may only be claimed once per repair order, not once for each line, and 01210000 cannot be claimed in conjunction with 01210002 and/or 01210004.
- Diagnosis time, if necessary, may be claimed with 01210002 and/or 01210004.

2.20 Safety Belts

Coverage NVLW: Safety belts are covered for defects in material or workmanship by the NVLW.

Exclusions include but are not limited to:

- Damage or failure due to misuse, alteration, accident or collision damage
- Colour fading, spotting or other cosmetic items when the safety belt is otherwise functioning properly

2.21 Seat Covers

MY 2006 and prior

- Seat covers are covered for wear for 1 year/20,000 km, whichever occurs first.
- Seat covers are covered for defects in material or workmanship for the entire NVLW period.

MY 2007 ~

- Seat covers are NOT covered for wear and tear, normal wear, or abuse.
- Seat covers are NOT covered for deterioration or fading due to climatic conditions.
- Seat covers are covered during the entire NVLW period for manufacturing defects only.

IMPORTANT!

- a. A repairable defect (e.g. incomplete or missing stitching) must be repaired whenever satisfactory results can be obtained. Claims for seat covers that are replaced when a repair would have been satisfactory are subject to debit.
- b. Defective seat covers for an airbag-equipped seat that enclose an airbag must always be replaced and not repaired.
- c. The decision on whether to replace a seat cover is the responsibility of the Service Managers.

2.22 Sunroof

Original equipment only - covered under the NVLW for defects in material or workmanship. Use Claim type 1-10.

2.23 Tires

<u>Tires are not covered under the NVLW.</u> Tires are warranted by their respective tire manufacturer. Volkswagen dealers should assist the customer in any way possible to obtain warranty service from the tire manufacturer. Volkswagen dealers are responsible for obtaining the manufacturer's tire warranty statement, which is to be given to the customer. Regulations require that a tire warranty pamphlet be placed in every new vehicle prior to sale. To assist the owner in replacing any missing warranty pamphlets, please contact the following tire manufacturers.

Tire Manufacturers			
Continental General			
Everywhere in Canada (Except Quebec)	1-800-461-1776		
Quebec	1-800-361-2844		
Dunlop Tire Corp.			
450 Kipling Avenue	1-800-387-3288		
Toronto, ON M8Z 5E1			
Goodyear Tire & Rubber Co.			
450 Kipling Avenue	1-800-387-3288		
Toronto, ON M8Z 5E1			
MICHELIN NORTH AMERICA			
(CANADA) INC. Inspection Centre			
4355 Hickmore Street	1-888-871-4444		
Saint-Laurent, Quebec, H4T 1S5			
Uniroyal Goodrich Tire Co.			
4355 Hickmore Street	1-888-871-7777		
Saint-Laurent, Quebec, H4T 1S5			
Bridgestone/Firestone Inc. Canada Inc.			
5770 Hurontario St., Suite 400	1-800-267-1318		
Mississauga, ON L5R 3G5			
Yokohama Tire (Canada) Inc.			
#500-9325 200th St.	1-800-810-9656		
Langley, BC V1M 3A7	info@yokohama.ca		
Pirelli Tire Inc.			
1111, boul. Dr. Frederik-Philips			
suite 506 St-Laurent, Quebec H4M 2X6			
Quebec / Maritimes			
	1-800-828-2585		
Western Canada	1-800-663-0148		

2.24 Tire Pressure Maintenance

As declared in Section 1.3.2, "<u>New Vehicle Limited Warranty (NVLW), Exclusions</u>," it is the customer's responsibility to maintain proper tire pressure on their Volkswagen vehicle during its operation. Customers should refer to their Owner's Manual and tire information sticker(s) on the car for the proper pressures and procedures.

Some Volkswagen vehicles are equipped with a Tire Pressure Monitoring System (TPMS). The TPMS is designed to remind the driver to adjust the tire pressure when one or more of the tires are significantly under-inflated. Please note that the TPMS is NOT a substitute for proper tire maintenance, and it is the driver's responsibility to maintain correct tire pressure, even if under-inflation has not reached the level to trigger illumination of the TPMS low tire pressure light.

IMPORTANT!

Ambient air temperature has an important effect on tire pressure. Tire pressure changes approximately 1.5 psi for every 18° F change in ambient temperature. For example, suppose the tire pressures were checked on a car in a heated garage or on an exceptionally warm fall day, with an ambient temperature of 80° F and found to be 35 psi. If that same car were to be checked some time later on a very cold day at an ambient temperature of 8° F, the tire pressures would be only 29 psi, just from the drop in ambient temperature (assuming there are no other loss points like a hole in the tire, a leaking valve or a rim leak).

2.25 Tow-In

Vehicles towed to a dealer for repairs require prompt attention concerning both technical repairs and customer satisfaction. Additional information such as Guided Fault Finding (GFF) logs, test sheets and pictures may be requested by the Technical Team. Warranty parts may be requested for submission on a case-by-case basis. If a warranty return part is requested, a signed Warranty Parts Release Form will be faxed to the dealer.

Refer to Section 6.6.1, "Tow-Ins, Claim Coding Procedure" for the correct procedure on entering the claim for a towed vehicle in SAGA.

Warranty Parts Return Process

- Warranty parts will be requested for submission on a case-by-case basis.
- The Warranty Parts Release Form will be labeled "Tow-in."
- This form must be shipped together with the part(s) to the Warranty Parts Return Centre (WPRC).
- If the warranty return part(s) are not received by the WPRC, the claim may be subject to debit.

Refer to Section 12.4, "Roadside Assistance," for further clarification regarding vehicle eligibility, coverage duration, and any other additional information related to towing.

2.26 Transmission Repair or Replacement

Technical Helpline case number requirements

A VGCA Technical Helpline case number with an authorization is required prior to replacing any of the following, even in a case of consequential failure, and regardless of claim type or warranty coverage:

- AG4 (01M, 01P, 096, 098) transmission (complete assembly)
- AISIN (09G, 09D, 09M) transmission (complete assembly)
- DSG (02E) transmission (complete assembly)
- ZF (01V, 01L, 09L) transmission (complete assembly)
- Routan transmission (complete assembly)

Replacement transmission

Volkswagen's policy provides that if the cost of parts and / or labour of a repair exceeds 80% of the cost of a complete remanufactured unit, a complete remanufactured replacement unit must be used, unless Volkswagen specifies otherwise in particular cases. Volkswagen's Technical Helpline must be contacted for authorization of replacement.

General

In this transmission repair / replace process, the Technician must fill out the applicable transmission diagnostic worksheet as completely as possible prior to performing any repairs. The diagnostic worksheets are available on:

ElsaWeb > ServiceNet under VGCA Warranty > Forms

Transmission repairs and replacements require an estimate of warranty repair costs for the failed transmission.

These forms must be attached to the repair order and kept in the permanent vehicle file.

Enclose a copy of the diagnostic worksheet together with the core return, if the transmission is replaced. If the transmission core is requested by the WPRC, the completed worksheet is still to be enclosed with the transmission core, along with all other supporting documentation.

2.27 Trim Items

MY 2006 and prior

Trim items are covered for the entire NVLW period if a manufacturing defect occurs and the complaint is not associated with normal wear or abuse. For wear and tear, trim items are covered for 1 year/20,000 km, whichever occurs first,

MY 2007 ~

Trim items are covered for the entire NVLW period if a manufacturing defect occurs and the complaint is not associated with normal wear or abuse. Wear and tear is not covered.

Also refer to <u>New Vehicle Limited Warranty (NVLW)</u>, Components Covered for Wear and Tear, <u>Specific components by Service</u> <u>Number</u>

2.28 Wear and Tear Covered Components, NVLW

The New Vehicle Limited Warranty (NVLW) does not cover wear and tear items such as clutch linings, brake pads, brake linings, windshield wiper blades, fuses, radio tape head cassette cleaning, worn seat covers and other trim and appearance items that wear as a result of normal use, lack or normal care, or deterioration. However, exceptions are made for parts listed in Section 1.3.3, "<u>New Vehicle Limited Warranty (NVLW), Components Covered for Wear and Tear</u>," to cover repairs for wear and tear of these items for a specified duration.

2.29 Wheel Alignment and Balance

Wheel alignment and balance will only be accepted under warranty when the repair is determined to be necessary during the PDI. Once a vehicle has been delivered or put in use, alignment and balancing will not be considered under the terms of the Limited New Vehicle Warranty unless required in conjunction with a warrantable repair.

2.30 Winnebago conversions

Winnebago conversions, the Eurovan Camper and Rialta/Vista/Sunstar Motor Home

Volkswagen Group Canada Inc. supplies Winnebago Industries with conversion-ready Eurovans (panel vehicles) for Camper conversions and Eurovan based chassis cabs for Rialta/Vista/Sunstar motor home conversions.

Responsibilities of Volkswagen dealers for Winnebago Eurovan Camper

The Eurovan Camper conversion will be sold exclusively through VGCA dealers that have entered into a Camper sales and service agreement with Winnebago. These dealers are responsible for providing complete vehicle warranty service (VW Chassis and Winnebago Camper Equipment). Dealers who have not signed a Camper sales and service agreement with Winnebago are still responsible for providing warranty service for all Volkswagen manufactured mechanical and body components excluding Camper equipment and modified components related to the Camper conversion.

Responsibilities of Volkswagen dealers for Rialta/Vista/Sunstar Motor Home

The Volkswagen chassis based Rialta/Vista/Sunstar Motor Home will be sold through Winnebago dealers exclusively. Winnebago will purchase Eurovan based chassis cabs for production of the Winnebago Rialta/Vista/Sunstar (a 21' Class C motor home). Volkswagen dealers are responsible for providing warranty service to all Volkswagen manufactured Chassis Cab mechanical and body components excluding RV equipment and modified components related to the motor home conversion.

Technical support for the Volkswagen manufactured components will be provided through normal VGCA Service Information channels, such as the Eurovan Repair Manual, Technical Bulletins, and the Technical Helpline.

Pre-delivery

Pre-delivery for the Rialta/Vista/Sunstar Motor Home and the Winnebago portion of the Eurovan Camper are performed by Winnebago Industries and included in the cost of each vehicle. Any additional pre-delivery inspection to these systems and components is a matter between the dealer and Winnebago Industries.

Coverage

Front shocks are covered under Volkswagen Warranty for both vehicles; however, the rear shocks are covered by Winnebago. Winnebago installed equipment or replacement parts are not covered by Volkswagen warranties, including any original Volkswagen component modified in the manufacturing of the Eurovan Camper/Rialta/Vista/Sunstar by Winnebago Industries that becomes inoperative such as modified or replaced body panels, radio or exhaust systems.

For the Rialta/Vista/Sunstar, the following components are covered by Winnebago Industries rather than the Volkswagen warranty:

- Rear suspension and axle components including wheel bearings
- Exhaust system rearward of the catalytic converter
- Hydraulic brake lines and hoses from the connection at the cab to the body seam rearward
- Note: The remainder of the chassis items are covered by Volkswagen's warranty.

Camper/Eurovan Rialta/Vista/Sunstar				
VW coverage for eligible components	1996-2001 MY	2002-2003 MY	1996-2005 MY**	
Base Warranty	2/40	4/80	2/40	
Protection Plus	No	No	No	
Powertrain	5/80	5/80	5/80	
Federal Emissions	2/40-8/130	2/40-8/130	2/40-8/130*	
Corrosion	6/unlimited	6/unlimited	N/A	

*The Emissions Warranty is from Winnebago, however, repairs and administration is through VGCA. Contact the Winnebago Warranty Help Desk to determine covered components.

**1993-1995 MY VGCA vehicles have a 3 year/60 000 km NVLW, which also covers the Powertrain Warranty.

Rialta/Vista/Sunstar towing

See Towing for Winnebago Rialta, Winnebago Vista and Itasca Sunstar for information regarding Rialta/Vista/Sunstar towing.

Rialta/Vista/Sunstar labour reimbursement rate

Effective December 1, 1999 Volkswagen will provide a 25% increase in labour when performing warranty work on Winnebago Rialta/Vista/Sunstar. The dealership should calculate 25% of total labour and put the dollar figure in outside labour (SAGA).

Vanagon Campers/Eurovan Weekender - Domestic refrigerators

To find the closest Domestic Service Centre, a customer may call 1-800-544-4881.

2.31 Wiper blades

NVLW:

MY 2006 and prior

Wiper blades are covered for <u>1 year/20,000 km</u>, whichever occurs first, <u>for wear and tear</u>, and 4 years/80,000 km, whichever occurs first, for defects in material or workmanship.

MY 2007 ~

Wiper blades are covered for <u>6 months/10,000 km</u>, whichever occurs first, <u>for wear and tear</u>, and 4 years/80,000 km, whichever occurs first, for defects in material or workmanship.

3 Audio

3.1 Direct Exchange Program

The Audio Direct Exchange Program pertains to:

- Bosch, Delphi and Panasonic radios, CD changers and navigation units
- United Radio radios, radio/navigation combo units, amplifiers, CD changers and instrument clusters

Please refer to Section 14.7, "<u>Contacts</u>," for contact and mailing information for the audio direct exchange program manufacturers.

Basic Information

- Direct Exchange orders covered under a Volkswagen parts or vehicle warranty (New Vehicle Limited Warranty, Parts and Accessories warranty and the Certified Pre-Owned warranty) must be placed using the Parts on Command system.
- Direct Exchange orders to fulfill a Customer Loyalty Assistance Program (Goodwill) claim and orders for customer-pay transactions may be placed through either the Parts Distribution Centre (if stock is available), or the Direct Exchange supplier using the Parts on Command system (select "Non-Warranty/Customer Pay").
- The defective units must be received by the supplier within <u>30</u> days of receipt of new or remanufactured replacement units.
- The dealer must utilize the prepaid labels and packing material provided by the supplier to avoid dealer charge-back.

Audio System Diagnostic Process

- Review customer complaint
- Perform visual inspection / complaint identification
- Identify type of complaint: Physical / Cosmetic <u>or</u> Performance / Operational
- Inspect or test depending on the type of complaint (see below)

Inspection of Physical / Cosmetic Issue

- 1. Check physical condition of audio unit
- 2. Validate complaint
- 3. Determine if complaint caused by outside influence
- 4. If outside influence: **No** warranty coverage
- 5. If no outside influence: Determine audio unit vendor and part number by removing the audio unit or utilizing the scan tool
- 6. Order replacement unit from the appropriate supplier
- 7. Log all inspection findings using the Audio Diagnostic Worksheet
- 8. Attach the documentation to the repair order (RO)

Testing of Performance / Operational Issue

- 1. Inspect integrity of audio system performance
- 2. Log any finding using the Audio Diagnostic Worksheet
- 3. Diagnose vehicle using GFF
- 4. Record the VIN on the Diagnosis Log
- 5. Print 5051B/5052A/6150 Diagnosis Log. If DTC present:
 - a. Run function test plan for each fault
 - b. Follow instructions on each test
 - c. Print test plan
- 6. Log all inspection findings on Audio Diagnostic Worksheet
- 7. Locate vendor on Diagnosis Log or identify vendor by removing the audio unit
- 8. Order replacement unit from the supplier

- 9. Attach all documentation to the RO
- 10. If no DTC present and/or no "replace audio unit" test result and audio unit can be isolated as the cause of failure, log all the findings on the Audio Diagnostic Worksheet
- 11. Attach all documentation to the RO (Note: GFF is not required for MY 2003 and older.)

Direct Exchange Unit Ordering and Receiving Process

<u>The complete ordering process</u> is described in the Parts on Command Direct Exchange Order E-Mail, issued by the Parts Department. These instructions can be found on <u>www.vwhub.com</u>, under Parts > Parts Inventory. The following is a basic outline of the ordering and receiving process:

- Upon receipt of the replacement unit, the dealer must open the box and verify the audio unit's condition for any damage or visual failure to avoid an unnecessary visit for the customer if a second unit must be ordered.
- In a situation where a rebuilt / reconditioned audio unit does not work, or is damaged when the dealer opens the box, the dealer should contact the supplier for replacement instructions. The supplier personnel will answer all questions relevant to the inoperative or damaged audio unit.
- <u>Audio units ordered though the exchange program are VIN-specific and therefore must only be used in the vehicle for</u> which they are ordered.

Defective Component Return Process

The dealer is responsible to ensure that the core or unused radio is received at the remanufacturing facility within <u>30</u> calendar days from the date the unit arrived at the dealership.

Dealers will be charged for a NEW unit (plus shipping & handling) to replenish the supplier's stock if the defective component has not been received by the audio supplier within 30 days after the exchange unit has been received at the dealership.

If a customer does not return to have a radio installed in a timeframe that allows for installation and the core to be received at the remanufacturing facility within 30 days, the dealer must return the unused radio to the remanufacturing facility to avoid a chargeback. All audio unit chargebacks will be processed through the Parts Account Statement.

You must use the box from the original remanufactured unit and the enclosed shipping label provided by the audio manufacturer when shipping the damaged / defective unit back to the audio manufacturer (Note: The dealer must contact the supplier for shipping instructions if there is no prepaid label in the box). The box may contain a "Core Return Checklist."

Ensure the following documentation is included in the box prior to shipping:

- Copy of the completed Audio Diagnostic Worksheet
- Copy of the complete repair order
- SAGA printout of the warranty claim
- 5051B/5052A/6150 printout (if applicable)
- Proof of audio unit purchase (Service parts for vehicle outside warranty Claim Type 1-21)

Questions or concerns regarding audio unit debit due to non-receipt, delayed receipt of cores or outside influence are handled by the VGCA Parts Department through the following email address: <u>radiodirectexchange@vw.com</u>. Questions regarding the handling charge-back due to outside influence should be directed to Warranty.

Warranty Claim Process

The dealer must claim the diagnosis and the labour on one single claim and on a single repair order. Do not submit the diagnosis OR close the repair order <u>until the repair is completed</u>. **Do not produce multiple warranty claims for a single Direct Exchange component.**

Claim Types

- 110: New Vehicle Limited Warranty
- 110: Service Parts Vehicle Within New Vehicle Warranty
- 210: Goodwill (Customer Loyalty Assistance Program)
- G10: Certified Pre-Owned Warranty
- 121: Service Parts Vehicle Out of New Vehicle Warranty
- S10: Demo Extension Claim

Service Numbers

- 9025: instrument cluster (United Radio only)
- 9130: Radio
- 9130: Radio/Navigation Combo unit
- 9144: Amplifier (United Radio only)
- 9160: CD changer
- Or other applicable Service Number per ElsaWeb

Part Manufacturer Codes

- Bosch : BNO if part number contains Z1Z
- Delphi: DE2 if part number contains Z4Z
- Panasonic: NP2, YPC, PM6, ZSW if part number contains Z5Z
- United Radio: USM

Note: K21 will not be accepted. Use of K21 may result in a debit of the total claim.

Labour Operations

Bosch, Delphi, Panasonic

- Use labour operation 91300100 (10 TU) to identify the part manufacturer code during physical or cosmetic inspection. This charge is not applicable to CD changer replacements.
 - Use 01500000 for GFF diagnosis in lieu of 91300100 for performance or operational concerns.
 - 91300100 for vendor identification cannot be used in conjunction with GFF Diagnosis labour operation 01500000 (for performance/operational concerns).
- Use the applicable or standard labour operation to remove and reinstall the audio unit during repair as per ElsaWeb.

United Radio (Routan)

- Use the applicable or standard labour operation to remove and install the component during repair as per ElsaWeb.
- The applicable or standard labour operation for Routan vehicles already includes diagnosis time. Therefore, additional diagnosis time may not be claimed.
- Labour operation 91300100 (10 TU) to identify the part manufacturer code does not apply since there is only one supplier (united Radio) for the Routan components in the Direct Exchange program.

Parts

Outside Materials (not applicable for Customer Loyalty Assistance Program / Goodwill)

- BOSCH9999 (Bosch-specific number will facilitate payment of \$30.00 handling reimbursement)
- DELPHI999 (Delphi-specific number will facilitate payment of \$30.00 handling reimbursement)
- PANAS9999 (Panasonic-specific number will facilitate payment of \$30.00 handling reimbursement)
- Routan999 (Routan-specific number will facilitate payment of \$30.00 handling reimbursement)

Process for Direct Exchange Customer Loyalty Assistance (Goodwill) Claims

• Direct Exchange components ordered for Customer Loyalty Assistance (Goodwill) program claims will be invoiced to dealers at the full purchase price.

Mandatory Use of Factory Remanufactured Parts

Defective audio components must be replaced with remanufactured units of the same model, with the following exceptions:

- If no remanufactured audio component is available, a new audio component may be installed and will be provided through the Exchange Program.
- If an audio component must be replaced prior to a vehicle in-service date, a new component must be installed and will be provided through the Exchange Program.

Non-Warrantable Damage

The following are issues which Volkswagen considers outside influence and for which a claim will be rejected:

- Obvious customer-induced visual damage
- Presence of foreign material on unit surfaces other than liquid spilled on unit due to cup holder positioning
- Rattling sound from foreign object when the unit is turned over
- Foreign material coming out when the unit is turned over

3.2 Radio/CD Unit/Navigation Unit Replacement Guidelines

3.2.1 Undelivered New Vehicles (No In-Service Date)

Defective units in undelivered new vehicles (vehicles which have not yet been placed in-service) must be replaced with a new unit. Remanufactured replacement parts may not be used for warranty repairs on vehicles that have not been placed in-service.

Claim processing

- When entering a warranty claim for a new defective unit, the new unit part number must be entered in the Part Number field of the warranty claim. The new unit part number will populate the warranty parts price for the entered part number in the "Parts\$" field of the claim.
- Enter labour operation(s) for replacement.
- Enter "New Defective Radio" (or CD unit, as applicable) in the 'Comments' field of the claim.

Note: the core value is not charged or credited on new units.

3.2.2 Delivered New Vehicles (With an In-Service Date)

Remanufactured units must be used for replacement purposes when radios/CD units fail during the warranty period.

Claim processing

- Enter labour operation(s) for replacement.
- Enter remanufactured unit part number for correct warranty reimbursement.

3.2.3 Procedures when Remanufactured Unit is Unavailable

Dealers must receive prior authorization from their respective Warranty Claim Specialist before using a new radio/CD unit.

Claim Processing

- Enter labour operation(s) for replacement.
- Enter remanufactured part number on the warranty claim for correct warranty reimbursement.
- If applicable, a difference between the remanufactured unit and the new amount may be claimed through the Parts Department using the Online Dealer Claims System (See Miscellaneous Request for Credit Calculation Example below).

Miscellaneous Request for Credit

As described above, it is possible to claim credit when replacing a radio/CD unit with a new unit in lieu of a remanufactured one. The following are steps to take when calculating the allowable credit amount:

- Subtract the "core value" of the unit from the dealer "net cost of the new unit" to arrive at the "net difference".
- Next, subtract the dealer "net cost of the remanufactured unit" from the "net difference". If this calculation results in a "negative" amount, a Miscellaneous Request for Credit does not apply.
- If a Miscellaneous Request for Credit does apply, claim the amount via the Online Dealer Claims System.

Miscellaneous Request for Credit Calculation Example				
Description	Amount	Sample Part Number		
Dealer Cost of "New Radio/CD/Navigation unit"	\$544.00	1HM 035 186 D		
Minus "Core Return Value" of Radio/CD/Navigation unit	- 200.00	1HM 035 186 DU		
Equals Net Difference	344.00			
Minus Dealer Cost of "Remanufactured Radio/CD/Navigation unit"	- 143.22	1HM 035 186 DX		
Equals Amount Due to Dealer via Miscellaneous Request for Credit	\$200.78*			

*If this calculation results in a "negative" amount, a Miscellaneous Request for Credit does not apply.

Note: prices are not necessarily correct or current - they are listed here for example only.

In this example, the amount of \$200.78 should be claimed through the Parts Department using the Online Dealer Claims System.

3.2.4 Parts Return Guidelines

Documentation

All audio components must have:

- Diagnostic sheet (ElsaWeb > ServiceNet under VGCA Warranty > Forms)
- 5051B/5052A/6150 GFF printouts (if applicable)
- Media (CD or cassettes) Retrieval Form if necessary (ElsaWeb > ServiceNet under VGCA Warranty > Forms)

All information must be filled out in its entirety, including the customer complaint and technical diagnosis, in order to assist the manufacturer in properly diagnosing and repairing the component. Statements like "inop," "faulty," or "broken" do not provide meaningful information. Please use statements similar to "CD will not eject," or "radio display is red."

Audio component warranty claims are subject to denial for issues and non-compliances with the required documentation.

Damages

The following incidents of damage may result in a denial of the warranty claim:

- Damage due to improper shipping and packaging
- Liquid Spills: In vehicles where the cup holders are located above the radio, liquid spills will be individually evaluated. Liquid spills on radios will not be accepted in any other case and core value will be forfeited.
- **Physical Damage:** Damage to radios caused by improper removal procedures or physical damage to the radio caused by the customer will not be covered under warranty. Units that are stripped of parts, knobs, etc. will be denied and returned. Units that are noted as "no power" and have missing or cut fuses will be also be denied. Core value will be forfeited.

Radio Removal

The JC4225 Radio Removal Tool is a tool required when removing radios that have a four-corner clip configuration. This tool makes radio removal much easier. Please be sure to read the instructions included in the box in which the JC4225 was received. To remove the JC4225 from the radio:

- Do NOT pull all four keys out at once.
- Disengage the tool from the radio by unlocking one key at a time being careful to extract each key only about 3-5mm until all four keys are disconnected.
- Push in the metal release tabs on the side of the radio to unlock the keys.
- Gently pull the tool away from the face of the radio.

Additional Guidlines

For issues or concerns not mentioned above, please refer to the following list of additional procedures for audio unit replacement:

- Homemade CD's: Some customers are using new technology to create their own CDs. Sticky notes, pieces of paper, designer labels, and labels with poor adhesion have all been found to damage radios. CD labellers found at office supply stores are not designed for automotive CD players. The heat of an automotive CD player will cause these types of labels to peel off while inside the unit causing the media to become stuck. Do not remove stuck media.
- Media Removal: If media becomes stuck, do not remove it. Tampering with the internal mechanisms of the radio will void the warranty. Remanufacturing technicians at audio facilities can tell if a unit has been opened for media retrieval and, thus, the warranty is voided. Please fill out a Compact Disc and Cassette Retrieval Form, available on ElsaWeb > ServiceNet under VGCA Warranty > Forms, and include it with the radio paperwork. The media will be returned as quickly as possible. Core value could be forfeited.
- Foreign Objects: Foreign objects stuck in the radio via the CD or cassette decks will not be covered under warranty. Coins, keys, credit cards, etc. cause damage to the inside of the radio. Customer damage is not a warranty matter. Core value will be forfeited.
- Tamper-proof Seals: Do not cut or remove tamper-proof seals.
- **Designer Faceplates:** Designer faceplates glued to the original faceplate of the radio damage the surface and are difficult to remove. These radios will not be covered under warranty. Core value will be forfeited.
- Skipping Media: If the customer complains of skipping media, please verify whether the skipping CD is homemade or purchased. Homemade CDs, due to different burning speeds and CD quality, can be prone to skipping. Before replacing the unit, please test it with a professionally made CD.

3.3 Non-Direct Exchange Program

Non-Direct Exchange program audio components that are requested through SAGA should be sent to:

Warranty Parts Return Centre Address Volkswagen Group Canada Inc. Attn. Warranty Parts Return Centre 777 Bayly Street West Ajax, Ontario L1S 7G7

A completed Audio Diagnostic Worksheet must be attached to the component before shipment.

Non-Direct Exchange program audio components which are not requested through SAGA should be returned to the facing (dedicated) PDC for core reimbursement.

3.4 CD Changers

CD changers are port or dealer installed and, as such, they are considered accessories. Accessories installed after the in-service date are covered for 12 months or 20,000 km, whichever occurs first, starting from the date on which the accessory was installed. Accessories installed prior to the vehicle in-service-date are covered for the duration of the NVLW.

CD Changer Claim Coding				
Part Installation Date	Prior to in-service date	After in-service date		
Coverage Period	Duration of NVLW	12 months or 20,000 kilometres		
Service Number	6760 9160* (if listed on Monroney label)	6760		
Labour Operation	67602400	67602400		
*Service Number 9160 is used only for CD changers installed at the factory				

ervice Number 9160 is used only for CD changers installed at the factory.

Identifying Applicable Warranty Terms

The following series of questions should be asked when claiming CD changers to determine the applicable warranty terms.

- Is the CD changer listed on the Monroney label? •
- If yes: •
 - Coverage is for the duration of the NVLW 0
 - Part Identifier/Service Number: 9160 0
- If no: •
 - Is the CD changer listed on the selling contract? 0
 - If yes: 0
 - Coverage is for the duration of the NVLW
 - Part Identifier/Service Number: 6760 .
 - If no: 0
 - Coverage is 12 months or 20,000 km
 - Part identifier/Service Number: 6760

4 Battery

4.1 Original Equipment Vehicle Battery

Original equipment batteries are covered 100% parts and labour for the entire NVLW period (4 years or 80,000 km, whichever occurs first), for defects in material or workmanship.

A Midtronics® battery test has to be performed in order to make any warranty claim on a battery. Outside influence, physical damage, freezing, sulphating or other similar non-defects are not covered under warranty. Refer to <u>Vehicle Battery Testing</u> for Midtronics battery tester requirements for all warranty claims for batteries.

4.2 Aftermarket Vehicle Battery

4.2.1 Coverage

Volkswagen factory aftermarket replacement batteries (batteries purchased after the NVLW period has expired, manufactured by Exide or Interstate Battery Systems of America) sold after June 1, 1998:

- Are warranted to be free of defects in material and workmanship for 12 months or 20,000 km, whichever occurs first.
- After 12 months or 20,000 km of battery service, Volkswagen will absorb a prorated percentage of the battery replacement cost, the remainder of the cost to be paid by the customer (including labour). This proration policy applies until the battery has been in service for 60 months (5 years), after which time the customer must bear the entire cost for a new battery.

Labour is not reimbursable in the following situations:

- On prorated batteries.
- On wholesale purchases or installation by an independent repair facility.
- On over-the-counter purchases.

The battery is to be replaced with a new replacement battery of comparable capacity. Refer to <u>Vehicle Battery Testing</u> for Midtronics battery tester requirements for all warranty claims for batteries.

Battery policy guidelines

- Full 100% reimbursement for parts and labour up to 12 months or 20,000 km.
- No labour reimbursement for battery replacement after 12 months or 20,000 km.
- This warranty does not apply to batteries that were placed in commercial or marine use.
- Customer charge is based on Volkswagen suggested retail parts prices.

Proration examples

- 8 months of service and 18,000 km have elapsed. Battery will be replaced 100% parts and labour at no charge to the customer (since the battery has been in service less than 12 months or 20,000 km).
- 8 months of service and 22,000 km have elapsed. Proration for 8 months service would apply since the battery has been in service more than 12 months or 20,000 km. Labour may not be claimed.

Owner's obligations

• The owner is required to present either the unserviceable battery or the battery and the vehicle in which it has been installed, plus proof of purchase, within the warranty period to any authorized Volkswagen dealer in Canada.

Items not covered by the aftermarket battery limited warranty

- Failure of the battery due to improper installation, misuse, neglect, freezing, fire, accident, low electrolyte level or use of electrolyte other than recommended by the manufacturer.
- Batteries that are discharged or sulphated due to improper maintenance, vehicle storage or parts storage, are not eligible for replacement under warranty.
- Use of the battery for commercial or marine purposes.
- Loss of time, inconvenience, loss of use of the vehicle, or other consequential damage.
- Battery testing, if the battery is not defective. The owner would be responsible for the cost of having the battery tested.

4.2.2 Proration Tables

	Aftermarket Batteries Proration Table for vehicles with less than 20,000 Km						
	MIS*		Parts Quantity		Customer Charge in % of Sugg. Retail Price		
	1 - 12		0100		0%		
	Aftermarket Batteries Proration Table for vehicles with more than 20,000 Km						
MIS*	Parts Qty	Customer Charge in % of Sugg. Retail Price	MIS*	Parts Qty	Customer Charge in % of Sugg. Retail Price		
0	0100	0%	31	0048	52%		
1	0098	2%	32	0047	53%		
2	0097	3%	33	0045	55%		
3	0095	5%	34	0043	57%		
4	0093	7%	35	0047	58%		
5	0092	8%	36	0040	60%		
6	0090	10%	37	0038	62%		
7	0088	12%	38	0037	63%		
8	0087	13%	39	0035	65%		
9	0085	15%	40	0033	67%		
10	0083	17%	41	0032	68%		
11	0082	18%	42	0030	70%		
12	0800	20%	43	0028	72%		
13	0078	22%	44	0027	73%		
14	0077	23%	45	0025	75%		
15	0075	25%	46	0023	77%		
16	0073	27%	47	0022	78%		
17	0072	28%	48	0020	80%		
18	0070	30%	49	0018	82%		
19	0068	32%	50	0017	83%		
20	0067	33%	51	0015	85%		
21	0065	35%	52	0013	87%		
22	0063	37%	53	0012	88%		
23	0062	38%	54	0010	90%		
24	0060	40%	55	8000	92%		
25	0058	42%	56	0007	93%		
26	0057	43%	57	0005	95%		
27	0055	45%	58	0003	97%		
28	0053	47%	59	0002	98%		
29	0052	48%	60	0000	100%		
30	0050	50%					
* Ma	nthe in Sou						

New aftermarket vehicle batteries (Exide or Interstate Battery Systems of America) sold after June 1, 1998 Aftermarket Batteries Proration Table for vehicles with less than 20,000 Km

* Months in Service

4.3 Volkswagen Factory Replacement Vehicle Battery Drop Ship Program

Effective April 1, 2000, Volkswagen factory replacement vehicle batteries ordered through the Drop Ship Program will be reimbursed at the warranty rate established for ordering through your facing (dedicated) PDC. The reimbursement process for these batteries is a modification to warranty policy. All other battery policies, including proration, remain unchanged.

<u>Note</u>: It is more cost effective for your dealership to utilize the Drop Ship Program when ordering Volkswagen factory replacement vehicle batteries, plus you will receive a larger parts reimbursement when submitting a warranty claim.

4.4 Vehicle Battery Testing

All batteries must be tested with the Midtronics MCR340V or Midtronics inCHARGE 940. Batteries which receive a Midtronics MCR340V or inCHARGE 940 decision of "GOOD – RECHARGE" or "USE inCHARGE" must be charged using the Midtronics inCHARGE 940 Diagnostic Charger. The Midtronics MCR340V or inCHARGE 940 printout is required to substantiate the condition of the battery.

IMPORTANT!

- The vehicle must not be started for at least 12 hours before testing the battery.
- The battery is to be tested while installed in the vehicle.

The technician should always select the Test Type "WARRANTY" (for vehicles which have an in-service date) or "48 HOUR TEST" (for vehicles which do not have an in-service date) and only use the DIN rating of the battery. If the DIN rating is not readily available on the battery, only then can Test Type "OTHER" be selected. Test Type "OTHER" gives options for entering either the SAE rating or the DIN rating for the battery test.

Do not submit a warranty claim for battery charging required due to outside influence; for example, a customer forgot to turn the dome light off, which resulted in a discharged battery.

Documentation Requirements

Battery warranty claims must be substantiated by attaching the Midtronics printout(s) to the repair order and by entering the Midtronics encrypted 14-digit TEST CODE(s) in the second line of the claim COMMENTS field.

- For batteries which receive a MCR340V or inCHARGE 940 decision of "GOOD RECHARGE", "USE inCHARGE", "REPLACE BATTERY", or "BAD CELL – REPLACE":
 - A printout from either the MCR340V or inCHARGE 940 with encrypted 14-digit TEST CODE must be attached to the repair order to substantiate that the battery was tested using the MCR340V or inCHARGE 940.
 - A printout from the inCHARGE 940 is to be attached to the repair order to substantiate that the inCHARGE 940 was used to charge the battery.

The above documentation requirements are mandatory at all testing, charging and/or replacing points.

For 2003 Model Year and Foreword – a copy of the Midtronics MCR340V or inCHARGE 940 printout from the 30-Day Inventory Maintenance, performed within 30 days of vehicle delivery to the customer, is to be kept in the VIN file as proof that the battery was in good condition upon delivery to the customer. If a claim needs to be made in the future, all of the printouts will be required. Volkswagen will, at various times, decode the encrypted Midtronics test code for warranty auditing and data analysis purposes.

Charge-back

Paid battery claims are subject to charge-back for:

- Failure to use the Midtronics MCR340V or inCHARGE 940 for all warranty-related battery tests or failure to use the Midtronics inCHARGE 940 diagnostic charger when charging is required
- Battery replacement when only charging was required or battery charging when the battery was discharged due to outside influence
- Failure to attach the Midtronics printout(s) to the repair order including failure to attach the end result printout after the battery was charged with the inCHARGE 940
- Failure to enter the test code in the second line of the warranty claim comments field
- Failure to attach the Midtronics printout(s) to the PDI checklist or to record the test code on the PDI checklist
- Failure to replace the battery with the exact specification of the original equipment battery
- Failure to comply with punch time requirements

4.5 Vehicle Battery Test and Maintenance Procedures

The Midtronics MCR340V or inCHARGE 940 must be used for all Volkswagen initial battery checks after delivery of the vehicle to the dealer. Battery testing and charging are included in the PDI time allowance. A separate claim is no longer necessary. Battery replacements are claimed with a single Part Identifier/Service Number using normal warranty procedures.

Maintenance of new vehicle stock batteries is the dealership's responsibility. The PDI process mandates that the battery be tested, and charged or replaced if necessary, within 5 days of new vehicle receipt from the transporter.

- Claims should not be submitted for battery charging.
- Claims should not be submitted for battery replacement after the first 5 days of vehicle receipt unless the battery is defective and all appropriate vehicle maintenance requirements have been performed (see Defective Vehicle Batteries).

Refer to the most current Maintenance Bulletin for the Inventory Maintenance Checklist that mandates the battery be checked, and recharged if necessary, every 30 days until the vehicle is sold.

Tag and hold the battery until the claim is approved for payment. A printout of the Midtronics MCR340V or inCHARGE 940, as applicable, must be attached to the repair order and retained in support of the claim for a minimum of 2 years after the claim has been paid. Battery maintenance records must also be available for inspection.

4.6 Defective Vehicle Batteries

If the vehicle battery has a manufacturing defect, (cracked, broken, shorted plates, etc.) it must be replaced. The Midtronics test will only indicate whether a battery is internally defective.

It is mandatory that the replacement battery be the exact specification of the original equipment battery. The decision to replace a defective battery can be made by the Service manager.

Tag and hold the battery until the claim is approved for payment. A printout of the Midtronics MCR340V or inCHARGE 940, indicating the defect, and if the battery needed to be charged with inCHARGE 940, a second printout indicating that the battery was charged, must be attached to the repair order and retained in support of the claim for a minimum of 2 years after the claim has been paid.

5 Paint and Corrosion

5.1 General Policies

All paint and corrosion warranty repairs must be pre-authorized by your Paint and Corrosion Warranty Specialist prior to being performed (See Section 5.2, "Dealer Responsibilities for Paint and Corrosion Warranty Claims").

However, for paint and corrosion issues already addressed by Technical Service Bulletins (i.e., No. 2028083, "Corrosion, Front Fenders, at Upper Wheel Opening"), dealers will be <u>self-authorized</u> to perform such repairs (See Section 5.6, "<u>Dealer</u> <u>Responsibilities for Claims Addressed by Technical Bulletin</u>")</u>. All regularly applicable terms found in this Policies and Procedures Manual still apply. All repairs performed, warranty claims, and documentation must be completed in accordance with the terms of the applicable warranty, technical bulletins, and other related documents.

At any point, for unique or difficult cases of paint and corrosion, your Paint and Corrosion Warranty Specialist may determine that on-site inspection by a Volkswagen representative is necessary to determine the eligibility and / or severity of the condition.

5.2 Dealer Responsibilities for Paint and Corrosion Warranty Claims

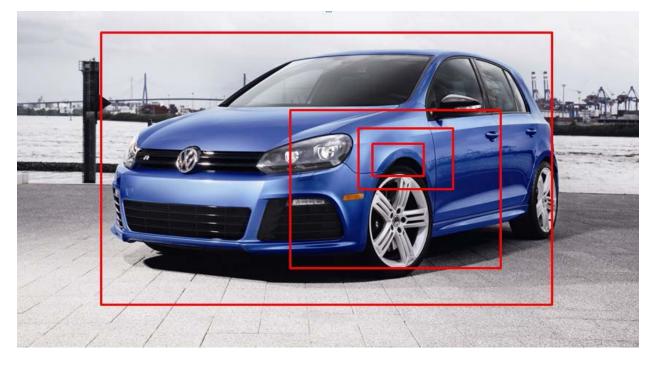
Dealers must comply with the following step-by-step instructions listing the tasks required to be carried out whenever a paint- or corrosion-related issue / customer complaint arises.

If the paint or corrosion issue has been addressed by a specific Technical Bulletin, please refer to Section 5.6, "Dealer Responsibilities for Claims Addressed by Technical Bulletins."

If the paint or corrosion issue has NOT been addressed by a specific Technical Bulletin, then follow the procedures below:

- Determine the eligibility of the vehicle for repair(s) covered under warranty. <u>Please refer to the Warranty Paint &</u> <u>Corrosion Handbook for additional information on warranty eligibility and coverage specifications</u>. It can be found on the Volkswagen ServiceNet under VGCA Warranty > Corrosion.
- If the dealer is certain that a particular vehicle is not covered for paint and corrosion repairs, do NOT submit a request for pre-authorization / warranty claim for that vehicle. Submit pre-authorizations when the dealer is fairly certain that the vehicle's condition is warrantable or if uncertain of the nature of the condition.
- <u>Always</u> open a Repair Order upon the customer's first visit for a paint and corrosion concern. Include the date of the first visit and the "IN" mileage on the RO. Make sure that the recorded mileage is accurate and consistent across all documents, including photos of the odometer.
- Take clear and focused digital photos of the following:
 - the whole vehicle at different angles (for overall condition)
 - affected part(s) and / or body panel(s)
 - VIN plate(s)
 - o odometer reading
 - o glass / window manufacturer stamp (only for corrosion conditions occurring around glass panes)

<u>The vehicle must be cleaned and dried prior to having pictures taken.</u> When taking photos of the affected areas, fill in and place the provided Damage Documentation Templates next to the condition in the picture (See Section 5.7, "<u>Paint</u> and <u>Corrosion Diagnostic Tool Kit</u>"). Photos of the condition must also be taken from multiple distances for clarity as per the following diagram:



- Obtain a detailed repair estimate from an external or internal collision center. Hand-written estimates are discouraged. For a vehicle with multiple, unrelated corrosion conditions, dealers are required to obtain separate estimates for each condition / panel. Regardless, they must ALL include the following: complete VIN, mileage, customer name, date, replacement part numbers (if necessary), and a detailed description of the repair. Make sure the estimate(s) coheres with the applicable VGCA reimbursement policies described in Section 6.5.5, "<u>Reimbursement for Sublet Repairs</u>," before sending the request for authorization.
- When requesting authorization for a vehicle at or near the warranty expiry date, a repair order opened for the corrosion

repairs may need to be provided at the request of the dealer's Warranty Claim Specialist. This will make sure the vehicle was originally diagnosed while still within the warranty limitations.

- E-mail the photos and the complete and detailed estimate to your Paint and Corrosion Warranty Specialist (warranty.paint.corrosion@vw.ca) for pre-authorization. All paint and corrosion claims sent via e-mail must include a subject line which follows this example: <u>4991234 – WVWAB12C34D567890 – Customer Name (or Stock#) –</u> <u>Additional details.</u> The request for pre-authorization must be received by VGCA before any claims can be entered into SAGA. <u>All paint and corrosion warranty claims must be pre-authorized prior to performing any repairs.</u>
- Dealers will be notified by their respective Paint and Corrosion Warranty Specialist via e-mail once a final decision is made after review. If approved, an authorization number will be given in the message and, when claiming in SAGA, must be included in the first line of the "Claim Comments" section. For further claim coding instructions, please refer to Section 5.5, "Paint and Corrosion Claiming Specifications and SAGA Coding."
- Approved paint and corrosion repairs must be completed and claimed within <u>60</u> days after the pre-authorization. Repairs
 performed after 60 days of authorization must be resubmitted for another authorization. To request an extension, please
 contact your Paint and Corrosion Warranty Specialist. A comment in SAGA will be required to justify the need for an
 extension beyond 60 days.
- For documentation purposes, the paint or corrosion repair estimate(s) and invoice(s) must be attached to the repair order.
- Other supporting documentation (photos, etc) must be saved in a retrievable format.
- Onsite inspection of a subject vehicle by your FOM or other VGCA employee must still be accompanied by the above mentioned authorization form, photos, estimates, etc.

5.3 Paint

5.3.1 Paint Policy

All paint-related warranty repairs are covered under the terms of the New Vehicle Limited Warranty (NVLW) (see Section 1.3.1).

This warranty covers paint repairs for manufacturing defects only during the NVLW period.

<u>Please refer to the Warranty Paint & Corrosion Handbook for further clarification of coverage specifications</u>. It can be found on the Volkswagen ServiceNet page under VGCA Warranty > Corrosion.

5.3.2 Paint Claim Coding

The following claim codes are to be entered into SAGA upon being authorized for paint-related warranty repair:

Paint Claim Coding					
	In Service	Prior to Delivery			
Claim Type:	150	950			
(1) Service Number:	Code for affected body pa	nel			
(2) Damage Code:	0067 through 0087*				
(3) Damage Location:	Code for specific section** specify L/R)	* <u>(Be sure to</u>			
(4) Removed Part:	Same as Damage Locatio	n***			
Outside Labour Operation	L0 01 00 00 – Paint L0 02 00 00 – Paint, Meta L0 03 00 00 – Paint, Pearl				
* See Section 5.8, " <u>Paint and Corrosion Damage Categories</u> ."					

** See Section 5.9, "<u>Body Panel Codes</u>." *** Do NOT enter K21, WWO, 2BR, 3MR, or USM. They will not be accepted by SAGA.

EXAMPLE: Claim Coding for Front Right Fender

*

Service no.	5055 1	Fender
Damage code	0003 2	0003 RUST PENETRATION / RUST HOLE
Damage location	040 3	040 Front right wing
Repair code	2	Replaced
M∨MA		
Carrier code		
Parts manufa	cturer 4	
Removed pa	t 040 Wing front r	

5.4 Corrosion

5.4.1 Corrosion Policy

All corrosion-related warranty repairs are covered under the terms of the Corrosion Perforation Limited Warranty (see <u>Section</u> <u>1.3.6</u>).

<u>Please refer to the Warranty Paint & Corrosion Handbook for further clarification of coverage specifications</u>. It can be found on Volkswagen ServiceNet page under VGCA Warranty > Corrosion.

5.4.2 Corrosion Claim Coding

*

The following claim codes are to be entered into SAGA upon being authorized for corrosion-related warranty repair:

Corrosion Claim Coding					
Claim Type:	160				
(1) Service Number:	Code for repaired body panel				
(2) Damage Code:	0003				
(3) Damage Location:	Code for specific section* (Be sure to specify L/R)				
(4) Removed Part:	Same as Damage Location**				
See Section 5.9, "Body Panel Codes."					

** Do NOT enter K21, WWO, 2BR, 3MR, or USM. They will not be accepted by SAGA.

EXAMPLE: Claim Coding for Front Right Fender

103 2	0003 RUST PENETRATION / RUST HOLE
10 3	
	040 Front right wing
	Replaced

5.5 Paint and Corrosion Claim Specifications and SAGA Coding

The following are clarifications for proper data entry completed once the request for pre-authorization has been received by VGCA.

Labour

All repair labour performed at the dealership should be entered into the "Labour" section of the SAGA program.

Sublet Labour

All sublet repairs performed should have the labour be entered into the "Outside Labour" section in SAGA. Sublet labour charges must not exceed the designated amount generated by ElsaWeb. This amount is calculated by multiplying ElsaWeb Suggested Repair Times (SRTs) with the dealers' warranty labour re-imbursement rate in effect on the repair date.

For Example: Technical Bulletin 50-11-03 (No. 2028083), "Corrosion, Front Fenders, at Upper Wheel Opening" allows for 370 Time Units to replace and paint a single fender. The total charged to warranty as a sublet repair should not exceed the total amount of time allocated multiplied by the Warranty labour re-imbursement rate in effect at the time of the repair. If that labour rate were to equal \$100.00 per hour, then the total allowable sublet labour charge would be \$370.00.

For further clarification of the sublet labour policy, please refer to Section 6.5.5, "Reimbursement for Sublet Repairs."

Parts

All Volkswagen genuine parts required for the repair / replacement task should be claimed under the "Materials" section in SAGA.

Paint

Paint materials are to be claimed under the "Outside Materials" section of SAGA using the Outside Part Number <u>LACKMATF</u>. LACKMATF represents all supplies / materials including but not limited to paint, primer, filling materials, sanding materials, masking, and rustproofing. When additional, exceptional outside materials are claimed, do NOT combine them with the LACKMATF amount. The dealer must manually enter the Outside Part Number and Description in the applicable fields. See example below:

tside	material						ີ 🗋
٧	Outside SP number	Description	Attribute	Quantity	Unit	Amount	Calculated amount
	08883	UNDERCOATING		1.00 E	ach	7.50	7.50
	LACEMATE	PAINT AND MATERIALS		4.00 E	ach	64.72	64.72

Whenever you are claiming paint material, please use the material unit (MU) reimbursement rate for all paint and corrosion repairs. The current rates for painting vehicles are as follows:

- Straight colour (single stage finishing): **\$7.20 per MU**
- Metallic or Two-Layer paint (two stage finishing): **\$16.18 per MU**
- Pearlescent paint (pearl finish two stage finishing): \$16.18 per MU

Repairs may be undertaken in order to best match the vehicle's original finish. It is important to communicate to your client(s) that paint or corrosion warranties <u>do not cover the additional cost of painting additional, adjacent body panel(s) or the entire</u> vehicle solely for the purpose of paint matching / blending.

Authorization Number

The respective Paint and Corrosion Warranty Specialist will give the dealer pre-authorization upon determining that the condition is eligible for warranty. An "Authorization Number" is given for every claim made. In SAGA, this number must appear in the first line under the "Claim Comments" field.

Conditions Addressed by Technical Bulletins

Whenever the dealer is claiming a paint or corrosion warranty addressed by a Technical Bulletin, the Instance Number of that bulletin must be entered in the "HST number" field in SAGA followed by its current version (See Section 6.3.1, "<u>Warranty Claims</u> <u>Requirements</u>"). Technical Bulletins applicable to specific vehicles can be found listed on ElsaWeb > Technical Solutions under Technical Product Information. See example below (Instance Number 2028083, version 3, "Corrosion, Front Fenders, at Upper

HST number 2028083/3

<u>Please refer to the Warranty Paint & Corrosion Handbook for more information on SAGA claim codes and procedures</u>. It can be found on the Volkswagen ServiceNet page under VGCA Warranty > Corrosion.

5.6 Dealer Responsibilities for Claims Addressed by Technical Bulletin

The dealer must comply with the following step-by-step instructions whenever a paint- or corrosion-related issue(s) / customer complaint(s) arises and the condition has been addressed by a Technical Bulletin.

If the paint or corrosion issue has NOT been addressed by a specific Technical Bulletin, please refer to Section 5.2, "Dealer Responsibilities for Paint and Corrosion Warranty Claims."

If the paint or corrosion issue has been addressed by a specific Technical Bulletin, then follow the procedures below:

- Determine that the issue / condition present on the vehicle is consistent with one described in a particular Technical Bulletin.
- Determine that the vehicle with the issue / condition is eligible for paint and corrosion repairs under warranty. The dealer
 is entitled to <u>self-authorize</u> these repairs by determining which vehicles / conditions are warrantable. For help with this
 task, dealers may refer to the Warranty Paint & Corrosion Handbook for further clarification of coverage specifications. It
 can be found on the Volkswagen ServiceNet page under VGCA Warranty > Corrosion.
- <u>Always</u> open a Repair Order upon the customer's first visit for a paint and corrosion concern. Include the date of the first visit and the "IN" mileage on the RO. Also, make sure that the recorded mileage is accurate and consistent across all documents, including photos of the odometer.
- Take clear and focused digital photos of the following:
 - the whole vehicle at different angles (for overall condition)
 - o affected part(s) and / or body panel(s)
 - VIN plate(s)
 - o odometer reading
 - o glass / window manufacturer stamp (only for corrosion conditions occurring around glass panes)

The vehicle must be cleaned and dried prior to having pictures taken. When taking photos of the affected areas, fill in and place the provided Damage Documentation Templates next to the condition in the picture (See Section 5.7, "Paint and Corrosion Diagnostic Tool Kit"). Photos of the condition must also be taken from multiple distances for clarity as per the following diagram:



- Obtain a detailed repair estimate from an external or internal collision center. Hand-written estimates are discouraged. For a vehicle with multiple, unrelated corrosion conditions, dealers are required to obtain separate estimates for each condition / panel. Regardless, they must ALL include the following: complete VIN, mileage, customer name, date, replacement part numbers (if necessary), and a detailed description of the repair. Make sure the estimate(s) coheres with the applicable VGCA reimbursement policies described in Section 6.5.5, "Reimbursement for Sublet Repairs."
- When requesting authorization for a vehicle at or near the warranty expiry date, a repair order opened for the corrosion repairs may need to be provided at the request of the dealer's Warranty Claim Specialist. This will make sure the vehicle

was originally diagnosed while still within the warranty limitations.

- <u>A request for pre-authorization will NOT be required when claiming repair for paint- and corrosion-related issues</u> <u>already addressed by a Technical Bulletin.</u> Regardless, all regularly applicable terms found in this Policies and Procedures Manual still apply. All repairs performed, warranty claims, and documentation must be completed in accordance with the terms of the applicable warranty, technical bulletins, and other related documents.
- Approved paint or corrosion repairs must be completed and claimed within <u>60</u> days after the pre-authorization. Repairs performed after 60 days of authorization must be resubmitted for another authorization. A comment in SAGA will be required to justify the need for an extension beyond 60 days. To request an extension, please contact your Paint and Corrosion Warranty Specialist.
- For documentation purposes, all repair estimates must be attached to the RO.
- Although pre-authorization is not required, all documentation for paint and corrosion warranty repairs must be saved / stored in a retrievable format.

5.7 Paint and Corrosion Tool Kit

VGCA has developed a "Diagnostic Tool Kit" to aid dealers when assessing the paint and corrosion eligibility inquiries from your customers. The tools supplied will provide quantitative means with which to educate customers about the importance of acting rapidly to address corrosion cases as they emerge from a vehicle's body panel(s). The Tool Kit contains the following:

- Damage Documentation Templates
- Paint Thickness Gauge
- Paint Defect Identifier

This initiative is also aimed at ensuring both the dealership and corporate personnel make uniform and consistent decisions.

Damage Documentation Templates

Damage Documentation Templates are magnetic labels containing a measuring scale and information on the affected areas. They are to be placed under or around specific areas of corrosion or paint defects in order to better identify the scale and severity of the condition. Using a dry erase marker, the dealer must fill in the following information prior to taking a picture:

- VIN
- Component
- Paint Thickness (See "Paint Thickness Gauge" below)

A filled-in template should be placed near the affected area on the body panel to take the picture. In cases where the condition is located on a non-metallic part, simply hold the magnet in place for the picture. An example photo can be found below:

VIN: UVUZK 638×3513305/ Component: Davees Dooe Paint Thickness: 4.8	

Dealers are also to use Damage Documentation Templates in order to justify responses to customer inquiries regarding corrosion conditions. The size of the template should provide dealers with a method of visually demonstrating to customers what the standard expectation is for warrantable corrosion conditions.

Paint Thickness Gauge

Before sending an authorization request to your Paint and Corrosion Warranty Specialist, dealers are required use a paint thickness gauge in order to assess the vehicle paint condition. In most cases, this will help manage customer expectations by being able to demonstrate what panels are damage, repainted, defective, etc. This will also facilitate identification of paint abnormality. Description of paint thickness measurements readings are as follows:

Paint Thickness Scale (in thousandths of an inch, Mils)				
<4.2 Mils	Too thin, possibility of paint abnormality / damage*			
4.2-5.4 Mils	Normal paint thickness for Volkswagen vehicles			
>5.4 Mils	Too thick, possibility of repaint or presence of body filler*			
*These CANNOT be assumed if based solely on the paint thickness measurement.				

<u>VGCA will NOT mandate the use of a specific paint thickness gauge.</u> However, if your dealership does not possess a paint thickness gauge, it is recommended that the "ETG-A Electronic Thickness Gauge" be purchased. The ETG-A is made available through Volkswagen Special Tools and Equipment. To navigate through the Volkswagen Special Tools and Equipment website, follow either of the two following instructions:

- Log into VW Hub to access ServiceNet > Workshop Equipment > Minimum Required Tools and select the link <u>http://www.tools.VW.com</u>. This will take you to <u>http://ww.snapon.com/Home.aspx</u>, Volkswagen Special Tools and Equipment. Log In to view VW Tools > Online Catalog > General Shop and select Paint Thickness Gauge to view all available tools.
- The other way of accessing the Volkswagen Special Tools and Equipment website is to go directly to http://ww.snapon.com/Home.aspx. Then, log In to view VW Tools > Online Catalog > General Shop and select Paint Thickness Gauge to view all available tools.

Paint Defect Identifier

A laminated sheet resembling a barcode will be provided in order to aid with the identification of paint defects, dents, bumps, and other blemishes. As shown below, the reflection of the bars will appear "disturbed" in the presence of dents or bumps as well as some other defects.

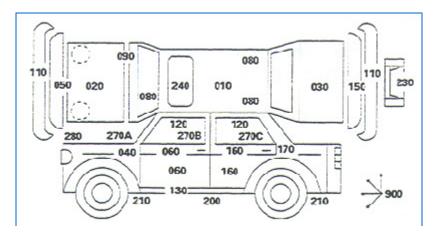


Use the Paint Defect Identifier in photos whenever the condition is difficult to see or assess based on a photo without the tool.

5.8 Paint and Corrosion Damage Categories

Code	Description
0003	Corrosion Perforation
0067	Insufficient Adhesion Original Paint
0068	Insufficient Adhesion Repaint
0069	Soft Top Coat
0070	Paint Boundary Visible
0071	Overspray
0072	Spotting/Polishing Marks
0073	Poor Colour Match
0074	Decal/Foil Loose
0075	Cracks in Paint
0076	Wet Paint Damaged
0077	PVC Application Shortcomings
0078	Corrosion Protection Shortcomings
0079	Cavity Wax on Paint
0080	Scratches
0081	Sheet Metal Dents
0082	Insufficient Paint Thickness
0083	Clouding (metallics)
0084	Foreign Material in Paint
0085	Cratering (fisheyes)
0086	Sanding/Grinding Marks
0087	Paint Runs

5.9 Body Panel Codes



Body F	Panel Code	Body Panel Designation
	010	Roof
	020	Hood
	030	Rear Lid Outside
	031	Rear Lid Inside
	040	Front Fender
	050	Front Apron
	060	Front Door Outside
	061	Front Door Inside
	080	Rain Gutters
	090	Cowl
	100	Wheel - Steel
	101	Wheel - Alloy
	110	Front/Rear Bumper
	120	Interior Paint - Passenger Compartment
	130	Rocker Panel
	150	Rear Apron
	160	Rear Door Outside
	161	Rear Door Inside
	170	Quarter Panel
	200	Floor
	210	Front/Rear Wheelhouse
	230	Vanagon: Engine Comp. Lid
	240	Sunroof Panel
	260	Fuel Filler Flap
	270	A-B-C Pillar, Door Opening
	280	Engine Compartment
	290	Trunk (not pictured)
	900	Entire Body

6 Warranty Administration

6.1 Introduction

Volkswagen Group Canada (VGCA), Inc. requires all reimbursements under warranty to be correct, complete, and verified at all times. All repair work under warranty must be submitted for payment according to the applicable terms outlined in this Volkswagen Warranty Policies and Procedures Manual.

This section describes the information and documentation required to substantiate claims submitted for reimbursement under warranty. Volkswagen reserves the right to adjust or debit warranty claims in cases of non-compliance.

6.2 Warranty Coverage

6.2.1 Warranty Coverage Verification

Dealers must check ElsaWeb > Vehicle Specific Information under Vehicle Data every time a vehicle is serviced to identify open campaigns, UPDATEs, and warranty extensions eligibility as well as vehicle status prior to repair work.

- The Vehicle Identification Number (VIN) entered for inquiry must be a vehicle imported by Volkswagen.
- Always verify that the vehicle has a Canadian Warranty Booklet, that an Authorized Volkswagen dealer validated the Maintenance Booklet, and that all required maintenances have been performed.
- Verify that the vehicle is covered by a Volkswagen warranty-
- Always verify the vehicle status (see Section 6.2.3, "Voided Warranty") as well as any Warranty Keys that may be attributed to the vehicle in question (see Section 1.1.5, "VGCA Warranty Keys and Process to Request a Vehicle Alert").

6.2.2 Delivery Date Discrepancies

In-Service Date

The in-service date is defined in Section 1.1.1, "<u>Warranty Coverage and Guidelines, All Warranty Types</u>." The in-service date must be entered on the Warranty Voucher in the Maintenance Booklet and be the same date reported to Volkswagen. These dates cannot be different. Dealers are expected to perform warranty repairs on vehicles based upon the in-service date in ElsaWeb.

Unregistered Vehicles

In all cases, unregistered vehicles that have accumulated more than 1,600 kilometres will be considered in-service. Claims will be denied if no in-service date is recorded and km exceeds 1,600 km.

Change of Vehicle In-Service Date

On the rare occasion, the in-service date of a vehicle may need to be changed. The only instance where this may be allowed is when the date itself is entered incorrectly (i.e., month and date discrepancies: 06/12 vs. 12/06).

If a vehicle is put into service prior to delivery, its warranty period still begins on that in-service date reported before the delivery. For example, a vehicle is put into service at the dealership prior to sale, then six (6) months pass and that vehicle is delivered to a customer. Even if the vehicle has acquired no mileage, it will only receive warranty starting six months prior to the sale. In this case, NO change to the in-service date may be made.

Any in-service dates erroneously reported to Volkswagen must be corrected through the following procedure:

- The request must be submitted to the Area Team using the Request for Change of Vehicle In-Service Date Form. Forms
 are available on ElsaWeb > ServiceNet under VGCA Warranty > Forms.
- The reason for the request must be clearly stated and supported by relevant documents (i.e., a sales contract / lease and a warranty booklet voucher).
- After review and approval by the Area Team, include the Warranty Claim Processing Department's Fax Check Sheet Form into the SAGA claim submission. It is also available on ElsaWeb > ServiceNet under VGCA Warranty > Forms.

6.2.3 Voided Warranty

Warranty is void and will not be reinstated on any vehicle if:

- The VIN plate has been altered or removed.
- The odometer has been altered or the actual km cannot be determined.
- An insurer reports the vehicle as dismantled, fire / flood damaged, junk, re-built, reconstructed, salvaged, or declared a total loss.
- The vehicle has been stolen.

Exceptions for Total Loss Vehicles

If a vehicle is identified as "Vehicle totalled/without warranty" in ElsaWeb, the vehicle's warranty is invalid with the exception of campaigns, emissions claims under certain conditions, and parts claims which can still be processed. Contact the Campaign Specialist to claim a campaign for a vehicle with a "Vehicle totalled/without warranty" status. Contact your Warranty Claims Specialist for emissions and parts claims on vehicles that have a "Vehicle totalled/without warranty" status.

6.2.4 Warranty Reinstatement

The warranty may be reinstated for recovered stolen vehicles. Volkswagen will consider warranty reinstatement upon dealer inquiry. Refer to the following procedures:

- Dealers are to submit a request for reinstatement which must include a copy of the police report verifying recovery and a statement by the dealer Service Manager indicating that the vehicle should be considered for warranty reinstatement.
- Verification that repairs meet Volkswagen standards will be required following inspection of the vehicle by a Volkswagen QTM. A copy of the original repair estimate, together with a copy of the repair invoice and material issue, must be provided for evaluation and verification.
- Based on the QTM's inspection report, a decision will be made.
- Parts on vehicles which are NOT Volkswagen genuine, remanufactured, or economy parts cannot receive warranty reinstatement.
- Original Volkswagen parts / systems which have been tuned or modified will NOT receive warranty reinstatement.

6.3 Warranty Claims

6.3.1 Warranty Claim Requirements

Warranty claims are considered invoices to Volkswagen for repair work performed under warranty. All warranty claims must validate the work performed, date, and monetary amount due. It is the responsibility of the authorized dealer to substantiate every warranty claim.

Repair date

The date of the last punched repair time must be used as the repair date for all warranty claims. The only exception to this policy occurs when repairs are completed at or near warranty expiry date. Please refer to Section 6.6.2, "Repairs Completed At or Near Warranty Expiry Date."

Km (total distance travelled by the vehicle, in kilometres, indicated on the odometer)

For all warranty claims, the exact mileage entered into the "Kilometres / Miles" field on the SAGA warranty claim must be the <u>"IN"</u> km. This would be the exact odometer reading when the repair order was first opened to diagnose the issue. Warranty claims with false odometer readings will be charged back. Note that both "IN" and "OUT" mileages still need to be recorded on the repair order to substantiate road tests and other conducted diagnoses (See Section 6.4.1, "<u>Required Information on Repair Order</u>").

Part Manufacturer Code

The part manufacturer code (or vendor code) identifies the manufacturer of the part. A part manufacturer code must be entered into all SAGA claim submissions. For instructions to identify the correct vendor code to submit with a warranty claim, please refer to Section 8.2.4, "<u>Vendor Codes</u>."

Causal Part / Labour

Each causal part / defect requires a separate claim. Consequential damage is not a separate defect, so it is claimed on the same line as the causal part. For example, a water pump leak soaks the timing belt with coolant causing it to fail. The belt is considered consequential damage in this case and submitted on the same claim line as the water pump.

If complaints are received for the same component on both the left and right sides of the vehicle, the causal parts must be entered on separate claim lines. For example, when claiming the left and right lower control arms, one side cannot cause the other side to fail. Each side is a causal part, and the parts must be entered on separate claim lines.

Labour Operation

A labour operation is an 8-character code that describes the kind of repair performed. Labour operations are published on ElsaWeb. Refer to Section 6.5.4.5, "Labour Operation Codes" for details regarding proper use of labour operations.

Claim Comments

Completed claim comments supply additional information to help substantiate and process claims. The "Claim Comments" field should contain as much of the following information as possible:

- A brief and accurate description of customer concern (such as "MIL on", or "rough idle")
- Why the part was replaced/defect found (such as "solenoid does not click") or what part was repaired (such as "repaired hose at N112 solenoid: cracked under clamp")
- A brief and accurate description of diagnosis time, A-time, or any repairs other than replacement of a part
- Detailed emissions-related warranty data is imperative in order for Volkswagen to meet expanding regulations to government agencies
- Technical Helpline case number or HotlineChannel ticket number
- All relevant fault codes that pertain to the claim PID (such as "DTC P1200"). The fault code which actually relates to the issue / complaint should be identified as well.
- For wear items covered by the NVLW, indicate the dimensions of the worn part in relation to the specification. Refer to New Vehicle Limited Warranty (NVLW), Components Covered for Wear and Tear, or Warranty Coverage by Components
- Authorization number from FOM (if applicable)
- Document flow number if part was backordered
- Reason for excessive loaner (if applicable)

HST Number

For all Volkswagen vehicles, if a Technical Bulletin is to be followed during warranty repairs, the Instance Number as well as its current version (where applicable) should be entered into the "HST number" field in SAGA. This eliminates the need to include the use of a Technical Bulletin in the "Claim Comments" field. You can find the Bulletin's combined Instance Number and version on ElsaWeb, in the Technical Solutions section under "Transaction No." as seen below.

In ElsaWeb

Technical Service Bulletin Tr 50-11-03 - Corrosion, Front Fenders, at Upper Wheel Opening (Canada Only)	ransaction No.: 2028083/3 Release date: Dec 22, 2011					
Condition						
50 11 03 December 21, 2011 2028083 Supersedes T. B. V501102 dated November 16, 2011. Corrosion, Front Fenders, at Upper Wheel Opening (Canada Only)						

In SAGA

The "HST number" field is located on the "Main Data" tab in SAGA. Once the claim has been saved, it can be found on the "Damage Information" tab. See below.

Service no.	Damage code	Damage location	Repair completion date	Tow in MVMA	HST number	

Vehicle information	n Claim Control	Damage information
Workshop Cod	ling	
BA-ID		
Workshop code		
Description		
HST number	2028083/4	HST title
Service no.	5055	Fender

IMPORTANT!

For claims with parts requested the dealer must provide adequate, detailed supporting information in the "Claim Comments" field of the SAGA claim at the time of claim entry / submission. Any blank or inadequate comments will result in a delay in the review of the claim. Do not use vague terminology or phrases such as "inop," "broken" or "performed diag."

6.3.2 Time Limits to File a Claim

Properly completed repair orders for justified warranty or campaign services must be transmitted immediately after completion of the repair and must be received by VGCA no later than <u>30</u> days from the date of repair completion (last punched repair date).

<u>Claims received after one year from the date of repair cannot be processed. Some provinces may not allow this</u> <u>limitation. Check provincial law for further information.</u> Authorized dealers must restrict access to repair orders to prevent unauthorized personnel from adding repairs or labour operations to the repair order and / or warranty claim.

Only qualified Warranty Administrators, Service Consultants, and Shop Foremen or Dispatchers are approved to enter labour operations to warranty claims. If the employee's formal job description does not list the responsibility of assigning technician repair times to the repair order and / or warranty claims, then such repair times claimed will be charged back.

6.4 Repair Order Documentation

6.4.1 Required Information on Repair Order

Repair order documentation is the basis with which the dealer must verify the repair work performed under warranty. All of the documentation must be correct and complete.

Accurate Customer and Vehicle Data

Customer and vehicle data listed on a manual or electronic repair order (ERO) must be accurate. The repair order must show the correct customer data including the customer's name, address, telephone number, and signature authorizing the repair. The repair order must also record correct vehicle data including the actual "in" and "out" dates and km of repair. In case of a road test, the repair order must clearly show the vehicle km "before" and "after" each road test.

Verification of Customer Concern

Service Consultants must verify that a customer concern is about an actual failure / issue by questioning the customer thoroughly, inspecting the vehicle, and asking for a demonstration of the condition before continuing with any official diagnosis or repair procedures.

Customer signature

The customer signature must appear on all repair order copies acknowledging the work to be performed on his / her vehicle. If it is not possible to obtain the customer signature, the Service Manager or their current designate must document the reason the customer signature is missing and sign (legible full signature) the repair order. For signature requirements on add-on repairs, please refer to Section 7.1, "Add-on Repairs."

Customer Notes and Night Drop Envelopes

Signed night drop envelopes and separate customer notes must be cross-referenced and attached to the working repair order hard copy. The Service Manager or their current designate must sign the repair order hard copy in addition to affixing the night drop note / envelope.

Technician Notes

Technician notes must include, but are not limited to, the customer complaint, the cause of the problem, and details of the correction of the customer complaint. They must be clearly written by the technician on the back of the repair order hard copy (next to the tear-off time flag that shows the "on" and "off" punch times for the repair). For ERO dealers, the technician notes are to be entered on the ERO next to the SRT for the repair.

Cross-Referencing Documentation to the Repair Order

All supporting documentation for a warranty repair must be cross-referenced to the original repair order.

For example, dealers must record the original repair order number(s) and VIN on the supporting documentation. The original repair order might be one on which diagnosis was performed, or one from before the expiry of the warranty.

Documentation to be noted on the repair order includes, but is not limited to, measurements or test procedures. Brake pad / rotor replacement, if covered by warranty, must include wear specifications (including warping). If a vehicle was towed to the dealership, you must note (for the appropriate concern) that the vehicle was towed, and identify the part (or Service Number) which caused the vehicle to be towed. For further instructions regarding towing, please refer to Section 6.6.1, "Tow-Ins, Claim Coding Procedure."

Information such as pressure test readings or any other information that will justify a warranty repair must be clearly written on the repair order hard copy by the technician. For ERO dealers, the technician must enter the specification on the ERO by the SRT for that repair. The ERO system used must enable VGCA to identify the technician who accessed the system and entered the specific notes.

Note: Specifications for brake wear and other components can be found in the repair manual on ElsaWeb.

Parts Material Issue

The parts material issue must show the quantity, part number, and part description for every part used for a warranty repair. Each

part must be marked beside the respective repair procedure line(s) on the repair order. Parts used from the wiring harness repair kit, VAG 1978, must be listed by part number on the repair order's parts material issue to substantiate the payment for wiring repairs claimed under warranty.

Support for A-time

Volkswagen Warranty must be able to reconstruct why A-time time has been claimed. Any A-time claimed must be fair, realistic, and have a technically sound explanation.

A-time/diagnosis time must also be supported by the technician's punch time. A-time and diagnosis time require a separate "on" and "off" punch time unless used in combination with a SRT operation, in which case punch "on" when the repair is started and "off" when completed. The technician may also punch individually for A-time and / or diagnosis time if used in combination with a SRT operation in order to preserve the technician's efficiency on the SRT operation. Please refer to Section 7.4, "<u>Time</u> <u>Recording by the Technician</u>."

When claiming a road test, the repair order must clearly show the vehicle km "before" and "after" the road test.

The time while being on hold with the Technical Helpline is not reimbursable. The Technical Helpline recommendations, date of contact and case number must appear on the repair order. The Technical Helpline case number must be entered in the claim comments. All supporting printouts from scan tools 5051B/5052A/6150 and other documentation must be attached to the repair order hard copy and be available for review.

Support for Diagnosis Time

Volkswagen Warranty must be able to reconstruct why diagnosis time has been claimed. Any diagnosis claimed must be fair, realistic, and have a technically sound explanation. The technician must provide written detail of the diagnosis procedures used on the back of the repair order hard copy.

A-time/diagnosis time must also be supported by the technician's punch time. A-time and diagnosis time require a separate "on" and "off" punch time unless used in combination with a SRT operation, in which case punch "on" when the repair is started and "off" when completed. The technician may also punch individually for A-time and / or diagnosis time if used in combination with a SRT operation in order to preserve the technician's efficiency on the SRT operation. Please refer to Section 7.4, "<u>Time Recording by the Technician</u>."

Diagnosis time surpassing 1 hour requires approval from the Service Manager. The Service Manager or other designate must also sign and date the times for diagnosis on the RO which exceed 1 hour.

When claiming a road test, the repair order must clearly show the vehicle km "before" and "after" the road test.

The time while being on hold with the Technical Helpline is not reimbursable. The Technical Helpline recommendations, date of contact and case number must appear on the repair order. The Technical Helpline case number must be entered in the claim comments. All supporting printouts from scan tools 5051B/5052A/6150 and other documentation must be attached to the repair order hard copy and be available for review.

6.4.2 Required Documentation with Repair Order

All Checklists, Worksheets, and Test Printouts

Documentation to be attached to the repair order includes but is not limited to all "before" and "after" adjustments or specifications (i.e. "before" and "after" wheel alignment measurements), all diagnostic worksheets, test sheets, or printouts such as the Audio Diagnostic Worksheet, Transmission Diagnosis Worksheet, Brake Disc Measurement Form, Battery Test Sheet, Midtronics[®] Battery Tester printout, sublet invoices, loaner agreements, and 5051B/5052A/6150 GFF logs from ODIS.

Authorization Forms

All authorization forms including but not limited to the Warranty Parts Release Authorization Form and any applicable FOM authorization forms.

Forms are available on ElsaWeb > ServiceNet under VGCA Warranty > Forms.

Invoices and Loaner Agreements

All sublet invoices and loaner agreements must be included with the repair order. Invoices are not considered repair order copies. Invoices must contain all customer information and the full VIN of the vehicle. Loaner agreements must include the full VIN of the downed vehicle and the customer's signature.

Electronic Repair Order (ERO) Documentation

Dealers using an ERO system must print a copy of the ERO following the initial write-up which includes including customer concerns, VIN, km and other required information. The dealer must have the customer sign the ERO copy and retain it along with all other supporting documentation needed for the warranty repair.

Document Alterations

Dealers using manual repair orders or an electronic repair order (ERO) system containing alterations made to Suggested Repair Times (SRTs), customer complaint, technician repair order time control records and / or material issues must retain both premodified and modified documents for review by VGCA. Paid warranty claims resulting from unjustified documentation alterations will be charged back.

Recording of Technician Repair Times

Daily Time and Payroll Record and Tear-off Stub

The technician's Daily Time and Payroll Record and tear-off stub (time flag) must list the technician's number, time punched in hundredths of an hour (not minutes), and month and date the individual repairs were performed. The tear-off stub must be permanently affixed to the back of the repair order hard copy.

The initial start time for a repair is when the vehicle is in the repair bay ready to be worked on by the technician. The time entries (starting and finishing times of each repair on a repair order) must be performed with a time clock or an ERO system that records the time a technician enters by month, date, and 100 units per hour and must conform to the Volkswagen Suggested Repair Time (SRT) system. Each repair identified on the repair order (such as A, B, C) must be punched separately, or will be subject to debit. All time punches must be clearly associated with the repair lines they are assigned to. If, for instance, more time punches are recorded than repair lines, then the punches must clearly indicate which line they are linked to. For information regarding proper time recording for A-time and diagnosis time, please refer to Section 7.4, "Time Recording by the Technician."

The Daily Time and Payroll Record must provide a record of the technician's repairs and the time used to complete the repairs each day whether customer pay, warranty, or internal. It must contain a breakdown of time by Productive Time capacity, or "W" Time (non-productive time) for shop repairs, training, lunch, coffee breaks, etc. It must also show how much time the technician had available and how it was utilized.

If it is found during a warranty audit that time clock entries were not made on a technician's Daily Time and Payroll Record attached to the repair order, or a Daily Time and Payroll record is not available, the corresponding warranty claim(s) may be charged back.

Time Clocks

All time clocks in the dealership (including computer time clocks for all test equipment and wheel alignment time clocks) must be synchronized. If the time clocks are not synchronized, the corresponding warranty repair(s) may be charged back.

A broken time clock must be repaired or replaced immediately. In the event of a time clock discrepancy in an electronic repair

order (ERO) system, the authorized administrative employee must write a reasonable explanation for the actual time discrepancy on the electronic repair order.

In the event of a time clock failure, or if a technician forgets to punch "on" or "off" a repair, the Service Manager, or a designated administrative employee approved by the Area Team, can authorize the estimated actual time by signing the repair order hard copy next to the tear-off stub. The authorized administrative employee must document all hand-written times and ensure that technicians always punch "on" and "off" the time clock correctly.

Multiple Time Punches

If two technicians are working together on the same vehicle repair at the same time, (for example, an apprentice or less experienced technician working with an experienced technician), the time clock flags for both technicians must be affixed to the same vehicle repair order hard copy. Credit and responsibility for the time spent on the repair must be given to the experienced technician. The less experienced technician time is to be charged out as training.

6.4.3 Documentation for Parts Warranties

When an item covered under the Volkswagen Parts and Accessories Limited Warranty or the Volkswagen Limited Lifetime Warranty is claimed defective, its eligibility must be documented by the previous repair order. The "previous repair order" is defined as the repair order with which the eligible item was installed in the vehicle by an authorized Volkswagen dealer. Minimum information included must be the customer name, VIN, date, and km (distance) at installation.

A parts counter sales ticket / receipt will take the place of the previous repair order if an authorized dealer did not install the item. Minimum information on the parts counter sales ticket must include the date of sale, the customer name, and part quantity and part number. Each elapsed month in service equals 1,500 km for purposes of coverage eligibility.

6.4.4 Document Retention

All documentation supporting warranty and non-warranty repairs must be retained for a minimum of <u>2 years</u> after the claims have been paid. All records must be available for periodic review by a Volkswagen representative. There may be legal requirements for the retention of documents in excess of 2 years. Dealers are advised to verify such requirements with their legal / financial advisors and government agencies.

Documentation that must be retained includes but is not limited to:

- All dealer copies of repair orders and their material issues
- All dealer copies of parts orders and purged invoices
- Technician payroll records including daily, weekly, and monthly time control records, corresponding summary reports, and employment records
- Invoices supporting each warranty, recall, free maintenance, or any other type of repair submitted to Volkswagen for processing and payment
- Work distribution control forms or schedules, customer service appointment scheduling documents, and technician repair work distribution forms
- Original invoices for outside purchases of parts or repair services (sublet), and records of charges and payment for such services
- All dated shipping records for part(s) requested through SAGA that identify the individual repair order (claim), VIN, shipper, and shipped-to destination
- Parts ordering records that support the need for a loaner vehicle, such as back-order records to verify that Volkswagen could not supply parts for the vehicle when needed
- Any and all documentation supporting a dealer's request for reimbursement for claimed warranty service and repair work
- All loaner agreements

Volkswagen representatives must be able to verify repair order documentation consisting of legible, detailed records of both warranty and non-warranty service work performed. The dealer is responsible to ensure that the information is properly documented, legible, and accessible.

Documentation Security

A system of document security must be in place that protects against the information being altered or destroyed once a repair order is finally closed. Precautionary measures must also be taken to ensure document legibility. For example, photocopies of Midtronics® Battery Tester printouts to keep the heat-sensitive paper from fading.

Electronic Repair Orders (ERO)

Dealers using electronic or hybrid repair order systems must print a copy of the electronic repair order following initial write-up including the customer concerns, VIN, and other required information. The dealer must then have the customer sign the electronic or hybrid repair order copy and fill in VIN sequence in a separate file set up for the purpose of retaining the <u>customer signature</u>.

Note: The customer's signature, service management signatures, and technicians' time flags may be provided electronically with no traditional paper time flags attached to any document when this feature is part of the ERO system used in the dealership.

VIN Recording

All records (customer pay, warranty and internal) must be retrievable by VIN sequence. Retrieval of repair order documents by VIN sequence allows the dealer the flexibility to meet individual sealer service department needs as well as enhance customer satisfaction, and assure that all records relating to a vehicle's service and repair are in the VIN folder.

Scanned Supporting Documentation

Volkswagen will accept scanned electronic / digital reproductions of the original repair order and supporting documentation provided the documentation is clearly legible for review and available when requested. Original documents may be discarded only if there is a way to retrieve acceptable electronically stored documents, and the dealer must have a back-up recovery plan to replace electronically stored documents in the event of disaster.

All scanned documentation must:

- Be complete and retained as outlined in the criteria in Section 6.4, "<u>Repair Order Documentation</u>," in effect at the time of the repair.
- Be easily retrievable by VIN sequence.
- Prohibit changes to the document after it has been imaged. If modification is necessary, both original and modified copies
 must be available, with proper explanation signed and approved by dealership management.

6.5 Reimbursement Policy

6.5.1 Introduction

Volkswagen reimburses authorized dealers for labour and parts used for repair work performed under warranty. If the parts and / or labour required for a repair are within <u>80%</u> of the cost of the unit, a complete new or remanufactured unit should be installed, unless written Volkswagen policy states otherwise. It is the dealer's responsibility to determine the most economical method of repair in order to control warranty costs. It is expected that dealers will follow the Volkswagen Dealer Agreement Standard Provisions, applicable provincial law, and generally accepted accounting practices (GAAP) in all warranty related transactions or finance record keeping related to warranty.

6.5.2 Reimbursement for Parts

Parts purchased from Volkswagen will be reimbursed based on the parts' reimbursement rate effective with each vehicle model year. If remanufactured parts are available, only the value of the remanufactured part will be reimbursed. Parts not purchased from Volkswagen are reimbursed under the sublet policy (see Section 6.5.5, "<u>Reimbursement for Sublet Repairs</u>"). The costs for shop supplies and dealer handling are not separately reimbursable because they are included in the parts reimbursement.

6.5.3 Reimbursement for Fluids and Lubricants

Only those fluids and lubricants listed in the following table, SAGA Part Numbers for Common Fluids and Lubricants, lost due to a warranty-related failure, will be reimbursed. Only that portion of a fluid or lubricant required and quantifiable for the repair / replacement is reimbursable. Disposal allowance is already included in warranty reimbursement allowances. Refer to the applicable Technical Bulletin for proper fluid capacity and filling procedures.

SAGA Part Numbers for Common Fluids and Lubricants								
Description	Part Number Entered	Qty	Equals	Reimbursemen	t In SAGA, claim under:			
A/C Refrigerant- R134A ²	ZVP000134	0.01	28.4g or 1 oz	Enter value ⁶	Outside Materials tab			
Automatic Trans. Fluid	Use approp. part no.	1	1 ltr (qt)	As calculated	Materials tab			
Brake Fluid	B 000750M2	1	250 ml or 0.25 qt	As calculated	Materials tab			
Eng. Coolant (except Routan)	ZVP000200	1	1 ltr (qt)	Enter value ⁶	Outside Materials tab			
Eng. Coolant (Routan)	GUS012001G1	1	1 gallon	As calculated	Materials tab			
Engine Oil 5W20 (Routan)	G 052107S0	1	1 ltr (qt)	As calculated	Materials tab			
Engine Oil 10W30 (Routan)	G 052108S0	1	1 ltr or 208.2 ltr drum	As calculated	Materials tab			
Engine Oil 5W30 (Routan)	G 052108S0	1	1 ltr or 208.2 ltr drum	As calculated	Materials tab			
Engine Oil 5W40 Synthetic (All gasoline except Routan)	G 052167S0	1	1 ltr or 208.2 ltr drum	As calculated	Materials tab			
Diesel Engine Oil SLX 504/507 Synthetic (All MY06 and newer TDI)	G 0521951L	1	1 ltr (qt)	As calculated	Materials tab			
Diesel Engine Oil 505 01 Synthetic (All MY06 and older TDI)	G 052167M2	1	1 ltr (qt)	As calculated	Materials tab			
Manual Trans. (Gear) Oil	Use approp. part no.	1	1 ltr (qt)	As calculated	Materials tab			
PAG Oil ³	G 052154A2	0.5	125 ml or 0.130 qt	As calculated	Materials tab			
Power Steering Fluid ¹	G 002000	1	1 ltr (qt)	As calculated	Materials tab			
Power Steering Fluid ¹	G 002012	1	354.8 ml	As calculated	Materials tab			
Sealant Compound	AMV17400401	0.5	83 ml tube	As calculated	Materials tab			
Sealant Compound	AMV18800102	0.5	100 g tube	As calculated	Materials tab			
Sealant Compound Oil Pan ⁴	D 176404A2	0.5	93 g tube	As calculated	Materials tab			
Sealant for Auto Trans	AKD45600002	1	14 ml tube	As calculated	Materials tab			
Sealant for Manual Trans ⁴	AMV18820003	0.5	100 g tube	As calculated	Materials tab			
AdBlue (Urea for TDIs)	G 052910A2	0.5	0.5 gallon	As calculated	Materials tab			
Top Off Fluid ⁵ (For Free Sched. Maintenance Only)	ZVP000600	1		Enter value ⁶	Outside Materials tab			

1. Use appropriate quantity while topping up by using the decimal point, e.g., "0.50"

2. Up to 454 g will be reimbursed for testing purposes

3. 50% of 1 can of PAG oil can be used when replacing R134A, use part number 'G 052154A2'

4. These Sealant Compound tubes include enough of the compound to repair at least two vehicles. Claim the appropriate amount by using decimal notation (e.g., "0.50")

5. When performing manufacturer's scheduled maintenance services, and you need to add any fluids listed in the Maintenance Schedule Bulletin, use part number ZVP000600 (Top Off)

6. Reimbursement values may be found in ServiceNet

6.5.4.1 Calculation

The labour reimbursement is based on the dealer's approved warranty labour rate in effect on the date of the repair and the time associated with the repair / replacement. For most repair operations, Volkswagen has specified Suggested Repair Times (SRTs) for labour operations published on ElsaWeb, which must be used, except where otherwise stated in written Volkswagen policy. For exceptional conditions, the actual punched time (A-time) may be used.

Reimbursement of Labour

Reimbursed labour = Repair time x Warranty Labour rate

6.5.4.2 Suggested Repair Times (SRTs)

Suggested Repair Times (SRTs) for labour operations are based on the repair procedures approved by Volkswagen and are provided for each model on ElsaWeb. They determine the labour portion of a repair and contain the average time for set-up, standard diagnosis, and repair procedures.

Claimed labour operations must be consistent with the customer concern and repair work performed. Labour times used to calculate reimbursable amounts may be based on the SRTs for such labour operations that were current at the time the repair / replacement was performed.

Re-Evaluation and Establishment of a Labour Operation

Dealers may request re-evaluation of an existing labour operation perceived as incorrect. Dealers may also request the establishment of a new labour operation if the labour operation is warrantable but not listed on ElsaWeb.

All concerns or requests regarding SRT discrepancies or revision requests, must be submitted by using the ElsaWeb Feedback Button. Dealers submitting feedback must include detailed and supportive justification. For example, when asking to change the length of a certain SRT, dealers must provide evidence of the same labour operation being performed in shop with recorded times. The recorded times will serve as justification for the amendment of an SRT posted in ElsaWeb.

When submitting feedback, the dealer must follow-up the request by checking the ElsaWeb Feedback Button for a response. To read a response, choose the View option. A response will be provided when the status of your original Feedback Form is closed.

6.5.4.3 Actual Clocked Time (A-Time)

A-time is the actual clocked time a technician works on a specific repair. It must be realistic and fair. Examples of conditions when A-time may apply are listed in the table below.

Conditions for the Use of Actual Clocked Time				
Additional repair steps	Necessary repair steps are not included in labour operation, e.g. a stud breaks while removing a water pump.			
Missing labour operation	The labour operation for the repair is not published in ElsaWeb.			
Less time needed than labour operation	The repair is not carried out completely as described by the labour operation.			
Overlapping labour operations	The repair shows common procedures with one or more repairs being performed on the same vehicle.			
Diagnosis time	Diagnostic procedures are required to investigate the source of the problem and there is no diagnosis labour operation. See Section 6.5.4.4, "Diagnosis Time."			

A-time is claimed by using "99" as the index (the last two digits) of the labour operation. When using index "99" for operations within a claim that do not have an assigned SRT, or for those that are considered over and above those necessary for execution of a repair (removal of seized bolts for example), input the <u>exact</u> amount of time punched for the repair / operation in question. See Section 6.5.4.5, "Labour Operation Codes."

Documentation for A-time

Detailed technician notes (including VGCA Technical Helpline recommendations, date of contact and case number, when applicable) must be recorded on the repair order to support the A-time. The VGCA Technical Helpline case number (when applicable) must be entered in the claim comments. Refer to Section 7.3, "<u>Technical Helpline, VTA Access Code, VTA Case Code</u>" for conditions when a Technical Helpline Case code is required.

Separate Punch Times for A-Time and Diagnosis Time

A-time and diagnosis time require a separate "on" and "off" punch time. The technician may also punch individually for A-time and / or diagnosis time if used in combination with a SRT operation in order to preserve the technician's efficiency on the SRT operation. For more information on time punches, please refer to Section 7.4, "Time Recording by the Technician."

6.5.4.4 Diagnosis Time

Diagnosis time may be required to substantiate a customer complaint or to verify that a repair corrected the failure. All diagnosis time must be thoroughly justified and will be closely verified by VGCA. For all Volkswagen vehicles, diagnosis time is not included in Suggested Repair Times (SRTs) with the exception of visual diagnosis. Diagnosis time may be claimed starting after the vehicle is brought into the work bay and before any repairs or services are performed.

Labour Operation Codes for Diagnosis

The following diagnostic labour operations must be utilized:

• 01 50 00 00: Guided Fault Finding (GFF)

Applicable to MY 2004 and newer models only, unless otherwise instructed in Volkswagen publications such as Technical Bulletins, UPDATE Bulletins, Campaign Circulars, etc. In some cases the procedures in these documents may instruct the technician to specifically use Self Diagnosis or Guided Functions
<u>IMPORTANT!</u> When this labour operation is used, input the exact number of time units shown on the diagnostic paperwork provided in support of the claim. SAGA will accept the exact amount of time claimed.

- 01 32 00 00: Technical Diagnosis (Non-VAS Diagnosis) <u>IMPORTANT!</u> Non-VAS or "hands-on" diagnostic time must be claimed using the above labour operation. Any other labour operation included for non-VAS diagnostic time will not be accepted in the SAGA warranty claim. This policy applies to all Volkswagen vehicles.
- 01 29 ____: 5051/5051B/5052/etc. Self-Diagnosis (applicable to MY 2003 and older models only)

Road Tests

In some instances, a road test may be required based upon a customer complaint. An example of the appropriate use of diagnosis time might be when a noise or vibration occurs while driving under specific conditions, or when a customer concern arises regarding vehicle performance, although, no sign of a fault is present during normal diagnosis.

The repair order must clearly show the vehicle km "before" and "after" the road test as well as detailed technician notes explaining the customer complaint, cause, and correction to justify and support the claim. Road tests may not be claimed more than one (1) time per repair order.

Documentation for Diagnosis Time

Detailed technician notes (including VGCA Technical Helpline recommendations, date of contact and case number, when applicable) must be recorded on the repair order to support the diagnosis time. The VGCA Technical Helpline case number (when applicable) must be entered in the claim comments. Refer to Section 7.3, "<u>Technical Helpline, VTA Access Code, VTA Case Code</u>" for conditions when a Technical Helpline Case Code is required.

Separate Punch Times for A-Time and Diagnosis Time

A-time and diagnosis time require a separate "on" and "off" punch time unless used in combination with a SRT operation, in which case punch "on" when the repair is started and "off" when completed. The technician may also punch individually for A-time and/or diagnosis time if used in combination with a SRT operation in order to preserve the technician's efficiency on the SRT operation.

Diagnosis Time Exceeding 1 Hour

The Service Manager or assigned designate is responsible for repairs requiring diagnosis time over 1 hour and must approve the extra time by:

- signing and dating the approval on the repair order
- clearly and legibly recording any technical information on the repair order to validate the extra time, including a road test

Diagnosis time exceeding 3 hours will require the technician to contact the Volkswagen Technical Assistance helpline. Please refer to Section 7.3, "Technical Helpline, VTA Access Codes, and VTA Case Codes."

Exclusions and Restrictions

- When there is a warning light on (such as MIL light or brake warning light) and there is no defect associated, only the time to clear the codes will be reimbursed. Use GFF diagnosis time (01 50 00 00) as specified above.
- If no warranty defect is found, then the only reimbursable labour operation is 01 21 00 00 for a "road test with no repair performed". Refer to Section 2.19, "<u>Road Test Labour Operations</u>," for the appropriate use of road test labour operations.
- Diagnosis time may not be claimed when the technician does not have sufficient technical training or experience for the system or model of vehicle being repaired. The Service Manager is responsible to assign work based on the technician's training and experience.
- Do not claim diagnosis time while on hold or obtaining information from the Volkswagen Technical Helpline.

6.5.4.5 Labour Operation Codes

A labour operation is an 8-digit code that describes the kind of repair performed. Labour operations are published on ElsaWeb. The applicable Suggested Repair Times (SRTs) in time units (TUs) allotted for each repair operation are shown together with the codes. All repairs must be substantiated with punch times, technician notes, and any other supporting documentation necessary to verify that the technician performed the claimed repairs at the time punched.

Refer to the table below for the meaning of each digit in a labour operation code.

Digit / Position	Association	Description			
1-4	Service Number	Number associated with the part involved in the labour operation.			
5-6	Service Activity Code	A description of the action performed on the part involved. See Section 14.5, "Service Activity Codes," for a list of these codes.			
7-8	Index	00-49	Labour operations with this suffix indicate a main task which can be completed and carried out alone.		
		50-96	Labour operations with this suffix indicate a combined item which ca only be carried with the item(s) that goes with it.		
		99	Dealers are to use this suffix only to indicate A-time in place of an established SRT or if there is none assigned to the performed task. Here, dealers are to input the exact number of time units as indicated on the related punch times.		

Exceptions

The use of labour operations ending in the suffix "9999" is not permissible unless under direct instruction from Volkswagen Group Canada Inc. (VGCA). One would use this suffix when entering claims for:

- Technical Service Bulletins (as specified within)
- UPDATEs Bulletins (as specified within)

6.5.4.6 Volkswagen Warranty Labour Rate Policy

Warranty Labour Rate

Volkswagen Group Canada (VGCA), Inc. compensates dealers at a labour rate that takes into consideration the dealer's current market environment for automobile servicing as well as the competitive market situation for warranty reimbursement. The warranty labour rate reimbursement does not relieve dealers from the obligation to comply with applicable federal, provincial, or municipal laws.

Changing Warranty Labour Rate

The Dealer Principal and / or the Service Manager may make a written request to the Warranty Field Specialist for a re-evaluation of the labour rate based on a Competitive Market Survey of the Average Market Warranty Labour Rate or Provincial inflation rate, whichever is the greatest. Changes to the dealer's labour rate are effective for repairs made on or after the effective date of any increase granted. Repairs made prior to the effective date of the new labour rate will be reimbursed at the previous warranty labour rate.

Guidelines:

- Requests for re-evaluation are limited to once per 12-month period from the effective date of the last warranty labour rate increase.
- The requested rate may not exceed the effective rate. In the event the retail rate for customer-pay is reduced, Volkswagen Group Canada Inc. Warranty must be notified in writing within 10 days. A sign with the following inscription must be prominently displayed in the customer reception area, stating the posted hourly labour rate: "Customer labour charges are based on a rate of \$... per hour (or flat rate hour) based on ... (identify the system chosen by the dealership). The sign must not be less than 20"x20" with 1 ¼" high letters in dark bold print on a suitable light background.
- Volkswagen Group Canada Inc. reserves the right to request additional supporting information at any time. If the dealer is
 not in compliance with Volkswagen Group Canada Inc. Warranty policies for labour rate increase requests, the former
 rate will be re-implemented, and the dealer will be debited for any warranty over-payment.
- The Labour Rate Increase Request Form must be completed, signed by the Dealer Principal, and forwarded to the Warranty Field Specialist together with any / all required supporting documentation.
- Volkswagen Group Canada Inc. may or may not grant the request for change if dealer provided information is incomplete or inaccurate.

Instructions for completing the Labour Rate Increase Request Form:

Repair Order Analysis:

- 1. Enter dealer name, code, address, region, and survey completion date.
- 2. Indicate which flat rate guide is used for customer-pay repairs. Dealers may use labour operations published on ElsaWeb or use their own customer labour time charges. Whichever system is used, it must be used consistently.
- Collect a sufficient quantity of numerically consecutive repair orders from the past 12 months of business to provide 30 Volkswagen customer-pay repair orders for use in completing the Repair Order Analysis. Repair orders that are not eligible for calculation must also be listed. Do not include time units and labour from these repair orders.

Assign consecutive numbers starting with 1 to customer-pay repair orders and fill in the number in column "No." until **30 Volkswagen customer-pay repair orders** are listed. For non-eligible repair orders, assign the abbreviations from the list Noneligible repair orders for labour rate calculation in column "No."

Non-eligible repair orders for labour rate calculation				
Abbreviation Repair	Abbreviation Repair			
B Body	O Other make			
C Campaign	P paint			
F Free maintenance	V Void			
I Internal	W Warranty			

- 4. Fill in other columns with:
 - Repair orders in numerical sequence
 - Labour operation (from repair order), indicate type of work
 - Time units charged (from repair order)
 - Labour charged in \$ after any discounts (from repair order)
- 5. Add the "time units charged" and the "labour charged" into the subtotals and totals box.
- 6. Highlight the eligible 30 Volkswagen customer-pay repair orders and the corresponding time units charged, labour charged and applicable discounts.
- 7. To calculate the "average labour rate" for the analysis, divide the "total labour charged" by the "total time units charged".

Photocopies of the 30 Volkswagen customer-pay repair orders listed in the analysis must be included with the request. Copies of non-eligible repair orders such as warranty or no-charge maintenance must not be included. Repair orders must include the time units and dollars charged listed in the analysis. Handwritten changes to repair orders are not acceptable.

Market Labour Rate Survey:

- 1. Survey local dealers of makes listed on the form by telephone and enter their dealer name, address, telephone number, warranty and retail labour rates. This survey may not include information from any dealership in which the Volkswagen Canada dealer owner/principal holds a business interest.
- 2. Total the "warranty labour rates" and divide by the number of surveyed dealers to determine the "average market warranty labour rate".
- 3. Total the "retail labour rates" and divide by the number of surveyed dealers to determine the "average market retail labour rate".

When completed, the forms and copies of all customer pay and internal repair orders must be mailed to the Warranty Field Specialist. See the Warranty Information section of ServiceNet for the name, address and contact information of your respective Warranty Field Specialist.

Warranty Field Specialist review process:

Your Warranty Field Specialist will make a determination of the applicability of the request after review of the documentation. If the application is in compliance with policy, a new labour rate will be established for the requesting dealer. The Warranty Field Specialist will contact the Service Manager with the effective date of the new warranty labour rate. The dealer will receive a confirmation of the new rate and effective date via email.

Establishing a warranty labour rate for new dealers:

New dealerships are required to conduct the Market Warranty Labour Rate Survey in the Labour Rate Increase Request Form as described in section "Changing the warranty labour rate". The dealership will assume the relevant market average until the dealership is able to provide the Repair Order Analysis. The Market Warranty Labour Rate established for the new dealer cannot, at any time, be greater than the customer-pay effective rate at the dealership. When the first 30 Volkswagen Group Canada Inc. customerpay repair orders can be provided, the Repair Order Analysis in the Labour Rate Increase Request Form must be completed as described in section "Changing the warranty labour rate". In the event the Effective Repair Labour Rate is lower than the Average Market Warranty Labour Rate granted to the dealer, the Effective Repair Labour Rate will be used for Warranty reimbursement. The dealership will be debited retroactively for any Warranty over-payment claims that have already been reimbursed at the Average Market Warranty Labour Rate.

Taking over an existing dealership

The dealership will assume the warranty labour rate of the previous dealer. When able to comply with the conditions in section "Changing the warranty labour rate" the dealership may submit a request for a labour rate increase.

See Warranty Field Specialist Contact Information published on ServiceNet under Warranty Information / Canada / Contact Information for mailing address of your respective Warranty Field Specialist.

6.5.5 Reimbursement for Sublet Repairs

Certain repairs may require specialized tools, parts, equipment, and skills not directly available to an authorized Volkswagen repair facility. These repairs can be delegated to an external business location having the certified expertise to perform such repairs. Sublet repairs are only reimbursed under warranty for those which require one of the following tasks if, and only if, they cannot be performed at the dealership:

- Welding
- Painting
- Repairing seat covers
- Installing convertible tops
- Replacing glass

The dealer must ensure that the sublet repair meets Volkswagen quality and safety standards. Only Volkswagen Genuine Parts are to be used except when a special part not offered through VGCA's Parts Program is required. A part not offered in the VGCA Parts Program is one that is obtained from an outside vendor that meets all Volkswagen standards of quality and safety and is approved by your Warranty Claim Specialist.

The supplier's repair invoice must be cross-referenced to the customer's repair order and VIN, have a full description of the customer complaint, technician's written notes explaining the cause for a sublet warranty repair, and why an outside service was required to correct the defect.

Labour Reimbursement

It is the dealer's responsibility to determine the most economical method of sublet repair meeting Volkswagen's quality and safety standards. Claims submitted using the outside vendor's invoice amount are to be submitted for payment in the exact amount billed to the dealer. <u>There is no allowance for additional "mark-up" of the invoice.</u> Sales tax must be excluded from claims submitted using outside vendor's invoiced amount.

Dealerships conducting sublet warranty repairs to be submitted for reimbursement will comply with the following:

 Repairs claimed in SAGA as "Outside Labour" will NOT be accepted if the total sublet charge is greater than the amount calculated by multiplying ElsaWeb's Suggested Repair Times (SRTs) with the dealer's Warranty Labour reimbursement rate. <u>Refer to the example below:</u>

Sublet Charge	\$300.00	
SRTs for Operation	200 TUs	
Warranty Labour rate	x \$100.00/hr	
Maximum Allowable Amount		\$200.00
TOTAL Eligible to be Claimed	=	\$200.00

Repair amounts claimed in SAGA as "Outside Labour" are NOT to exceed the amount charged to the dealer by the outside vendor. <u>This applies even if the amount billed to the dealer is less than the amount calculated</u> by multiplying ElsaWeb's SRTs with the dealer's Warranty Labour reimbursement rate. <u>Refer to the example below:</u>

Sublet Charge	\$150.00
SRTs for Operation	200 TUs
Warranty Labour rate	x \$100.00/hr
Maximum Allowable Amount	\$200.00
TOTAL Eligible to be Claimed	\$150.00

Parts Reimbursement

The following are the reimbursable amounts on the sublet invoice:

- If the part is a genuine Volkswagen part and supplied to the sublet shop by the dealer, reimbursement will be at normal warranty parts prices.
- If the part is bought from an outside supplier and is not in the Volkswagen Parts Program, reimbursement will be at actual Dealer cost with no handling reimbursement.
- If the part is bought from an outside supplier and the part is in the Volkswagen Parts Program, then no parts reimbursement will be made. Documentation of the sublet parts purchase must be retained and made available upon request.

All copies of sublet invoices must be filed with and attached to the warranty repair order.

All claims will be reviewed by a Warranty Claims Specialist.

6.6 Exclusions and Additional Information

6.6.1 Tow-Ins, Claim Coding

If a vehicle has been towed to a dealership due to a matter that is covered under warranty, the claim must be clearly coded to indicate the tow-in. It is important to stress that tow-ins cause high customer dissatisfaction. To ensure that we can identify and accurately count these cases in our warranty system, code them in SAGA as follows.

- In the "Damage" area of the Manual Claim Entry screen, there is a separate "Tow in" check-box that must be selected if the vehicle was towed to the dealer (see below).
- In cases where multiplied repairs are done, only repair that fixed the vehicle should have "Tow in" checked.

Damage						
Service no.	Damage code	Damage location	Repair completion date	Tow in	M∨MA	HST number

6.6.2 Repairs Completed At or Near Warranty Expiry Date

Repair Completion Date Policy

If a vehicle is still within warranty after eligible repairs were completed, dealers are to use the last punch date of repair on the RO when claiming in SAGA. Failure to use the last punch date may result in charge-back unless the vehicle falls out of warranty, as described below.

In the event where a vehicle surpasses the warranty period <u>(in mileage and / or time)</u> before the repair(s) can be completed, supporting documentation (i.e., punch times, diagnostic prints, etc.) is required to show that the concern was diagnosed while the car was still covered under a related Volkswagen Warranty. In this case, the date of repair entered into SAGA should be that of the date of diagnosis.

Volkswagen Parts Back-Order

If the delay in completing the repair was due to a Volkswagen parts back-order, contact your Warranty Claims Specialist (WCS) and provide verification of the parts back-order. Dealers must follow proper ordering procedures and contact the PDC for any ordering questions.

Repairs delayed due to parts availability must be justified in SAGA under the "Claim Comments" field by providing the appropriate Doc Flow information.

In order to support your claim, several documents must be retained and made available upon request. These include, but are not limited to:

- Local special order form (if used)
- Print of the screen supplying sales documentation number
- Packing slip
- Any document supporting the backorder

6.6.3 Address or Ownership Change

Dealers must ensure that correct customer contact data is available to the manufacturer at all times. Volkswagen must be notified of any change of address or vehicle ownership. Please change the address of the new owner in SAGA. A customer may use the prepaid "Notice of address change/used car purchase" post card, which is located inside the Warranty Booklet.

7 Repair Order Administration

7.1 Add-On Repairs

An add-on repair to a warranty claim requires the date and the signature of the Service Manager or designate (first and last name) before the work is performed. A Service Manager designate is defined as an administrative employee knowledgeable in automotive repairs, selected by the Service Manager, and approved by the Area Team. Technicians do not have the authority to approve add-on repairs.

Several provincial Motor Vehicle Dealer Acts regulate in-dealership practices whereby add-on repairs be authorized in the following manner:

Customer Add-On – In-dealership

• Client must sign & date each add-on line on the repair order hardcopy prior to repairs being undertaken.

Customer Add-On - Phone-in

- Name of individual phoning in add-on repair(s) must be noted beside each repair line added onto Repair Order hardcopy.
- The time & date when add-on(s) are phoned in must be noted beside each repair line added onto Repair Order hardcopy.
- Add-on line(s) must be signed & dated by Service Manager or designate at the time of call-in.
- Client must sign each line added onto the repair order hardcopy prior to vehicle release once the repairs are completed.

Dealer Add-on – Lacking Customer Complaint

- Add-on line(s) must be signed & dated on repair order hardcopy by Service Manager or designate prior to repair(s) being
 undertaken; but only after the new concern has been inspected / verified.
- Client must sign each add-on line on repair order hardcopy prior to vehicle release once the repairs are completed.
- Note: Add-on repairs lacking a customer complaint can only be performed for safety items or for a repair that if not completed now - will result in a more costly repair soon after.

Please contact the assigned Warranty Claim Specialist (WCS) directly or the VGCA Warranty Group at <u>vwgcwarranty@vw.ca</u> with any specific questions or concerns with regard to the criteria for add-on repairs.

7.2 Technician Efficiency and Productivity

Technician Efficiency

Understanding a technician's repair efficiency is a valuable way of determining the technician's capabilities of performing a quality repair in a timely manner. Low repair shop efficiency can result in the loss of available hours that could have been sold by your service department.

Calculating Technician Efficiency

Divide the total SRT by the actual clocked time (A-time) for a repair and then multiply the results by 100.

(Total SRT ÷ A-time) x 100 = Technician's Efficiency %

Factors and Guidelines

Dispatching repair work to technicians who are not trained in the repairs or services to be performed, or with a service department not using an effective time control system correctly are just a few examples that can cause low technician repair efficiencies. Conversely, excessively high efficiencies may attribute to improper or incomplete repairs resulting in workshop comebacks and dissatisfied customers, and may affect your Customer Satisfaction Index (CSI).

A good benchmark for repair efficiency is between 115 - 135%.

In VGCA's experience, technicians who routinely complete warranty repairs with efficiencies greater than 150% of the SRTs for single or multiple repairs on a repair order may not be following the prescribed step-by-step procedures outlined in ElsaWeb or Technical Bulletins.

Claims from technicians performing warranty repairs on Volkswagen vehicles with efficiencies greater than 150% may be subject to debit if the documentation to support the repair does not justify the time spent. Each repair will be judged individually based on the merits of the available documentation. This includes, but is not limited to, a technician's training certification and detailed repair notes that explain each step of the repair in a clear, technically sound manner. The repair must have been performed using the latest edition of ElsaWeb or Technical Bulletins.

IMPORTANT! Efficiency cannot be gained when claiming for "A" time, diagnosis or road tests.

Technician Productivity

Measuring productivity is a method of determining how available time is being utilized in the Service Department repair shop. Low productivity means that "Time Control" is lacking and, therefore, may result in unnecessary losses in parts and labour sales. A well-prepared Service Manager utilizing the time control process outlined here has a better opportunity to continuously monitor and increase the Service Department's productivity.

Calculating Technician Productivity

To accurately calculate your shop's productivity, all technicians must punch "on" at the start of the day and punch "off" when finished with work for the day. The same process of punching "on" and "off" applies prior to and after any W-Times (coffee and lunch breaks, performing shop repairs, training or idle time, etc.), and must also be punched in the required areas on the Daily Time & Payroll Record. This time is called "Daily Available Time" (time available for work). ERO Dealers can use the same productivity guidelines noted above.

Productivity is measured by taking the total actual clocked time (A-time) for a given time period (a week, 2 weeks, a month, quarterly, etc.) and dividing the total clocked time by the total available technician time during the same time period multiplied by 100. Shop Productivity can never surpass 100%, but the higher the percentage, the more "Daily Available Time" is being sold for services and repairs, resulting in a more profitable Service Department.

(Total A-time ÷ Total Available Time) x 100 = Technician Productivity %

A good benchmark for productivity is between 90% and 95%.

7.3 Technical Helpline, VTA Access Codes, and VTA Case Codes

The Technical Helpline is not authorized to approve warranty repairs. The helpline should be contacted in every situation where the technician cannot determine the cause of a concern after using the available diagnosis tools and/or published repair procedure information. The helpline should also be contacted for additional considerations (see below).

When a repair is initiated at the Volkswagen repair shop, the technician can create a Volkswagen Technical Assistance (VTA) Access Code if they expect to contact the Technical Helpline for assistance with the repair. Once the technician calls the helpline, a case code can be created to validate that a call has been made. If the technician does not call the Technical Helpline within <u>24</u> <u>hours</u> of creating the VTA access code, the ticket will be closed out marked "invalid."

Volkswagen Technical Assistance (VTA) case code requirements

A VTA case code is required when the following conditions occur:

- Vehicle down for 2 days or more
- Diagnostic time exceeds three (3) hours
- Repeat repairs (vehicle returning for same or similar complaint) within **90** days of the original repair being completed
- Prior to the replacement of any of the following components (even if replacement is the result of consequential damage):
 - Any engine
 - Any automatic transmission (Including DSG and Routan Transmission)
 - Main wiring harness
 - Convertible Tops Mechanical defects only.

Note: VTA case codes are NOT required from the Volkswagen Technical Helpline before replacing a <u>Valve Body and / or</u> <u>Mechatronic Unit</u> under warranty. As a substitute, technicians will be required to fill out a "VW Mechantronic Unit/Valve Body Replacement Form." This form must be attached to the repair order and any other related documentation. It must also be combined with paperwork requested by the Warranty Parts Return Centre (WPRC). The form can be found by logging onto ServiceNet under VGCA Warranty > Forms and selecting "Mechatronic Valve Body Replacement Form."

The Volkswagen Technical Helpline must be contacted for authorization **prior to each replacement**. The VTA case code must be documented on the repair order and in the "Claim Comments" section of the warranty claim.

Specific cases which require VTA case codes

A VTA case code and phone call is required before attempting a repair when any of the following conditions occur:

- Thermal event
- Airbag deployment
- Unexplained acceleration, deceleration, and stalling while driving
- Fuel leaks
- Loss of braking ability verified
- Shattered glass

The VTA case code must be documented on the repair order and in the "Claim Comments" section of the warranty claim.

New Vehicle Launch 90 Day Reporting

A VTA Case code and phone call is required prior to repair, for the first 90 days of a new vehicle/engine launch.

VTA Ticket requirements

The VTA ticket must be attached to the repair order with all fields completed.

Technician preparation

The following list indicates the required items the technician must have on hand when calling the Technical Helpline:

- VTA Access Code
- Dealer number
- Correct Technician's name on the ticket
- Attach 5051B/5052A/6150 GFF log from ODIS (if applicable)
- Attach photos (if applicable)
- Detailed customer complaint in VTA ticket
- Dealer phone and fax numbers
- Vehicle Identification Number
- Vehicle MUST be present in Workshop
- Condition must be verified/duplicated (if applicable)
- ElsaWeb must have been consulted for pertinent repair information, including Technical Bulletins etc.
- ODIS Guided Fault Finding (GFF), Guided Functions results (if applicable)
- Printouts of all applicable tests on hand
- "Check Sheets" (part of the VTA ticket) applicable to the concern
- Engine or transmission serial number/code (may be required in some cases)

Reimbursement for components replaced per the Volkswagen Technical Helpline

In the event a technician is advised by a VGCA Technical Helpline Consultant to replace a part, which does not repair the vehicle and it is not possible to use the part again, Volkswagen will reimburse the dealership for the component through the warranty claim. The technician's time to remove and install the component is considered part of the diagnosis.

The reimbursement will be done under the following conditions:

- Technician has inspected and tested all other relevant components accurately before Technical Helpline has come to the conclusion to replace part
- All results from the tests and Technical Helpline suggestions are posted, in detail, on the ticket and the repair order
- Technician documents the VTA case code
- The "Claim Comments" field of the warranty claim in SAGA must include the equivalent statement: "Part replaced as per Tech. Line, did not fix vehicle; VTA case number ______". Note: a valid <u>VTA case code</u> is required, <u>not an access</u> <u>code.</u> Example: "VTA case code XX-12345."
- Technician thoroughly completes all fields of the VTA Ticket

A warranty claim cannot be submitted until all related VW VTA tickets have been closed. All VW VTA tickets should be closed within 24 hours of case resolution.

The time while being on hold with the Technical Helpline is not reimbursable.

Volkswagen will only reimburse non-defective parts if recommended by the Technical Helpline and Helpline call has been properly documented.

7.4 Time Recording by the Technician

All repairs must be documented with a minimum of one (1) "on" and one (1) "off" time punch, or the ERO equivalent, per line item of the repair order. The initial start time (punch time or entry time for ERO dealers) for a repair is when the vehicle is in the repair bay ready to be worked on by the technician.

A-time and Diagnosis Time Punches

A-time (actual clocked time) and diagnosis time require a separate "on" and "off" punch time. If A-time and / or diagnosis time is to be counted when used in combination with a SRT operation, the technician has the choice to simply punch "on" when the repair is started and "off" when completed <u>or</u> to punch "on" and "off" for the SRT operation, then "on" and "off" for the diagnosis time and / or A-time separately. Individual punches can be used in order to preserve the technician's efficiency on the SRT operation.

See below for examples of both types of time punching methods.

Time Recording Example

The normal SRT to replace a component in question is 1.0 hour (100 time units or TUs). The technician can carry out this repair in 45 minutes (75 TUs), thus making him 133% efficient. The calculation is $(100 \div 75) \times 100$. This claim would still be paid for 1 hour.

For this example, we will assume that a bolt's head is rounded off and needs to be drilled out and tapped before the component can be replaced. We will also assume that drilling out the bolt and tapping out the hole takes 0.5 hours (50 TUs).

<u>If the punches are combined</u>, (i.e. only punch "on" when the repair is started and "off" when the repair is completed, the technician will show a total punch time of 1 hour and 15 minutes (125 TUs); 50 TUs for the "A" time and 75 TUs for replacing the component.) <u>a typical punch will show:</u>

- Punch On at 8.00; Punch Off at 9.25
- The claim will be made up of 1 hour for the component's SRT operation plus the remaining 15 minutes for the A-time.
- Technician efficiency will be 100%.
- A total of 125 time units may be claimed using the combined punch method.

If individual punches are utilized, the individual punches will show:

- Punch On at 8.00; Punch Off at 8.50 (drilling out the damaged bolt)
- Punch On at 8.50; Punch Off at 9.25 (replacing the component)
- The first punch (drilling out the damaged bolt) will pay the complete 50 TUs as reflected by the punch.
- The second punch of 75 TUs will support the claim for the SRT of 100 TUs.
- Technician efficiency will be conserved at 133% and still be within VGCA guidelines.
- A total of 150 time units may be claimed using the individual punch method.

The above examples are also true when claiming for diagnosing a vehicle using the VAS 5052 when the 5052 group of SRTs are going to be claimed.

8.1 Genuine Volkswagen Parts

8.1.1 Genuine Volkswagen Parts Policies

Genuine Volkswagen Parts

Genuine Volkswagen parts are new or factory remanufactured replacement parts, accessories, and optional equipment for use in the service or repair of Volkswagen vehicles if such parts, accessories and optional equipment are supplied by and purchased from VGCA.

Genuine Volkswagen parts are required to be used for all repairs done at Volkswagen's expense and pursuant to Volkswagen's warranties covering vehicles and Volkswagen's warranties covering replacement parts, accessories and optional equipment supplied by and purchased from VGCA.

Non-genuine parts may be used for warranty repairs only if the warranty work is eligible for sublet to an independent repair facility and the required parts are not in the Volkswagen parts program.

Except as noted above, VGCA will not reimburse the cost of non-genuine parts used for Volkswagen warranty repairs.

Disclosure of Non-Genuine Parts

In the event that non-genuine parts are used for warranty repairs, disclosure must be made to the customer that Volkswagen's New Vehicle Limited Warranty (NVLW) and Volkswagen's Limited Warranty for Parts and Accessories do not apply to the nongenuine parts installed as part of the warranty repair. This could be accomplished by the use of a stamp or a handwritten notation on the customer's repair order, such as "Non-genuine parts not warranted by VGCA" or "Non-genuine parts and labour warranted by Dealer for ______ months or ______ kilometres. Required parts are not in the Volkswagen Group Canada Inc. parts program." The Volkswagen Dealer Agreement provides that dealers will use their best efforts to promote the sale of genuine Volkswagen parts.

Volkswagen Dealer Agreement

The Volkswagen Dealer Agreement states that dealers may not sell any parts which are not equivalent in quality and design to genuine Volkswagen parts if the parts are necessary to the mechanical operation of Volkswagen automobiles.

The Volkswagen Dealer Agreement also states that Volkswagen dealers will not provide to their customer, as genuine Volkswagen parts, any parts which are not new or factory remanufactured genuine Volkswagen parts.

Since Volkswagen vehicle owners are informed of the use of genuine Volkswagen parts in all warranty repairs, the Volkswagen Dealer Agreement states it should follow that owners receive notification from the dealership whenever non-genuine parts are in fact used.

Remanufactured Parts

For a vehicle in service, dealers must order and install remanufactured parts as opposed to new parts. Factory remanufactured parts must be used / installed within 6 months after introduction of the remanufactured part by the Volkswagen Parts Division.

If a remanufactured part is showing as a back-order or is not in stock in Parts on Command, it is essential that the dealer contacts their Warranty Claim Specialist (WCS) for assistance prior to placing an order for that part. They will require the following information to be sent via e-mail in order to respond to the request for the part:

- VIN
- New Part Number and Availability
- Remanufactured Number and Availability
- Difference in Dollar Value
- If a Loaner is required

In the event that a new part is installed instead of a remanufactured part without prior approval from your WCS, VGCA will only reimburse the new part at the remanufactured cost.

New Parts

Repairs performed on vehicles prior to being placed in service must be completed utilizing new parts. Remanufactured parts may not be used on such vehicles. The comments section of the warranty claim must indicate the use of a new part (i.e. new vehicle in stock - replaced with new part number).

Should there be any discrepancies regarding the proper use of new and remanufactured parts, please contact the assigned WCS.

Economy Parts

Economy parts, or parts identified by their code suffix "JZW," are only allowable for CPO Warranty repairs. Please refer to Section 10.1.5, "<u>Certified Pre-Owned Warranty, Additional Important Terms</u>" for more information.

Vehicle Tuning or Modifications

Damage resulting from the use of new parts not sold or approved by Volkswagen and/or modification of the vehicle that alters the original engineering and/or operating specifications such as tuning, alarm systems, or communication equipment is not covered under any circumstance.

Examples of frequently damaged components due to suspension modification include but are not limited to the sound absorber pan, tires, bulbs, interior trim, bumper cover, paint, brakes, and suspension alignment.

Examples of frequently damaged components due to tuning include but are not limited to the turbocharger, engine, powertrain, and emission-related components, clutch, torque converter, brakes, camshaft, and premature wear.

8.1.2 Damaged Parts

Parts Damaged Prior to Use

Parts and accessories damaged (NOT defective) before installation or sale over-the-counter are not a warranty matter and are not to be submitted under Volkswagen warranty. Instead, they are to be processed through the established facing (dedicated) Parts Distribution Centre (PDC) claim procedure system for return or claimed with delivering carriers at the time of receiving. Please refer to Section 9.1, "<u>New Vehicle Receipt</u>." Damage is anything caused by outside influence and other than a manufacturing defect.

Under no circumstance should a warranty claim be processed to obtain reimbursement for a visibly damaged or incorrectly shipped part. Contact your facing (dedicated) PDC if you have questions regarding damaged parts.

For example: damaged seals, gaskets, wheels, or windshields, dented sheet metal on hoods, fenders or doors, and broken headlight glass that was damaged, but received from any PDC. It is the dealer's responsibility to inspect all components for damage prior to installation or sale to a customer. Refer to the Parts Managers' Handbook, Claim Section for details.

Procedures for Damaged Parts

Repairing Damaged Parts

If a component mating surface is found to be warped, scratched, eroded, pitted, etc., do NOT install a seal or gasket without addressing the defective part. If and only if the mating surface can be repaired economically while ensuring that the repaired part is within factory specifications, perform the repair to resolve the complaint / failure to insure that it is fixed right the first time. The dealer must ensure that parts in dealer stock are protected against damage.

Incorrectly Labeled / Packaged Non-Damaged Parts

Any wrongly picked, labeled, or packaged parts are processed through the established facing PDC claim procedure system for return. Refer to the Parts Managers' Handbook, Claim Section for details.

Parts incomplete or incorrect in a kit, e.g., two left brake pads instead of a right and a left, should be processed through the established facing PDC claim procedure system for return. Refer to the Parts Managers' Handbook, Claim Section for details.

Incorrect Parts

When a Dealer receives the incorrect part from Volkswagen, the part should be processed through the established facing PDC claim procedure system for return. Refer to the Parts Managers' Handbook, Claim Section for details.

Volkswagen Merchandise

Volkswagen Boutique or gift items (such as watches, pens, shirts, sweaters, remote control toys, etc.) are not warranty matters to be processed via the SAGA system, and must be handled by the supplier. Some exceptions such as remote control toys, pens, etc. that are ordered and invoiced through your facing (dedicated) PDC can be processed through your facing PDC. When in doubt, contact your facing PDC.

Special tools are not considered a warranty matter. Please direct special tool inquiries to Equipment Solutions by calling 1-800-892-9650.

Claims for Parts Found to be Defective

Sold over-the-counter parts that are determined to be defective from the manufacturer should be submitted as a 131 claim type in the SAGA system. Example: Parts that are blemished or headlights where the electrically welded seam prematurely fails causing the lens to break away from the housing.

Dealer installed parts that subsequently fail should be submitted as a 110 or 121 claim type through the SAGA system.

8.1.3 Repair or Replace

Repair versus Replace

If the cost for parts and / or labour required for a repair is within <u>80%</u> of the replacement cost of the unit, a complete new or remanufactured unit should be installed, unless written Volkswagen policy states otherwise. It is the dealer's responsibility to determine the most economical method of repair in order to minimize warranty costs.

For "repair versus replace" conditions for transmission systems, refer to Section 2.26, "Transmission Repair or Replacement."

Replace-only Components

If covered under any Volkswagen warranty, the components listed in the following table must be replaced rather than repaired:

Replace-only components A/C Compressor Air Bags* Alternator Brake Caliper Brake Drum Brake Master Cylinder Brake Wheel Cylinder Certain Instrument Clusters **Clutch Master Cylinder** Clutch Slave Cylinder **Diesel Injection Pump** ECM/TCM Flywheel Power Steering Pumps Power Steering Rack Starter Motor Turbo

*Deployed airbags must never be repaired but replaced with a new replacement airbag that has the same specifications as the originally installed airbag. Volkswagen will not accept liability for consequential damage resulting from repaired airbags.

Genuine VGCA remanufactured parts must always be used when available. Machining of certain parts (i.e. cylinder heads) is not allowed under warranty unless instructed to do so by Product Support, VGCA, an applicable Technical Bulletin, or any other document stating otherwise.

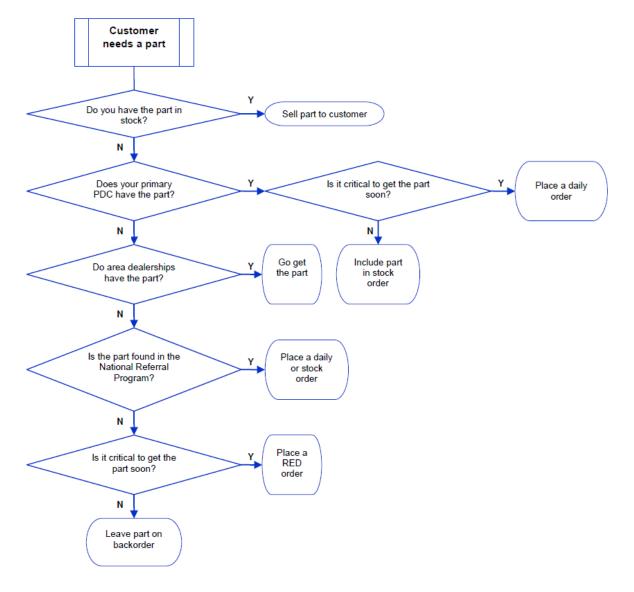
8.2 Parts Processing

8.2.1 Ordering Parts

Daily Orders (Code 89 Part Orders)

When a warranty repair cannot be scheduled or completed because a needed part is not in dealer inventory, the part must be ordered as expeditiously as possible.

If parts for warranty repairs are not in dealer inventory and the vehicle is inoperative or not safe to drive or a delay in repairs will bring the vehicle outside the warranty limit, the following parts ordering "roadmap" must be implemented by the dealer parts department.



Documentation of Daily Orders

To support warranty claims involving repairs on back order (extension of warranty time limits, loaner vehicle charges, or use of new parts in lieu of remanufactured parts), a number of documents must be retained and made available upon request.

- Local Special Order form (if used)
- Packing slip
- Any document supporting back order
- Print of Screen supplying sales documentation number

Parts needed for warranty repairs which are available from any PDC and are ordered via daily order will be shipped freight prepaid. For additional information regarding daily orders, please refer to Section 12.7.3, "<u>Code 89 Part Orders for Downed</u> <u>Vehicles (Daily Warranty)</u>."

RED Orders

A RED Order (Requested Express Delivery) is the highest priority of all orders. A RED order is processed immediately from the fastest source available and shipped direct to the ordering dealer. Typically this order is used when a dealership has a "Car Down" situation and a stock check indicates no stock is available. RED orders are especially important if Volkswagen is paying for a daily rental.

RED Orders can be placed in Parts On Command to the dealer's primary PDC. Before placing a RED order, it is recommended to check for any stock of the part with other dealerships in the area via Parts Voice.

In cases where the PDC cancels a RED Order due to the fact that a part in transit would arrive quicker than if the part was placed on RED Order, supporting documentation such as a screen print substantiating the RED Order cancellation will serve as acceptable documentation if the situation qualifies for a daily rental.

Please refer to Section 12.3.1, "Service Loaner Vehicle Program" for more information on policies for loaner vehicles during RED orders.

8.2.2 Handling, Retention, and Storage of Parts

Parts Handling

For all processing instructions relating to requested parts, please refer to processes outlined in Section 8.3, "Parts Requested by <u>WPRC</u>" and Section 8.3.7, "Parts Request User Guide."

All reports required for parts requested by the Warranty Parts Return Centre (WPRC) are accessible on VWHub > Service > Today's Reports > My Dealership Reports and Publications. Please refer to Section 8.3.4, "Daily Outstanding Warranty Parts Report."

Parts Retention

All warranty parts must be retained at the dealership until they appear on the Daily Outstanding Warranty Parts Report or on the weekly Parts Destruction / Core Disposition Report (unless notified of a pending audit).

The following exceptions are made for the above parts retention policy:

Campaign Parts

Campaign Circulars usually specify what to do with the removed parts. If the removed parts' disposition is not mentioned, the parts should be held until the claim is paid. Any questions regarding campaign parts should be directed to Product Compliance at 1-800-741-2919.

Warranty Audits

If a warranty audit is scheduled, the dealership must retain all warranty parts, including parts for paid claims and parts listed on the Part Destruction and Core Disposition Report from the date the dealership management is advised of the scheduled audit until the Warranty Auditor / Warranty Field Specialist informs the dealership management to scrap all retained warranty parts*. Any part(s) requested by the Warranty Parts Return Centre (WPRC) must always be shipped to the WPRC immediately, and not retained by the dealership.

*To the extent that an applicable provincial statute requires a shorter parts retention period, the provincial law applies.

Parts Storage

Dealers must follow the following parts retention and destruction provisions in order to ensure that the Canada Border Services Agency (CBSA) maintains the waiver for submission of parts for inspection.

- All parts must have a part tag attached during storage identifying the repair order number and date of repair.
- All parts must be stored in a secure area within the dealership, accessible only by authorized personnel.
- A 10-bin system is required for parts storage and retention, using the last digits of the repair order for filing.
- All parts must be destroyed and scrapped per the Part Destruction and Core Disposition Report unless they have an exchange core value and must be shipped to the PDC. Please refer to Section 8.2.3, "Scrapping Parts."

8.2.3 Scrapping Parts

It is the dealer's responsibility to scrap warranty parts after they are listed on the Part Destruction and Core Disposition Report, excluding parts with an exchange core value, which must be returned to the PDC, unless a warranty audit is scheduled.

All scrapped parts must be destroyed in such a manner as to render them useless for their intended purpose or for the purpose of repairing similar components.

Core Value

When warranty part is listed on the Warranty Part Destruction and Core Disposition Report, parts with an exchange core value should be returned to the PDC, unless a warranty audit is scheduled. The WPRC will automatically return all parts denied coverage with core values.

The causal part that is eligible for core reimbursement must have the barcode shown under the "Labour Materials" tab before the actual reimbursed core value will be listed. Within a SAGA claim, the core value amount will be found under the "Credit Note Information" tab. The amount will then be listed in the "Outside Material" field.

Part Destruction Report

It is the dealer's responsibility to scrap the warranty parts at the appropriate time, for the corresponding payment week as specified in the Part Destruction and Core Disposition report.

8.2.4 Vendor Codes

The vendor code (also known as the part manufacturer code) identifies the manufacturer of a part. The part manufacturer code of the causal part must ALWAYS be entered into a SAGA claim. When performing repairs on a defective part which remains fitted, the vendor code must be entered if and only if no further removal is necessary to read the code (Otherwise, see below: K21 Usage).

The purpose of this code is to:

- Allow Volkswagen to charge back the defective part to the correct vendor.
- Allow the vendor to track and keep statistics on the part therefore improving on quality control.

There are five steps to vendor code documentation:

- 1. Inspect: Designate staff members to inspect for vendor codes
- 2. Identify: Follow the instructions outlined in this section to help identify vendor codes
- 3. Document: Record the vendor code on the repair order
- 4. Submit: Input the correct vendor code data
- 5. Verify: Self-audit repair orders to ensure proper compliance

Determining Vendor Codes

The vendor code can be identified as a 3-digit code found after or around the part number (see example photo below).

WWW AG	
55424-0)	Part number
3C0.201.7/97.B	
>PA6.6<-	Recycle Code
FR FR	
VN 3	<u>Vendor Code</u>

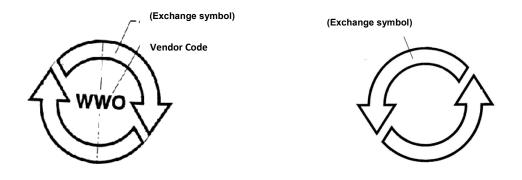
The following is a list of facts regarding vendor codes which may aid during the identification of these codes:

- Vendor codes are always three (3) characters long.
- Vendor codes may be combinations of letters and numbers.
- Vendor codes will NOT include the letters "I" or "Q" or the number "0."
- Vendor codes may be stamped, printed, or molded onto the part.
- Do not mistake recycle codes for vendor codes. Recycle codes appear inside angled brackets (see example photo above).
- If there are several manufacturer codes, the one accepted by SAGA must be used.

Please note that it is imperative to enter the actual part manufacturer code from the defective part on each warranty repair order. Do NOT use the vendor code found on the packaging of the replacement part. Using this code is incorrect because the replacement part may be from a different vendor who will then be wrongly charged back for the defective part.

Exchange Parts

If an exchange part causes the damage, the vendor code found within the exchange symbol should be entered into the SAGA claim. The vendor code can be found within the exchange symbol (see below, left example) or near the part number or label on the part. Examples of an exchange symbol can be found below:



In the event where a part is identified with an exchange symbol, but without a vendor code (see above, right example), the vendor code found on the replacement part must be entered into the SAGA claim.

Some parts may also have a "VW" logo within the exchange symbol. This would indicate the use of Volkswagen manufacturer codes. In these cases, for vehicles produced in:

- Germany (VIN beginning with WVW), use vendor code WWO.
- Mexico (VIN beginning with 3VW), use vendor code 3ME.
- Brazil (VIN beginning with 9B), use vendor code 2BR.

Exceptions

Standard Hardware

If the damage-causing part is a standard part / hardware without a recognizable manufacturer code, then:

- if the part number begins with "WHT," use vendor code WHT, or
- if the part number begins with "N," use the vendor code NOR, or
- If the part is missing or incorrect, then for vehicles produced in:
 - Germany (VIN beginning with WVW), use vendor code WWO.
 - Mexico (VIN beginning with 3VW), use vendor code 3ME.
 - Brazil (VIN beginning with 9B), use vendor code 2BR.

Instructions from TPI or Campaign Documents

If vendor code is mentioned in a TPI or campaign document for accounting, it must be used. If a recall or workshop campaign is not involved, then dealers should input an entry in the "Claim Comments" field in SAGA to justify the use of another code (i.e., "manufacturer code according to...").

Parts Without Identification Obligation

There are some components which may have more than one possible manufacturer but have no obligation to identification. These include lights, valve springs, and some windows / glass panes.

- <u>Windows / glass panes</u> have labels for legal identification adhered either on the inside or outside of the pane. Claim using vendor codes correspondent to the manufacturers listed in Section 14.4.1, "<u>Vendor Codes, Windows</u>."
- <u>Lights bulbs</u> may have company names inscribed on the part. Claim using vendor codes correspondent to the manufacturers listed in Section 14.4.2, "<u>Vendor Codes, Light Bulbs</u>."
- <u>Valve springs</u> are identified with 10 mm wide colour marking across the full length of the spring. Claim using vendor codes correspondent to the colours / manufacturers listed in Section 14.4.3, "<u>Vendor Codes, Valve Springs</u>."

Engine / Transmissions / Wires

If the damage causing component is an engine, transmission, or wires / connectors and no vendor code is found, then for vehicles produced in:

- Germany (VIN beginning with WVW), use vendor code WWO.
- Mexico (VIN beginning with 3VW), use vendor code 3ME.
- Brazil (VIN beginning with 9B), use vendor code 2BR.

The above vendor codes are for specific parts and manufacturers and are NOT a replacement for K21.

Paint and Corrosion

For paint and corrosion claims, the vendor code must be the body panel code. The body panel codes can be located on ServiceNet, under VGCA Warranty > Job Aids & Quick Reference Claim Coding.

Routan

All Routan warranty claims require the entry of vendor code USM (including Goodwill claims).

K21 Usage

Vendor code K21 is only to be used if none of the above exceptions apply to a defective part and no vendor code is identifiable on that part or the vendor code of a repaired part cannot be identified when fitted. In unusual circumstances, K21 is used if the vendor code is unknown / not accepted by SAGA, cannot be recognized, or is missing from the part. When using vendor code K21, dealers are required to take a photograph of the area on the part where a vendor code should be, if applicable.

Dealers are to be aware that the percentage of K21 usage on warranty claims at your dealership is reviewed and monitored. This percentage can be found on VWHub, under My Dealership's Reports > Dealer Performance and Tracking Report. Dealers with a high K21 ratio will have their parts under submission at the Warranty Parts Return Centre.

8.3 Parts Requested by the Warranty Parts Return Centre

8.3.1 Documentation for Requested Parts

The Warranty Parts Returns Centre (WPRC) must receive the following required documentation with all requested parts, when applicable. This information is required to meet government reporting and supplier recovery requirements. Any claim received without the required documentation may be denied warranty payment.

SAGA Barcode Printout (SAGA Dealers)

The SAGA Barcode Printout must be attached to the requested part(s). Only an original may be attached; copies are not acceptable.

Repair Order

A copy of the Repair Order with technician notes, punch times and any additional documents to support the warranty claim must be attached to the requested part(s).

5051/5051B/5052/5052A/6150 Printouts

If there is a MIL illuminated or a VAS5051/5051B or VAS5052 is used for diagnosis, the printout must accompany the requested part(s). Vehicles with:

- MY 2003 and earlier require a copy of the self-diagnostic printout.
- MY 2004 and later require a copy of the GFF diagnostic printout.

When using the 5051B/5052A/6150 diagnostic tool, the diagnosis log printout is required with the requested part after completing:

- The guided fault finding
- A printout of the diagnosis log from the GFF prior to completing the GFF
- A printout of the diagnosis log when the previous log is erased.

Note: If a printer is inoperative, state this in the claim comments. Include the printer repair documentation when available, and include precise handwritten fault codes.

Diagnostic Worksheets

For parts requested on repairs where a diagnostic worksheet is required, the worksheet must be submitted along with the requested part. These include, but are not limited to:

- Automatic Transmission Report
- Audio Diagnostic Worksheet
- Brake Disc Measurement Form

Forms are available on ElsaWeb >ServiceNet under VGCA Warranty > Forms

Warranty Part Release Authorization Form

If an authorized Volkswagen Factory Representative or Volkswagen employee needs to remove a part from the dealership, a Warranty Part Release Authorization Form must be completed in its entirety and attached to the repair order for future reference. When shipping parts that require this form to the corporate office in Ajax, Canada, attach a copy of the form with the shipped parts so that the WPRC can record the receipt of the part(s) before forwarding it to the Volkswagen engineer.

NOTE: All part(s) shipped to VGCA must be addressed to the WPRC and shipped to the attention of the Volkswagen engineer.

If the warranty part is on the Daily Outstanding Warranty Part Report and the part has already been provided to Volkswagen, dealers are required to attach the completed form to the SAGA Barcode Printout and fax it to the WPRC at 905-428-5545.

The Warranty Part Release Authorization Form is available on ElsaWeb > ServiceNet under VGCA Warranty > Warranty Parts Return Centre.

8.3.2 Packing Requested Parts

<u>IMPORTANT</u>: Shipment of all hazardous part(s) is illegal unless you are HAZMAT/DG certified. If you are certified to handle hazardous goods, you must follow all applicable federal and provincial laws.

Packing Warranty Parts:

- Attach the Barcode Printout from the SAGA claim to the requested part. There will be a separate Barcode Printout for each part requested.
- Attach all applicable documentation to the requested part(s).
- All replaced parts shipped to the WPRC must be returned in the box of the original Volkswagen replacement part. This policy excludes certain parts sold in bulk quantities or in unique types of packaging.
- If the original Volkswagen replacement part box is not intended to be used as a stand-alone shipping box, then it must be placed in an outer box and protected using bubble wrap or other types of packing material that is suitable to withstand transit handling by the transporter.
- Packages arriving at the Warranty Parts Return Centre with damages sustained during shipping due to improper
 packaging or transit damage may be refused by the WPRC and returned to the dealer by the transporter. Damaged and /
 or contaminated parts make it impossible to establish valid test results. For example: windshield wipers may not be taped
 or wired together.
- Ship a maximum of 5 claims per package. Limit all shipments to 5 claims and / or 25 lbs (13 kg) per box.

Packing Single Parts for Shipment to the WPRC:

 Attach a second copy of the SAGA Barcode Printout to the outside of the packing carton ONLY if you are shipping one part per carton.

Packing Multiple Parts for Shipment to the WPRC:

- If packing multiple parts for multiple claims in a single package, the parts must be grouped by claim number so that the corresponding documents can be matched with the part(s).
- If packing multiple parts for a single claim in a single package, ONLY attach the Barcode Printout to the interior boxes.
- Attach an address label to the exterior of the packing carton.

Before shipping, all warranty parts must be:

- Drained of fluids: especially for fuel tanks, which must be completely drained and flushed prior to shipment.
- Cleaned

General

- Do not attach paperwork to the part in any way that may damage, mar, bend, cut, warp or contaminate the part, or the part may be considered damaged by outside influence.
- Special care must be taken with fuel injection components, sensitive electronic components, instruments, and air conditioning components. These components must be returned complete, as supplied by the vendor, with all the protective caps, plugs, covers, levers, etc. in place.

Packing Exceptions / Procedures for Specific Parts

Please refer to Section 8.3.3.2, "Procedures for Shipping Specific Parts," to find additional procedures for the shipment of the following parts to the WPRC:

- Airbags
- Pyrotechnic Seatbelts
- Fuel Tanks
- Hydraulic and Pneumatic Parts
- Glass Components

8.3.3 Shipping Requested Parts

8.3.3.1 Warranty Parts Shipment

<u>IMPORTANT!</u> Shipment of all hazardous part(s) is illegal unless you are HAZMAT/DG certified. If you are certified to handle hazardous goods, you must follow all Federal and Provincial laws.

Dealer Responsibilities

It is the dealer's responsibility to insure that requested parts are shipped to the Warranty Parts Return Centre (WPRC) at the appropriate time. Refer to the Part Request User's Guide for requirements.

Use a reliable mode of shipping to ensure prompt delivery. Parts sent collect or billed to a third party will be refused and returned to the dealership.

VGCA will not reimburse claims for requested parts sent to the incorrect address/location. It is the dealer's responsibility to insure shipped parts for an amount equal to the claim value.

Shipping Address

Requested warranty part(s) must be returned prepaid to:

Warranty Parts Return Centre Address

Volkswagen Group Canada Inc. Attn. Warranty Parts Return Centre 777 Bayly Street West Ajax, Ontario L1S 7G7

Note: Any audio components in which the replacement part(s) have been ordered through a Direct Exchange program should be returned to the appropriate manufacturer.

Parts not Available for Shipping

If a part has been lost on the highway, not installed during production, or if a part is requested that would not normally be sent, (such as a battery):

- When part(s) are not available for shipping by the dealer, please indicate the reason at the bottom of the SAGA Barcode Printout, attach the necessary supporting documentation, and return the Barcode Printout and documentation to the WPRC.
- For part(s) that have already been picked up by an authorized Volkswagen Factory Representative or VGCA employee, the properly completed Warranty Part Release Authorization Form is required as supporting documentation.

Shipping Exceptions / Procedures for Specific Parts

Please refer to Section 8.3.3.2, "<u>Procedures for Shipping Specific Parts</u>," to find additional procedures for the shipment of the following parts to the WPRC:

- Airbags
- Pyrotechnic Seatbelts
- Fuel Tanks
- Hydraulic and Pneumatic Parts
- Glass Components

8.3.3.2 Procedures for Shipping Specific Parts

Airbags and Pyrotechnic Seatbelts

Airbags and pyrotechnic seat belts may be shipped to the Warranty Parts Return Centre (WPRC) for detonation and proper disposal if the dealer has obtained the federally mandated Hazardous Material Shipping Certification. Or, the airbag may be disposed according to Government-mandated health and safety standards if the component is not requested through SAGA.

Fuel Tanks

Once a fuel tank is replaced in a vehicle, warranty or customer-pay, the fuel tank must be flushed to neutralize the gasoline or diesel fuel. Do not cut fuel necks off tanks. This applies to all tanks, whether they are being sent to the WPRC or are being disposed of by normal means. Fuel tank wash (part number D 200 201 L) is available through the Volkswagen Parts Department. See Technical Bulletin 20-08-06 (No. 2011499) for a detailed neutralization procedure. If this procedure is part of a valid warranty repair, 1/2 litre of emulsifier may be added to the warranty claim.

Hydraulic and Pneumatic Parts

The connections / openings of all hydraulic and pneumatic parts must be closed immediately after removal. If the items are not closed as requested, the parts could be affected by corrosion.

Glass components

Before shipping any glass component, dealers are required to contact the WPRC with the following e-mail subject line: Dealer Number, Claim ID, Glass Component. After review, the dealer will be notified via phone or e-mail if the actual part is still required, or if only a good quality picture is needed.

All glass components must be secured in a separate container for shipping. It is important to make sure these containers do not contain any loose parts. This is to prevent damages to the parts and its shipment container and to avoid the possibility of injuries. As an additional safety measure, the shipment boxes for glass components must be labeled as follows:

- ALWAYS attach a "Purple Label."
- Attach all paper work to the outside of the box.
- Ensure that a warning sticker is used. (i.e., "Fragile Glass, Handle with Care)

Please refer to the example below:



8.3.3.3 Parts Damaged During Handling, Shipping, or Storage

All parts are to be shipped in the same condition as they were when the vehicle came to the dealership for repair. Parts damaged due to improper repair or handling will not be reimbursed.

Parts damaged due to accidents or shipping and handling are not warranty matters. It is the dealer's responsibility to insure shipped parts for an amount equal to the claim value. If parts are damaged during shipping, direct all questions and concerns to the parts shipper.

Parts damaged during storage or where individual components are missing from the original container are not warranty matters. These claims should be referred to the facing (dedicated) PDC.

8.3.4 Daily Outstanding Warranty Parts Report

The Daily Outstanding Warranty Parts Report is a current list of all parts that have been requested, but have not been received at the Warranty Parts Return Centre (WPRC). The following is a list of policies which apply to this report.

Basic Instructions

- This report will be updated and available daily on VWHub under My Dealership Reports & Publications > Service.
- There will not be a report for your dealership if you are a Top Performing Dealer or your dealership does not have any outstanding parts requests.
- The report does not need to be included with the returned part. Instead, use the original barcode printout you printed directly from the SAGA claim. Photocopies are NOT acceptable. Please refer to Section 8.3.1, "<u>Documentation for</u> <u>Requested Parts</u>."
- Please ensure that all part(s) on one claim ID are identified, grouped, and shipped together. Please refer to Section 8.3.2, "Packing Requested Parts."

Requested Part Due Date

- Dealers must ship the part so that it is received at the WPRC within <u>14 days</u>. The date the requested part is due at the WPRC (Request date + 14 days) is available on the report in the "Due Date at WPRC" column as a reminder to the dealer.
- Dealers are asked to pay special attention to the "Due Date at WPRC" column. Once the due date has passed, the claim
 will be subject to charged back. No appeal or resubmission will be allowed for parts that have not been received within
 the required timeframe.

Exceptions

- If there is a part requested, but the part was not available to save (e.g. it fell off the vehicle, or an additional part was installed per a Technical Bulletin), print the SAGA barcode for the new claim and fax it to the WPRC, at 905-428-5545, with a comment that explains why the part is not available.
- If, for some reason, a claim line has been cancelled, a subsequent claim may be generated together with a request for the same part. If this happens, print the SAGA barcode for the new claim and fax it to the WPRC, at 905-428-5545, together with the courier tracking number for the original claim and a comment that states the part was sent on that previous claim.

8.3.5 Part Retention at the Warranty Parts Return Centre

Parts found with discrepancies/missing documents will be placed in retention for a maximum of <u>7 days</u> in the Warranty Parts Return Centre (WPRC) after the claim is cancelled via the comments field in SAGA.

If the dealer does not respond to the claim cancellation within 7 days, the part(s) will be scrapped (or returned to the dealer if it has core value).

8.3.6 Part Return from the Warranty Parts Return Centre

If the dealer rejects cancellation of the claim, and the response provided is not acceptable to the Warranty Parts Return Centre (WPRC), the dealer may request the part be returned by sending an email to the WPRC at <u>wwgc.wprc@vw.ca</u>. This email must include a subject line using the following format "Request for Parts Return – Dealer number, Claim number ". This email request also must be received within <u>7 days</u> of the final cancellation of the claim by the WPRC.

If the e-mail request for part(s) return is not received, the part(s) will be scrapped (or automatically returned to the dealer if the part(s) has a core value).

8.3.7 Part Request Users Guide

Volkswagen Group Canada (VGCA), Inc. intends to help streamline and facilitate claim entry and payment, assist in improving vehicle quality through the collection of accurate warranty data, and disseminate relevant warranty-related information in a timely manner. Therefore, VGCA has established a Warranty Parts Return Centre (WPRC).

As a result, parts return requests will begin to be issued to dealers through SAGA. To get information about and help with the parts return process, please refer to the Warranty Parts Return Centre, Part Request Users Guide, located on Service VGCA Warranty > Warranty Parts Return Centre > Parts Request Users Guide

The guide can help you with the following topics:

- Parts request process
- SAGA screen shots of parts requests
- Contact information
- Shipping methods
- Reports
- Packing tips for shipping requested parts

8.3.8 Important Additional Information

The following points must be observed at all times when dealing with parts requested by the Warranty Parts Return Centre (WPRC):

- Do not cut or dismantle parts that are requested by the WPRC. The claims associated to the requested part will be rejected.
- Shipment of all hazardous part(s) is illegal unless you are HAZMAT/DG certified. If you are certified to handle hazardous goods, you must follow all Federal and Provincial laws.
- Direct Exchange Radios must be sent back to their respective manufacturers and not to the WPRC.
- For windshield requests, please send pictures only via email to the WPRC at vgca.wprc@vw.ca. In the email, please include the dealer code, claim number and VIN # as well as a scanned copy of the work order. If the work order cannot be scanned, please fax it to (905) 428-5545.
- When sending parts to the WPRC, please use the assigned FedEx account, numbered 30717480.
- Please ensure that a log is kept of all parts sent to the WPRC in the event that it must be referred to at a later date.
- Please allow up to five (5) business days after a part leaves the dealer facility to be received and processed at the Warranty Parts Return Centre.

9 Vehicle Receipt, Storage, and Customer Delivery

9.1 New Vehicle Receipt

Transportation inspection

At dealer delivery, all new vehicles must be carefully inspected before a dealer representative signs the carrier delivery receipt. This includes vehicles accepted for storage only, vehicles accepted for another entity and vehicles with major damage including flood or fire damage. Volkswagen recommends trained personnel are available to inspect vehicles and document damage during normal business hours, including Saturday. Time allowed to inspect a vehicle is 15 minutes each, or a maximum of 1 hour for a full truckload. Inspection time is not eligible for reimbursement.

All damage and pilferage must be noted on the carrier delivery receipt, and co-signed by the transport driver. A signed delivery receipt transfers liability to the dealer for non-concealed damage found after the carrier leaves. Failure to properly note all vehicle damage may result in a transportation claim payment being delayed or denied.

Dealer personnel may not remove the RAPGUARD/Vehicle Shipping Cover/Safety Seal before inspection personnel have completed and signed the delivery receipt. Damage discovered under undisturbed RAPGUARD/Vehicle Shipping Cover/Safety Seal must not be noted on the delivery receipt, as it is not considered transportation damage.

Inspection process at time of receipt

- Verify the Vehicle Identification Number (VIN) on each document and vehicle.
- Carefully inspect:
 - All visible exterior areas
 - The cargo/trunk area on vehicles without a Vehicle Shipping Cover/Safety Seal
 - The complete interior area
- Panels/bumpers covered by the RAPGUARD/Vehicle Shipping Cover/Safety Seal require close examination. Should a
 disturbance be detected on a surface covered by the RAPGUARD/Vehicle Shipping Cover/Safety Seal, dealer inspection
 personnel and the transport driver must jointly remove the RAPGUARD Vehicle Shipping Cover/Safety Seal to determine
 the extent of body damage.
- Damage and missing items relating to transportation carrier responsibility must be noted on the carrier delivery receipt
 using the 5-digit Motor Vehicle Manufacturing Association (MVMA) code. These codes can be found in the New Vehicle
 Receiving and Inspection Guidelines published by the Transportation Department or on ElsaWeb > ServiceNet under
 VGCA Warranty > Transportation Guidelines. Damage relating to Warranty must not be noted on the carrier delivery
 receipt.
- Additional comments are to be written in the "Retailer Exceptions" space. Generalized and non-standard notations such as "ding, damage, and dimple" are not acceptable. "Scratches" do not require straightening time to repair. If straightening time will be involved, use "dents" or "gouges" as the exception description.
- The transport driver may list notations in the "Carrier Remarks" section of the delivery receipt referring to a noted exception as non-transportation damage. It is mandatory for dealer inspection personnel to include a notation in the "Dealer Remarks" section agreeing with, or denying the driver's non-transportation damage allegation.
- Obtain the transport driver's signature. It indicates the transport driver has been informed of the delivery inspection results.
- Sign for vehicle receipt only after all of the above have been completed.
- A transportation claim may be filed through SAGA for carrier responsibility damage/pilferage found and noted on the delivery receipt.

Vehicle inspection "concealed" damage

A vehicle must be inspected for concealed damage 24 hours (next working day) after receipt. If concealed damage is found, notification must be made to the last carrier no later than 48 hours (second working day) after vehicle receipt.

Concealed damage only includes damage to the:

- Undercarriage
- Tire treads
- Insides of wheel wells

Vehicle receipt "subject to inspection" (STI)

A vehicle received after normal business hours or in a snow or ice-covered condition (not rain or dirt), must be inspected no later than 24 hours (next working day) after receipt. The carrier delivery receipt must be marked "subject to inspection" and signed by a dealer representative.

Notifying transport carrier of "concealed" damage or "subject to inspection" damage

A suggested form letter for notifying the last transport carrier of "concealed" damage or "subject to inspection" damage is available on ElsaWeb > ServiceNet under VGCA Warranty > Transportation Guidelines. It should be put on the dealer's letterhead. If proper exceptions are noted on the carrier delivery receipt, a trucker notification letter is not needed.

All damage and pilferage must be reported to the last carrier/handler no later than 48 hours (second working day) after vehicle receipt. Damage information on the letter must be described in detail. The completed letter must be sent to the last transport carrier by certified mail or verifiable fax.

A copy of the letter and postmarked certified mail or fax receipt, the original carrier delivery receipt, photos, and any other applicable documents are to remain in the deal jacket for the corresponding vehicle, subject to request by the carrier or the Volkswagen Transportation Department.

Transportation claim damage

The following items should be noted as transportation carrier responsibility on the carrier delivery receipt and submitted for reimbursement on a transportation claim.

- Damage caused by physical impact, abuse, abrasion or other carrier negligence, includes RAPGARD/Vehicle Shipping Cover/Safety Seal panels where disturbance is evident (Minor surface scratches or scuffs are part of the new vehicle prep items)
- Broken glass not caused by stress
- Soiled interior
- Evidence of vandalism or abuse; stolen items are to be listed separately
- Missing items from the cargo/trunk area from a disturbed by-pack bag for vehicles delivered without safety seals
- Missing items from the cargo/trunk area from a disturbed by-pack bag for vehicles delivered with safety seals and the safety seal is broken
- Missing items from the cabin area
 - As of VIN 54010962, Volkswagen Golf vehicles are delivered with two remote keys attached to the passenger seat belt shoulder anchor
- Undercarriage damage

Warranty claim damage

The following items are to be corrected under warranty:

- Corrosive acid or fluid dripping damage to vehicle exterior. Stains not caused by carrier on exterior
- Wavy sheet metal; file, grinder or weld marks; painted-over dents with a severity 1 code
- Chips on panel edges other than left front driver's door
- Sheet metal protrusions of any size, unless evidence supports carrier liability or abuse
- Paint damage caused by misalignment of panels or moldings
- Damage under undisturbed RAPGARD/Vehicle Shipping Cover/Safety Seal
- Missing moldings, emblems or decals when there is clear evidence of no installation (i.e. holes not drilled for installation)
- Shortage of standard equipment (determined by the vehicle's model code) and loose shipped items such as antennas, license plate brackets, keys (except for vehicles delivered with the keys attached inside the cabin area, for example, keys attached to the passenger seatbelt shoulder anchor), wipers, wheel covers, centre caps, floor mats, etc.
- Missing items from the cargo/trunk area and from the by-pack bag if the Vehicle Shipping Cover/Safety Seal is not disturbed
- A repair order must be opened within 2 business days from vehicle delivery by the carrier
- A warranty claim must be submitted within 15 days from carrier delivery

Volkswagen strongly recommends that the vehicle delivery inspection for missing items be performed at the same time as the 48-hour battery test.

For missing items covered under warranty:

- A repair order must be opened within 2 business days from vehicle delivery by the carrier
- A warranty claim must be submitted within 15 days from carrier delivery
- Missing items such as antennas, floor mats, and fuses should be claimed separately from the PDI (parts only) since the time to install them is included in the PDI. Do not charge out labour on the claim. Delivery receipt must be kept with the warranty repair order.

Inter-dealer transfers

It is the responsibility of the repairing dealer to make transportation damage repairs and to file claims.

Once a vehicle is dealer-traded, neither Volkswagen nor the carrier are responsible for missing items, both dealers involved must work together to come to an agreement.

Mis-built vehicles

A mis-built vehicle is defined as a vehicle with optional equipment that does not match the Monroney Label. Volkswagen Warranty is not involved. When a vehicle is received, and equipment on the vehicle does not match the Monroney Label, either missing (not presumed theft) or additional, the Volkswagen Area Team must be notified within 24 hours (next business day) after receipt. A new Monroney Label will be issued.

Receipt of vehicles with major damage

Major damage is defined as steering, powertrain, structural, or safety equipment damage, or damage repair costs exceeding \$CDN 1,500. The dealer must temporarily store a vehicle that has flood, fire, or other major damage, even if it will not be repaired. The transporter is not authorized to move the vehicle to another location. Notify the Transportation Department Damage Analyst a t 877-365-0343 who will determine disposition of the vehicle. Be prepared to send an estimate of repair, copy of the delivery receipt and pictures, when available. Do not begin any repairs prior to the Transportation Department's disposition notification.

Photographs

Digital photographs for each vehicle must accompany a transportation claim when:

- Labour for straightening exceeds 200 time units
- Body parts that exceed \$ CDN 300 warranty price are replaced
- Glass is replaced

Salt water damage

Notify the Transportation Department Damage Analyst at 877-365-0343 within two business days of vehicle receipt for any salt water damage.

Salvage parts

Whenever transportation damaged parts (body or mechanical) are replaced, all damaged parts must be retained for at least 30 days from date of carrier notification, ready to be surrendered or shipped (collect) when requested by the carrier/handler. It is the responsibility of the dealer to notify the carrier of salvage parts availability. Notification may be made via the Salvage Availability Notification Letter available in the New Vehicle Receiving and Inspection Guidelines published by the Volkswagen Transportation Department or on ElsaWeb > ServiceNet under VGCA Warranty > Transportation Guidelines.

Repair completion

Transportation damage repairs must be completed within 30 days of vehicle receipt.

Transportation claim submission

- A transportation claim must be filed within 45 days after vehicle receipt.
- SAGA claim entry: A specific process is used to file a transportation claim. See ElsaWeb > ServiceNet under VGCA Warranty > Transportation Guidelines for details on the transportation claim entry process.
- The dealer must retain all documentation. Do not send any documents, including claims, directly to carriers, ports, or the Volkswagen Corporate Office unless specifically advised to do so by the Transportation Department Claims Analyst.
- The dealer is responsible to monitor transportation claims. Contact the Transportation Department Claims Analyst at 877-

365-0343 if a claim is not paid within 6 weeks.

Transportation claim reimbursement

- Reimbursement is made following approval by transportation claim adjusters. Claims are credited to the dealer's monthly accounts receivable statement with the reference "TC" followed by the audit trail number.
- Acceptance of the reimbursement credit constitutes a pledge that all repairs have been made in accordance with standards of the applicable Volkswagen repair manuals.
- Labour is reimbursed at the dealer's warranty reimbursement rate.
- Parts are reimbursed at the dealer's warranty reimbursement rate for the model year vehicle being repaired.
- Tires are reimbursed at dealer cost, either outside purchase or Volkswagen parts cost, as documented with the claim.
- Material units and set-up time are included in transportation damage refinishing times; therefore the material units and set-up time shown in the Volkswagen labour operation do not apply to transportation damage claims. Damage refinishing times can be found on ElsaWeb > ServiceNet under VGCA Warranty > Transportation Guidelines.

Retention of documents

Each transportation claim file must be kept for a period of 2 years from the date the claim was paid and must contain:

- Carrier delivery receipt (consignee's copy #1) with
 - o Itemized, detailed, and legible damage list
 - o Driver's signature acknowledging damage list
 - Repair order number
- Original repair order (front and back) with
 - List of completed repairs
 - o Time flag
 - o Materials used
- Sublet repair invoices
- Photographs (when required)
- A copy of the transport carrier notification letter with certified mail receipt (if "concealed" damage or "subject to inspection" damage)
- Volkswagen parts order confirmation or outside purchase invoice (for tires only)

9.2 Vehicle Inventory Storage and Maintenance

New vehicle storage guidelines

- Dealers are responsible for the storage, care and proper conditioning of new vehicles held in dealer inventory.
- Damage or deterioration resulting from improper vehicle storage to items such as paint (except for chemical paint spotting from atmospheric fallout acid rain), trim, seals, chrome and batteries are not covered by the NVLW.
- In cases where proper vehicle protection is neglected, the dealer is responsible for labour and/or parts replacement or refinishing.

Atmospheric fallout

- Atmospheric fallout/acid rain is defined as transient particle deposition from an unidentifiable source.
- New vehicles in your inventory, requiring paint repair due to chemical spotting/etching (atmospheric fallout/acid rain) should be repaired prior to sale as an adjustment, submitted as a warranty claim.
- Atmospheric fallout/acid rain which occurs while in carrier possession must be handled as a transportation claim.
- FOM authorization must be obtained on all atmospheric fallout/acid rain claims before the repair is started.
- After sale of the vehicle to the retail customer, chemical spotting/etching will not be eligible for warranty repairs.
- Frequent vehicle washing continues to be one of the best preventative measures to minimize the risk of fallout damage. We urge you to continue this practice.

Storage location

Vehicles should be stored in a clean, dry, closed or roofed area, if possible. When outdoor storage is used, the following locations should be avoided:

- Low areas where flood waters can damage vehicles.
- Areas adjacent to factories emitting exhaust air which is corrosive or laden with dirt of any kind.
- Areas near body-shop operations.
- Storage under trees, where damage to finishes may result from tree sap and/or bird droppings.
- Areas near active railroad tracks.

Storage damage before delivery to dealer

Damage resulting from inadequate protection of vehicles during storage is not a warranty matter. Storage damage must be noted on the delivery receipt at the time of delivery to the dealer (this includes atmospheric fallout damage).

- Examples: Discoloured upholstery, deteriorated paint or trim, atmospheric fallout.
- Handling: File a transportation claim

Storage damage after delivery to dealer - prior to sale

In the event a new Volkswagen vehicle becomes damaged while still in a dealer's possession and prior to its first use or delivery to a customer, the Volkswagen Dealer Agreement requires that the vehicle be repaired completely to like-new saleable condition using genuine Volkswagen replacement parts before such use or delivery. If it cannot be so repaired, it may not be sold to a consumer as a new vehicle and, at the discretion of Volkswagen, may not be eligible for new vehicle warranty coverage.

A vehicle which cannot be placed in like-new saleable condition must be reported by the dealer to Volkswagen (via the Area Team), and the dealer must follow the recommendations of Volkswagen in repairing or disposing of the unit after the dealer's insurance carrier has acted upon the dealer's claim. After the dealer's insurance carrier acts upon the claim, the Area Team must be informed of the disposition of the claim.

Without further notification, Volkswagen may deny warranty coverage on any vehicle that has been damaged prior to retail delivery. Warranty cancellation will be effective when there are records of damage or notification that the dealer's insurance carrier has repurchased a vehicle as a constructive total loss. Volkswagen will notify the dealer of record and his insurance carrier, in writing, of the reason for removal of warranty eligibility.

Volkswagen has the option under the *Dealer Agreement Standard Provisions* after vehicle inspection to repurchase any new vehicle which has sustained substantial damage to prevent such vehicles from being placed in service.

- Dealer action: Inform your Area Team of any substantial damage and of your insurance carrier's decision.
- Area team action: Inspect vehicle(s) and prepare report

Also:

- Proper maintenance and protection of new vehicles in storage is the dealer's responsibility. Repairs resulting from improper maintenance and storage are not reimbursable.
- Minor damage, such as paint scratches under the RAPGARD that may not be noticed before removal of the guarding, may be eligible for warranty coverage.
- Sheet metal damage must be identified during the unloading inspection and be noted on the delivery receipt and must be co-signed by the trucker.

Flood or fire damage vehicles

Dealer is hereby notified that flood or fire-damaged vehicles must be scrapped and may not be used except for scrap; vehicles with lesser damage will be considered on a case-by-case basis.

Disclosing damaged vehicles

There are a small percentage of vehicles that have been brought up to factory standards due to factory imperfections or transportation damage.

The ports will apply a white round sticker with a blue "W" in the centre to the windshield indicating that a particular vehicle has had a repair(s) performed on it. With this notification, dealers only have to inquire about stickered vehicles.

The sticker has to be removed prior to retail delivery.

Volkswagen dealers must view disclosure information in ElsaWeb for all enhancements done to a vehicle prior to retail delivery. It is the dealer's responsibility to inform the retail customer if the vehicle falls into the disclosure parameters applicable to the province in which the vehicle is sold.

If you have questions regarding Disclosure Claims, please contact the Transportation Department Claims Analyst at 877-365-0343.

Maintenance

The dealer is responsible for any and all maintenance prescribed by the manufacturer during storage until the vehicle is sold. This may include routine battery charging, road tests, etc. <u>The dealer must follow the current published maintenance program and retain documentation to show that the maintenance has been done completely and regularly.</u>

Missing vehicle literature

When new vehicles are received from Volkswagen with the incorrect or missing vehicle literature, a SAGA claim may be submitted to seek reimbursement for the replacement(s).

SAGA claim submission can be for the following literature:

- Owner's Manual
- Warranty Booklet
- Vehicle Maintenance Booklet
- Radio/CD Player Owners Booklet

Note: Claims for booklets other than for missing or incorrect booklets, will not be accepted. Such claims should be submitted after completion of the PDI, and must be submitted prior to the first scheduled maintenance.

	Claim Processing Instructions
Claim Type:	9-10
Service Number:	0671
Damage Code:	0038
Labour Operation:	Not applicable
Parts Information:	Use the "Outside Material" field for the part number when replacing Owner's Literature.

9.3 Customer Delivery, Warranty Activation

Warranty coverage begins at the in-service date, which is the date the vehicle is delivered to either the original purchaser or the original lessee; or if the vehicle is first placed in service as a demonstrator or company car, on the date such vehicle is first placed in service. The dealer is responsible to notify Volkswagen, through SAGA, of the correct in-service date, which becomes the warranty activation date.

Retail registration

Dealers must complete the warranty voucher in the Maintenance Booklet when the vehicle is placed in service:

- The lower portion of the Vehicle Data Label must be affixed in the appropriate location.
- The authorized dealer name, address, and dealer number must be stamped on the voucher.
- The in-service date must be entered.

This will establish warranty coverage for the customer, who must present the booklet for dealer stamp verification each time a maintenance service is performed.

Matching in-service dates

The in-service dates submitted to Volkswagen and entered in the Maintenance Booklet must be the same or the vehicle is considered out of warranty. A servicing dealer will note the discrepancy when verifying warranty coverage.

Unregistered vehicles

Unregistered vehicles that have accumulated more than 1,600 km will be considered in-service. Warranty claims received for such vehicles will be returned to the dealer.

Audio booklet

Remind the customer that the radio code is located on a removable card in the audio booklet that is together with the Owner's Manual, and advise them and place the card elsewhere (i.e. not in the booklet where it can be found by a thief) for safekeeping. They may have to present the card at a future service date if the battery needs to be disconnected for a particular procedure, or if the battery is discharged and the radio goes into safe mode.

Wheel lock adaptor

If the vehicle is equipped with wheel locks, or if the customer has purchased them as an accessory, advise the customer where the lock adaptor is located (in a small cylindrical pocket in the tool kit). They will need to know where it is in case any wheels have to be removed (e.g. to fix a flat, for tire rotation, for brake or suspension inspection, etc.).

10 Certified Pre-owned Warranty

10.1 Certified Pre-owned Warranty Terms

10.1.1 Certified Pre-owned Warranty Coverage

IMPORTANT!

For **extremely important** policy information on this and other warranty types, such as:

- The start or end of the warranty period,
- Where to go for warranty service,
- Repairs required while travelling, or emergency repairs,
- Other important, basic warranty terms,

ALWAYS refer to Important Warranty Information for All Warranty Types

Basic Warranty Terms

The Volkswagen Certified Pre-Owned Vehicle Limited Warranty is not a service contract and may not be sold as a separate option to the purchaser, but applies to every eligible pre-owned vehicle as described herein.

It is not possible for Canadian customers to purchase U.S. sourced Certified Pre-Owned vehicles from a U.S. Volkswagen Dealership. These vehicles will not be eligible for warranty coverage in Canada.

All Volkswagen warranty policies and procedures apply to the Volkswagen Certified Pre-Owned Vehicle Limited Warranty except to the extent that they are modified by, or in conflict with, the policies and procedures set out in future circulars.

Warranty Period

The warranty period of Volkswagen Certified Pre-Owned is **<u>2 years or 40,000 km</u>**, whichever occurs first.

Any implied warranty, including any implied warranty of merchantability or warranty of fitness for a particular purpose, is limited in duration to the period of this written warranty. Some provinces do not allow limitations on how long an implied warranty lasts, so this limitation may not apply to the owner.

Start of Warranty Period

The warranty period begins when the Limited New Vehicle Limited Warranty expires or the VW CPO sale date, whichever occurs later.

End of Warranty Period

The Certified Pre-Owned Warranty contract will remain "Active" for 30 days following the expiration of the contract in order to allow dealers to submit claims in SAGA for repairs performed at or near warranty expiry.

A \$25.00 administration fee will be charged each time a request is made to change a Certified Pre-Owned contract to "Active" temporarily in order to allow claims to be submitted past the 30 day window.

Coverage

This warranty covers any repair to correct a defect in material(s) or workmanship. Please refer to Section 10.1.2, "<u>Certified</u> <u>Pre-Owned Warranty, Exclusions</u>" for a list of parts NOT covered under CPO warranty.

IMPORTANT! This list is subject to change. Always refer to the current list for the latest information.

Volkswagen 24-Hour Roadside Assistance

Certified Pre-Owned warranties purchased on or after January 1, 2000 are offered roadside services for <u>2 years, regardless of</u> <u>km</u>, beginning with the start of the the warranty period as described above. Please refer to Section 12.4.1, "<u>Roadside Assistance,</u> <u>General</u>," for details.

The following roadside assistance services are offered to CPO vehicle owners:

- Towing to the nearest authorized Volkswagen dealership
- Battery jump-start
- Flat-tire service
- Lockout service
- Fuel-delivery service
- Emergency winching service

Trip Interruption Benefits

If a registered Volkswagen is disabled because of a mechanical breakdown over 160 km from an owner's residence address, they may be reimbursed for trip interruption expenses if their vehicle cannot be made safely operable the same day. Trip interruption coverage is limited to a maximum of \$300 per incident. Reference the Owner's Manual for benefit details. It is required that the owner contact their Dispatch Centre to obtain a pre-authorization number and reimbursement instructions. Call 1-800-411-6688.

This warranty gives the owner legal rights and they may also have other rights, which vary from province-to-province.

Contact

For all questions concerning CPO claim processing / certification and warranty coverage, please call 1-905-428-5542 or e-mail <u>vgca.CPO@vw.ca</u>.

10.1.2 Certified Pre-owned Coverage Exclusions

IMPORTANT!

For exclusions or exceptions for any specific warranty type, ALWAYS refer to:

- <u>Warranty Coverage Exclusions, All Warranty Types</u>
- The policies for the individual warranty type

For component-specific exclusions or exceptions, refer to: Warranty Coverage by Components.

This warranty does not apply outside Canada.

Maintenance and Service Adjustments

This warranty does not cover the cost of parts and labour involved in any scheduled maintenance service. The reimbursement for replacement of filters, fluids, and lubricants is not covered unless it is a necessary part of a warranty service for a covered component. Service adjustments that do not usually involve the replacement of parts including but not limited to the adjustment of headlights, door latches, and parking brakes are NOT covered under CPO Warranty.

Loaner

This warranty does not include loaner allowance.

Below is a list of Volkswagen specific parts NOT covered under CPO Warranty:

Trim	Washer Jet* Rear Jet* Mud Flaps Emblems Floor Mats Ashtray Cabrio Tops (except EOS) Air Vent Mirror Glass All other trim items that wear as a result of normal wear, use or deterioration	Bulbs	Instrument Tail Reading Brake Fog Reverse Interior Glove Box Luggage Heater Engine Air Vent Signal Headlights	Wear & Tear	Bushing CV Joint CV Boot Ball Joint Battery Fuse Struts Shocks Wheel Bearing Exhaust Seat Covers Belts (engine) Clamps Spark Plugs
Filters	Oil Air Pollen Fuel	Wipers	Front Rear	Brakes	Front & Rear Pads Front & Rear Disc Rear Shoe
Clutch	Plate Disc	Other	Body repairs Paint Glass		* <u>Covered for</u> manufactured defect only

<u>IMPORTANT!</u> This list is subject to change. Always refer to the current list for the latest information. Please contact your assigned Warranty Claim Specialist or VGCA Warranty at <u>vwgcwarranty@vw.ca</u> with any specific questions or concerns with regards to CPO Warranty exclusions.

10.1.3 Certified Pre-owned Warranty Claims

The warranty claim type for the Certified Pre-Owned program is always G10.

<u>IMPORTANT!</u> This type is subject to change. Always refer to the current list of claim types for the latest information. Please check ElsaWeb to confirm CPO coverage.

Volkswagen Group Canada (VGCA), Inc. reserves the right to audit all G10 claims with regard to the original certification documents. Please refer to Section 13.4, "CPO Sales and Services Process Audits."

Contact

For all questions concerning CPO claim processing / certification and warranty coverage, please call 1-905-428-5542 or e-mail vgca.CPO@vw.ca.

10.1.4 Certified Pre-owned Warranty Transfer

In the event of a private sale of a vehicle, the remainder of the Certified Pre-Owned Warranty may be transferred to the subsequent owner for a fee of \$150 CAD, plus applicable federal and provincial taxes. The new owner is responsible for the transfer fee. The transfer is activated by the submission of the new owner's name, address, phone number, and the complete VIN of the vehicle, sent to Volkswagen Group Canada Inc.

Transfers are only permitted from customer to customer. Dealer to customer transfers will NOT be accepted; Dealers must recertify a vehicle in order to sell as a CPO vehicle.

IMPORTANT! Canadian owners are to write a cheque payable to "Volkswagen Group Canada Inc."

Volkswagen Group Canada Inc.

Attn: Volkswagen Certified Pre-Owned (Warranty Department) 777 Bayly Street West Ajax, ON L1S 7G7

10.1.5 Additional Important Terms

This warranty is issued by Volkswagen in Canada. This warranty does not apply to Volkswagen vehicles or parts and accessories not imported or distributed by Volkswagen.

This warranty and the remaining portions, if any, of the New Vehicle Limited Warranty, the Limited Warranty Against Corrosion Perforation, and the Emissions Control System Warranties, to the extent that they have not expired, are the only express warranties made by Volkswagen with respect to this Certified Pre-Owned vehicle. Neither Volkswagen nor the manufacturer assumes or authorizes any person to assume any other obligation or liability on its behalf.

Emergency Repairs

In the event that it is impossible or unreasonable in an emergency to drive or tow the vehicle to the nearest authorized Volkswagen dealer, Volkswagen will reimburse to the purchaser the reasonable cost of warranty repairs performed by service facilities other than an authorized. See Section 1.1.7, <u>"Emergency Repairs, All Warranty Types</u>" for details.

Economy Parts

Economy Parts are identified in ETKA by the part number suffix "JZW." These are only to be used to honor all CPO warranty repairs performed under the Assurance and Assurance Premium Plans or for any other reconditioning of a vehicle covered under CPO warranty.

This policy excludes any components which are, at the time of diagnosis, still covered under the New Vehicle Limited Warranty, Powertrain Warranty or the Federal Emissions Limited Warranty. All components covered under factory must be honored using strictly Volkswagen Original Equipment parts. If Economy parts are unavailable, dealers are requested to default to the equivalent Volkswagen Original Equipment part.

CPO Sales and Service Process Audits

During regularly scheduled warranty audit procedures, VGCA will be conducting a separate review of the sales and service documents pertaining to the CPO program. For more information, please refer to Section 13.4, "<u>CPO Sales and Service Process</u> <u>Audits</u>."

CPO Inquiries / Literature

Please stock a sufficient supply of the following materials, which can be obtained free-of-charge.

Order by:

http://xs.moorewallace.com.vw User ID: VWdealer number (i.e., VW499nnnn) Password: VW2007

Operational Materials Listing				
Item Name	Item Number	Quantity	Price	
Certified Warranty Book, Roadside Assistance	W42CERTWARR1299	25	\$0.00	
Guarantee Limitée et Assistance Routière	W42CERTWARR1299F	25	\$0.00	
Inscription de la Guarantee	W42WTYREG1299F	25	\$0.00	
Inspection and Conditioning Report	W42INSREPORT1299	25	\$0.00	
Rapport d'Inspection et d'Etat du Vehicle	W42INSPRPRT129F	25	\$0.00	
Information Pad	W42INFO0101	25 per pad	\$0.00	

10.2 Certified Pre-owned Warranty Eligibility

10.2.1 Vehicle Eligibility Criteria

IMPORTANT!

Always refer to Section 10.2.3, "Confirmation of Coverage via ElsaWeb," when determining vehicle eligibility for CPO warranty

To qualify as a Volkswagen Certified Pre-Owned vehicle, the vehicle must:

- Be no older than current or previous five (5) model years (the oldest model year will drop off on December 31st of each year)
- Have less than 120,000 km accumulated at the time of certification
- Have been in service for a minimum of 6 months or 10,000 km, whichever occurs first
- Have an eligible CarProof[®] Vehicle History Report
- Meet inspection and reconditioning requirements of the program
- Be approved for sale after a review by VGCA

If the "Certification Request" was erroneously entered and does not appear under an "Approved – Sale Pending" status in the Vehicle Certification Administration System (VCAS), an error will appear in VIM, the Vehicle Inventory Management system.

10.2.2 Conditions for Certification

One of the conditions for being able to certify and sell (retail) a vehicle for the Volkswagen Certified Pre-Owned Vehicle Limited Warranty is that all open recalls, campaigns and UPDATEs (hereafter referred to as "service actions") must be completed and shown as closed in ElsaWeb before requesting a certification via VCAS system.

If there are any service actions identified in ElsaWeb for the VIN:

- 1. Complete the service action(s) as necessary.
- 2. Submit the claim(s) in SAGA for completed service action(s).
- 3. Once applicable claims appear in the "For Reimbursement" tab in SAGA, ElsaWeb will show the service action(s) for the VIN to be closed.
- 4. Open ElsaWeb and check the VIN for-the status of the service action(s). They should no longer be open for the VIN.

<u>IMPORTANT!</u> It typically takes up to <u>two (2) days</u> for the service action(s) to be closed in ElsaWeb. Therefore, dealers may have to check more than once. If a longer period is experienced, please contact the CPO Specialist at <u>vgca.cpl@vw.ca</u>.

Once all open service actions have been closed in ElsaWeb for the VIN:

- 1. Process the certification request via the VCAS system.
- 2. Verify the certification request is in "Sale Pending" status.
- 3. If the certification request appears to have a "Not Acceptable" status and all service actions have been properly closed and claimed, then send the certification request to Corporate Review via the VCAS system for further review.

10.2.3 Confirmation of Coverage via ElsaWeb

ElsaWeb provides the most accurate CPO information with improved functionality and convenience. Dealers are able to view Service History, Vehicle Data, Customer Data, Start Data and Start Mileage for CPO limited warranty coverage. While ElsaWeb provides the most accurate CPO information, vehicle information is subject to change.

IMPORTANT!

A printout given to a customer can be considered a contract. Therefore, NO ElsaWeb screen shots (prints) should be given to customers.

10.3 Certified Pre-owned Warranty Initiation Process

10.3.1 Inspection and Certification

Prior to the sale of any vehicle with a Volkswagen Certified Pre-owned Vehicle Limited Warranty, it must be certified. **IMPORTANT!** Pre-certified vehicles purchased from auction do not require the inspection process at the dealership level.

Vehicle Inspection

Firstly, the vehicle must receive the technical and safety inspection as outlined in the Inspection and Condition Report provided by VGCA. A Vehicle Inspection and Condition Report supported by a signed repair order must be completed and maintained at the dealership.

Only vehicles inspected and repaired (as necessary) by a qualified Volkswagen technician are eligible for coverage by the Volkswagen Certified Pre-Owned Vehicle Limited Warranty. When the technician signs the Inspection and Condition Report, the dealership takes responsibility that the technician is qualified to make the necessary and required repairs.

Vehicle Certification

In order to qualify for this program, the vehicle must be upgraded, at the dealer's expense, to return it into a state of first class saleable condition. Any deficiencies on covered items must be replaced / repaired using Genuine Volkswagen Replacement Parts and minimum requirement of tools and equipment. This upgrade is the financial responsibility of the selling dealer.

Existing warranties such as the New Vehicle Limited Warranty and Powertrain Limited Warranty are NOT to be used to upgrade vehicles to a saleable condition. If a vehicle has remaining New Vehicle Limited Warranty, factory defects noted during the CPO inspection can be corrected. The Service Manager's signature is required on the repair order that addresses these warranty repairs.

The following must also be followed upon CPO certification:

- Scheduled maintenance service recommended by the manufacturer must be performed at dealer expense.
- All open recalls, campaigns, and UPDATEs must be completed prior to certification.

Dealer Notification

Volkswagen will make the determination if the vehicle is eligible and certifiable. Do not sell (retail) a vehicle until the certification request is in the "Approved – Sale Pending" status.

Vehicle Sale / Retail

<u>A Volkswagen Certified Pre-Owned vehicle must be retailed within 180 days or 1,600 km, whichever occurs first of certification (from the initial RO date).</u> Vehicles that are bought pre-certified at auction carry a 6 month / 1,600 km certification. When a certification expires prior to retail, the dealer may certify the car again, provided it meets the vehicle eligibility guidelines.

If a vehicle is retailed prior to certification being granted, the Volkswagen Pre-owned Warranty Department reserves the right to deny the warranty. The dealer may also be held financially responsible for all warranty expenses that occur after the used sale date. A \$100 administrative fee will be charged to dealers for each occurrence where a non-standard parameter of the CPO program applies. Please refer to Section 10.3.4, "<u>Administrative Fees for Non-Standard Parameters to the Certified Pre-Owned Program</u>."

Certified Pre-Owned Vehicle Certification Request

Certification for eligible vehicles must be applied for online through the Vehicle Certification Administration System (VCAS). The certification request must be made the same day the Vehicle Inspection and Condition Report is completed (these two steps are simultaneous).

For instructions on how to request CPO certification using the VCAS system, go to ElsaWeb > Service Net under VGCA Warranty > Certified Pre-owned and look for:

- VW Vehicle Certification Administration System (VCAS) User Manual (05 June 08)
- VW VCAS Quick Reference Guide (05 June 08).

Denial of Certification Request or Cancellation of Certification

Vehicle certification will be denied online for any of the following reasons:

- Insufficient training or experience of the technician that signed the Inspection and Condition Report
- Incomplete or open recall(s), campaign(s) or UPDATEs
- Vehicle repair history requires further investigation
- Vehicle does not meet eligibility requirements (e.g. model year or km)

The certification on a vehicle can only be cancelled if the vehicle is wholesaled. In this situation, it is the dealer's responsibility to cancel the certification request through VCAS. The Volkswagen Certified Pre-Owned Vehicle Limited Warranty cannot be cancelled on a vehicle after retail sale.

10.3.2 Warranty Initiation

The Volkswagen Certified Pre-owned Vehicle Limited Warranty activation is a two-step process.

- First, a certification request must be filed in the VCAS system as notification that an inspection has been performed as required. The certification request must reach the "Approved Sale Pending" status before the car is sold.
- Secondly, the Certified Pre-owned sale must then be properly entered on the VIM system. When the sales team reports
 the Certified Pre-Owned sale in the VIM system, the VCAS system will automatically activate the Certified Pre-Owned
 warranty through the certification request of which has an "Approved Sale Pending" status. Dealers are not debited for
 certification requests that time-out due to the car not being sold in a 180 day period from filing the certification request.

The Bill of Sale must be filled out and signed by the customer and the salesperson. The Bill of Sale must state, "Sold as a Certified Pre-Owned". A copy must be given to the customer and another copy must be placed in the deal jacket.

If you wish to confirm the initiation of warranty, check the VIN on ElsaWeb within 48 hours.

10.3.3 Certified Pre-owned Purchase Fees

The following fees are debited to the dealer through the certification request at the time of the Certified Pre-owned retail sale.

Certified pre-owned Warranty Fees*				
Class, Model	Price			
A				
Golf / Golf Wagon, Rabbit, GTI, Jetta / Jetta Wagon,	\$785.00			
New Beetle, New Beetle Convertible				
В				
Passat / Passat Wagon, Eos, Tiguan, CC	\$855.00			
C	¢4 405 00			
Touareg, Routan	\$1,195.00			
D	¢4 940 00			
Phaeton	\$1,810.00			

* Reflects current cost for the limited warranty, subject to change

10.3.4 Administrative Fee for Non-Standard Parameters to the CPO Program

Dealers will be charged a \$100.00 CAD administrative fee for each occurrence where a non-standard parameter of the CPO program applies.

The fee will be charged for all cases when a dealer is unable to report a sale or requires a sale unwind as follows:

- Unable to report sale: If the dealership sells a CPO vehicle and the certification request is not in the "Approved Sale Pending" status. To avoid the fee, please ensure that all open campaigns are completed and that the claims for these campaigns are accepted by the SAGA system and closed in ElsaWeb, before submitting the certification request.
- Unable to report sale: If the dealership sells the vehicle without filing a certification request. To avoid this fee, please ensure that the certification request is in the "Approved Sale Pending" status before the vehicle is sold to the customer.
- Sale unwind: If the dealership submits the certification request twice and/or reports that sale twice (note that the CPO certification fee would have been charged twice).
- Sale unwind: If the dealership reports the sale that ultimately does not close, thus needing the sale to be "unwound".
- Sale unwind If the dealership tries to transfer CPO warranty. Processing the warranty transfer can only be done by corporate; if the dealer attempts this process, it cancels the CPO coverage on that unit.

The Certified pre-owned Warranty Special Request Form can be found on ElsaWeb > ServiceNet under VGCA Warranty > Certified Pre-owned.

11 Recalls, Campaigns, and UPDATEs

11.1 Actions Overview

Volkswagen Group Canada (VGCA), Inc. administers service activities conducted to remedy non-compliances with motor vehicle safety standards and emissions standards and / or to address customer satisfaction issues. These actions are a part of VGCA's ongoing efforts to give customers the highest level of priority and service.

The following table contains general information regarding service actions, customer satisfaction campaigns, recalls, and UPDATEs. More detailed information on these actions can be found throughout Section 11, "Campaigns, Recalls, and UPDATEs."

Ser	vice Activity Name	Description	Expires?	Customer Notified?	Mandatory Completion Before Delivery?	ElsaWeb Description
	Recall	Remedies defects relating to motor vehicle safety or emissions, and non- compliances with motor vehicle safety standards and emissions standards	NO	YES	YES	RECALL
CAMPAIGNS	Service Action	Addresses product technical issues not directly related to safety or compliance; sometimes emissions related	YES	YES	YES	SERV_ACT
	Customer Satisfaction Campaign	Addresses customer satisfaction issues, but not directly related to safety, compliance or emissions	YES	YES	YES	CUST_SAT
A subset of technical bulletins UPDATE published to update vehicles before a customer might experience an issue		YES	NO	YES	UPDATE (NVLW) (FED_EMS) (WARR_EXT)	

*Service actions may not always have an expiry date.

ElsaWeb Description

Below is a visual example of where, in ElsaWeb, to find campaigns / actions applicable to a specific VIN. It is important to note the difference between descriptions for each service activity.

Vehicle Data						
VIN:			NVWNM9AJ3AW316576			
Campaigns/Actions						
Serial No.	Service Number (Campaign Code)	Start Date	Description	Repair Date	Applicable Criteria ID (s)	Campaign/Action Status
1	20R9	2012-07-10	S-SERV_ACT - "Diesel Fuel Only" Information		06	Open
2	<u>20T8</u>	2013-05-21	S-SERV_ACT - Misfueling Guard		01	Open
3	<u>23H1</u>	2011-04-05	W-UPDATE - ECM Software Update (FED_EMS)	2012-04-27	01	Closed
4	2339	2011-10-04	A-RECALL - Diesel Fuel Injection Lines	2012-04-27	02	Closed

11.2 Process and Notification Prior to Action

11.2.1 Recalls

11.2.1.1 Process

IMPORTANT!

<u>Never</u> refer to recalls as service actions, customer satisfaction campaigns, warranty extensions, UPDATEs, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

Recalls

Recalls are conducted to remedy defects that relate to motor vehicle safety or emissions and non-compliances with motor vehicle safety standards and emissions standards. The following terms describe the basic details of recalls:

- These actions are reported and monitored by government agencies (Such as Transport Canada and Environment Canada)
- Recalls remain active until all affected vehicles have been repaired.
- Recalls can be performed on vehicles with a totalled status.
- Federal law requires recalls to be performed on stock / undelivered vehicles prior to delivery for sale or lease. Failure to perform recall repairs exposes acting dealerships to civil liability under applicable provincial law.

General Recall Process

While each recall is unique, they are all developed following a basic process to ensure accuracy, completeness and timeliness. For this process, the Campaign Specialist at VGCA:

- Notifies regulatory agencies when required by law.
- Sends advance notification to dealers and the field (first notification).
- When appropriate, issues a press release describing the action.
- Creates all recall-related documents (circulars, work instructions, FAQs, videos, etc.).
- Obtains and allocates an initial volume of parts to dealers to ensure continuous part supply.
- Notifies dealers and field and provides them with information required prior to recall launch and prior to customer notification (second notification).
- Makes recall information available via recall bulletins available on ElsaWeb and on ServiceNet.
- Notifies customers via first-class mail.
- Addresses dealer and field inquiries.
- Monitors claims for accuracy.

11.2.1.2 Recalls, Dealer Notification

IMPORTANT!

<u>Never</u> refer to recalls as service actions, customer satisfaction campaigns, warranty extensions, UPDATEs, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

First Notification

Upon acknowledgement from government agencies of a recall or when a decision to conduct a recall is made, an advance announcement will be sent to the field and dealers. The information sent during advanced notification will include FAQs to help dealers answer questions they may receive from staff and customers.

Second Notification

Prior to recall launch, a notification will be sent to dealers and the field with more detailed information including the following:

- Parts allocation and ordering information
- A copy of the customer notification letter
- Complete work instructions and accounting instructions
- An allocation list of affected vehicles
- A list of FAQs

11.2.1.3 Recalls, Customer Notification

IMPORTANT!

<u>Never</u> refer to recalls as service actions, customer satisfaction campaigns, warranty extensions, UPDATEs, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

Initial Notification

Recall notifications are sent via first-class mail to customers who own vehicles affected by a recall when it is first launched. Examples of these letters are contained within recall circulars. New notifications are sent monthly to customers who own vehicles discovered – after its initial launch – to also be subject to a recall.

Mailing in Waves

On occasion, mailing may occur in multiple waves due to parts availability, shop capacity or specific regional requirements.

Reminders

The following reminders may be sent to customers who own a vehicle which still has an incomplete recall:

- Reminder notices are sent approximately **100** after the initial recall notification.
- Corporate headquarters will send annual recall reminder follow-up mailings.
- Reminders are sometimes sent on demand if an agency requires it.

11.2.1.4 Recalls, Additional Important Information

IMPORTANT!

<u>Never</u> refer to recalls as service actions, customer satisfaction campaigns, warranty extensions, UPDATEs, class actions or technical bulletins.

Always use the correct terminology when communicating with all employees and customers at the dealership.

Recall Bulletins

Once a recall is launched, recall bulletins will be made available on ElsaWeb. These documents may also be found on ServiceNet (under Campaign Circulars) for reference purposes only. Recall bulletins are subject to updates / revision at any time. Because of this, ElsaWeb will be the dealer's main source of the most updated and revised information while ServiceNet may only be used as a backup reference if ElsaWeb is unavailable. Dealers should always reference ElsaWeb for the most current recall bulletin.

The following information can be found within these bulletins:

- Recall code
- Description of defect or issue
- · Corrective action or repair details / procedures
- VIN list or VIN range(s) and / or production dates of affected vehicles
- Customer notification date
- SAGA claim entry instructions and accounting information
- Copies of customer notification letter(s)
- Parts information
- Parts return instructions (if applicable)

Dealers Notifying Customers

Dealers are free to contact customers using their in-house customer data and the Open Campaigns Dealer Mailing Report (found in VWHub > My Dealership Reports and Publications) data to set up repair appointments. Corporate-approved postcards are available through the DealerFirst web portal.

<u>IMPORTANT!</u> According to federal and provincial laws, dealers must <u>never</u> mail recall reminders to customers which contain marketing and / or sales information using restricted vehicle registration address data.

Customers Reimbursements

If a customer has incurred out-of-pocket expenses directly related to recall repairs, then a request for reimbursement may be submitted. These requests are handled by Customer Care and are addressed within <u>60</u> days. When applicable, a Recall Reimbursement Request Form will be enclosed with each letter mailed to a customer.

Open Recalls on VINs Prior to 1981

If dealers encounter a MY1981 vehicle with an open recall, the Campaign Specialist at VGCA must be contacted for further assistance.

11.2.2 Campaigns

11.2.2.1 Process

IMPORTANT!

<u>Never</u> refer to campaigns (service actions and customer satisfaction campaigns) as recalls, warranty extensions, UPDATEs, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

Campaigns are divided into service actions and customer satisfaction campaigns. Customer satisfaction campaigns address customer satisfaction issues which are not directly related to safety, compliance, or emissions.

Service Actions

Service actions address product technical issues not directly related to safety or compliance and may sometimes be related to emissions in scope. The following terms apply to service actions:

- Service actions will <u>sometimes</u> have an expiry date. This date will be noted in the campaign circular as well as on the dealer and customer notification letters.
- Customers are notified via first-class mail.
- Can be performed on vehicles with a totalled status.
- Must be completed prior to sale.

Customer Satisfaction Campaigns

Customer satisfaction campaigns address customer satisfaction issues, but are not directly related to safety, compliance, or emissions. The following terms apply to customer satisfaction campaigns:

- Customer satisfaction campaigns will <u>always</u> have an expiry date. This date will be noted in the campaign circular as well as on the dealer and customer notification letters.
- Customers are notified via first-class mail.
- Can be performed on vehicles with a totalled status.
- Must be completed prior to sale.

General Campaign Process

While each campaign is unique, they are all developed following a basic process to ensure accuracy, completeness and timeliness. For this process, the Campaign Specialist at VGCA:

- Notifies regulatory agencies when required by law.
- Sends advance notification to dealers and the field (first notification).
- When appropriate, issues a press release describing the action.
- Creates all campaign-related documents (circulars, SAGA claim entry instructions, work instructions, FAQs, videos, etc.).
- Obtains and allocates an initial volume of parts to dealers to ensure continuous part supply.
- Notifies dealers and field and provides them with information required prior to campaign launch and prior to customer notification (second notification).
- Makes campaign information available via campaign circulars available on ElsaWeb and on ServiceNet.
- Notifies customers via first-class mail.
- Addresses dealer and field inquiries.
- Monitors claims for accuracy.

11.2.2.2 Campaigns, Dealer Notification

IMPORTANT!

<u>Never</u> refer to campaigns (service actions and customer satisfaction campaigns) as recalls, warranty extensions, UPDATEs, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

First Notification

When the decision to launch a campaign is made, an advance announcement will be sent to the field and dealers. The information sent during advanced notification will include FAQs to help dealers answer questions they may receive from staff and customers.

Second Notification

Prior to campaign launch, a notification will be sent to dealers and the field with more detailed information including the following:

- Parts allocation and ordering information
- A copy of the customer notification letter
- Complete work instructions and accounting instructions
- An allocation list of affected vehicles
- A list of FAQs

11.2.2.3 Campaigns, Customer Notification

IMPORTANT!

<u>Never</u> refer to campaigns (service actions and customer satisfaction campaigns) as recalls, warranty extensions, UPDATEs, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

Initial Notification

Campaign notifications are sent via first-class mail to customers who own vehicles affected by a campaign when it is first launched. Examples of these letters are contained within campaign circulars. New notifications are sent monthly to customers who own vehicles discovered – after its initial launch – to also be subject to a campaign.

Mailing in Waves

On occasion, mailing may occur in multiple waves due to parts availability, shop capacity or specific regional requirements.

11.2.2.4 Campaigns, Additional Important Information

IMPORTANT!

<u>Never</u> refer to campaigns (service actions and customer satisfaction campaigns) as recalls, warranty extensions, UPDATEs, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

Campaign Circulars

Once a campaign is launched, campaign circulars will be made available on ElsaWeb. These documents may also be found on ServiceNet (under Campaign Circulars) <u>for reference purposes only.</u> Campaign circulars are subject to updates / revision at any time. Because of this, ElsaWeb will be the dealer's main source of the most updated and revised information while ServiceNet may only be used as a backup reference if ElsaWeb is unavailable. Dealers should always reference ElsaWeb for the most current campaign circular.

The following information can be found within these circulars:

- Campaign code
- Description of defect or issue
- Corrective action or repair details / procedures
- VIN list or VIN range(s) and / or production dates of affected vehicles
- Customer notification date
- SAGA claim entry instructions and accounting information
- Copies of customer notification letter(s)
- Parts information
- Parts return instructions (if applicable)

Dealers Notifying Customers

Dealers are free to contact customers using their in-house customer data and the Open Campaigns Dealer Mailing Report (found in VWHub > My Dealership Reports and Publications) data to set up repair appointments. Corporate-approved postcards are available through the DealerFirst web portal.

Customers Reimbursements

If a customer has incurred out-of-pocket expenses directly related to campaign repairs, then a request for reimbursement may be submitted. These requests are handled by Customer Care and are addressed within <u>60</u> days. When applicable, a Campaign Reimbursement Request Form will be enclosed with each letter mailed to a customer.

11.2.3 UPDATEs

11.2.3.1 Basic Information

IMPORTANT!

<u>Never</u> refer to UPDATEs as recalls, service actions, customer satisfaction campaigns, warranty extensions, class actions or technical bulletins.

<u>Always</u> use the correct terminology when communicating with all employees and customers at the dealership.

Volkswagen Group Canada (VGCA), Inc. issues UPDATEs which are meant to address and prevent quality issues and are provided as part of VGCA's commitment to the quality and reliability of our products. UPDATEs are proactive vehicle enhancements and should be presented to customers in a positive light, so that they feel confident in the quality of their vehicle. VGCA creates these documents with the intention to invest in customer satisfaction and loyalty and vehicle reliability.

UPDATE Details

The following terms generally apply to all UPDATEs:

- UPDATEs are **not** recalls or campaigns; they are warranty repairs.
- UPDATEs are a subset of technical bulletins.
- Must be completed prior to a vehicle's delivery for sale or lease.
- Must also be completed any time an UPDATE code shows open on a vehicle scheduled for service or on a vehicle already at the dealership for service and it is within a specified warranty period.
- If the vehicle is outside the specified warranty period and the UPDATE still shows open in ElsaWeb contact the Campaign Specialist.
- Customers are NOT notified of UPDATEs. Instead, customers learn about UPDATEs directly from their dealership (for example, when making a maintenance appointment) or from Customer Care.
- UPDATEs apply to vehicles within the <u>New Vehicle Limited Warranty</u> (NVLW) period; some apply to vehicles within the <u>Federal Emissions Warranty</u> (FED_EMS); and some apply if they are within a related <u>Warranty Extension</u> (WARR_EXT) period.
- UPDATEs "expire" at the end of the applicable warranty period.

IMPORTANT!

<u>Never</u> refer to UPDATEs as recalls, service actions, customer satisfaction campaigns, warranty extensions, class actions or technical bulletins.

Always use the correct terminology when communicating with all employees and customers at the dealership.

Once an UPDATE is put into effect, UPDATE bulletins will be made available on ElsaWeb. These documents may also be found on ServiceNet (under UPDATEs) <u>for reference purposes only.</u> UPDATE bulletins are subject to updates / revision at any time. Because of this, ElsaWeb will be the dealer's main source of the most updated and revised information while ServiceNet may only be used as a backup reference if ElsaWeb is unavailable. Dealers should always reference ElsaWeb for the most current UPDATE bulletin.

The following information can be found within these bulletins:

- UPDATE code
- A list of affected models / model years and / or VIN range(s)
- Technical background description
- Production solution
- Warranty period
- Repair procedure
- Parts and tools information
- SAGA claim entry instructions and accounting information.

11.2.3.3 UPDATEs, Dealer Notification

IMPORTANT!

<u>Never</u> refer to UPDATEs as recalls, service actions, customer satisfaction campaigns, warranty extensions, class actions or technical bulletins.

Always use the correct terminology when communicating with all employees and customers at the dealership.

Prior to UPDATE launch, a notification is sent to all dealership personnel. A copy of the dealership communication is also sent to the field. This announces the UPDATE and briefly describes it.

Dealers are to note that customers are NOT notified of UPDATEs as they are strictly a warranty matter.

11.3 Volkswagen Campaign and UPDATE Policies and Procedures Manual

If the information relating to campaigns, recalls, and UPDATEs provided in the general Warranty Policies and Procedures Manual does not satisfy dealer inquiries, please refer to the Volkswagen Campaign and UPDATE Policies and Procedures Manual. This document can be found on ServiceNet > UPDATEs > Policies and Procedures Manual. This manual addresses these topics in a more detailed manner and contains instructions and procedures for dealer campaign / UPDATE administration.

If the Volkswagen Campaign and UPDATE Policies and Procedures Manual still does not provide the required information, dealers are to feel free to contact the Campaign Specialist at any time necessary.

12 Customer Care

12.1 General Policies

Customer Satisfaction

Maintaining high customer satisfaction represents one of the most important challenges in our business today. Every customer, whether they are a potential or current product owner, will look at the way they and others are treated by the dealership. Their ultimate level of satisfaction with the dealership will greatly influence whether or not they will return to the dealership for their initial purchase, service, parts, accessories, advice or information about the product(s), and, potentially, the purchase of their next or even additional vehicles. It is also important to remember that they will reassess the dealership with every single contact.

To establish, build and maintain good relationships with a customer, the following practices are critical:

- Courteous and convenient service
- Fair pricing of service and parts
- Fair policies uniformly administered
- Accurate diagnosis and competent repair work "fixed right the first time"

Customer Complaint Procedures

Dealer Responsibilities

However, customer complaints may arise from time to time. Volkswagen Group Canada (VGCA), Inc. encourages dealers to establish a resolution procedure within the dealership which may involve goodwill assistance funded by the dealership or VGCA, or both. In the event where the customer is still not satisfied and wishes to pursue the matter further, the FOM should be contacted in an attempt to resolve the matter between the dealership and the customer.

If a dealer finds it necessary to contact the FOM for assistance, the dealer must advise him or her of any mechanical repair contract coverage that applies. Many vehicles also are covered by mechanical repair contracts not sponsored by VGCA.

After expiration of the Volkswagen Limited New Vehicle Warranty (NVLW), for specific components, mechanical repair contractors may be responsible for certain repairs which must be applied before VGCA will review any situation for customer loyalty assistance.

For the Customer

In the Owner's Warranty Booklet, VGCA has advised the customer to first discuss the problem with the service personnel or owner at their authorized Volkswagen dealership. If the problem cannot be resolved, the customer should then contact the Volkswagen Customer Care Centre at 1-800-822-8987.

A Customer Advocate will carefully gather and review all facts relating to the customer's request for assistance and verify brand loyalty. This will include a discussion with the dealership(s) involved and / or the FOM as deemed appropriate. The Advocate will then inform the customer whether further assistance can be provided and explain the reasons for his / her decision, or they may ask the dealer to contact the customer directly.

If the Volkswagen Customer Advocate does not resolve the customer's complaint or if the customer does not wish to present his or her complaint to Volkswagen, the customer may want to take advantage of the mediation and arbitration services of the Better Business Bureau or the Canadian Motor Vehicle Arbitration Plan (CAMVAP) (See Section 12.6.2, "Arbitration Prevention"). In some rare cases, customers may even consider the court system.

12.2 Customer Loyalty Assistance Program (Goodwill)

12.2.1 Basic Terms for Goodwill

The Customer Loyalty Assistance Program (hereafter referred to as "goodwill") empowers each dealer to take care of loyal customers by assisting when the situation is suitable for an offer of goodwill. The goal of the program is to allow dealers as well as VGCA to make the right business decision, on a case-by-case basis, when recognizing a loyal customer. The terms of the program may change at any time. In general:

- An on-the-spot decision can be made for loyal customers who are within 5 years/100,000 km's and when cost sharing passed onto Volkswagen does not exceed \$900.
- Dealers can also make partial goodwill offers to loyal customers outside of these parameters; however, the FOM must be contacted prior to the offer for pre-approval supported by an authorization number.

Program Highlights

- 1. This program is designed to recognize customer loyalty, not as a way to extend warranty.
- 2. Cost sharing is key. Goodwill costs should either be split between the customer, dealer, and VGCA; between the customer and dealer; or even between the customer and VGCA.
- <u>Marketing</u> goodwill claims (claim type 2CM) are valid anytime during the ownership up to <u>8 years 160,000 km</u> to offer a gift.
- <u>Technical</u> assistance claims (claim type 210) to assist on repairs can be offered only up to <u>75%</u> of the total repair cost and <u>after 4 years 80,000 km</u> and only up to <u>6 years or 120,000 km</u>.
- 5. Please remember that the limits for goodwill are for exceptional loyalty only.
- 6. Your FOM as well as VGCA will monitor goodwill claims processed in order to provide dealer coaching and feedback.

Determining Participation

Once you've decided to extend goodwill, please work with your customer to determine what percentage of the repair costs will be covered by each party. Questions and conditions to be considered when determining levels of dealer and corporate participation are outlined in Section 12.2.2, "Determining Goodwill Eligibility."

12.2.2 Determining Goodwill Eligibility

Questions for Evaluation of Goodwill

The following consists of a list of questions to ask when considering offering goodwill. Dealers should also take these factors into account when establishing participation from each party.

- Does the customer generally go to Volkswagen dealerships for repair and major maintenance work, only oil changes or only for warranty repairs?
- Has the customer (or their family) owned more than one Volkswagen vehicle?
- Has the customer experienced multiple warranty issues during ownership?
- Does the customer feel that this vehicle failure occurred prematurely and do you agree or disagree?
- Does the customer maintain and service their vehicle as recommended by Volkswagen?
- Overall, is participation with this repair the right thing to do?

Note: These factors are intended to be a guide only; some of these may not apply while other factors may also be considered.

Exclusions from Goodwill

The following is a list of conditions / issues which would receive NO consideration for goodwill:

- Denied warranty claims
- Cars not yet sold
- Issues related to a flaw in PDI
- Repairs which can be claimed under any active, applicable vehicle or parts warranties, campaigns, extended warranties, recalls, etc.
- Loaner Car Program substitute
- Repeat repairs caused by dealer workmanship
- Repairs for vehicles covered by a Service Contract or other used car warranties
- Repairs resulting from unauthorized alteration / modification of the vehicle
- Repairs related to damage caused by accidents (collisions) or fire
- Repairs resulting from lack of maintenance or improper maintenance
- Repairs resulting from failure to comply with the manufacturer's scheduled maintenance requirements
- Assistance towards a vehicle imported into Canada from another market
- Assistance towards a vehicle currently owned by a used car dealership
- Assistance towards a vehicle purchased used from an independent dealership
- Assistance towards a vehicle over 8 years old or with more than 160,000 km
- Assistance towards a vehicle with a salvage or totalled title (written off vehicles)

12.2.3 Description of Assistance Allowance

Marketing Assistance

Dealers and VGCA may participate in the actions listed below in order to acknowledge a repair, experience, or event. Customer experience, vehicle age, mileage, and nature of repair (if applicable) should be considered when determining the amount of assistance (see Section 12.2.2, "Determining Goodwill Eligibility").

- Provide a gift / accessory / merchandise / dinner (service number X091)
- Offer customer a free maintenance or dealer credit up to \$250.00 (service number X091)
- Cover a vehicle payment for an extended down time (service number X092)
- Give customer a Loyalty Certificate towards a new vehicle purchase (service number X093)
- For assistance given due to a part being on back order (service number X094)
- Provide a loaner vehicle (service number LOAN)

Technical Assistance

Dealers and VGCA may offer a percentage of reimbursement for a repair of a vehicle whose owner is deemed loyal to Volkswagen. Customer experience, vehicle age, mileage, and nature of repair (if applicable) should be considered when determining the eligibility of the customer and the amount of assistance (see Section 12.2.2, "Determining Goodwill Eligibility").

- Offer percentage from dealer on parts or labour and have customer pay the balance
- Offer percentage from manufacturer on parts or labour and have customer pay the balance
- Offer percentage of entire repair coming from dealer and the customers pays the balance
- Offer percentage of entire repair coming from manufacturer and the customer pays the balance
- Offer a 3 way cost sharing where customer, dealer and manufacturer pays a portion
- Maximum 75% assistance for exceptional cases

Loaner Assistance

- Offer partial or full goodwill on loaner for loyal customer for major customer pay repair
- Option to top up loaner during warranty for loyal Phaeton or Touareg customer

12.2.4 Goodwill Claim Coding

Coding in SAGA

- Saga will not accept technical goodwill claim type 210 during the New Vehicle Limited Warranty. If the component is covered under normal warranty (LNVW, Power train, Emission or Paint or Corrosion) since that is the correct way to claim the repair.
- Saga will accept marketing goodwill claim type 2CM using Service number X091, X092, X093 & X094 during the Limited New Vehicle Warranty. The goal is to help restore the faith of a loyal customer when a major concern affects their perception of the brand.
- 3. Saga will also block technical goodwill assistance claim type 210 once a vehicle is over 120,000 km's or 6 years.
- 4. Saga will only allow marketing goodwill claim type 2CM beyond 6 years or 120,000 km's and should be limited to truly loyal customers.
- Saga will not accept claim type 210 for use in claiming repairs related to the Window Clip Warranty Extension. (PID 5730-Model year 2003 to 2005 exclusively).
- 6. Saga will also stop 210 claims type for PID 5730 for vehicles older than 7 years (84 months). No assistance possible beyond this time limit for this item.
- 7. Saga will stop claim type 210 for any diagnostic. Goodwill is not designed to pay for diagnostics.
- Saga will only accept up to 75% assistance on behalf of the factory for claim type 210 on any technical goodwill as it is designed to support cost sharing on parts and labour. Customer participation is highly recommended beyond warranty for any type of repair.
- 9. Saga will accept 100% on marketing goodwill for gifts, loaners, and loyalty vouchers. This is to prevent dealers to be forced to participate on gifts. Less than 100% is highly encouraged and appreciated.
- 10. Effective October 1st 2009 service number CAWE, CAWF and CAWG are no longer valid in SAGA

Old Service Number	NEW Service Number	Purpose
CAWE	X091	Gift, dealer credit
CAWF	X092	Vehicle payment
CAWG	X093	Other / Loyalty Voucher
NEW	X094	Parts Back Order issues

Old Outside Labour Operation Code	NEW Outside Labour Operation Code
CAWE 10 00	X091 CA 00
CAWF 10 00	X092 CA 00
CAWG 10 00	X093 CA 00
NEW	X094 CA 00

Marketing (Non-technical) assistances: ***Max 100% - valid after delivery up to 8yrs/160,000 km's*** Claim Type: 2CM

Service Number: X091 for a gift, X092 for a vehicle payment, X093 for a voucher & X094 for parts B/O issues. **Damage Code:** Use "0010" (and "K21" in "Removed part" field).

Labour Operation: Use the Outside Labour field and add the total amount.

Comment: This field must be properly filled to reflect the reason for offering assistance.

Technical assistance: ***Max 75% - for vehicle outside 4yrs/80,000 km's yet below 6yrs/120,000 km's.***

Claim Type: 210

Service Number: Use valid Service Number.

Damage Code: Use appropriate Damage Code (and "Removed part" field)

Labour Operation: Use applicable labour operation(s) and Volkswagen part number(s).

Participation: On the goodwill self authorization tab, fill in all four fields (Example "50" for 50% or "25" for 75%). If the outside labour and material do not apply, enter zeros ("0").

Comment: This field must be properly filled to reflect the reason for offering assistance.

Loaner assistances: ***valid up to 6 years or 120,000 km's*** Claim Type: 2CM Service Number: LOAN Damage Code: Use "0010" (and "K21" in "Removed part" field). Labour Operation: Use Outside Labour field and add the total amount. Comment: This field must be properly filled to reflect the reason for offering assistance.

Note: Marketing goodwill cannot be processed on the same line as any technical repair or technical goodwill. Dealers must submit all 2CM claims using a separate line as these funds are absorbed by Volkswagen Group Canada Inc.

12.3 Loaner Vehicles

12.3.1 Service Loaner Vehicle Program

The Service Loaner Vehicle Program policies apply to all Volkswagen vehicles with the exception of special policies for loaner vehicles which apply to Phaeton customers (refer to Section 12.3.2.1, "Loaner Vehicle Policy for Phaeton Customers").

Service Loaner Vehicle Program

The Loaner Vehicle policy is applicable in conjunction with warranty repairs performed under the New Vehicle Limited Warranty (NVLW). Volkswagen dealers are encouraged to provide the retail customer with a free loaner vehicle in most cases when a vehicle is still within the terms of the NVLW and where a repair cannot be completed the same day.

If a repair can be completed the same day the dealer should consider offering a shuttle service. Loaner vehicles are not to be provided on same day repairs.

Conditions for Reimbursement

For vehicles covered under the NVLW, a loaner vehicle will be reimbursed:

- if a repair requires longer than a full working day, but only until the repair is completed,
- if the breakdown renders the vehicle inoperative or unsafe and occurred at a time which did not allow the dealer to schedule the repair for completion that same day,
- if a warranty repair cannot be completed on the same day because a needed part is not in dealer inventory. This applies only in those cases where parts are:
 - On RED Order. The PDC may cancel a RED Order due to the fact that a part in transit would arrive more quickly than if the part was placed on RED Order. Supporting documentation such as a screen print substantiating the RED Order cancellation will serve as acceptable documentation if the situation qualifies for a daily rental.
 - o On Volkswagen's Daily Warranty (code 89) backorder to its dealers. See Section 12.7.3, "Code 89 Part Orders."

Loaner vehicles cannot be provided to repairs only covered under the Corrosion Perforation Limited Warranty, Powertrain Limited Warranty, Certified Pre-Owned Limited Warranty, Volkswagen Parts and Accessories Warranty, and Volkswagen Limited Lifetime Warranty and during scheduled maintenance services or for a parts backorder situation where the vehicle is outside the NVLW.

Vehicles used for commercial purposes (including, but not limited to taxis, couriers, and driver education) are cannot be provided with a loaner vehicle.

Amount of Participation by VGCA

Volkswagen will participate in the expenses for a loaner vehicle in the amount of \$30.00 (CAD) per day for the number of days it takes to complete the repair, except for dealers participating in the Volkswagen Customer Service Loaner Program.

For dealers participating in the Volkswagen Customer Service Loaner Program, the loaner reimbursement will be paid \$35.00 (CAD) per day for the number of days it takes to complete the repair.

Dealer Participation

Participation by the dealer is defined as 2 or more Volkswagen service loaners involved dealership loaner service, under provisions of the Volkswagen Customer Service Loaner Program Official Rules, at any given time.

Documentation

The dealer must retain all required documentation to justify a loaner vehicle including, but not limited to, the following:

- The repair order containing consistent and correct information. The in-out punch time and open-close date of the repair order must correspond to the amount of days for which the loaner is claimed. The loaner reimbursement amounts may NOT be claimed on the same repair order line as the warranty repair. It may be contained in the same repair order document, however all loaners must be claimed on a separate line. As well, the loaner may NOT be claimed on line 01 as it should be reserved for main repair operations.
- Parts ordering records (including the date part ordered and date part received, packing slip, etc.) that support the need for a loaner vehicle (if applicable), such as back-order records to verify that Volkswagen could not supply parts for the vehicle

when needed. In case of a RED Order, record the FedEx tracking number on the repair order to support the date of receipt of the RED Ordered part.

 A copy of the rental invoice or loaner agreement with the customer's signature that shows the customer's name, address, a cross reference to the repair order, the date and time the vehicle was provided to the customer and the date returned. A rental invoice or loaner agreement is required whether a dealership-owned loaner vehicle is used or one is provided from a licensed car rental agency.

Loaner Vehicle Claim Coding		
Claim Type:	1SP	
Service Number:	LOAN	
Labour Operations	Refer to Section 14.6, "Outside Labour Operations for SAGA Coding."	

12.3.2 Loaner Vehicle for Phaeton Customers

12.3.2.1 Loaner Vehicle Policy for Phaeton Customers

The following Loaner Vehicle policy is applicable in conjunction with warranty repairs performed under the New Vehicle Limited Warranty (NVLW) for Phaeton customers only.

Loaner Vehicle Policy

VGCA will participate in the expenses for a loaner vehicle for Phaeton customers only in the amount of \$35.00 CAD per day for the number of days it takes to complete the repair. This rate applies to Volkswagen Customer Service Loaner Program and Non-Volkswagen Customer Service Loaner Program loaner vehicles.

Claim Coding

Use Claim Type 110 for loaner vehicle claims for Phaeton repairs performed under the NVLW.

Documentation

All claims must be substantiated with appropriate documentation, including a copy of the rental invoice or loaner agreement with the customer's signature that shows the date and time the vehicle was provided to the customer and the date and time returned.

Loaner Vehicle Specifications

VGCA recommends that all Volkswagen dealerships provide Phaeton customers with a Touareg or Passat 4 motion from the Volkswagen Customer Service Loaner Program to be used as a loaner.

Phaeton Customer Treatment Program

Loaner vehicles are also available to be partially reimbursed under special circumstances for Volkswagen Phaeton customers. Please refer to Section 12.3.2.2, "Phaeton Customer Treatment Program."

12.3.2.2 Phaeton Customer Treatment Program

Through the Phaeton Customer Treatment Program, VGCA has established the following special reimbursement options for Phaeton owners while their vehicle is within the NVLW period.

Pick-up and Delivery Service

Partial reimbursement of labour is available for dealership personnel when it is required to pick up and deliver the customer's vehicle when a maintenance service or a warranty repair is to be performed under the terms and conditions of the NVLW.

Claim Coding Specifications		
Claim Type:	1SP	
Service Number:	PUDL	
Damage Code:	0011	
Outside Labour Operation:	PUDL 10 00	
Outside Labour Amount:	\$30.00 CAD	

The \$30.00 CAD represents payment for one (1) round trip and is eligible only one (1) time per service.

Loaner Vehicle for Maintenance Service Visit

The customer is eligible for a loaner vehicle when their Phaeton is at the dealership for scheduled maintenance services during the NVLW period.

Claim Coding Specifications			
Claim Type:	1SP		
Service Number:	LOAN		
Damage Code:	0011		
Outside Labour Amount:	\$35.00 CAD		

The following terms apply to the loaner vehicle which will be provided to the customer:

- Loaner vehicle must be a late model Volkswagen or comparable vehicle.
- The Phaeton owner's selling / servicing dealer is to provide the loaner for a maintenance service visit. The customer must pick up the loaner vehicle VGCA will not pay for the loaner to be delivered to the customer.
- All claims must be substantiated with appropriate documentation, including a copy of the rental invoice or loaner agreement with the customer's signature that shows the date and time the vehicle was provided to the customer and the date and time returned.

12.4 Roadside Assistance

12.4.1 General Policies

The following information is provided to help dealers assist customers who require roadside service or have encountered roadside information issues. **Roadside Assistance must be contacted for ALL roadside issues**.

Roadside Assistance Coverage Period

Roadside services are offered to all Volkswagen vehicles (except the Winnebago Rialta, Winnebago Vista, and Itasca Sunstar) for the following model year vehicles during the respective coverage period:

- MY 2010 and newer vehicles: 4 years or 80,000 km, whichever occurs first*
- MY 2005-2009 new vehicles: 4 years, regardless of km*

*Beginning from the vehicle's original in-service date which is defined as the date the vehicle was delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a "demonstrator" or "company" car, on the date such vehicle was first placed in service.

Coverage Specifications

To obtain service, the owner must provide the following information:

- The VIN number
- · Year, model, colour and license-plate number of vehicle
- Area code and phone number from which they are calling
- Exact location of the vehicle (street address and nearest intersection)
- Type of service required or a brief description of the problem

Claiming Tow-Ins Under Warranty

Tow-in situations cause high customer dissatisfaction and are required to be reported promptly to VGCA. Please refer to Section 6.6.1, "Tow-Ins, Claim Coding," for instructions on properly claiming warranty repairs requiring a tow-in.

Roadside Assistance		
Service Provider	Club Auto	
Telephone Number	1-800-411-6688	
Provided Roadside Assistance Services	Towing, battery jump start, flat tire service, lock-out, fuel delivery service, emergency winching	
	MY2002-2009: Towing to nearest authorized Volkswagen dealership or authorized Volkswagen service facility	
Towing Limitations (see <u>Towing</u> for details)	MY2010 [~] : Towing to preferred dealership within 50 km <u>or</u> to the nearest authorized Volkswagen dealership or authorized Volkswagen service facility	
Roadside services provided at no charge when 1-800 number is used	YES	
If 1-800 number is not used	\$100 maximum - Reimbursed by Club Auto	
Trip Interruption Benefit Maximum Reimbursement (reimbursed by Customer	MY2002-2009: Up to \$500 if disablement occurs more than 160 km from home	
Care)	MY2010~: Up to \$300 if disablement occurs more than 160 km from home	
Program information location	Owner's Guide and Owner's Warranty booklet	
Towing claims paid by Warranty	No	

Certified Pre-Owned Vehicles

Certified Pre-Owned warranties purchased on or after January 1, 2000 are offered roadside services for <u>2 years, regardless of</u> <u>km</u>, beginning with the expiry of the original coverage (i.e., NVLW) <u>or</u> the sale date of the Certified Pre-Owned warranty, whichever comes last.

12.4.2 Towing

12.4.2.1 Towing for All Models except Winnebago Rialta, Winnebago Vista, Itasca Sunstar

Towing through Roadside Assistance is applicable to retail customers when a Volkswagen vehicle covered by the NVLW is unsafe to drive or inoperable due to a defect in material or workmanship. Towing is covered only when a Volkswagen vehicle is towed to the nearest authorized Volkswagen dealer.

Roadside Assistance must be contacted for reimbursement of towing. Do NOT submit a SAGA claim.

Roadside Assistance towing service is provided by:

Club Auto: 1-800-411-6688

Refer to the 24-Hour Roadside Assistance Owner's Guide for complete details on coverage.

12.4.2.2 Towing for Winnebago Rialta, Winnebago Vista and Itasca Sunstar

If a Winnebago Rialta, Winnebago Vista, or Itasca Sunstar cannot be safely driven due to a defective Volkswagen covered component or if continued driving may result in additional damage or failure due to a warranted Volkswagen component, VGCA will cover the cost of towing to the nearest authorized Volkswagen dealer. This is a special warranty program, so it is crucial that the following claim processing be utilized:

Claim Coding Specifications		
Claim Type:	1SP	
Service Number:	TWNG	
Damage Code:	0011	
Outside Labour Operation:	TWNG 11 00	
Claim Comments:	In the first four positions of the comments field enter the Service Number of the failed component that caused the vehicle to be towed. Next enter the city where the vehicle was towed from and the approximate km towed.	
Note: Mark Outside Labour as causal		

12.5 Exported and Imported Vehicles

12.5.1 Exported Vehicles / Warranty Outside of Canada

VGCA is provided with VINs for vehicles that are exported to other countries. When this information is received, the Volkswagen Vehicle Data File is coded to stop the processing of all warranty claims, recalls, or campaigns in Canada.

Exported Vehicles

ElsaWeb contains information that identifies the vehicle with a STATUS CODE "E" / Exported Vehicle. Exported vehicles do not have warranties covered by VGCA. Please refer to the header, "Repairs Required While Travelling Out of Country," under Section 1.1.1 "<u>Warranty Coverage and Guidelines, All Warranty Types</u>."

Canadian Vehicles Requiring Warranty Repairs While Travelling in the United States

If a Canadian Volkswagen vehicle requires warranty repairs while travelling in the United States, the repair should be performed by an authorized Volkswagen dealer. If the vehicle is within the Canadian warranty, United States dealers can submit a warranty claim. As of MY09, proof of Canadian residence is required.

If the United States dealer cannot submit the warranty claim, the customer may be asked to pay for the repair. On the customer's return to Canada, they should present the invoice to a Canadian Volkswagen dealer, who should submit a claim on their behalf and obtain reimbursement for them.

United States Vehicles Requiring Warranty Repairs While Travelling in Canada

If a United States Volkswagen vehicle requires warranty repairs while travelling in Canada, the repair should be performed by an authorized Volkswagen dealer. If the vehicle is within the United States warranty, Canadian dealers can submit a warranty claim. As of MY09, proof of United States residence is required.

If the Canadian dealer cannot submit the warranty claim, the customer may be asked to pay for the repair. On the customer's return to the United States, they should present the invoice to a United States Volkswagen dealer, who should submit a claim on their behalf and obtain reimbursement for them.

Canadian Vehicles Requiring Warranty Repairs While Travelling outside Canada or the United States

If warranty repairs are necessary while an owner is temporarily traveling abroad (outside Canada or U.S.) and the repairs are covered under VGCA warranties, but not under the warranties offered in the country the owner is visiting, then payment for the repairs may be required by the owner.

Signed repair orders and / or bills covering the repair may be submitted to Volkswagen Customer Care for review of possible reimbursement after the warranted repair is completed, or to an authorized Volkswagen dealership upon returning to Canada.

12.5.2 Imported Vehicles without Canadian Specifications

Vehicles without Canadian specifications that are sold in foreign countries and imported to Canada will be covered under the terms of the warranties provided by Volkswagen for the country that the vehicle was originally specified for (except the United States). VGCA is not the warrantor of those products. As a courtesy, VGCA will process warranty claims submitted by its dealers who perform the warranty service. The dealer should examine the written warranty the customer was provided in order to determine coverage. Warranty claims must be handled manually. Mail the request for reimbursement and the following documents to the Volkswagen Customer Care group. Cost for eligible claims will be reimbursed to the dealer by cheque.

- Copy of the warranty voucher from the Warranty booklet with VIN, name, and address of the vehicle owner.
- Original repair order /sublet bill
- Technician's punch time from back of the hard copy of the repair order
- Import documents

Parts are subject to submission request and should be retained until the claim has been paid.

12.6 Mediation and Arbitration

12.6.1 Arbitration Program

Canadian Arbitration Program

The Canadian Motor Vehicle Arbitration Plan (CAMVAP) is available to every retail owner (of a vehicle four model years old or newer) free of charge and on a nationwide basis.

Customers wishing to utilize the CAMVAP plan should be asked to call toll-free:

1-800-207-0685

12.6.2 Arbitration Prevention

FOM / Technical Helpline involvement

- If a customer has been in twice for the same repair or has accumulated 2 days of down time and is still dissatisfied, please inform your FOM and the Technical Helpline promptly.
- Failure to inform your FOM and the Technical Helpline could result in a warranty review and possible dealer debit for warranty claims or repurchase / replacement. Please review this procedure with your FOM.

Repair Orders

- Write "Car is operating according to manufacturer's specifications" when addressing a service issue where the complaint cannot be duplicated.
- Do not write "Could not duplicate problem" on the R.O. because that statement may lead arbitrators to believe that a problem actually does exist.
- If parts are changed when unable to duplicate, the R.O. should state: "Even though we could find no problem with alternator (or whichever part applies), we replaced for diagnostic purposes."
- R.O.'s must state the components tested and the tests performed on the vehicle.
- Use actual in date / out date on R.O.'s. Do not use the invoice date. Using the actual in date / out date ensures accuracy in tracking the amount of days a vehicle is downed.

Arbitration Hearings

- Upon request, Service Managers must be present at hearings. Arbitrators want to hear from the person who repaired the car.
- Preparation for hearings is important for Service Managers. Questions to Service Managers should be answered in an affirmative and positive manner (i.e., "Yes, the car was repaired" or "Yes, car was test-driven").
- Service Manager should not state that problem "could not be duplicated." This statement gives the impression that a problem does exist. Service Manager should be confident and confirm his technical expertise and background.
- Statements in cases involving customer abuse or modification cases must be direct and to the point. "This is how it happened. This is the only way it could have happened."
- Dealers should not give customers letters making statements about vehicle repairs. The letter can often hurt the manufacturer later in a hearing.

12.6.3 Special Extensions

In individual cases, VGCA may provide a retail customer with a letter granting a special warranty extension beyond the normal limitations. The letter assigning an extension number will be issued by the Volkswagen Customer Care Centre. When the dealership submits a warranty claim for a vehicle covered by a special warranty extension it must:

- Enter the extension number in the "Claim Comments" section of the claim
- Enter claim type 2CM and receive authorization as usual (or be a current self-authorizing dealership)
- Use Service Number "X091"
- Use 4-digit labour operation "1000"
- Use Outside Labour Operation "OLO"

12.7 Exceptional Situations

12.7.1 Emergency Repairs

As stated in Section 1.1.7, "<u>Emergency Repairs, All Warranty Types</u>," emergency warranty repairs may be necessary at a time or place where the customer is unable to have repairs performed by an authorized Volkswagen Dealer, and has no other recourse but to have them performed by an independent / non-franchise repair shop.

- An example would be when a vehicle has broken down, and the local authorized Volkswagen Dealer is closed (i.e. Saturday / Sunday).
- It is the responsibility of Dealership Management to determine if the service qualifies for reimbursement. If Management is uncertain, the Warranty Field Manager should be contacted.

Handling Procedures

The Customer must:

• Present the original repair invoice, a list of replaced part(s), and a statement of the circumstances of the emergency repairs to an authorized Volkswagen Dealer for review.

The Dealership must:

- Determine if vehicle was within warranty limits at the time of repair, parts were defective in material or workmanship, and documentation is complete.
- Determine amount of reimbursement based on repair invoice (full reimbursement for repair and / or replacement of defective parts).
- Reimburse customer by cheque if the repairs performed are determined to be warrantable.
- Submit claim for sublet repair by entering dollar amount for parts and labour in the "Outside" fields in SAGA.
- Enter "Emergency Repair" in the "Claim Comments" section of the claim including detailed on the circumstances of the emergency repair.
- If non-genuine Volkswagen parts are used, contact your Warranty Field Manager for authorization prior to reimbursing the owner.

12.7.2 Accidents, Fire Damages, Safety Concerns

VGCA warranties cover defects in material or workmanship. In instances where it is determined by VGCA that a fire or accident was caused by a defect in material or workmanship while the vehicle is still covered under the New Vehicle Limited Warranty, then the expense to repair or replace the vehicle is also covered by the warranty.

Dealership Procedures

Because special experience and skills may be required to determine whether fire or accident damage is attributable to a defect covered by warranty or is related to external causes, the Volkswagen Customer Care Centre (1-800-822-8987) should be contacted immediately with the following information:

- Customer name, address and telephone number
- VIN and current km
- Extent of fire or accident damage
- Personal injury and / or property damage (if known)
- Location where vehicle may be inspected
- Availability of police / fire department report(s) including digital pictures

Notification Procedures

After receipt of such notice, VGCA will determine whether or not an inspection of the vehicle by a Field Engineer or FOM is required. If VGCA determines that the damage is not related to a defect in material or workmanship, VGCA will notify the customer accordingly.

Customer Procedures

Regardless of whether or not the damage will be covered by warranty, the owner should be advised to contact his or her insurance carrier and report the loss without delay.

If the customer reports the fire or accident to the VGCA Customer Care Centre before contacting the dealership, the following procedure applies:

- If the owner contacts the Volkswagen Customer Care Centre to report a fire, accident damage or physical injury that may
 possibly be attributable to a defect in a Volkswagen vehicle covered by warranty, the Customer Advocate obtains the
 bulleted information stated above.
- The Volkswagen Customer Advocate will assign a contact number and notify the Product Liaison Department of the incident via a detailed Vehicle Fire / Accident Report.
- Product Liaison determines whether or not an inspection of the vehicle by a Field Engineer or FOM is required.
- Product Liaison may contact the FOM to schedule inspection of the vehicle.
- If it is determined that Volkswagen has no liability in the matter, Product Liaison will notify the Customer Care Centre who will inform the owner of our position and close the file.

12.7.3 Code 89 Part Orders for Downed Vehicles (Daily Warranty Orders)

The Daily Warranty or Code 89 Order can be used to order parts for a downed vehicle and put the customer in a loaner car. Our goal is to reduce car-down situations, expedite repairs and improve customer satisfaction.

Basic Criteria

- · Vehicles that can still be driven safely or vehicles outside of warranty are excluded from this warranty order type
- Use of this program is subject to audit by Volkswagen Canada and any misuse may result in a dealer's privileges being revoked

Eligible Orders

This order type may only be used in cases where a car is still covered under any warranty from Volkswagen and the vehicle is down. The following terms apply to all code 89 orders ("Daily Warranty" orders):

- It's crucial to use Daily Warranty whenever a dealer needs to order parts to repair any warrantable car-down situation
- Orders submitted as Daily Warranty are placed in Parts on Command as order type (ZDO) using carrier code 89
- These Daily Warranty orders are processed with the same priority as "regular Daily" orders with overnight delivery
- Items referred from the U.S. for this order type are shipped "Next Day Air" direct to the dealer
- Daily Warranty orders are not used in the calculation of a dealer's Stock Order utilization bonus
- Daily Warranty orders are shown in a separate column in the statistical analysis report
- The cut-off time for Daily Warranty orders is 3:00 p.m.(PDC local)
- Please note that the cut-off time for "regular Daily" orders remains 5:00 p.m. (PDC local) in Canada

Input of Orders

- From Parts on Command, a Dealer will need to input Daily order type (ZDO) with carrier code "89" (Warr. Frt. Ppd.) for these orders
- For each material number, the "comment" field must contain the 17 digit VIN #, repair order number, vehicle mileage, and RO date

13 Warranty Audits

13.1 Notification Procedures

VGCA representatives retain the right to audit all records and all supporting documentation relating to the service and repair of Volkswagen vehicles by the dealership. If claims cannot be substantiated or the documentation is not in compliance with the requirements outlined in the current Volkswagen Warranty Policies and Procedures Manual edition at the time of repair, claims (or portions of claims) may be denied or charged back.

Notification Procedures

Prior to a Warranty Audit, the Warranty Field Manager (WFM) will notify the dealership's management by e-mail that VGCA intends to conduct a Warranty Audit. The dealership will also be provided with a form to select one (1) of two (2) warranty audit process types (See Section 13.2, "<u>Selection Procedures</u>"). Typically, notification is given at least 2 weeks prior to the start of the audit. All Warranty parts held in Parts Retention must be kept until the WFM authorizes the Parts Department to resume their part scrapping process. (Exception: parts requested by the WPRC must be processed and not held for inspection. Parts with a core value may not be returned until the WFM authorizes the Parts Department to resume their normal process.)

13.2 Selection Procedures

Dealerships being considered for audit will receive a selection between two Warranty Audit procedures:

- The "Targeted Audit", or
- The Generalized Audit Program (GAP)

The audit methodology to be used will be a choice left entirely at the discretion of the dealer. The decision will be made formal on a "Warranty Audit Methodology Selection Form" (See below – Selection Process). VGCA is giving a selection to dealers in order to better serve the dealer network, to encourage dealer involvement in the audit process, and to maintain a positive relationship between dealers and VGCA warranty.

Selection Process

The following are procedural steps for dealers to follow upon receiving notification of a Warranty Audit:

- Included within the e-mail from your Warranty Field Manager (WFM) pertaining to the intent to conduct a Warranty Audit, there will be a Warranty Audit Methodology Selection Form to be filled out, signed, and returned via e-mail back to the WFM.
- The completed form must be signed by the Dealer Principal, General Manager, or other respective equivalent.
- The completed form must be received by the WFM within <u>5</u> days of receiving Warranty Audit notification.
- Failure to have the form completed / signed or failure to submit the form within the time frame will result in the loss of the opportunity to choose an audit method. It will be selected at the discretion of the WFM.
- Once the completed form is received, dealers will be sent a confirmation e-mail. This selection is binding.

The printable Warranty Audit Methodology Selection Form can be found on ServiceNet under VGCA Warranty > Forms > Audit Methodology Selection Form (March 2010).

13.3 Warranty Audit Choices

13.3.1 Targeted Audit Method

In the Targeted Audit Method, the warranty claim data stored by the dealership will be analyzed prior to the actual audit BUT only after the dealer has been notified of intent to conduct an audit. This "pre-audit" analysis allows VGCA to target specific areas identified to be of potential concern.

Files and Documentation Subject to Audit

Typically, VGCA will review over 50 VIN files spread over a period of 12 months of warranty claim activity.

The time period reviewed may be expanded to include additional, related information from preceding year(s) warranty claim activity. This may occur while pending audit results / findings.

Adjusted Amounts

Net adjusted amounts / chargebacks reflect the value of <u>Warranty Claim errors and / or Policies and Procedures</u> <u>contraventions</u> as discovered and noted during the audit process.

13.3.2 Generalized Audit Program (GAP)

The GAP is a factored, extrapolation-based audit program developed to be a quicker, transparent, efficient, and less invasive method of performing an in-dealership Warranty Audit.

Files and Documentation Subject to Audit

Claims will be selected from the dealership documentation. Claims subject to audit will have been made between the start and end dates for the 12-month period under review.

A list of **randomly selected claims** will be generated. This list will consist of a minimum of 60 individual claims in order to gather a statistically valid amount of data to be evaluated by the GAP. The GAP also provides a list of claims which are "linked" or generally related to those chosen for examination.

The dealer has the option to accept or reject the first claim list. If the dealer choses to reject the first list, a second randomlygenerated list is to be used unconditionally.

Adjusted Amounts

Warranty Claim errors and / or Policies and Procedures contraventions as well as other financial adjustments resulting from the review will be entered into the GAP. If:

- The dollar value of errors is > 1% of the dollar value examined; extrapolation is used to arrive at a total audit adjustment amount.
- The dollar value of errors is < 1% of the dollar value examined; extrapolation will NOT be used. However, the actual amount of adjustments (value of errors) made will be charged back.

13.4 Certified Pre-Owned Sales and Services Process Audits

As part of VGCA's ongoing efforts to assist dealers with their warranty-related programs, the Warranty group will begin conducting review of dealership processes as it regards the certification, sale, and repair of Volkswagen Certified Pre-Owned (CPO) vehicles.

Like other warranty audits, this process will be performed by your Warranty Field Manager (WFM) and will be incorporated to the previously established in-dealership Warranty Audit program. Although the new facet of the audit process will be undertaken during the course of a regularly scheduled Warranty Audit, the review will be completed and presented as a separate document / review.

The audit will consist of an examination of both sales- and service-related documents pertaining to the certification inspection, retail sale, and after sales repair(s) performed under the CPO Warranty Program.

13.5 Warranty Audits, Additional Information

Who Performs Warranty Audits?

Warranty audits are performed by an authorized representative of VGCA. Typically it will be coordinated by your Warranty Field Manager (WFM).

Parts Retention

Please refer to the exceptions listed in Section 8.2.2, "Handling, Retention, and Storage of Parts."

Warranty Self Review Tool Kit

To use Warranty Self Review Tool Kit, log onto ServiceNet and it will be found under VGCA Warranty > Job Aids and Quick Reference Claim Coding.

Also, there is Volkswagen Academy web-based training that can help you with your processes: 7S0422 Continuous Improvement: Service and Warranty Management

14 Appendices

14.1 Damage Codes

The 11-digit Damage Code is composed of the following information:

Main Group	Illustration Number	Damage Category	Vendor Code	Repair/Replace Indicator
(Ex.) 57	63	15	YAK	2
(Ex.) Body, Doors Front	Inner Door Seal	Cracked	Vendor Code	1 = Repaired 2 = Replaced

14.2 Damage Category Codes with Descriptions

Code	Short Description	Description
10	Mechanical Defect	All mechanical defects not covered by codes 11 to 18 and 38. Examples: All dimensional, machining and installation faults such as too short, too long, too hard, too soft, bent, sharp-edged, badly welded, incorrectly or incompletely installed, incorrectly connected, not secured, lack of oil or grease, pulling to one side.
11	Incorrectly Adjusted	Faulty adjustment of adjustable components. Examples: Door window guide out of adjustment, maladjustment of transmission selector fork, adjustment of front hood latch
12	Incorrect Standard Equipment	Example: Door panels which do not match in colour
13	Out Of Round, Out Of Balance	Radial and lateral run-out of all rotating parts, out-of-round condition, vibrating, grabbing, and wobbling. Example: Brakes pulsating
14	Burnt, Slipping	Burnt, burnt-through, slipping. Example: Clutch slipping
15	Broken, Cracked, Torn	Cracks and tears in all vehicle parts. Examples: Broken valve, piston pin having hairline crack, torn out threads, deteriorated rubber seals
16	Ineffective	(Not for electrical malfunctions). Examples: Strut – internal damage, clutch not separating, no torque in transmission within driving ranges, automatic transmission does not shift, jumps out of gear, poor synchronization, lines and/or hoses blocked
17	Binding	All moving parts which stick, jam, are too tight, seized, locked, difficult to shift, rubbing, insufficient play, do not engage or disengage properly. Examples: Seized or scored pistons, door hinges
18	Loose	Excessive wear, scored, grooved, no tension, too much play. Examples: Loose valve seats, pulled out studs, too much play in bushings or bearings
20	Noisy	Excessive noise, if not possible to code under exact cause such as knocks, rattles, buzzes, squeaks, rumbles, poor tone. Examples: Noisy clutch release bearing, squeaking shock absorber
21	Crimping On Contact	Badly crimped onto insulation or wiring pulled out of contact
22	Contact/Connector (Incorrect Poling)	Incorrect poling, in wrong housing chamber
23	Contact/Connector (Pushed Back)	Pushed back in connector housing, loose; pushed back on electrical component, loose.
24	Wiring (Trapped)	Trapped, short circuit
25	Wiring (Abraded)	Abraded, short circuit
26	Wiring Node	Wiring loose, detached, open circuit
27	Electrical Screw Connections	Nut/bolt loose, missing
28	Connector Housing/Connector Coupling	Only partially connected to electrical component, open circuit
29	Wiring Routing (Too Short, Too Long)	Wiring too short/too long
30	Unsatisfactory Appearance	All visible defects in body trim and chrome, appearing scratched, loose, detached, frayed, shrunk, worn through, blistered, flaked, or dimpled (not paint). Examples: Poor chrome plating, peeling or blisters in chrome, trim flaws
31	Discoloured	Faded, spotty, milky, opacity in glass – applies to rubber, plastic, textiles and glass (not paint). Examples: Discolouring of mirror, unevenly discoloured upholstery, bubbles in windshield lamination
32	Wavy, Warped	Creased, distorted, swollen (applies to rubber, plastic and textiles). Example: Wrinkled interior trim
33	Corrosion	All signs of corrosion on metal parts. (Does not apply to rust on painted body parts – see paint damage categories.)
38	Standard Equipment Missing	Standard equipment which was not installed during production

40 Electrical Defects Electrical defects or defective electronic components (if not covered by categories) 49 Unpleasant Smell Example: Crankcase leaking oil at mating surface, shock absorber leaking,	-
	. water leak at
Example: Crankcase leaking oil at mating surface, shock absorber leaking,	. water leak at
50 Leaking windshield weather-strip, leaking on rim, loss of fluid or air from enclosed chamber water.	
51 Wind Noises Rustling, howling, whistling, hissing	
55 Special Repair On Factory Demand	
61 Black Smoke, Blue Smoke	
 Vehicle Towed To Dealership By Roadside Assistance Or By An Independent 	

14.3 SAGA Claim Types

Claim Type Description	SAGA Code
New Vehicle Limited Warranty- After Delivery	110
New Vehicle Limited Warranty- Before Delivery	910
Federal Emissions Claim	1E1
Certified Pre-Owned Claim	G10
Customer Assistance (Technical Goodwill)	210
Customer Assistance (Marketing Goodwill)	2CM
Customer Care Buyback*	1BB
Customer Care Goodwill (Technical)	2CC
Customer Care Recall Related	7CC
Customer Care Warranty (Extension)	1CC
Disclosure Claim	9DC
Enhanced Coverage (Demo Extension)	S10
Free Maintenance After Delivery	1MA
Corrosion Claim	160
Paint Claim	150
Paint Claim Before Delivery	950
Powertrain Claim	1PT
Recall After Delivery	710
Recall Before Delivery	790
Service Part Warranty- Outside New Vehicle Limited Warranty	121
Stock Part Claim	131
Special Claim After Delivery	1SP
Special Claim Before Delivery	9SP
Accessories Installed Prior to Retail Sale	12i
Accessories Sold Over the Counter	13i
Summary Claim	1SC
Transportation Claim	9T1

14.4 Vendor Codes

14.4.1 Vendor Codes, Windows

Manufacturer	Vendor Code
AGC Automotive Europe	6AJ
AGC Automotive Mexico	ZFF
AGC Automotive Ungarn	AHX
AP TECH	ZFF
ASAHI	AJF
AUTOTEMPLEX	3JZ
Covina / Saint-Gobain-Sekurit Portugal	CV4
Crinamex / VITRO	ZVY
Dura Automotive	DU1
Dura Salgglas	DH4
DURACAM	TD9
Fuyao	4FA
Glaströsch	GTA
Guardian	GA1
Nordlamex / Pikington	SV3
Pilkington	DVO
Pilkington – DOT233	AO8
Pilkington – DOT17	PA1
Prevent	RGF
RIOGLASS / Starglas	RG1
SAINT-GOBAIN-SEKURIT	SEO
SAINT-GOBAIN-SEKURIT – DOT39	AO9
SAINT-GOBAIN-SEKURIT – DOT57	SE9
SAINT-GOBAIN-SEKURIT – DOT211	CM3
SAINT-GOBAIN-SEKURIT – DOT615	ZRK
SAINT-GOBAIN-SEKURIT – DOT617	UPE
Sekurit	SEO
Shatterpruffe	6VW
SIV	SV3
Soliver	SV6
Splintex	6AJ
TAMCAM	TMC

14.4.2 Vendor Codes, Light Bulbs

Manufacturer	Vendor Code
GE (General Electric)	JAO
Hella	HLO
Jahn	JAO
Narva	NV2
Osram	OSO
Phillips	PHO
Spahn	SPO
Sylvania	ZTV
Toshiba	TL6
Tungsram	ТМО

14.4.3 Vendor Codes, Valve Springs

Colour (Manufacturer)	Vendor Code
Green (Muhr and Bender)	MUB
Yellow (Isringhausen)	JRH
White (Scherdel GmbH)	EXO
Blue (Pemovna Hostivar)	YP6

14.4.4 Vendor Codes, Campaigns

Description	C	Code	Vendor Code
Fuel supply line clamp	M1	M100	3ME
Seat heater	M2	M200	RW1
Seat heater	M3	M300	RW1
Tie rod securing nuts	M5	M500	WWO
EGR cooler	M6	M600	MC4
Fuel pump	M7	M700	VDO
Side airbag wiring harness	M9	M900	WWO
Crankcase breather hose	N2	N200	ECO
Catalytic converter	N3	26D8	3ME
Brake light switch	N4	N400	WWO
ECM software flash	N7	26E1	WWO
Washer bottle tab/under hood supply line	N8	92B9	3ME
OM insert for TPMS	N9	06A1	WWO
RVUTB – Software update	02	24L8	VWE
RVUTB – Headlights remain on in full sunlight	ОК	97M4	WWO
Wiper motor	P6	P600	VWE
Brake vacuum line	P7	P700	VWE
Headlamp caps / Park assist sensors	P8	94C9	MJ5
Air plenum service	P9	66C8	WWO
Headlamp inspection / modification	Q8	94D2	3EO
Park assist sensors	R1	91C7	ATW
Seat heater	R2	74B9	RWT
Seat heater	R3	74B8	RWT
Fuel supply line	R4	20N4	TJ5
Fuel supply module	UU	UU00	KTO
Rear door lock rods	VT	VT00	3ME
Seat heater	VV	VV00	RWT
Hazard switch	VX	VX00	MRO
Seat heater	VZ	VZ00	RWT

14.5 Service Activity Codes

Singular or 1 side	Plural or 2 sides	Present	Past
01	02	Check	Checked
03	04	Measure	Measured
05	06	Check and adjust	Checked and adjusted
07	08	Vent	Vented
09	10	Detach and secure	Detached and secured
11	10	Detach	
13	12	Secure	Detached Secured
15	14		
		Adjust Drain and fill	Adjusted Drained and filled
17	18		
19 21	20 22	Remove and install	Removed and installed
		Remove	Removed
23	24	Install	Installed
25	26	Program	Programmed
27	28	Flange off and on	Flanged off and on
29	30	Clean	Cleaned
31	32	Convert	Converted
33	34	Complete	Completed
35	36	Check and supplement	Checked and supplemented
37	38	Dismantle and assemble	Dismantled and assembled
39	40	Manufacture	Manufactured
41	42	Repair	Repaired
43	44	Drill	Drilled
45	46	Turn	Turned
47	48	Grind	Ground
49	50	Rework	Reworked
51	52	Seal	Sealed
53	54	Remove parts	Parts removed
55	56	Replace	Replaced
57	58	Straighten	Straightened
59	60	Fit parts	Parts fitted
61	62	Paint new part	New part painted
63	64	Beat panel	Panel beaten
65	66	Remove and install parts for paintwork	Parts for paintwork removed and installed
67	68	Remove parts for paintwork	Parts for paintwork removed
69	70	Install parts after paintwork	Parts installed after paintwork
71	72	Prepare paintwork	Paintwork prepared
73	74	Apply underseal	Underseal applied
75	76	Conserve	Conserved
77	78	Cover	Covered
79	80	Paint	Painted
81	82	Fit in	Fitted in
85	86	Paint upper section	Upper section painted
87	88	Paint lower section	Lower section painted
89	90	Charge	Charged
91	92	Tension	Tensioned
93	94	Balance	Balanced
99		Install, replace if necessary	Installed, replaced where necessary

14.6 Outside Labour Operations for SAGA Coding

Service Number	Description	Outside labour Op Passenger Vehicles	Outside labour Op. Commercial Vehicles
Not Applicable	General sublet repair	A000 00 00	A000 00 00
Not Applicable	Body shop repair (no paint)	A004 10 00	A004 11 00
Not Applicable	Emergency repair	A005 10 00	A005 11 00
Not Applicable	Glass replacement (outsource)	A006 10 00	A006 11 00
A007	New product learning allowance	A007 10 00	A007 11 00
Not Applicable	Car wash	CAWA 10 00	CAWA 11 00
Not Applicable	Car wash w/ detailing	CAWD 10 00	CAWD 11 00
X091	Gift	X091 CA 00	X091 CA 00
X092	Lease	X092 CA 00	X092 CA 00
X093	Other	X093 CA 00	X093 CA 00
X094	Parts Assistance	X094 CA 00	X094 CA 00
X095	Trip Interruption	X095 CA 00	X095 CA 00
Not Applicable	Alignment (outsource)	D001 10 00	D001 11 00
Not Applicable	Machining (per FOM)	D002 10 00	D002 11 00
Not Applicable	Paint	L001 00 00	L001 00 00
Not Applicable	Paint, metallic	L002 00 00	L002 00 00
Not Applicable	Paint, pearl	L003 00 00	L003 00 00
PUDL	Pick up/ delivery	PUDL 10 00	PUDL 11 00
S617	Engine Cleaning	S617 10 00	Not Applicable
TWNG	Towing	TWNG 10 00	TWNG 11 00
Not Applicable	Sublet upholstery repair	UPHL 10 00	UPHL 11 00
LOAN	Loaner vehicle - 1 day	LOAN 10 D1	LOAN 11 D1
LOAN	Loaner vehicle - 2 days	LOAN 10 D2	LOAN 11 D2
LOAN	Loaner vehicle - 3 days	LOAN 10 D3	LOAN 11 D3
LOAN	Loaner vehicle - 4 days	LOAN 10 D4	LOAN 11 D4
LOAN	Loaner vehicle - 5 days	LOAN 10 D5	LOAN 11 D5
LOAN	Loaner vehicle - 6 days	LOAN 10 D6	LOAN 11 D6
LOAN	Loaner vehicle - 7 days	LOAN 10 D7	LOAN 11 D7
LOAN	Loaner vehicle - 8 days	LOAN 10 D8	LOAN 11 D8
LOAN	Loaner vehicle - 9 days	LOAN 10 D9	LOAN 11 D9
LOAN	Loaner vehicle - 10 days	LOAN 10 DA	LOAN 11 DA
LOAN	Loaner vehicle - 10+ days	LOAN 10 DB	LOAN 11 DB

14.7 Contacts

Accounts Receivable		1-905-428-6700	
Accounts Receivable		http://xs.moorewallace.com.vw	
Certified Pre-Owned		User ID: VWdealer number (e.g. VW499nnnn) Password: VW2007	
Certified Pre-Owned		E-mail: <u>vgca.CPO@vw.ca</u> Phone: 905-428-5542 Fax: 905-428-4811	
Customer CARE Centre		1-800-822-8987	
Campaign Helpline (Product Compliance)		1-905-428-6700	
Audio Direct Exchange Program Information		radiodirectexchange@vw.com	
	Bosch	Phone: 1-800-266-2528 Fax: 1-888-689-4411 Mail: Bosch Service Centre c/o Morgans Technology 6255 Cantay Rd. Loading Dock #7-10 Mississauga, ON L5R 3Z4	
Audio Direct Exchange Suppliers	Delphi	Phone: 1-800-232-3965 Fax: 1-800-428-0333 Mail: Delphi Electronics Service Centre c/o AJR, International 300 Regency Dr. Glendale, IL, 60139	
	Panasonic	Phone: 1-800-565-5840 Fax: 1-800-565-1815 Mail: Automotive Multimedia Service Centre 5810 Ambler Drive, Unit #4 Mississauga, ON, L4W 4J5	
	United Radio	Phone: 1-800-448-0944 Mail: United Radio 5705 Enterprise Parkway East Syracuse, NY, 13057	
Domestic Service Centre (for refrigerators)		1-800-544-4881	
Roadside Assistance		1-800-411-6688	
Volkswagen and Audi Support Centre (Systems Help Desk)		1-800-892-4350	
Technical Helpline		1-800-678-2389	
Tools and Equipment Programs (Equipment Solutions)		1-800-892-9650	
Transportation Department Claims or Recovery		Phone: 1-877-365-0343 Fax: 1-586-275-3156	
Volkswagen / Audi Publications (formerly DDS)		1-800-544-8021	
Volkswagen Distribution Support		1-888-674-3335	
Volkswagen Parts Specialist Helpline		1-800-767-6552	
Warranty Department		vwgcwarranty@vw.ca	
Warranty Parts Return Centre		vgca.wprc@vw.ca	
Winnebago Industries Warranty Help Desk		1-800-628-7692	
Volkswagen Group Canada Inc.		777, Bayly Street West Ajax, ON, L1S 7G7	

14.8 Powertrain Limited Warranty, Component Coverage Chart

ltem	Item Main Group		ered	Details
		Yes	No	
Engine: Cylinder Block	10-13	•		Cylinder block and cylinder head; includes all internal parts.
Flywheel	13	•		Repairs resulting from an outside influence, such as damaged teeth due to a defective starter or clutch wear are not covered.
Engine: Cylinder Head	15	•		For defects in material or workmanship.
Valve Train	15	•		Includes valves, camshaft, timing gears, timing chains, and timing belt.
Oil Pump	17	•		For defects in material or workmanship.
Water Pump	19	•		For defects in material or workmanship. Note, slight seepage is normal and is not considered a defect.
Water Pump Pulley	19		•	Not covered.
G-Charger (Turbocharger)	21	•		For defects in material or workmanship.
Fuel System Controls	21-25		•	Not covered.
Injection Pump	23	•		For defects in material or workmanship.
Intake Manifold	23-25	•		For defects in material or workmanship.
Exhaust Manifold	26		•	For defects in material or workmanship. The exhaust manifold gasket (2609) is covered.
Engine Seals and Gaskets	N/A	•		Leaking or related to covered components. Seeping is normal, and is not a warranty concern.
Clutch Components	30		•	Not Covered
Torque Converter	32	•		For defects in material or workmanship.
Transmission	34-38	•		Includes case and all internal parts.
Transmission Seals and Gaskets	N/A	•		Related to covered components.
Transmission Controls	35-37		•	Not covered.
Transmission Control Module (TCM)	37	•		Requires 5051/5051B/5052/GFF printout attached to the R.O.
Transmission Oil Cooler	38	•		For defects in material and workmanship.
Differential	39	•		Includes all internal parts.
Drive shafts	40	•		For defects in material or workmanship.
C.V. Joints	40	•		For defects in material or workmanship.
C.V. Joint Boots	40		•	Not covered.
Wheel Bearings	42		•	Not Covered.