

VOLKSWAGEN DEALERSHIP COMMUNICATION

Date: March 28, 2011

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

Subject: Mandatory Stop-Sale Order for Upcoming Voluntary Safety Recall 97V3 2011 MY Volkswagen Jetta Sedan (6th Generation) Vehicles – Converter Box Wiring

IMPORTANT NOTICE TO DEALERS - FOR IMMEDIATE DISTRIBUTION

MANDATORY STOP-SALE ORDER Upcoming Voluntary Safety Recall 97V3

Effective immediately, 2011 model year Volkswagen Jetta sedan (6th Generation) vehicles in dealer inventory are under a mandatory stop-sale order.

DO NOT SELL, LEASE, OR DEALER TRADE ANY OF THESE VEHICLES

Volkswagen has notified the NHTSA of an upcoming voluntary safety recall affecting 2011 model year Volkswagen Jetta sedan (6th Generation) vehicles. Because of this, a mandatory stop-sale order has been put in place for vehicles affected by this voluntary safety recall.

Mandatory Stop-Sale Order

Effective immediately, 2011 model year Jetta sedan (6th Generation) vehicles in dealer inventory are under a mandatory stop-sale order.

What should dealers do?

- The affected vehicles will be identified on a dealer's VIM report with the campaign code 97V3.
- All dealers are asked to check their VIM report to see if they have any in-stock vehicles affected by this mandatory stop sale. Only dealers with inventory vehicles affected by this action will see vehicles tagged with **97V3** on their VIM report.
- If you have an affected vehicle, <u>**DO NOT**</u> sell, lease, or dealer-trade it. If you are using an affected vehicle as a demo, discontinue doing so immediately.
- Please keep any affected vehicle in a secure area where it cannot be made available for sale, lease or trade.

What will Volkswagen do?

- Shortly, dealers will receive instructions from Volkswagen on what will be required for the affected vehicles.
- Affected dealers will be reimbursed for floor planning expenses related to the stop-sale hold vehicles until the repair instructions and parts allocation are released.

Upcoming Voluntary Safety Recall 97V3 – Fuse Box

Problem Description: The affected Jetta sedan (6th Generation) vehicles have an electrical wiring and fuse layout where the converter box is protected by the same fuse used by the signal horn and the anti-theft alarm system. If the fuse is blown (e.g. in case of an electrical short in the horn), the converter box is disconnected from the power supply which, in turn, shuts off applications such as the engine management system, lighting system, and wipers. Should this happen while the vehicle is being driven, the engine could stall, or the headlights or wipers could turn off unexpectedly, potentially leading to a crash without warning.

Volkswagen has not identified any reports or allegations of a crash or actual injury resulting from this condition.

Corrective Action: Dealers will separate the wiring for the horn and the theft protection horn from the power supply of the converter box and route the wires to separate fuses to correct this condition free of charge.

Parts Allocation: Currently, a very limited supply of repair kits is available, and an initial parts allocation has been sent to dealers. These parts should be used to address customer vehicles that are "car down" situations, and should also be used to repair a customer vehicle if the customer has indicated they are concerned about driving their vehicle before the campaign repair has been made. If parts are not available, dealers should help arrange alternative transportation (i.e.: loaner vehicles) for these customers, and give priority to the vehicle repair once parts are available. These parts can also be used for inventory vehicles that dealers have identified for pending sale/delivery to customers. Additional parts allocations will be made as parts supplies increase.

Customer Mailing: Depending on parts availability, customer notification is anticipated to take place in May 2011.

Code Visibility Date: The 97V3 code will be made visible in the system once we have adequate parts supply on hand. Until then, please make every effort to address customer vehicles that are experiencing the campaign issue as per the instructions provided in the 97V3 campaign circular.

Circular Release Date: Repair instructions will be available in ElsaWeb and ServiceNet shortly. Please ensure that all dealership personnel with campaign-related responsibilities have been provided with this important information.

Allocation List Release Date: All dealers are asked to check their VIM report to see if they have any in-stock vehicles affected by the mandatory stop sale. Only dealers with inventory vehicles affected by this action will see vehicles tagged with the code 97V3 on their VIM report. Once adequate parts supply is on hand, we will make updated allocation lists available under My Dealership Reports on the VW Hub prior to customer notification.

Important Reminder on Vehicles Affected by Safety and Compliance Recalls

By law, dealers must correct, prior to delivery for sale or lease, any vehicle that fails to comply with an applicable Federal Motor Vehicle Safety Standard or that contains a defect relating to motor vehicle safety.

Thank you for your assistance in this important matter. If you have any questions or require additional assistance, please contact Warranty.

Volkswagen Product Compliance