



Volvo Cars of North America, LLC

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Adam Kopstein, Manager

Automotive Safety & Compliance

May 12, 2011

11V-286 (3 Pages)

Daniel Smith, Associate Administrator Enforcement National Highway Traffic Safety Administration (NSA-01) 1200 New Jersey Avenue, SE, West Building, Fourth Floor Washington, DC 20590.

Re: DEFECT INFORMATION REPORT

Dear Mr. Smith,

Pursuant to Part 573 of Title 49 of the Code of Federal Regulations, Volvo Cars of North America, LLC (Volvo) submits the following information concerning a safety recall program that it is voluntarily initiating.

573.6 (c) 1: Manufacturers Name

Vehicle Manufacturer. Designated Agent

Volvo Car Corporation Volvo Cars of North America

Gothenburg, Sweden Rockleigh, N.J. 07647

Component Manufacturer

ZF-Systemes de Directions France 130/326 Impasse des Cèdres FR 74970 MARIGNIER France

Eric Wettel, Plant Manager

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Country of origin is France for the complete steering gear. The pipe is a tier 2 component and is made by ZF in Germany.

573.6 (c) 2: Identification of Vehicles involved

The vehicles involved in this recall are certain model year 2010 and 2011 XC90 vehicles equipped with V-8 engines. The assembly plants and inclusive dates of manufacture are listed in the chart below; please note that the vehicle chassis numbers and production dates may reflect global production and not only vehicles available for sale in the United States or its territories.

 MODEL
 MODEL YEAR
 PRODUCTION DATES
 CHASSIS RANGE

 XC90
 2010 - 2011
 01/29/2010 - 08/16/2010
 553910 - 576645

573.6 (c) 3: Total number of Vehicles Potentially Containing the Defect

The total number of vehicles potentially affected within the United States and its Territories is 350.

573.6 (c) 4: Estimated percentage of Vehicles with the Defect

This inspection will be implemented on 100% of the recalled vehicles.

573.6 (c) 5: Description of the Defect

Power steering oil may leak from the oil pipe connection attached to the steering gear valve housing. This may result in slow leakage that can drain the power steering system of fluid, generating noise and gradually decreased power steering assistance.

In a worst case scenario this condition may lead to a sudden and complete loss of power steering assistance. This deviation poses an unreasonable risk to motor vehicle safety.

Root cause: The supplier (ZF) has identified an assembly process issue (including influence of the operator) and a pipe geometry that is out of specification.

Symptom/driver experience: Slow leakage that can drain the power steering system of fluid, generating noise and gradually decreased power steering assistance. In a worst case scenario, this condition may lead to a sudden and complete loss of power steering assistance.

The corrective action is to replace the oil pipes on the power steering rack on all affected vehicles.

573.6 (c) 6: Chronology of Events

Volvo is still investigating the chronology and will submit a more detailed summary shortly.

05/05/11

Safety recall decision.

573.6 (c) 7: Test Results

Volvo is still investigating and will submit a more detailed summary shortly

Volvo has received 27 U.S. warranty claims and 0 U.S. Technical Reports for this condition. Volvo is not aware of any reports alleging injuries, fatalities, or crashes related to this condition.

573.6 (c) 8: Program for Remedy of Defect

All involved vehicles will be subject to the recall. The target completion date for owner notification letters via first class mail is May 31st. The letter will request that the owner of the vehicle take their vehicle to an authorized Volvo retailer for remedy at no charge. For vehicles remaining in retailer inventory or Volvo inventory, the recall will be performed prior to sale. The corrective action is to replace the internal pipes on the power steering rack on all affected vehicles.

573.6 (c) 10: Copies of Notices, Bulletins, etc.

The complete Recall 242 retailer package will be sent to RMD when it is ready for release to Volvo retailers. A draft copy of Volvo's Owner Notification letter is being created and will be submitted to the agency shortly. Technical information has not been previously released for this condition.

573.6 (c) 11: The Manufacturer's Campaign Number

Volvo has assigned Volvo Recall Campaign Number R242 to this Recall Campaign.

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

Sincerely yours,

VOLVO CARS OF NORTH AMERICA, LLC.

Customer Service

Adam Kopstein

Manager, Automotive Safety & Compliance

A. Kopita