

Vincent D'Auria

Senior Manager Product, Safety & Compliance - Regulatory & Compliance

October 24, 2022 Subject: Recall R10198

TO: All U.S. and Canadian Volvo Retailers

NEW VEHICLES IN RETAILER INVENTORY

ATTENTION: The software (SW) for this recall is available today, Monday October 24, 2022. At this time all long-range PHEV vehicles affected by this recall can be delivered provided that PDS SW is installed in the vehicle <u>today</u> or <u>before delivery</u> to the Customer. If vehicle was prepped for delivery before October 24, 2022, a total SW download <u>must</u> be performed before delivery. Affected vehicles are now marked and visible in the TIE system and QW90.

It is a violation of federal law for a retailer to deliver any new Volvo that is eligible for a recall. Retailers are advised to check all vehicles in inventory for recall eligibility and repair immediately. Violation of this requirement by a retailer could result in a civil penalty of up to \$22,723 per violation.

Correct all vehicles in your new vehicle inventory before delivery.

USED VEHICLES IN RETAILER INVENTORY

Volvo Car USA is ordering the stop-delivery of affected vehicles in auction and retailer inventory until the recalled item can be repaired. Stopping the delivery of affected used vehicles until the recall is complete is consistent with Volvo's commitment to safety. Additionally, while Federal law does not prohibit the sale of used vehicles with open recalls, the sale of such cars could violate certain state laws and create liabilityon behalf of the retailer.

What does this mean for customers?

Customers will not be able to take delivery of affected vehicles until the recall has been completed.

When will this be resolved?

Volvo Car USA LLC and Volvo Car Canada LTD (Volvo) on behalf of Volvo Car Group has decided to launch Recall R10198 on certain model year 2022-2023 S60, V60, S90L, XC60 and XC90 long range PHEV vehicles.

Volvo Cars Investigations have identified that the estimated cooling flow on the electrical drive (ED) cooling circuit is set to zero due to faulty software logic when max cooling is requested. When the estimated cooling flow is set to zero, the Inverter Generator Module will set available torque to zero and the combustion engine will not start. Loss of propulsion can occur, increasing the risk of a crash.

The corrective action is to perform a Software Upgrade.

Volvo Cars centrally has not received any reports alleging injuries, fatalities, or crashes related to this condition.



A total of 15,674 U.S. and 1,185 Canadian vehicles are eligible for this recall.

Vehicle eligibility must be confirmed:

- Vehicle Inquiry Warranty Vehicle Inquiry where the message "Recall R10198 ECM Upgrade" will appear for eligible vehicles, F4+History from themain Inquiry menu must be selected to confirm Recall R10198 has not been completed. Eligibility can also be confirmed in TIE.
- Recall R10198 eligible vehicles not yet delivered to end customers must be corrected prior to delivery.

All vehicles must be checked for any incomplete recalls or service campaigns or service upgrades. All open Recall, Service Campaigns or Service Action repairs must be completed. If you have any questions concerning this recall or your retailers' affected vehicles, please send an e-mail with your retailer code to recall@volvocars.com.

PORT DELIVERED VEHICLES/NEW VEHICLE INVENTORY

R10198 affected vehicles will not receive the latest software at the Port. It is the retailer's

responsibility to check vehicle eligibility prior to delivery.

OWNER NOTIFICATION

An owner notification will be sent out in early December that will notify the owner of this recall instructing them to contact their Volvo Retailer and request an appointment to have this repair completed if they choose not to accept the over-the-air (OTA) download.

PARTS / PARTS RETURN

No parts are required to be returned for this recall. Please review Parts Bulletin R10198 once available.

As the safety of our customers is our upmost priority, we are taking full responsibility to ensure the highest quality and safety standards for our cars. If you have any questions about this recall or any other field service action, please send an e-mail with your retailer code to recall@volvocars.com.

CLAIM SUBMISSION

Claim submission instructions will be made available in the Quality Bulletin.

RETAILER RESPONSIBILITIES

Retailers must perform this recall campaign on eligible vehicles regardless of miles/kilometers or vehicle age. All work performed under this recall is free of charge to the owner. As the safety of our customers is our upmost priority, we are taking full responsibility to ensure the highest quality and safety standards for our cars.

If you have questions about this recall or any other field service action, please contact me or any member of the Product Safety and Compliance office.

Your cooperation in completing this important recall is greatly appreciated.

Drive Safely,

Vincent D'Auria

Senior Manager Product, Safety and Compliance - Regulatory & Compliance

201-647-0004

vincent.dauria@volvocars.com