



March 25, 2005

VEHICLE SAFETY DEFECT SERVICE BULLETIN

Recall Campaign 04V598000

Monaco File # RO4047

Re: Safety Water Heater Exhaust Terminates

Dear Owner:

This notice is sent to you in accordance with the requirement of the National Traffic and Motor Vehicle Safety Act.

Monaco Coach Corporation has decided that a defect which relates to motor vehicle safety in exists in certain Class A motorhomes manufactured from January 20, 2003 through August 10, 2004.

The affected units are:

2005 Monaco Camelot
2005 Monaco Windsor
2005 Holiday Scepter
2005 Safari Gazelle

According to our information, your motorhome identified on the enclosed form is affected. *Federal law requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.*

During an inspection of the manufacturing process in August of 2004, it was noticed that the water heater exhaust on the curve side wall under the back side of the kitchen slideout room box terminates under the slide box when it is in the extended position. This design could create a risk of migration of carbon monoxide into the interior of the motorhome that is unacceptable to the Company. Exposure of the occupants to carbon monoxide could result in injury or death. The affected motorhomes have the Floor Plan indicator 38PDQ and 38PST.

The remedy for the motorhomes will be replacing the water heater with a 16gal Atwood unit that has an exhaust termination on the opposite side which will not be under the slideout room box. The correction will be provided at no charge to you. If you had this repair completed at your expense prior to receiving this letter, you may be eligible for reimbursement by Monaco for your remedy costs.

Please contact your Monaco Coach Corporation dealer to arrange for a service appointment. Instructions for making this correction have been sent to your dealer and parts are readily available.

The labor time necessary to perform this recall campaign is approximately 6 hours. Please ask your dealer if you wish to know how much additional time may be needed to schedule and process your motorhome.

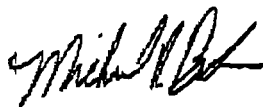
The enclosed Recall Notification Form identifies your motorhome and will serve as an authorization and claim form to have the correction made. Presentation of this form to your dealer will assist in making the necessary correction in the shortest possible time. If you have sold or traded your vehicle, or for any reason cannot have this recall service performed, please let us know by completing the postage paid reply card and returning it to us promptly.

Your Monaco Coach Corporation dealer is best equipped to provide service to ensure your vehicle is corrected as promptly as possible. If, however, you take your motorhome to your dealer on the agreed service date and the dealer does not remedy this condition on that date or within three (3) days, please call our toll free Recall Hotline (800) 685-6545 or our toll free number for Technical Service (877) 466-6226.

If, after contacting your dealer, and the recall assistance service line, you believe Monaco Coach Corporation has failed or has been unable to remedy the noncompliance without charge or there has been an unreasonable delay in securing the remedy, you may submit a complaint to the Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW, Washington, DC 20590 or call the toll free Auto Safety Hotline at (888) 327-4236.

We apologize for this inconvenience. However, we have taken this action in the interest of your safety and continued satisfaction with your motorhome.

Sincerely,



Michael R. Becker
Customer Service Manager
Monaco Coach Corporation