

HOLLAND, JOHNS, SCHWARTZ & PENNY, L.L.P.
(A REGISTERED LIMITED LIABILITY PARTNERSHIP OF PROFESSIONAL CORPORATIONS)

ATTORNEYS AT LAW
306 WEST SEVENTH STREET, SUITE 500
FORT WORTH, TEXAS 76102-4982

2004 SEP -7 A 4:55

J. WALKER HOLLAND, P.C.
MARGARET E. HOLLAND, P.C.
GEORGE T. JOHNS, P.C.
LEWIS D. SCHWARTZ, P.C.
WILLIAM M. PENNY, JR., P.C. *

OF COUNSEL
DOUGLAS R. HUDMAN **

DEFECTS INVESTIGATION

TELEPHONE (817) 335-1050
METRO (817) 429-9463
FAX (817) 332-3140
EMAIL LDS@HJSLLP.COM

* BOARD CERTIFIED-ESTATE PLANNING AND PROBATE
** BOARD CERTIFIED-CIVIL TRIAL
TEXAS BOARD OF LEGAL SPECIALIZATION

August 25, 2004

Via Certified Mail No. 7160 3901 9848 3147 6337
Return Receipt Requested

Associate Administrator for Enforcement
National Highway Traffic Safety Administration
Washington, D.C. 20590



Re: American IronHorse Motorcycle Company, Inc.
Recall No. 04V-395

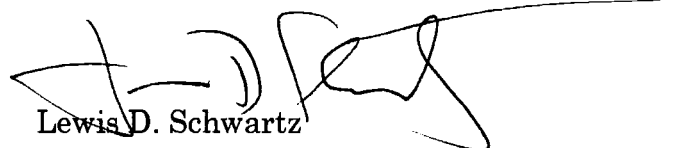
Gentlemen:

Enclosed is a copy of the Notice to American IronHorse Motorcycle Dealers and Service Centers, as mailed on August 20, 2004, with a draft of the Owner Notification Letter attached, and a subsequent document mailed to dealers and service centers on August 24, 2004. Note that the Owner Notification Letter was subsequently revised and has not yet been sent to the owners, pending approval by NHTSA. We will provide a copy within five business days of mailing the notices to the owners.

We will amend and supplement the Defect Notification Report submitted on August 6, 2004, as supplemented on August 10, 2004, when we receive all the necessary information from the manufacturer.

Please contact the undersigned with any comments or questions.

Sincerely,


Lewis D. Schwartz

Enclosures

cc: Mr. Robert W. Schleizer
Mr. David Patty
Ms. Patricia Wallace (via e-mail: Patricia.Wallace@nhtsa.dot.gov)

NOTICE TO AMERICAN IRONHORSE MOTORCYCLE DEALERS AND SERVICE CENTERS

Due to an unsatisfactory rate of failure of Yuasa YTX24HL and YTX24HL-BS batteries installed in certain 2004 American IronHorse motorcycle models, which presents a potential safety issue for such motorcycles if failure occurs during operation, no 2004 American IronHorse motorcycle models equipped with a Yuasa YTX24HL battery or a YTX24HL-BS battery are to be sold until replacement batteries are received and installed.

The 2004 American IronHorse Stalker models do not contain either a Yuasa YTX24HL or a YTX24HL-BS battery. Also, not all of the other 2004 models contain either a Yuasa YTX24HL or a YTX24HL-BS battery. Therefore, you will need to examine each 2004 model (other than the 2004 Stalker) to ascertain whether or not that particular motorcycle contains a Yuasa battery subject to the recall.

Batteries have been ordered and should arrive within 10 days from the date of this letter. Only authorized dealers and service centers are authorized to perform the service and repair work. Under no circumstances should new batteries be sent to customers for their own installation.

A recall notice will soon be sent to owners (see draft of recall notice attached) and instructions will follow to dealers and service centers regarding replacement of the batteries for motorcycles sold with one of these batteries.

Due to the potential safety issue of operating a motorcycle with a battery subject to this recall, we will recommend to the owners to either have their motorcycle trailered to your location or request that you send a technician out to where the motorcycle is located to perform the necessary repair work.

AIMC will pay you up to one hour of labor (up to a maximum of \$75.00) for the installation of the replacement battery and to perform a charging system check. AIMC will reimburse you up to \$75.00 for the cost of either trailering the owner's motorcycle to your facility or sending your technician to perform the service work at the owner's site.

Thank you for your immediate attention to this matter. Our intention is to make this process as easy as possible for our dealers, service centers and customers.

August 17, 2004.

American IronHorse Motorcycle Company, Inc.

SAFETY RECALL

Dear 2004 American IronHorse Motorcycle Owner:

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

REASON FOR THIS RECALL

American IronHorse Motorcycle Company, Inc. ("AIMC") has determined that a defect which relates to motor vehicle safety exists in certain of its 2004 models equipped with a Yuasa YTX24HL or a YTX24HL-BS battery. These motorcycles have a battery which may fail without prior warning during operation of the motorcycle. This may cause the motorcycle engine to stop suddenly which may result in a motorcycle accident.

The 2004 Stalker models do not contain a battery subject to this safety recall. Additionally only certain 2004 models contain the battery subject to this safety recall. We recommend that you have your dealer/service center make this determination.

WHAT WE WILL DO

Your dealer/service center will replace the YTX24HL or YTX24HL-BS battery with a new battery. The service and required parts as described in this letter will be provided free of charge. If you have already replaced a Yuasa YTX24HL or a YTX24HL-BS battery and incurred expense in doing so, we will reimburse you for your reasonable costs in connection therewith upon submission of supporting documentation satisfactory to AIMC.

WHAT YOU SHOULD DO

Please contact your dealer/service center as soon as possible to arrange a service date so that the dealer/service center may order the necessary parts for the repair. Instructions for making this correction have been sent to your dealer/service center and the parts are available. The labor time necessary to perform this service correction, along with a charging system check, is approximately 1 hour. Please ask your dealer/service center if you wish to know how much additional time will be needed to schedule and process your motorcycle.

Due to the fact that the motorcycles present a potential safety issue, we are recommending that you do not drive the motorcycle until the battery is replaced and that you either have the motorcycle trailered to your dealer/service center or request that your dealer/service center send a technician out to your motorcycle's location to perform the necessary recall work.

Your dealer/service center is best equipped to obtain parts and provide service to ensure that your motorcycle is corrected as promptly as possible. If, however, you take your motorcycle to your dealer/service center on the agreed service date, and they do not remedy this condition on that date or within ten (10) days, we recommend you contact the AIMC customer service by calling 1-817- 665-2043.

After contacting your dealer/service center and the AIMC's customer service, if you are still not able to have the safety defect remedied without charge and within a reasonable time, you may submit a complaint to the Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW, Washington, DC 20590 or call the Auto Safety Hotline at 1-800-424-9393 (Washington DC residents use 1-202-366-0123).

If you have sold or traded your vehicle, please let us know by completing the postage paid reply card and returning it to us.

We are sorry to cause this inconvenience; however, we have taken this action in the interest of your safety and continued satisfaction with our products.

August 17, 2004.

American IronHorse Motorcycle Company, Inc.

To: American IronHorse Dealers and Service Centers

Re: YUASA Battery Recall

This is a follow-up to the NOTICE TO AMERICAN IRONHORSE MOTORCYCLE DEALERS AND SERVICE CENTERS sent yesterday.

The draft Safety Recall letter to owners that was attached to your notice is for your information only. *It is not to be disclosed to any owner by you.* The letter must be approved by the National Highway Traffic Safety Administration before it can be distributed to owners and the information in the letter may change. At the proper time, we will deliver an approved letter directly to each affected owner. Thank you for your cooperation.

Dealer/Service Center Battery Recall Work Checklist:

Motorcycle VIN: _____ Owner Name: _____
Dealer: _____ Repair Order #: _____

The following procedure describes the removal of the YUASA YTX24HL battery and installation of the replacement battery:

- 1.) Disconnect the NEGATIVE battery cables from the battery terminal.
- 2.) Disconnect the POSITIVE battery cables from the battery terminal.
- 3.) Unlatch the battery securing strap.
- 4.) Remove the YTX24HL battery from the battery tray and set aside.
- 5.) Make sure the rubber pad remains in the bottom of the battery tray, and retain the black foam pad at the back of the battery as well.
- 6.) In the battery tray compartment, clean the inside surface of the oil tank on the left and right side so the adhesive on the rubber spacers will adhere to the surface of the tank.
- 7.) To install the provided 2"x2"x1/2" square rubber spacers, remove the protected paper from the adhesive side and apply squarely to the inside of the oil tank, one on either side. The rubber squares should be closely centered on the oil tank.
- 8.) Set the replacement battery on the rubber pad in the bottom of the battery tray. Place the black foam pad against the back of the battery and place the security strap across it and latch it.
- 9.) Reconnect the POSITIVE cables to the POSITIVE side of the battery terminal and tighten.
- 10.) Reconnect the NEGATIVE cables to the NEGATIVE side of the battery terminal and tighten.
- 11.) The motorcycle should be started, and a charging system check performed.

Send signed and completed checklist to: American IronHorse Motorcycle Co., 4600 Blue Mound Road, Fort Worth, Texas 76106 Attention: Warranty Department.

Note: AIH transportation will pick up all recalled YUASA YTX24HL batteries. Recalled batteries should not be returned via UPS, FEDEX, United Postal Service, etc.

By signing below you are certifying all the proper steps listed above have been taken in this recall procedure.

Completed by: _____ Date: _____