

SETRA

LUXURY COACHES

Setra of North America, Inc.

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OFFICE OF
DEFECTS INVESTIGATION

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May 4, 2005

05 V-229
(4 pages)

Mr. Ronald Medford, Senior Associate Administrator for Vehicle Safety
National Highway Traffic Safety Administration
400 Seventh Street S.W. (NSA-01)
Washington, DC 20590

Re: Part 573 – Defect Report

Dear Mr. Medford,

Pursuant to the requirements of 49 C.F.R. Part 573, Setra of North America, Inc. ("Setra"), as the importer of motor coaches manufactured by EvoBus GmbH, submits this report regarding a potential defect related to motor vehicle safety present in certain Setra S417 motor coaches.

Part 573.6(c)(1) – Manufacturer Name

EvoBus GmbH, Ulm, Germany

Designated Agent:
Setra of North America, Inc.,
6012-B High Point Road
Greensboro, NC 27407

Part 573.6(c)(2) – Vehicles Potentially Containing the Defect

The affected vehicles are Model Year 2003, 2004, 2005 and 2006 Setra Model S417 motor coaches (36-58 passengers). These "affected vehicles" include those buses identified by the VIN range WKKA34AD033000001 through WKKA34CD553000317 and specifically include all model S417 Coaches produced from September 2002 to April 2005.

The basis for determination of the affected vehicle population is an analysis of the production records identifying all S417 models with the brake system described below.

Part 573.6(c)(3) – Total Number of Vehicles Potentially Affected

At total of up to 317 motor coaches are potentially affected.

Part 573.6(c)(4) - Percentage of Affected Vehicles Estimated to Contain the Problem

100% of the subject vehicles contain the problem described below

Part 573.6(c)(5) – Chronology of Events Leading to Discovery of the Issue

The S417 motor coaches employ an air-brake system with a number of warning systems, including a parking brake indicator lamp and a low air pressure warning system with an audible and visual warning. Setra has determined that in the vehicles described above the parking brake indicator light on the dashboard may be illuminated even under circumstances when the parking brake is not engaged.

This problem was originally brought to Setra's attention by a customer in the field. According to the customer's notice, if the service brake is depressed several times while the vehicle is at a standstill with the engine in operation, the brake system pressure falls to a level that may trigger the illumination of the parking brake indicator lamp, but not sufficiently low enough to trigger the low air pressure warning system. In this case, however, the parking brake is not actually engaged

If the air pressure in the brake falls even further, to a level of 85 PSI, the low air pressure warning system is activated triggering an optical (i.e., red warning lamp) and acoustical (i.e., continuous buzzer) warning. If this type of pressure loss occurs, the spring actuator for the brake system will engage and prevent any vehicle movement.

Because of the range in pressure loss caused by repeated service brake application is enough to trigger the parking brake indicator lamp, but not sufficient to trigger the low air pressure warning and spring actuator for the brake system, there is the possibility under limited circumstances where the driver of the vehicle may misinterpret the warning lamp and erroneously assume, that the parking brake is engaged. If the driver leaves the operating position in this situation without having ensured parking brake engagement through other means, the vehicle may inadvertently roll away.

Although the circumstances in which the foregoing roll away scenario are highly unlikely to occur, Setra has decided to conduct a recall campaign by notifying affected customers of this issue and offering to remedy the situation by changing the pressure switches for the parking brake indicator lamp. The new switches lower the pressure threshold for illumination of the parking lamp indicator so that the indicator will not illuminate due to pressure drops during the limited circumstances described above when the service brake is pumped during engine on. Setra has received no reports of accidents, injuries or deaths caused by the alleged defect.

Part 573.6(c)(8)(i) – Remedy Program

Setra is conducting a voluntary recall campaign for the affected vehicles, which will be performed at no charge to vehicle owners. As part of the recall plan, Setra will send technicians to replace the parking brake pressure switch on all affected vehicles. With the new switches, the pressure threshold for parking brake engagement detection is adjusted so that only engagement of the parking brake itself will cause illumination of the parking brake indicator lamp. Pumping the service brakes in the engine on situation described above will no longer trigger the parking brake indicator lamp. The brake system will still detect low pressure situations of concern in that should there be a loss of pressure in the service brake system in either the primary or secondary brake circuits below 85 PSI, both an audible alert (i.e., a buzzer) and a visual alert in the form of a brake malfunction indicator lamp will illuminate so as to warn the driver of the low pressure situation. The spring actuator system will also be engaged to prevent roll away.

The remedy described above will be also introduced into series production.

Part 573.6(c)(8)(ii) – Customer Notification

Direct contact with the affected customers will be undertaken by Setra in addition to written notification pursuant to Part 577. Specifically, Setra's Field Service Representatives in each region of the United States will contact customers to arrange the replacement of the pressure switch. Setra expects that the remedy program will be complete by September, 2005.

Part 573.6(c)(10) – Copies of Proposed Owner Notification Letter

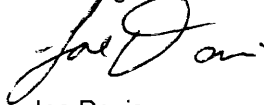
A copy of the customer letter is enclosed.

Setra Contact:

Mr. Joe Davis
Assistant Vice President
(336) 878-5425

Please do not hesitate to contact us if you have any questions regarding this matter. Thank you for your consideration.

Best regards,



Joe Davis
Assistant Vice President



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Safety Recall #[]

May 4, 2005

Dear Setra Owner,

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. WE SENT YOU THIS NOTICE BECAUSE WE ARE CONCERNED ABOUT YOUR SAFETY.

Setra of North America, Inc. ("Setra") has determined that a defect which potentially relates to motor vehicle safety exists in certain model year 2003 through 2006 motor coaches (model S417). Setra has therefore initiated a voluntary recall of these vehicles. Our records indicate that your vehicle is included in this group.

Setra has determined that in the vehicles described above the parking brake indicator light on the dashboard may illuminate in limited circumstances even though the parking brake is not engaged. Specifically, in a standing vehicle with a running engine, if the service brake is manually actuated several times to the maximum point of pedal travel, the brake system pressure may fall low enough to illuminate the parking brake indicator lamp. In this situation, however, the parking brake has not yet been engaged. In this type of limited situation, the driver may misinterpret the signal and wrongly assume that the parking brake is engaged. If the driver leaves the operating position in this situation, without first having confirmed the parking brake engagement, the potential exists for vehicle roll away.

In order to remedy this issue, Setra is replacing the parking brake pressure switch free of charge. The time required for replacement is approximately 1 hour. We are sorry to inconvenience you, BUT IT IS IMPORTANT FOR YOUR SAFETY, AND THE SAFETY OF OTHERS, TO HAVE THE WORK PERFORMED IMMEDIATELY. A Setra Technical Representative will contact you shortly to schedule an appointment for changing the pressure switch. We apologize for any inconvenience to you.

If you are no longer the vehicle owner, or have a change of address, please complete the reverse side of this letter and return the complete letter in the enclosed envelope. If this is a leased vehicle and the lessor and registered owner receive this notice, please forward this information by first class mail to the lessee. If you have paid to have this recall condition corrected prior to this notice you may be eligible to receive reimbursement. Please see the reverse side of this notice for details.

Please contact your authorized Setra dealer should you have any questions or encounter any difficulty regarding this recall. If your dealer is unable to remedy your situation please contact us at 1-(800) 882-8054.

If an authorized Setra dealer, fails or is unable to perform this service without charge within 60 days, pursuant to law 49 U.S.C. Chapter 301, you may submit a complaint to the Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C. 20590 or call the toll-free Auto Safety Hotline at 888-327-4236.

Again, we apologize for any inconvenience this situation may cause you.

Sincerely

Joe Davis
Assistant Vice President