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DEFECTS INVESTIGATION
RECALL MGMT DIV.

07V-243
(7 pages)

Form Approved: O.M.B. No. 2127-0004

Safety Defect and Noncompliance Report Guide for Vehicles

PART 573 Defect and Noncompliance Report¹

On May 25, 2007, KTM Sportmotorcycle AG [MFR] decided that (a defect which relates to motor vehicle safety) (a noncompliance with Federal Motor Vehicle Safety Standard No. _____) exists in the motor vehicles listed below, and is furnishing notification to the National Highway Traffic Safety Administration in accordance with 49 CFR Part 573 Defect and Noncompliance Reports.

Date this report was prepared: June 4th, 2007

Furnish the manufacturer's identification code for this recall (if applicable): _____

1. Identify the full corporate name of the fabricating manufacturer of the vehicle being recalled. If the recalled vehicle is imported, provide the name and mailing address of the designated agent as prescribed by 49 U.S.C. §30164.

Manufacturer: KTM Sportmotorcycle AG, Austria
Importer: KTM North America, Inc., 1119 Milan Ave,
Amherst, Ohio, 44001

Identify the corporate official, by name and title, whom the agency should contact with respect to this recall.

Jon Erik Burleson, President KTM NA

Telephone Number: (440) 985-5995 Fax No.: (440) 985-3060

Name and Title of Person who prepared this report.

Cheryl Webb
Legal Coordinator

Signed: Cheryl Webb

¹Each manufacturer must furnish a report, to the Associate Administrator for Safety Assurance, for each defect or noncompliance condition which relates to motor vehicle safety.

This guide was developed from 49 CFR Part 573, "Defect and Noncompliance Reports" and also outlines information currently requested. Any questions, please consult the complete Part 573 or contact Mr. Jon White at (202) 366-5227 or by FAX at (202) 366-7882.

I. Identify the Vehicle Models Involved in the Recall

2. Identify the Vehicles Involved in the Recall, for each make and model or applicable vehicle line (provide illustrations or photographs as necessary to describe the vehicle), provide:

Make(s): KTM Model Years Involved: 2007 Model(s): 990 Adventure
990 Adventure S

Production Dates: Beginning: 1-23-06 Ending: 5-3-07

VIN Range: Beginning: as per attached Ending: list

Vehicle Type: motorcycle Bodystyle: motorcycle

Descriptive information which characterizes/distinguishes the recalled vehicles from those model vehicles not included in the recall:

All model vehicles 990 Adventure + 990 Adventure S are affected.
Certain model vehicles 950 Super Enduro to be identified by VINs as

Make(s): _____ Model Years Involved: _____ Model(s): on the attached list.

Production Dates: Beginning: _____ Ending: _____

VIN Range: Beginning: _____ Ending: _____

Vehicle Type: _____ Bodystyle: _____

Descriptive information which characterizes/distinguishes the recalled vehicles from those model vehicles not included in the recall:

Make(s): _____ Model Years Involved: _____ Model(s): _____

Production Dates: Beginning: _____ Ending: _____

VIN Range: Beginning: _____ Ending: _____

Vehicle Type: _____ Bodystyle: _____

Descriptive information which characterizes/distinguishes the recalled vehicles from those model vehicles not included in the recall:

Identify the approximate percentage of the production of all the recalled models manufactured by your company between the inclusive dates of manufacture provided above, that the recalled model population represents. For example, if the recall involved Widgets equipped with certain items of equipment from January 1, 1996 through April 1, 1997, then what was the percentage of the recalled Widgets of all Widgets manufactured during that time period.

II. Identify the Recall Population

3. Furnish the total number of vehicles recalled potentially containing the defect or noncompliance.

Model	Year	Number of Vehicles Potentially Involved
990 Adventure	2007	548
990 Adventure S	2007	487
950 Super Enduro	2007	57

Total Number Potentially Affected by the Recall:

1,092

4. Furnish the approximate percentage of the total number of vehicles estimated to actually contain the defect or noncompliance: 100%

Identify and describe how the recall population was determined—in particular how the recalled models were selected and the basis for the beginning and final dates of manufacture of the recalled vehicles:

This information will be provided upon receipt from the manufacturer.

III. Describe the Defect or Noncompliance

5. Describe the defect or noncompliance. The description should address the nature and physical location of the defect or noncompliance. Illustrations should be provided as appropriate.

The Chain Slider Guard is mounted on the vehicle's swingarm and is attached to same by two Mounting Bolts, which could become loose during operation of the vehicle.

Describe the cause(s) of the defect or noncompliance condition.

During production at the manufacturer's site, the Chain Slider Guard Mounting Bolts were improperly installed without the use of a locking agent on the threads.

Describe the consequence(s) of the defect or noncompliance condition.

The Chain Slider Guard Mounting Bolts may become loose and fall out, allowing the Chain Slider Guard to detach. It may then catch in the Drive Chain, consequently blocking the wheel or otherwise impair the drive ability of the vehicle.

Identify any warning which can (a) precede or (b) occur.

N/A

If the defect or noncompliance is in a component or assembly purchased from a supplier, identify the supplier by corporate name and address.

N/A

Identify the name and title of the chief executive officer or knowledgeable representative of the supplier:

N/A

IV. Provide the Chronology in Determining the Defect/Noncompliance

If the recall is for a defect, complete item 6, otherwise item 7.

6. With respect to a defect, furnish a chronological summary (including dates) of all the principle events that were the basis for the determination of the defect. The summary should include, but not be limited to, the number of reports, accidents, injuries, fatalities, and warranty claims.

7. With respect to a noncompliance, identify and provide the test results or other data (in chronological order and including dates) on which the noncompliance was determined.

*Within the last six months
The manufacturer received reports from the world-wide market about Chain Slider Guard Mounting Bolts becoming loose and started an investigation to determine the cause. No reports about accidents, injuries or fatalities in the US market so far. No warranty claims either.*

V. Identify the Remedy

8. Furnish a description of the manufacturer's remedy for the defect or noncompliance. Clearly describe the differences between the recall condition and the remedy.

*The Chain Slider Guard Mounting Bolts are removed and properly re-installed with the use of a locking agent (Loctite 243) on the threads.
The difference is the application of a locking agent on the two Chain Slider Guard Mounting Bolts.*

Clearly describe the distinguishing characteristics of the remedy component/assembly versus the recalled component/assembly.

see above

Identify and describe how and when the recall condition was corrected in production. If the production remedy was identical to the recall remedy in the field, so state. If the product was discontinued, so state.

The production remedy was identical to the recall remedy.

VI. Identify the Recall Schedule

Furnish a schedule or agenda (with specific dates) for notification to other manufacturers, dealers/retailers, and purchasers. Please, identify any foreseeable problems with implementing the recall.

Notification to Dealers: immediately after campaign approval
Notification to ~~Retail~~ Purchasers: immediately after campaign approval.

KTM North America, Inc. does not foresee any problems with the implementation of the recall. Less than 100 vehicles are registered with purchasers/consumers at this time.

VII. Furnish Recall Communications

9. Furnish a final copy of all notices, bulletins, and other communications that relate directly to the defect or noncompliance and which are sent to more than one manufacturer, distributor, or purchaser. This includes all communications (including both original and follow-up) concerning this recall from the time your company determines the defect or noncompliance condition on, not just the initial notification. A DRAFT copy of the notification documents should be submitted to this office by Fax (202-366-7882) for review prior to mailing.

Note that these documents are to be submitted separately from those provided in accordance with Part 573.8 requirements.

The Privacy Act of 1974 - Public Law 93-579, As Amended: This information is requested pursuant to the authority vested in the National Highway Traffic Safety Act and subsequent amendments. You are under no obligation to respond to this questionnaire. Your response maybe used to assist the NHTSA in determining whether a manufacturer should take appropriate action to correct a safety defect. If the NHTSA proceeds with administration enforcement or litigation against a manufacturer, your response, or statistical summary thereof, may be used in support of the agency's action.