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DEFECTS INVESTIGATION
RECALL MGMT DIV.



07V-538
(2 pages)

November 14, 2007

CERTIFIED E-MAIL
RETURN READ RECEIPT REQUESTED

Associate Administrator for Enforcement
National Highway Traffic Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
West Building
Washington, DC 20590

Dear Associate Administrator:

Pursuant to 49 CFR Part 573, Monaco Coach Corporation ("Monaco" or the "Company") has decided that a non-compliance with National Electric Code 551.54(C) exists in the vehicles listed below and is submitting this report to NHTSA concerning a recall campaign, which is being voluntarily initiated. Specific information is as follows:

573.5(c)(2)

The affected vehicles include the following travel trailers:

Holiday Rambler: 2007 Aluma-Lite (129) and 2008 Savoy (10)

McKenzie: 2007 Star-Lite (56) and 2008 Starwood (12)

The affected travel trailers were manufactured from August 24, 2006 through September 17, 2007.

573.5(c)(3)

A total of **two hundred and ninety seven** (297) travel trailers are in the total recall population. Of this total, **two hundred and seven** (207) are in the recall population for the United States and **ninety** (90) were exported.

573.5(c)(4)

Monaco will be campaigning one hundred percent (100%) of the recall population. Four (4) vehicles in the United States recall population have been repaired. Therefore, two hundred and three (203) vehicles are still needing to have the repair performed, or approximately 98% of the United State recall population.

The recall population was determined from the manufacturing records for the Company's manufacturing facility in Coburg, Oregon, which produced the affected vehicles.

573.5(c)(5)

Monaco's compliance department received an advisement from a production supervisor, notifying them of a potential problem discovered on the line of the converter being miswired to the load center. Monaco's compliance department performed research and forwarded information to safety department who confirmed code violation on November 5, 2007. The research provided that certain Plant 17 towables built from August 24, 2006 through September 17, 2007, fails to conform to National Electric Code 551.54(C). The issue is that the converter neutral wire is connected to the bonding (ground) bar instead of the neutral bar. The location of the code violation is in the 120 volt load center distribution panel for the affected vehicles. If the coach doesn't have an earth ground, the coach and certain objects may become hot with 120 volts seeking ground. This could lead to a situation with a shock hazard and potentially cause personally injury.

573.5(c)(7)

Monaco employee determined that the neutral wire for the converter was not installed on the neutral bar as it was supposed to be per National Electric Code 551.54(C). Monaco is currently not aware of any casualties or losses related to this issue.

573.5(c)(8)

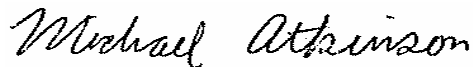
Monaco Coach Corporation will be sending a notification letter to all current owners of the vehicles in the recall population. The remedy for the issue is to remove the neutral wire from the bonding (ground) bar and install on the neutral bar, both of which are located in the load center of the vehicle. This remedy will be done at no cost to the owner.

Copies of the drafts of owner and dealer notification letters will be forwarded for your review shortly. Repair instructions and final owner and dealer notification letters will be provided pending approval and recall number. The Company is prepared to begin owner and dealer notification by mid to late November 2007 after approvals are granted.

Please acknowledge receipt of this defect information report and provide the recall number that will be assigned by NHTSA to this campaign.

Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script that reads "Michael Atkinson".

Michael Atkinson
Recall Administrator
Monaco Coach Corporation