



January 25, 2008

VEHICLE SAFETY DEFECT SERVICE BULLETIN
Recall Campaign No. 07VXXX000
Monaco File R07042

Re: Safety Recall – TRW TAS 85 Steering Gears

Dear Owner:

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

Monaco Coach Corporation has decided that a defect which relates to motor vehicle safety exists in certain Class A motorhomes manufactured from August 27, 2007 through November 14, 2007. The affected vehicles are certain 2008 Monaco Dynasty, Executive and Signature, Holiday Rambler Imperial and Navigator and Beaver Marquis and Patriot.

According to our information, your unit 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.*

The defect involves the TRW TAS 85 model steering gears that Monaco purchased from TRW. According to TRW, the inner surface of the outer sector shaft teeth may have an incorrect gear tooth involute profile. The incorrect gear tooth involute profile was produced with an incorrect gear shaper cutter which left excess material on the face of the teeth. The incorrect gear tooth involute profile on the defective sector shafts may interfere with the rack-piston teeth, resulting in a “stick or bind” condition. The interference can cause chips of hard material to break off of the sector shaft teeth. The chips of material, in some applications, can stay within the tooth system, being crushed by the gear or limiting the gear’s travel. This condition has the potential to cause the steering gear to stall and restrict the steering turning angle of the vehicle at about 1.25 steering wheel turns into a turn, out of a total available of 2.5 to 3.0 steering wheel turns in either direction. This may lead to a vehicle crash and potential of occupant(s) injury or death. As a precautionary measure, Monaco Coach Corporation has elected to perform this voluntary safety recall campaign.

The remedy for the defect will be to replace the potentially defective steering gear. The recall repair will be performed at no cost to you. If you had the defect, which is the subject of this letter, remedied prior to receiving this letter, you may be eligible for reimbursement by Monaco Coach Corporation for your remedy costs.

You may 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 3.5 hours. Please ask your dealer if you wish to know how much additional time may be needed to schedule and process your motorhome.

The vehicle owner is responsible for having this service action performed. Monaco Coach Corporation reserves the right to deny coverage for any vehicle damage or coincidental damage that may result from failure to have this recall performed in a timely manner. Therefore, please have this recall performed as soon as possible.

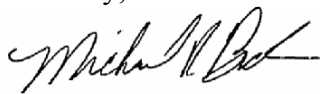
The enclosed Recall Notification Form identifies your motorhome and will serve as an authorization and claim form to have the correction made. Presentation of this form to your dealer will assist in making the necessary correction in the shortest possible time. If you have sold or traded your vehicle, 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 motorhome is corrected as promptly as possible. If, however, you take your unit 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 at (800) 685-6545 or our toll free number for Technical Service at (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, 1200 New Jersey Avenue SE, Washington, DC 20590; or call the toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY:1-800-424-9153); or go to <http://www.safercar.gov>.

We apologize for any inconvenience that this may cause you. However, we have taken this action in the interest of your safety and continued satisfaction with your Monaco Coach Corporation Motorhome.

Sincerely,



Michael R. Becker
Customer Service Manager
Monaco Coach Corporation