



January 24, 2008

VEHICLE SAFETY DEFECT SERVICE BULLETIN
Recall Campaign 07VXXX000 US Units
Recall Campaign 07-407 CN Units
Monaco File R07042

Re: Safety Recall – TRW TAS85 Steering Gear

Dear Monaco Coach Corporation Dealer:

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.

A copy of the notification letter that is being sent to owners is enclosed.

The National Traffic and Motor Vehicle Safety Act provides that each vehicle that is subject to a recall campaign of this type must be adequately repaired within a reasonable time after the owner has tendered it for repair. Generally, failure to repair within sixty (60) days after the owner's first delivery for repair is assumed to be an unreasonable delay.

THE ISSUE

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.

AFFECTED UNITS

If our records indicate that you have any of the affected vehicles in your inventory, you will also receive an owner notification letter identifying those units. *Federal law requires that any vehicle lesser receiving this recall notice must forward a copy of this notice to the lessee within ten days.*

THE REPAIR

The remedy for the defect will be to replace the potentially defective steering gear. Please review the repair instructions for the labor operation code and labor time allowance. Parts are readily available by faxing the enclosed Recall Parts Purchase Order to 1-800-498-9478. If you have any questions concerning the repair procedure, please contact a member of our Technical Support staff toll free at the dealer hotline and refer customers and non dealers to call 877-466-6226.

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.

DEALER CAMPAIGN RESPONSIBILITY

All unsold new/used vehicles in dealer's possession and subject to this campaign must be held and inspected/repaired per the service procedure of this campaign bulletin before owners take possession of these vehicles. Dealers are to service all vehicles subject to this campaign at no charge to owners, regardless of mileage, age of vehicle, or ownership, from this time forward.

Owners of vehicles recently sold from your new/used vehicle inventory for which the dealer receives the owner recall notification are to be contacted by the dealer, and arrangements made to make the required correction according to the instructions enclosed with this bulletin. This could be done by mailing to such owners a copy of the applicable owner letter accompanying this bulletin. Please also notify Monaco Coach Corporation of any such owner you have received notification for.

In summary, whenever a vehicle subject to this campaign enters your vehicle inventory, or is in your dealership for service in the future, please take the steps necessary to be sure the campaign correction has been made *before* selling or releasing the vehicle.

In addition to a letter, owners will receive a recall notification/dealer claim form. The vehicle owner will present this form to you upon arrival for the service appointment. Please review the instructions on the face of the notification form and fill in the claim portion when the repair is completed.

Sincerely,



Michael R. Becker
Customer Service Manager
Monaco Coach Corporation