

IC Corporation

751 South Harkrider, Conway, Ar 72302

A SUBSIDIARY OF INTERNATIONAL TRUCK AND ENGINE CORPORATION

SAFETY RECALL 07502

MARCH 2007

Dear IC Corporation Customer,

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

IC® has decided that a defect which relates to motor vehicle safety exists in certain CE, FE and RE school buses built 1/18/2006 thru 1/17/2007 with Transpec Worldwide air activated crossing or stop arms.

REASON FOR THIS RECALL

An air supply fitting may separate from the base plate of the gate or arm, preventing the gate or arm from deploying properly.

RISK TO MOTOR VEHICLE SAFETY

If the stop arm does not deploy, a child or pedestrian may be endangered by passing motorists failing to stop at a safe location.

If the crossing arm does not deploy and the driver does not properly use the cross view mirror system to view pedestrians crossing in front of the vehicle, a child or pedestrian may not be seen while directly in front of the vehicle, possibly resulting in property damage, personal injury or death.

ACTIONS YOU SHOULD TAKE

PLEASE PERFORM THE INSPECTION PROCEDURE (enclosed) TO DETERMINE IF FURTHER REPAIR IS REQUIRED.

If you wish to perform the repair yourself, instructions are attached to this notice.

If you DO NOT wish to perform this service yourself, please contact your local IC dealer to schedule an appointment to have your vehicle inspected and/or repaired.

Further repair may involve the replacement of the air supply base plate for the stop arm or crossing gate.

Dealers will have parts and instructions to inspect and/or repair your vehicle by 3/9/2007.

This will be performed *free of charge* and may take approximately *30 minutes* to complete.

IF YOU DO NOT OWN THIS VEHICLE

Please fill out the enclosed green **Authorization for Recall Service** card so you will not be contacted again regarding this recall

IF YOU NEED ASSISTANCE

Questions or comments can be directed to: IC Corporation PO BOX 6000 Conway, AR 72033

Or by email to:

shawn.finkbeiner@ic-corp.com

If you believe that IC has failed to perform this repair within a reasonable amount of time, or the existing condition was not remedied without charge, please follow the procedure described in the *Owner Assistance Guide* section in your Owner's Manual or call toll free 1-800-448-7825.

You may also wish to submit a complaint to:

Administrator National Highway Traffic Safety Administration, 400 Seventh Street, S.W. Washington, D.C., 20590

or call the toll-free Vehicle Safety Hot-Line at 1-888-327-4236 (TTY:1-800-424-9152) or go to http://www.safercar.gov.

LESSOR REQUIREMENTS

Federal regulations require that any vehicle lessor receiving this Recall notice must forward a copy of this notice to the lessee within ten days.

REIMBURSEMENT ELIGIBILITY

If you have previously paid for repairs as a result of this defect, you may be entitled to recovery of those expenses. See the attached instructions or contact your dealer for details

We request your prompt attention to the correction of this defect and apologize for any inconvenience this may cause you.

Sincerely.

IC CORPORATION



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CUSTOMER SERVICE PROCEDURE

SAFETY RECALL 07502 MARCH 2007

DEFECT DESCRIPTION

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MODELS INVOLVED

This Safety Recall involves certain CE, RE, and FE school buses built 1/18/2006 thru 1/17/2007 with Transpec Worldwide air activated crossing or stop arms with the following feature codes:

0049EGH	0049EVA	0049GRH	0049GRR	049BMS
0049EVB	0049EVG	0049BJJ	0001LPU	

SERVICE PROCEDURE



WARNING:

TO AVOID SERIOUS EYE INJURY, ALWAYS WEAR SAFE EYE PROTECTION WHEN YOU PERFORM VEHICLE MAINTENANCE OR SERVICE.



WARNING:

TO AVOID PROPERTY DAMAGE, PERSONAL INJURY, OR DEATH WHEN SERVICING THE VEHICLE, PARK ON A FLAT LEVEL SURFACE, SET THE PARKING BRAKE, SHUT THE ENGINE OFF AND CHOCK THE WHEELS.

Please perform the following inspection to determine if further action is necessary:

1. Locate the stop arm date code in the following location:

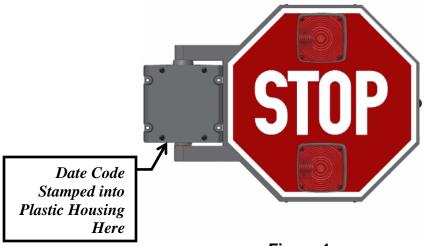


Figure 1a

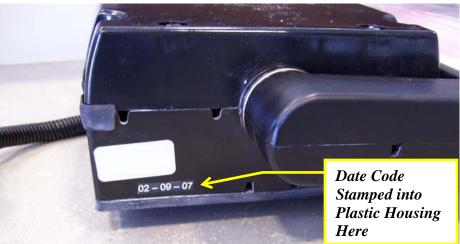


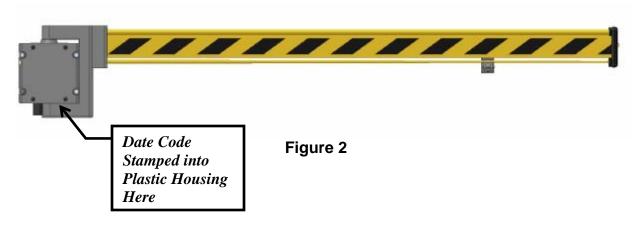
Figure 1b

2. If the date code falls within the range indicated in Table 1, you must have the stop arm repaired.

START	END			
12-21-05	04-25-06			
Or				
06-02-06	08-28-06			

Table 1

3. Locate the crossing gate date code in the following location:



- 4. If the date code falls within the range indicated in Table 1, you must have the crossing gate repaired.
- 5. If your bus does not require further repair, please return the green **Authorization for Recall Service** card, with Box "1" checked and you will not be contacted again regarding this recall.

If you wish to repair the stop arm/crossing gate yourself, please see the **PARTS INFORMATION** and **LABOR INFORMATION** sections below.

Repair instructions will be included in the Recall Service Kit.

END OF SERVICE PROCEDURE

PARTS INFORMATION

Please contact Transpec Worldwide at 1-800-836-8382 to request a Recall Service Kit (part number below).

Please be prepared to supply Transpec with your Vehicle Identification Number(s). The VIN(s) are located on the green Authorization for Recall Service cards you received.

Parts will only be available to you thru Transpec Worldwide.

Transpec Worldwide Part Number	Part Description	Quantity
4819-001	KIT,RECALL BASE AIR SUPPLY, TRANSPEC	1 or 2 as per Inspection

LABOR INFORMATION

If you choose to repair the stop arm/crossing gate yourself, you will be compensated for your time by Transpec Worldwide.

To assist in processing this recall, it is important you provide an invoice to Transpec with the following information:

- VIN # (or List of VINs repaired)
- IC Safety Recall Number: G-07502
- Subject: Transpec Crossing and Stop Arms
- Facilities Repair Labor Rate
- Applicable Labor Operation Numbers: Listed Below
- Your Tax ID Number

Operation No.	Description	Time
A40-07502-1	Repair of Crossing Gate or Stop Arm	0.4 hr
A40-07502-2	ADD ON, to repair additional Gate or Arm.	0.2 hr

Your bus may require repair of both the crossing gate **and** the stop arm, in which case, you are allotted a total of 0.6 hr to complete the repair.

CAMPAIGN IDENTIFICATION LABEL

Each vehicle corrected in accordance with this campaign **must be** marked with a S00109 Campaign Identification Label.

Complete the label and attach on a clean surface next to the vehicle identification number (VIN) plate.

This label was supplied to you in this mailing package.



REIMBURSEMENT OF REPAIRS COMPLETED PRIOR TO THE RELEASE OF THIS RECALL

If you paid to repair your vehicle for this defect prior to receiving this recall letter between 2/2/2006 and 3/31/2007. Contact your local International dealer, with your original repair documentation and proof of payment, and the service advisor will determine which, if any, of the repair costs will qualify for reimbursement. International dealers determine what repair costs are eligible for reimbursement. However, if you choose not to work through an International dealer, you may submit the enclosed "REQUEST FOR REIMBURSEMENT" form, repair documentation, and proof of payment to:

International Truck and Engine Corporation Warranty Claim Center Reimbursement Department P.O. Box 888 Warrenville, IL 60555

INTERNATIONAL TRUCK AND ENGINE CORPORATION