

R02GC

August 16, 2002

Dear Blue Bird Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Blue Bird Body Company has determined that a defect, which relates to motor vehicle safety, exists in certain Blue Bird Blue Bird TC/2000 and All American school and transit buses and Commercial Series transit buses equipped with Allison 2000 Series transmissions. Affected buses were manufactured from January 01, 2000 through June 21, 2002.

The "Range Inhibited" indicator light for the Allison 2000 Series transmission was improperly installed and does not function on subject coaches. Blue Bird is conducting a recall to correct this defect.

Blue Bird Body Company's evaluation of the risk to motor vehicle safety is, the operator will not be alerted that the transmission operation is being inhibited and that the range shifts being requested by the operator may not occur resulting in the potential for an accident.

As a precaution, the driver should visually check the digital display on the shift selector when performing shift changes to assure the range selected was attained. A blank or dash (-) in the shift selector display is an indication that a malfunction has occurred.

You should have this condition corrected immediately. Your Blue Bird bus(es) affected by recall R02GC are identified by body serial number(s) on the enclosed reply sheets. If you no longer own the subject bus(es), please complete the appropriate section of the yellow reply sheet and return to Blue Bird in the enclosed pink postage prepaid envelope.

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No parts are required to activate the "Range Inhibited" light. Time required to activate the "Range Inhibited" light is 0.3hr. (18 minutes) per bus.

You may perform this modification yourself or have the work done by a qualified repair facility convenient to you. You may contact your Blue Bird dealer for assistance. Reimbursement for labor may be obtained by completing the pink request for reimbursement sheet provided and returning it to Blue Bird in the enclosed pink postage prepaid envelope.

Important: Your prompt return of the pink reimbursement sheet, complete with the correct Body Serial Numbers, permits Blue Bird to update the record indicating recall has been completed and prevents the mailing of a second notice. This is much appreciated. We regret any inconvenience this may have caused.

If Blue Bird Body Company should fail to or is unable to remedy this condition without charge to you, you may contact:

**ADMINISTRATOR
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
WASHINGTON, D.C. 20590**

or you may call The National Highway Traffic Safety Administration toll free at:

1-888-327-4236

Questions regarding this recall campaign should be directed to me at (478) 822-2242.

Thank you,

Bill Coleman
Recall Administrator

BLUE BIRD BODY COMPANY

RECALL R02GC 'RANGE INHIBITED' LIGHT ACTIVATION INSTRUCTIONS

Note: Read ALL instructions carefully before beginning work.

1. Park vehicle on level surface.
2. Apply parking brake.
3. You must first verify that the Allison 2000 Series transmission electronics (ECU) is sending a signal to the dash indicator lights by turning ignition on and off and seeing that the "TRANS TEMP" dash indicator light comes on for a few seconds and then goes off. The "RANGE INHIBIT" indicator light should not come on **AT THIS TIME**. The indicator lights are located on bottom of dash to right of center of dash. See Figure 1 below.

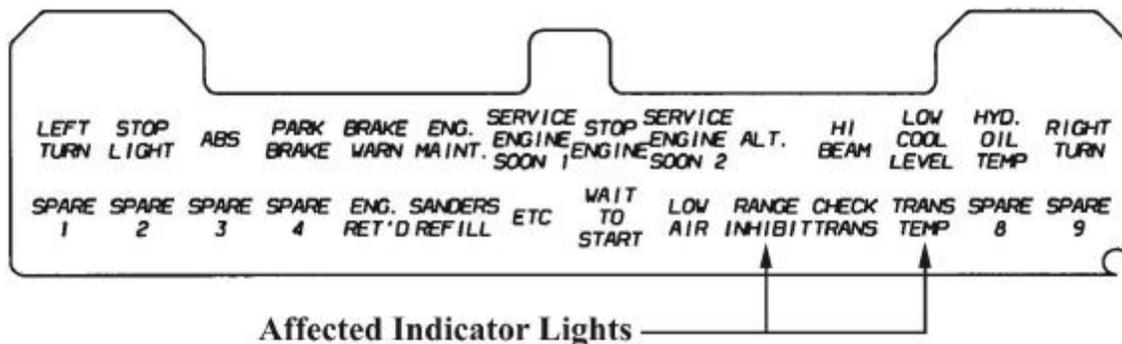


FIGURE 1

4. Remove the eight (8) Phillips head screws that secure the dash panel. Adjust tilt of steering column, if necessary, to gain access to screws.
5. Rotate top of dash panel towards you and lean over to view the 6-position dipswitch located on the back of the dash panel.

6. When sitting in the driver's seat and leaning over the dash panel, the dipswitch position 6 will be on your left and the dipswitch position 1 will be on your right. See Figure 2 below.

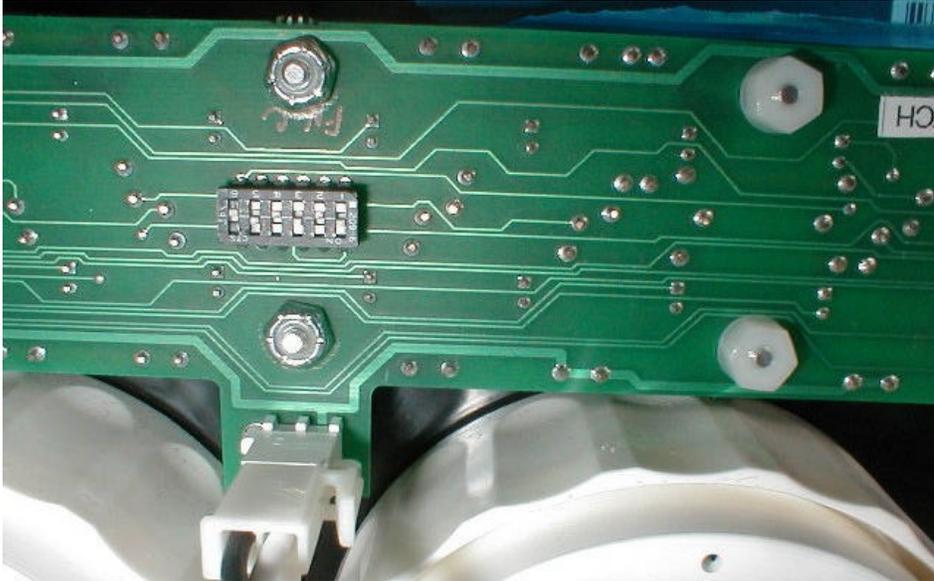
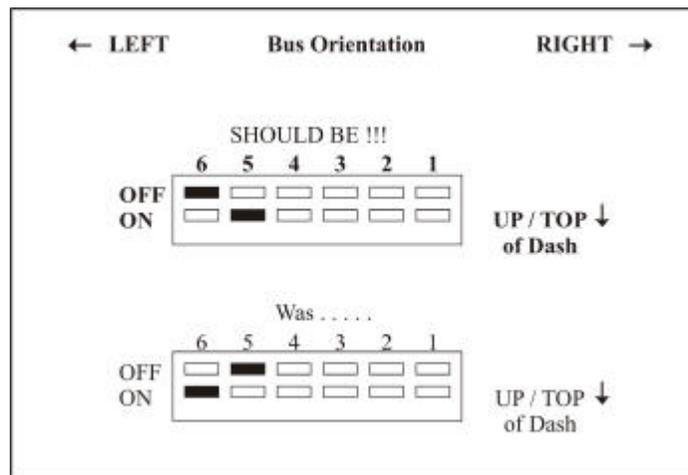


Figure 2

7. Flip switch 6 to "off" position. Down towards bottom of dash panel. Flip switch 5 to "on" position. Up towards top of dash panel. See Figure 3 below.



8. You should verify that the change was made correctly. This can be done by using the following steps.

- A. Turn the ignition switch to "ON" position.
- B. Observe that the "Range Inhibit" light comes on for a few seconds and then goes off.
- C. Observe that the "Trans Temp" light does not come on at all.

If dash panel indicator lights operate correctly proceed to step 9. If the dash panel lights do not operate correctly, re-check steps 1-7 and re-verify. If indicator lights still do not operate correctly, contact your appropriate Blue Bird distributor for assistance.

9. Reassemble dash panel with the eight (8) Phillip head screws, **BEING CAREFUL** to not loose any of the rubber inserts. You should start all 8 screws with your fingers before completely tightening any of the screws. Pressing too hard or pressing at an angle can push the rubber insert through the hole in the dash housing.