U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue SE
Washington, DC 20590

Via USPS Certified Mail

February 11, 2014

North American Bus Industries, Inc.
ATTN: Ms. Candi Gossett
106 National Drive
Anniston, AL 36207

NVS-215cg
EQ 14-002
13E-050

Subject: Safety Recalls EQ 14-002, 13E-050

Dear Ms. Candi Gossett:

The National Highway Traffic Safety Administration's (NHTSA), Office of Defects Investigation (ODI), Recall Management Division (RMD) is conducting an equipment query (EQ) investigation in relation to certain battery equalizers and DC-DC converters containing a particular epoxy sealing, aka 'potting', compound. The specific potting compound was used for insulation in the subject products and was found to be capable of conducting electricity after being exposed to heat. This investigation has been assigned the identification number EQ 14-002.

On September 10, 2013, Sure Power Inc. (Sure Power) notified the NHTSA that it decided a defect exists in battery equalizers and DC-DC converters with part numbers: 12025C00, 12025C00-B, 12025E00, 12025E00-B, 12030C20HR, 12030C20HR-B, 12040C00, 12040C00-B, 12040E00, 12040E00-B, 52204, 52206, 52206RB, 52208, 52208P, 52208RB, 52210, 52210-20430K, 52210P, 52210RB, 52210RB-B, 52210RB-T, 52304, 52304P, 52306, 52306RB, 52308, 12040C01. These battery equalizers and DC-DC converters were manufactured between January 2000 and August 18, 2013, and contain a particular potting compound. The potting compound was used for insulation in the subject products and was found to be capable of conducting electricity after being exposed to heat. Once electrically conductive, the material is capable of melting and burning, increasing the risk of a fire. This matter was assigned recall number 13E-050. A copy of the notification is enclosed for your information.

Sure Power reported to NHTSA that it sold **4694** of these defective battery equalizers and DC-DC converters to North American Bus Industries, Inc. (NABI), for possible installation into buses. Sure Power also reported that it sold these defective battery equalizers to companies owned and/or operated by NABI: **755** equalizers were sold to Chance Coach; **92** equalizers were sold to Optare; and, **506** equalizers were sold to Thomas Dennis Company. The purpose of this letter is to make you aware of a potential safety defect in buses your company may have manufactured, and to remind you of your responsibility under Federal Law.

Manufacturers of motor vehicles sold, offered for sale, delivered, or imported into the United States must notify NHTSA, within five (5) business days, when they first learn a safety defect or a noncompliance with a Federal Motor Vehicle Safety Standard exists in one of their vehicles. In the case of a defect or noncompliance in original equipment installed in the vehicles of more than one manufacturer, notification to NHTSA must be made by the original equipment manufacturer as to the equipment item, and by each vehicle manufacturer as to those vehicles it manufactured in which the defective equipment was installed. The content of that notification is specified in 49 U.S.C. 573.6, Defect and Noncompliance Information Report. As of this date, we have received a 573 Report from NABI (Recall #13V-457), however we have not received the required report from any of the companies owned and/or operated by NABI.

In view of this safety risk and your company's obligations under Federal law should you decide your vehicles contain a safety defect, we are also reminding NABI that it is required to issue timely notification to owners who may have purchased vehicles with the defective battery equalizers and DC-DC converters. In advance of issuing its owner notification letters, NABI must submit a draft of its letter to NHTSA for review. Your company is reminded that this letter must meet the requirements of 49 CFR 577.5, "Notification pursuant to a manufacturer's decision." NABI is further reminded that notifications must be sent to those persons registered under State law as the owners of the vehicles. If particular owners cannot be reasonably ascertained by State records, notifications must be sent to those persons you identify as the most recent purchasers. We are also reminding your company that it is required to notify dealers and distributors as required by 49 CFR 577.13.

In addition to the Defect Information Report and the draft owner notification letter, please also provide a proposed schedule for conducting the required owner and dealer notifications that includes the following information:

a. the approximate date on which the owner notification will begin;
b. the approximate date on which the owner notification will be completed (if the owner notification is to be staggered, give the beginning and ending owner notification date for each segment); and,
c. the approximate date on which the dealer notification will be completed.

Please further note that you must file six quarterly recall status reports as required by 49 CFR 573.7. These reports are to be filed on consecutive yearly quarters beginning with the quarter in which notification to owners begins.

If NABI has not received any of this equipment, or if your products are not available to be sold, offered for sale, delivered, or imported into the United States, please so state. If your company does not agree that buses it manufactured with these battery equalizers and DC-DC converters are defective, and therefore will not conduct a safety recall of the vehicles, you must submit a written response explaining that decision and include all supporting documents, analysis, and/or test reports.

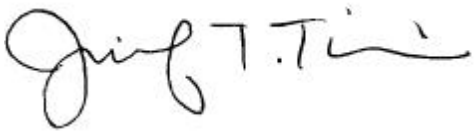
This letter is being sent to NABI pursuant to 49 U.S.C. § 30166, which authorizes NHTSA to conduct any investigation that may be necessary to enforce Chapter 301 of Title 49. NABI's failure to respond promptly and fully to this letter could subject your company to civil penalties pursuant to 49 U.S.C. § 30165 or lead to an action for injunctive relief pursuant to 49 U.S.C. § 30163.

If NABI claims that any of the information or documents provided in response to this information request constitute confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or are protected from disclosure pursuant to 18 U.S.C. § 1905, your company must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 CFR Part 512, as amended (69 Fed. Reg. 21409 et seq; April 21, 2004), to the Office of Chief Counsel (NCC-111), National Highway Traffic Safety Administration, Room W41-227, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Your company is required to submit two copies of the documents containing allegedly confidential information (except only one copy of blueprints) and one copy of the documents from which information claimed to be confidential has been deleted. Please remember that the word "CONFIDENTIAL" must appear at the top of each page containing information claimed to be confidential, and the information must be clearly identified in accordance with 5 U.S.C. § 512.6.

NABI is expected to provide separate responses for NABI, Chance Coach, Optare and Thomas Dennis Company. NABI's written responses must be submitted to this office within 10 days of receiving this letter. In your response, please be certain to include a reference to this matter's identification number which is EQ 14-002.

If you have any questions concerning this matter, please contact Cynthia Glass of my staff at (202) 366-2920 or by e-mail at cynthia.glass@dot.gov. Response submissions may be made by US Mail, fax (202) 366-7882, or e-mail rmd.odi@dot.gov and cynthia.glass@dot.gov.

Sincerely,



Jennifer Timian
Chief, Recall Management Division
Office of Defects Investigation
Enforcement

Enclosure