



North American
Bus Industries, Inc.

February 26, 2004

Associate administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, S. W.
Washington, D.C. 20590

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& Manufacturing
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Subject: NABI Safety Recall #20041

Dear Sir:

Attached is a vehicle defect initial information report which is submitted pursuant to Parts 573.5, 151 (1), and 153 (1-6) of the National Traffic And Motor Vehicle Safety Act.

The undersigned should be contacted for any additional information regarding this recall.

Very truly yours,

North American Bus Industries (NABI)

Dan C. Allen
Director of Product Engineering

Enclosures

NORTH AMERICAN BUS INDUSTRIES (NABI)

**VEHICLE DEFECT
INITIAL INFORMATION REPORT**

Date: February 26, 2004

NABI Recall No. 20041

MAKE	MODEL	MODEL YEAR	NUMBER OF VEHICLES	MANUFACTURED DATES		OTHER IDENTIFICATION NECESSARY TO DESCRIBE VEHICLE
				FROM	THROUGH	
NABI	40LPW	2003-2004	180	9/01/03	2/25/04	Transit buses equipped with painted steel wheels

Total Number of Vehicles: 180

Percent Potentially Containing Defect: 100%

NORTH AMERICAN BUS INDUSTRIES, Inc. (NABI)

NABI RECALL NO. 20041

**VEHICLE DEFECT
INITIAL INFORMATION REPORT**

DESCRIPTION OF DEFECT: Certain NABI City Transit Buses, manufactured for the Massachusetts Bay Transportation Authority, were equipped with painted wheels that exceeded the maximum recommended paint thickness specified by the wheel manufacturer. Certain wheels that were painted by a NABI subcontractor exceeded the maximum total paint thickness recommended by the wheel manufacturer.

- 1) **RISK TO MOTOR VEHICLE SAFETY:** The wheels with excessive paint thickness may loosen during vehicle operation which could result in premature wheel failure. This could cause an accident or injury.
- 2) **CHRONOLOGY OF PRINCIPAL EVENTS WHICH LED TO DETERMINATION OF DEFECT:**
 - On or about February 19, 2004 NABI became aware of a report from Massachusetts Bay Transportation Authority (MBTA) that one of their NABI buses that had recently been delivered and put into transit service had broken wheel studs on the one side of the rear axle. No accident or injury resulted from this incident. An investigation was initiated on the entire fleet of NABI buses at MBTA.
 - The entire fleet of NABI buses at MBTA were checked for loose wheel lug nuts.
 - On or about February 20, it was reported that an additional 5 buses out of some 100 plus buses checked during inspection of the fleet had one or more loose lug nuts.
 - During our investigation of possible causes of this problem, it was discovered that the paint on certain wheels on MBTA buses being assembled in our factory exceeded the maximum thickness recommended by the wheel supplier. Information received from the wheel manufacturer indicated excessive paint thickness could result in having lug nuts loosen.
 - On February 26 a determination was made to initiate a Safety Recall.

- MBTA has been made aware of this problem and is being advised to check the torque of the lug nuts weekly until all wheels can be checked and corrected as necessary.
- 3) MEASURES TO BE TAKEN TO REPAIR VEHICLE: The owner will be officially notified of the defect and NABI will arrange to have the vehicles repaired. All of the defective buses are owned by MBTA.
 - 4) REMEDY EXPENSE: NABI, Inc. will repair the vehicles free of charge.
 - 5) EARLIEST DATE TO BE REMEDIED: March, 2004
 - 6) PUBLIC ANNOUNCEMENT DATE: There will be no public announcement.
 - 7) OWNER LETTER: Draft notification letter is enclosed for review and approval by NHTSA.

NABI letterhead

Draft 2/26/04

RECALL NOTICE

February, 2004
Dear NABI Customer:

NHTSA Campaign # _____
NABI Recall # 20041

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. North American Bus Industries, Inc. (NABI) has decided that a defect which relates to motor vehicle safety exists in certain 40' LFW, buses manufactured for the Massachusetts Bay Transportation Authority between September 1, 2003 and February 25, 2004.

Our records identify you as the owner of the vehicles shown on the attached list that are affected by this recall.

REASON FOR THIS RECALL

NABI has determined that the thickness of the paint on the contact surface of wheels exceeds the maximum thickness recommended by the wheel manufacturer. This excess thickness of wheel paint could cause the lug nuts to loosen and result in wheel failure causing an accident or injury. This recall is being undertaken to inspect and correct the paint thickness on the contact surfaces of the wheels.

ACTION YOU SHOULD TAKE

The wheel lug nut torque should be inspected on each of the buses with your fleet numbers 2003 to 2180. Additional torque checks should be performed weekly until the wheel paint thickness can be corrected by NABI personnel. If these precautions are taken, the buses may remain in service until the repairs are made.

It is NABI's intent to repair or replace the wheels having the excessive paint thickness on all of these buses. NABI Customer Service will arrange to have the necessary repairs made to your vehicles at the earliest convenience.

If NABI does not remedy this condition without charge on the mutually agreed upon service date or within 5 days of this agreed upon date, you can obtain assistance by calling NABI Customer Service at (888) 424-5844, Ext 7900. You may also wish to submit a complaint to the Administrator, National Highway Traffic Safety Administration, 400 Seventh St., S.W., Washington D.C. 20590, or call the toll-free Auto Safety Hot-line at 1-888-327-4236 if you believe that NABI has failed to remedy the vehicle without charge, within a reasonable time, which is no longer than 60 days after your first tender to obtain repair.

Federal law requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.

We apologize for any inconvenience this matter may cause you.

North American Bus Industries, Inc.