

SAFETY RECALL NOTICE

October 2009

Dear NABI Customer:

NHTSA Campaign #: 09V-371

NABI Recall #: 20092

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 40LFW and 45CLFW model buses manufactured between November 1, 2008 and September 12, 2009.

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 certain 40' and 45' NABI City Transit Buses have a defective alternator cable assembly. This cable assembly supplies power from the alternator to the batteries. NABI and the cable supplier, Empire, have determined that some of these cables have a defective crimp on the cable end. The terminal may overheat when high amperage passes through the cable, and cause damage to the cable insulation and other components near the cable. If this condition is undetected a direct short circuit could occur, resulting component damage and a fire. This could also result in a loss of electrical power and engine controls which could render the vehicle stalled in a roadway, increasing the risk of a crash.

ACTION YOU SHOULD TAKE

NABI Inc. will arrange to have the vehicles inspected and repaired. NABI will arrange for the defective cable assembly to be replaced. It is estimated that these repairs will take 2 hours per bus.

NABI will repair the vehicles free of charge.

NABI Customer Service will arrange to have the necessary repairs made to your vehicles at the earliest convenience. NABI anticipates that these repairs will be completed in October 2009.

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 (256) 831-4296 Ext 1308, or via email at recalls@nabiusa.com. If you believe that NABI has failed to remedy the vehicle without charge within a reasonable time, you may wish to inform the Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, SE, Washington, D.C. 20590; or call the toll-free DOT Auto Safety Hot-line at 1-888-327-4236 (TTY: 1-800-424-9153); or contact NHTSA at <http://www.safercar.gov>.

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.