

**From:** NFI Group Customer Care <[customercare@nfigroup.com](mailto:customercare@nfigroup.com)>

**Sent:** Thursday, October 30, 2025 4:40 PM

**Subject:** NFI Customer Notification | Update on Xalt Energy, LLC Battery Manufacturing Operations

***This is an automated inbox that is not actively monitored.***

***If you have any questions or need assistance, please reach out directly to your Customer Program Manager (CPM), Regional Product Support Manager (RPSM), or Technical Solutions Manager (TSM).***

***Thank you.***

**Dear Valued Customer,**

We want to inform you that Xalt Energy, LLC and its subsidiaries, including Freudenberg Power Systems' ("XALT"), have made a strategic decision to start winding down U.S. battery manufacturing operations over the next six months. NFI has been working closely with XALT to manage the potential impact on NFI's customer support for all vehicles under warranty, as well as planned production.

Please rest assured that NFI is actively developing a comprehensive range of solutions for each customer operating XALT-equipped vehicles, working closely with XALT, our supplier community, and our internal engineering teams. Our goal is to address all potential warranty scenarios as thoroughly and effectively as possible. We look forward to sharing more details once they become available.

For 2026, NFI has already switched its primary battery supply for our New Flyer battery-electric buses to a different supplier and has issued a purchase order to secure supply for 2026 fuel cell-electric bus production and related support before XALT ceases operations.

NFI has also executed a tentative term sheet with XALT related to the ongoing battery recalls and is working toward a definitive agreement concerning the costs associated with the recall. XALT's October 28, 2025, announcement does not change NFI's expectation to find a recall solution that meets our customers' needs. We still advise our customers to follow the interim safety measures while a permanent remedy is being developed.

**Our commitment to you**

Our top priority is ensuring our customers are fully supported, not just through this process, but for decades to come. We are deeply committed to delivering reliable, long-term solutions that keep our customers' fleets running safely and efficiently well into the future.

If you have questions or need further information, please reach out directly to your Customer Program Manager (CPM), Regional Product Support Manager (RPSM), or Technical Solutions Manager (TSM). Thank you for your continued patience, trust, and support.

Sincerely,

**Scott Halbesma**  
*VP, Customer Care*

**New Flyer | MCI**