

SUNRIGHT INTERNATIONAL OF AMERICA INC.
225 HORIZON DRIVE
SUWANNEE, GA 30024
678-546-9997

MER/PRVLR NOTIFIED 11/18/10
COMMENTS: YES NO
 OVERRULED; ATTACHED
 EXCISIONS/FOIA Hrs.
 DO NOT RE-NOTIFY RE-NOTIFY

November 2, 2009

Renee Haslett
Trial Attorney
Division of Compliance
Office of the General Counsel
US Consumer Products Safety Commission
4330 East West Highway
Bethesda, MD 20814-4408

Renee:

Sunright International of America, Inc. (Sunright) is the exclusive importer and distributor of ATVs manufactured by Jiangsu Linhai Power Machinery Group Corp (Linhai) in China. Linhai and Sunright have been producing, importing and distributing a line of ATVs since 2000. The product distributed by Sunright does not carry the word Sunright in the product name or brand. All of these units do however carry the Linhai name in addition to the Branded names, as explained below in the Distribution of ATVs section.

Sunright is fully committed to the goal of reducing ATV-related accidents. We have implemented new policies in accordance with the rules set forth by Section 232 of the Consumer Product Safety Improvement Act of 2008. The actions outlined below are part of our continuing effort to promote safe and responsible use of our ATVs.

ATV Action Plan
Sunright International of America, Inc.

- 1. Distribution of ATVs:** Sunright is the exclusive Importer and Distributor of ATVs manufactured by Linhai. These ATVs are taken to the market under several different Brand Names. Sunright distributes the ATVs directly to dealers under the names: Linhai and Big Horn. Sunright also sells Linhai ATVs through secondary channels of distribution. These Linhai ATVs are private labeled under the following Brand Names: Mountaineer, Montana, Iron Mountain, Talon, Diamo Scout, Sears Craftsman and Alta. Collectively, all of the following will be referred to as Sunright dealers throughout this action plan:
- a. Dealers which Sunright directly distributes to under the Linhai and Big Horn names.
 - b. Dealers which ultimately sell the Linhai ATVs, which are private labeled under the Mountaineer, Montana, Iron Mountain, Talon, Diamo, Sears Craftsman and Alta brand names. These are the ATVs which Sunright distributes through secondary channels of distribution.

2. Compliance to Regulatory Standards: Sunright understands and believes in the necessity of establishing minimum Product Safety and Performance Standards for ATVs. From the initial design concepts of our first ATVs and continuing through the design, development and distribution of all of our ATV products, Linhai and Sunright have followed the ANSI/SVIA Standard for ATVs. The ATVs we will import and distribute after approval of our action plan are in compliance with the now mandatory ANSI/SVIA 1-2007 standard for ATVs ("the ATV Standard"). All testing is performed by Linhai's Engineering Test Lab and facilitated by Sunright. Testing that is required from third party sources is performed by Independent test Labs in China and the US, and copies of all test reports are kept on file.

3. Age Recommendations: Sunright will only recommend, market, and sell ATVs for use under the age category / speed guidelines specified at Section 6 of the ATV Standard. Sunright will not recommend, market, advertise, or sell adult-sized ATVs for the use by persons less than 16 years of age. Sunright will use its best efforts to ensure that its dealers comply with these requirements.

4. ATV Labels: All Sunright and Linhai ATVs will have the warning labels required by Section 4.23 of the ATV Standard. This includes general, age recommendation, passenger, tire pressure, and overloading labels.

5. Hang Tags: All Sunright and Linhai ATVs will have the hang tags required by Section 4.24 of the ATV Standard. The hang tags will include information about age recommendations, vehicle category, training availability, and safety messages. Sunright will use its best efforts to require dealers to display the hang tags on all new ATVs.

6. Owner's Manual: All Sunright and Linhai ATVs will be sold with an owner's manual that complies with the requirements of Section 4.21 of the ATV Standard.

7. Safety Alert: Sunright will supply its dealers with "Safety Alert" documentation to be provided at the point of purchase to all retail purchasers of Sunright and Linhai ATVs. The document will contain the same substantive safety information as the Safety Alert described at Section H.3.b.(4)(c) and Appendix J of the 1988 ATV Consent Decrees. This information includes: death and injury statistics for ATVs, safety rules, age recommendations and the availability of safety training.

8. ATV Safety Video: Through our participation in the ASI Safety Program, Sunright will supply its dealers a copy of the ASI Safety Video to be provided at the point of purchase to all retail purchasers of Sunright and Linhai ATVs. If at any time Sunright is no longer a participating member of ASI's Safety Program, and no longer able to distribute ASI's safety video, Sunright will cease to import ATVs or distribute ATVs in commerce until such time that Sunright is able to supply its dealers with its own safety video which complies with all requirements described at Section H.3.b.(4)(b) and paragraphs II.A and II.C of Appendix I of the 1988 ATV Consent Decree.

9. Training: Sunright will offer free hands-on training to all purchasers of ATVs including the purchaser's age appropriate immediate family members. This free training will be conducted through the existing ATV Safety Institute (ASI) training program. All Sunright dealers will be instructed to offer the purchaser and their qualified family members the opportunity to register, free of cost, for the ASI training at the time of purchase. Sunright will provide its dealers with the necessary information about how to directly register purchasers and qualified family members for training. Additionally, each ATV purchaser will receive an informational insert which stresses the importance of the free ASI training program, and provides information about how to register for free training directly through the dealer, as explained above. Sunright will also send this information to its purchasers via email.

If at any time Sunright is no longer a participating member of ASI's Safety Program, Sunright will require all dealers to provide the registration information for the training course to the consumer at the time of purchase and will reimburse the incurred registration expenses of the purchaser, upon receiving proof of completion of the course.

After completion of the training course, the rider will qualify for an incentive worth \$100. The \$100 incentive for training will include at least \$50 in cash, with the balance offered (at the consumer's choice) as a rebate for already purchased safety equipment or a credit towards the purchase of new safety equipment.

Additionally, Sunright realizes that consumer participation in the ATV training courses even with the course being offered for free and the incentive is extremely low. In order to provide readily available training information to the consumer, Sunright will provide comprehensive Safety and Operational information as part of the Owner's Operator's Manual and the same information will be provided and demonstrated in the Safety Video. Additionally, information will be provided in the manual and video stressing the importance of Rider Behavior as a critical component of ATV Safety.

10. Toll Free Consumer Hotline: Sunright will offer a toll free consumer hot line through a cooperative effort with SVIA. This hot line shall be manned 24/7 and will be a resource for consumer safety information on ATVs. The toll free number will be included in manuals and on all promotional information. This Hotline will meet all of the requirements of section H.4 of the 1988 Consent Decree. If at any time Sunright is no longer a participating member of ASI's Safety Program, Sunright will cease to import ATVs or distribute ATVs in commerce until such time that Sunright is able to provide a toll-free 24-hour consumer hotline which will meet all of the requirements of Section H.4 of the 1988 ATV Consent Decree.

11. Advertising: Sunright periodically uses advertising to promote the sale of ATVs by consumers. This advertising primarily takes the form of ads in trade magazines and magazines dedicated to ATV riding and use. All ATV advertising and promotional material shall include the substance of the safety messages that are described at Section J.1 and Appendix K of the 1988 ATV Consent Decree and will depict ATVs in a manner consistent with safe and responsible use of the product. All riders shown in

such advertisements shall wear helmets and full protective gear. Sunright shall use its best efforts to promote dealer compliance with the advertising requirements. Additionally Sunright will provide copies of the ATV Safety Alert and Age Recommendations to all dealers to be included in any and all advertising that they use. In some cases, Sunright will supply posters, fliers and other Point of Purchase sales aides. These items will all carry ATV Safety Riding Messages and Age Guidelines.

12. Information and Education Programs: Sunright will participate in an ATV industry wide safety campaign working in cooperation with ASI and its member companies. A portion of the membership fees paid to ASI by Sunright will be used to help fund the Information and Education programs. These efforts are focused on the creation and implementation of an ATV education Program directed at youthful riders as well as adult riders of ATVs. Programs stress the importance of selecting age appropriate ATVs for the operator based upon the guidelines of the ATV Standard, ATV Operational and Rider Safety, and Respect for the Habitat and Environment while using an ATV. If at any time Sunright is no longer a participating member of ASI's Safety Program, Sunright will cease to import ATVs or distribute ATVs in commerce until such time that Sunright is able to enact its own Information and education Program that complies with Appendix N of the 1988 ATV Consent Decree and is approved by the Office of the General Counsel of the CPSC.

Sunright will seek to improve the distribution of ASI's ATV Safety information by making it available to our dealers. Sunright will also use our website to provide a link to the ASI web site and to inform the consumers of critical ATV Safety Issues. Sunright will offer all safety materials (videos, posters, booklets CDs) free of charge to the consumer or any organization seeking to provide a broader base of exposure on ATV Safety. The target organizations for this program include Boys and Girls Clubs, Boys and Girls Scouting Programs and 4H clubs all of whom focus on youthful members. Sunright will contact local and regional offices of these organizations to develop relationships promoting ATV safety. Approximate annual cost is estimated to be \$2500 to \$3000. Sunright will develop and distribute to all of our dealers ATV Safety posters that convey the message of the ATV Safety Alert. Approximate annual cost is estimated to be \$1500 to \$2500. Additionally, Sunright runs print ads periodically throughout the year promoting the companies ATVs at a cost ranging from \$8000 to \$10000 per year. Ads are generally run in Motor Cycle Industry Magazine, Power Sports Business Magazine, Dealer's News, ATV Magazine and ATV Sport Magazine. Each of Sunright's ads will prominently highlight the importance of rider safety training and the age appropriate use of ATVs.

Total annual contribution to the Information and Education Program would be \$12,000 to \$15,500. Sunright will conduct its Information and Education Program for at least ten years and continue as long as we are in the ATV import and distribution business.

13. Dealer Education & Monitoring: Sunright maintains regular contact with its dealers. Dealers will be informed and trained on the requirements of selling ATVs including qualification of buyers and intended users based upon age appropriate ATVs for the intended user. Further, each dealer will be educated on the importance of stressing safety in the use and operation of ATVs and the need for Operator Safety Training. Each dealer will be informed about the use of the ATV Safety Alert and Consumer Check List, how to fill it out with the consumer and how to use it as a training aide at the point of sale to stress Rider Training and ATV Safety. This Check List consist of 24 items that inform the consumer about various ATV safety issues including review of the Warning Labels and risks associated with ATV operation. Several items on the list help to qualify the intended user of the ATV

for the appropriate model based upon age and skill level of the intended user. The consumer is required to read each item and initial the line signifying his understanding of each point. On the back side of the form information is entered concerning the intended users of the ATV including age and contact information. Additional information is provided here concerning the recommendation for Rider Safety Training of all riders. The form is then signed by both the purchaser and the sales agent from the dealership. This form is in three parts with one part given to the consumer, the second copy kept by the dealership and the third copy returned to Sunright.

Sunright requires that its dealers verify the intended ATV rider's age prior to selling that rider or his/her guardian an ATV. Sunright warranty registration cards require the identification of the intended rider's name and date of birth to ensure that dealers do not sell Sunright and Linhai ATVs to under-aged riders.

Sunright will use its best efforts to obtain dealer compliance with the age recommendation requirements of the ATV Standard. Sunright will conduct on-site inspections of each of its dealers at least twice a year, with a minimum of 50 on-site inspections per year. These inspections will be conducted by means of independent, undercover investigators to ensure that these dealers follow age requirements and other safety related practices during sales or promotional functions. Sunright will also target any dealer against which a complaint has been filed or for any other reason Sunright becomes aware that said dealer is not in compliance with safe and ethical business practices regarding the sale, promotion, or representation of ATVs for consumer use. Sunright will also modify the visitation criteria of its field support staff so that inspecting for dealer compliance becomes a normal function of the dealer visit.

When Sunright learns of dealers who do not abide by the age requirements of the ATV Standard, it will arrange follow-up inspection. If Sunright finds evidence of continued violations, Sunright will take remedial action, up to and including possible termination or non-renewal of the dealer's contract with Sunright.

14. Termination or Modification: Sunright shall provide to the CPSC at least 60 days notice of its intention to terminate or materially change any commitments under this Action Plan. Sunright will provide information about these activities upon reasonable requests from CPSC.

15. Conclusions: Sunright is dedicated to providing the best performing, safest ATVs to the marketplace through this integrated plan of product safety and conformance to standards, training and education, and consumer awareness. This plan allows dealers to help the consumer make informed choices about their ATV purchases and assures that age appropriate ATVs are being sold for the intended user.

Backed by full support for warranty, technical service, and replacement parts, this comprehensive plan provides for long term consumer satisfaction in performance and reliability as well as safe use of their ATV.

Enclosed is a copy of Sunright's fully executed agreement with ASI to participate in ASI's Safety Program.

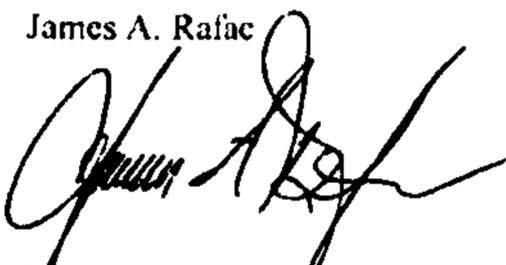
Signatures:

Respectfully submitted


Ronald Ho
President
Sunright International of America, Inc.

Thank you for your consideration of this ATV Action Plan.
For further discussion of this plan I can be reached at the following contact points:

Office Phone 678-546-9997 ext 302
Cell Phone 678-477-6273
E-mail jim@sunright.net
Alt e-mail motorsportconsulting@yahoo.com

James A. Rafac

Vice-President Motor Vehicle Group
Sunright International of America, Inc.

ASI SAFETY PROGRAM PARTICIPATION AGREEMENT

This Agreement is entered into between the Specialty Vehicle Institute of America by and through its division, the All-Terrain Vehicle Safety Institute (ASI) and Sunright Inc./Lithai (Participating Company). This Agreement becomes effective on the date when executed by ASI and expires on December 31, 2009 unless renewed upon mutual written consent of the parties, specifying the renewal terms.

I. ASI shall:

- A. Provide Participating Company with products and services, pursuant to the terms and conditions of this Agreement, to assist Participating Company to comply with the following elements of its ATV Action Plan:
 - 1. Age Recommendations
 - 2. Hands-On Training
 - 3. ATV Safety Video
 - 4. Safety Alert
 - 5. Toll-Free Telephone Hotline
 - 6. Information & Education Program
- B. Provide ATV training to Participating Company's customers who provide a valid Vehicle Identification Number for one of Participating Company's ATV units, upon request from the customer, in the form of ASI's *ATV RiderCourse* or other ASI training program(s) approved by the U.S. Consumer Product Safety Commission (CPSC).
- C. Provide Participating Company and CPSC with quarterly reports of training activity in substantially the form set forth in Exhibit A, Sample Quarterly ATV Rider Training Summary Report.
- D. Identify Participating Company in select ASI publications as set forth in Exhibit B, ASI Deliverables and Costs, which is incorporated herein by reference.

II. Participating Company shall:

- A. Complete, submit and update as necessary, the ASI OEM Training Profile (see Exhibit C), which when completed and submitted is incorporated herein by reference.
- B. Deposit with ASI one-half of the projected annual per unit fees or \$2,500.00, whichever greater, at the time this Agreement is executed and one-half of the projected annual per unit fees or \$2,500.00, whichever greater, on or before July 1 of each year. Projected annual per unit fees shall be determined based on the prior calendar year's retail sales volume.

- C. Report to ASI all units imported into the United States on or before the date they arrive in the United States in the manner set forth in Exhibit D, ASI OEM Rider Training Participation Overview, which is incorporated herein by reference.
- D. Pay ASI the following per unit fees for each unit imported into the United States:
- \$15.00 – if not offering an incentive payable through ASI
 - \$18.00 – if offering a \$100.00 incentive payable through ASI

Provided, however, that Participating Company shall pay ASI a minimum of \$5,000.00 in fees per year regardless of the number of units imported.

1. In the event the cumulative fees owed by Participating Company (pursuant to Section I.D.) in connection with a report submitted pursuant to Section I.C. have not yet exceeded Participating Company's deposit, ASI will credit fees against the deposit.
 2. In the event the cumulative fees owed by Participating Company (pursuant to Section I.D.) in connection with a report submitted pursuant to Section I.C. exceed Participating Company's deposit, ASI shall send Participating Company an invoice for fees owed, which shall be paid within 30 days.
- E. Pay ASI, as applicable, for products and services set forth in Exhibit B, ASI Deliverables and Costs, which is incorporated herein by reference.
1. Note, ASI shall provide training to all persons described in Section I.B. above. Participating Company shall pay the per student tuition set forth in Exhibit B, ASI Deliverables & Costs, for any students trained pursuant to at Vehicle Identification Number not previously reported by Participating Company to ASI pursuant to Section II.C
- F. Provide ASI with the total number of annual retail sales of Participating Company's units, through the Motorcycle Industry Council's Retail Sales Reporting System (see Exhibit E, Powersports Retail Sales Reporting System Agreement) or a certified annual accounting, no later than seven days following the end of the year.

III Use of ASI PROPERTY

ASI shall utilize ASI curriculum materials, including, without limitation, Instructor Guides, Range Cards, Rider Handbooks, and other printed and audio/visual training aids, and all revisions thereto, to educate and train Participating Company's customers and make other materials set forth in Exhibit B available for purchase by Participating Company (collectively, ASI PROPERTY).

- A. Participating Company shall not use or promote ASI PROPERTY in a manner which, in ASI's reasonable judgment, affects in a negative and detrimental manner ASI's business or goodwill, or tends to deceive or mislead the public, or which creates a likelihood of confusing the public. Participating Company shall discontinue any use or promotion that ASI reasonably finds to be negative or injurious to ASI.
- B. For the term of this Agreement, and thereafter, Participating Company agrees not to use ASI PROPERTY without permission of ASI or names, trademarks, or images identical with, or substantially or confusingly similar to, ASI PROPERTY.
- C. Participating Company shall not modify or adapt ASI PROPERTY in any manner without prior written permission of ASI.
- D. In the event that ASI supersedes or ceases to recommend any ASI PROPERTY in possession of Participating Company, Participating Company agrees to cease all use of such ASI PROPERTY. Participating Company may return up to a one-year supply of ASI PROPERTY in its possession (based on prior 12-month ordering history) to ASI, and ASI agrees to repurchase such ASI PROPERTY (or any successor publication) at the price paid by Participating Company.
- E. Upon termination of this Agreement; or upon non-renewal or non-replacement of this Agreement, Participating Company agrees to cease all use of ASI PROPERTY. Participating Company may return up to a one-year supply of ASI PROPERTY (or any successor publication) in its possession (based on prior 12-month ordering history) to ASI, and ASI agrees to repurchase such ASI PROPERTY (or any successor publication) at the price paid by Participating Company.
- F. The terms of this Section III shall survive termination of this Agreement.

IV. TERMINATION

This Agreement shall remain in full force and effect until the expiration date or until such time as the terminating party shall deliver to the other written notice of their intent to terminate this Agreement.

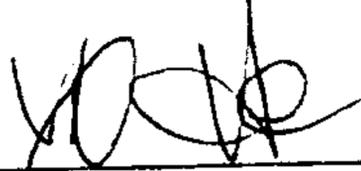
- A. Participating Company may terminate this Agreement, without cause, upon ninety (90) days written notice to ASI.
- B. ASI may terminate or suspend this Agreement if Participating Company materially breaches this Agreement and such breach is not cured by Participating Company within thirty (30) days after Participating Company is notified in writing or, if the matter cannot reasonably be cured within such thirty (30) day period, Participating Company does not initiate a cure within thirty (30) days and complete the cure within such longer period which is reasonably required to cure.

- C. ASI may terminate this Agreement, without cause, upon ninety (90) days written notice to Participating Company

V GENERAL

- A. Participating Company's status does not imply any endorsement by ASI of Participating Company or any manufacturers, distributors, retailers, equipment, ATVs or other materials.
- B. All legal action arising out of, or in any way related to, this Agreement shall be brought in either the Superior Court of the State of California for the County of Orange or the United States District Court for the Central District of California. Each party submits and consents to the jurisdiction of those courts.
- C. This Agreement shall be interpreted and governed by the substantive law of the State of California.
- D. Participating Company acknowledges that ASI has no adequate remedy under this Agreement or at law in the event Participating Company breaches the terms of this Agreement, and that ASI would, in such circumstances, be entitled to injunctive or other equitable relief, including interlocutory and preliminary injunctive relief. Participating Company also acknowledges that ASI's rights and remedies under this Agreement at law or in equity are intended to be cumulative, and not mutually exclusive.

For Participating Company

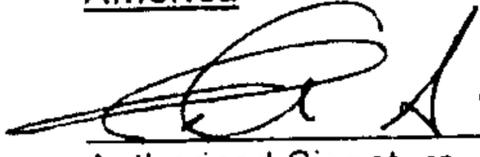


Authorized Signature Date
Ronald Ho

Print Name
President

Title

For Specialty Vehicle Institute of America

 2/25/09

Authorized Signature Date
THOMAS S. YAGER

Print Name
Vice President

Title



ASI Participating Company Training Profile

Thank you for participating in the rider training provided by the ATV Safety Institute (ASI). ASI promotes the safe and responsible use of ATVs by providing a nationwide ATV rider training program, on behalf of manufacturers and distributors.

In order to provide free hands-on training to ATV buyers, ASI must determine unique training requirements and optional incentive eligibility of each participating company. Upon completing the Participating Company Training Profile, ASI can determine the services and benefits available to buyers of your ATV.

1. Participating Company Name Sunright International/Linkai

2. Training Eligibility Start Date 9-1-09

3. VIN Verification Contact Information
Contact Name: Tim Ra Pac
Contact Email: tim @ sunright.net
Contact Phone: 678-546-9997

4. Training Eligibility:

If a consumer who purchases an ATV from your company does not answer the "first-time purchase" question upon enrollment, should ASI assume the answer is "yes"? (Yes) (No)

First-Time Purchaser:

Do you offer free training to first time purchasers of an ATV? (Yes) (No)

If VIN not provided to ASI but valid, we will train buyer then charge a per student tuition. See contract.

Do you offer free training to family members of a first time purchaser of an ATV? (Yes) (No)

If yes, what is the maximum number of family members who can receive free training?

Not a First-Time Purchaser:

Do you offer free training to non-first time purchaser of an ATV? (Yes) (No)

Do you offer free training to family members of a non-first time purchaser of an ATV? (Yes) (No)

If yes, what is the maximum number of family members who can receive free training?

5. Incentive Eligibility:

Do you offer incentives to ATV buyers who complete training? (Yes) (No)