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Jinling International, Inc.

November 24th, 2017

Delivery by Electronic Mail

Office of the Secretary
U.S. Consumer Product Safety Commission
4330 East West Highway
Suite 820
Bethesda, MD 20814-4408

Re: ATV Action Plan of Jinling International, Inc.

Action Plan for CPSC

Jinling International, Inc. (“Jinling”) 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. This action plan covers all ATVs imported, manufactured, distributed, sold, and/or offered for sale by Jinling and its distributors and retailers, regardless of the dates of importation and manufacture of the ATV. The actions outlined below are part of our continuing effort to promote safe and responsible use of our ATVs.

Age Recommendations

Jinling will only recommend, market, and sell ATVs for use under the age category/speed guidelines specified in Section 6 of the ANSI/SVIA 1-2010 Standard for ATVs (“the ATV Standard”). Jinling will not recommend, market, advertise, or sell adult-sized ATVs for the use of persons less than 16 years of age. Jinling will give its best efforts to ensure that its dealers comply with these requirements. Jinling will not recommend, market, advertise or sell Y-6+ youth-size ATVs for use of persons under 6 years age, Y-10+ youth-size ATVs for the use of persons under 10 years of age; or Y-12+ youth-size ATVs for the use of persons under 12 years of age.

Information & Education Program

Jinling will develop a new informational and educational program to communicate age requirements, passenger dangers, and other safety related information to consumers, through its websites, literature and posters in dealer's stores. Jinling makes a commitment to set aside \$25,000 per year for the next ten (10) years to support its Information and Education Program. Jinling will distribute safety reminders by direct mail within a few weeks of retail purchases. The reminders will include safety messages and information about free ATV training and incentives for completing that training. Jinling will sponsor a safety ad campaign, including web advertising and print advertising in major off-road publications. The ads will promote safe riding and age recommendations. The ads will continuously run throughout the whole year. Jinling will distribute safety posters and flyers to authorized dealers. The content of these posters and flyers will include the safety messages Jinlingto be put on display by Jinling dealers.

Jinling will require authorized dealers to display Specialty Vehicle Institute of America (SVIA) and ATV Safety Institute (ASI) posters and educational materials in their retail locations. Jinling will require that all authorized dealers implement a new information/education initiative to communicate age recommendations, passenger, and other safety-related information to consumers. The materials and information will be based on all publications produced by SVIA and ASI. The materials will provide safety information and warn children under the age of sixteen of the risks and dangers of operating adult-sized ATVs.

- **Boys and Girls Clubs of America**

Boys and Girls Clubs of America are a safe place to learn and grow. Boys & Girls Clubs annually serve nearly 4 million young people, through membership and community outreach, in more than 4,200 Club facilities. This is an excellent place to teach ATV safety. Jinling will initiate an educational outreach program with the Boys and Girls Clubs of America to educate safety awareness, and mandatory ATV training in local communities. Jinling and its dealers plan to develop this program by offering a free ASI training class and the loan of an ATV vehicle from the local dealer to interested clubs.

- **Internet**

To promote the awareness of ATV safety, Jinling will provide its safety video free of charge on the Boy Scouts of America's website, to distribute its safety message and promote the safe use of ATVs. Jinling will provide through websites such as BSA and other non-profit groups which have a core constituency of young adults, both information and educational materials on the safety concerns of ATVs. Through internet links, Jinling will continue its educational outreach on a continual basis. Through local, state and national non-profit groups, Jinling will make an annual effort to further promote ATV safety. Jinling Its online educational outreach will be updated annually, to keep the message fresh and current.

To get the word out on ATV safety and to make sure it gets to young audience, Jinling will produce YouTube videos on ATV safety. These short videos will illustrates the importance

of a hands-on ATV safety training course and demonstrates dangerous behaviors on an ATV.

- **Dealers**

Jinling will create and disseminate a safety poster for posting by all of Jinling's dealers. This poster will feature safety and educational information containing ATV safe riding messages and encourage proper ATV sizing as well as the need to take the hands-on safety training.

Jinling will also encourage dealers to promote the importance of ATV safety by recommending that each purchaser visit ASI's website to learn more about the safe operation of an ATV. In addition, Jinling will provide dealers with information about the dangers of unsafe riding.

- **Targeted Distribution of Safety Materials**

Jinling intends to distribute the aforementioned safety posters to pediatric offices, schools, and public libraries on a national level so that these materials may reach children in the hopes of keeping children informed of safety precautions. Additionally, Jinling intends to distribute safety brochures to dealers in order to reach individual consumers subsequent to their ATV purchase. Further, these brochures will incorporate valuable safety messages to parents in regards to child safety warnings and precautions.

- **Print Ad Campaign**

Jinling's print advertisements will feature safety messages communicating the importance and availability of safety training. Jinling's print advertisements will be in ATV Rider Magazine quarterly. Jinling's print advertisements will feature safety messages.

Safety Reminders

Jinling will use safety reminders as part of its educational and informational effort by doing the following:

1. Within a few days of each consumer purchase, trained staff of the Jinling 24-hour hotline will be calling Jinling each new owner to ensure that all new owners were properly notified by the dealer regarding the ASI Safety Training course and the \$50 incentive for successfully completion of the course.
2. A few weeks after each consumer purchase, Jinling will also send a letter or email to all new owners of Jinling ATVs to remind them the importance of taking the ASI Safety Training course.

Development of Safety Devices

We feel the most critical safety issue is that there must be an effort to deter children under the age of sixteen from operating adult-sized ATVs or riding as passengers. We will continue to work with the CPSC in this endeavor, and Jinling will continue to work on additional safety devices to aid adults in supervision. One of those could be some type of safety key requirement for adults

using the vehicle, as is used currently in racing ATVs, whereas a safety wrist harness could be attached to the adult-sized ATV for safety, and if the adult leaves the vehicle, the vehicle would stop running, thus reduce the dangers of small children being attracted to a running ATV. Jinling will make technical advances on ATVs to prevent unauthorized stop and start functions, and to keep young children off of unattended, idling ATVs for adults.

ATV Labels

All Jinling ATVs will have warning labels as required by Section 4.23 of the ATV Standard, which include general, age recommendation, passenger, tire pressure, and overloading labels.

Owner's Manuals

All Jinling ATVs will be sold with an owner's manual that complies with the requirements of Section 4.21 of the ATV Standard.

ATV HangTags

All Jinling 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. Jinling will use its best efforts to require dealers to display the hang tags on all new ATVs. Jinling field representatives will spot check that tags remain on ATVs on display at ATV dealerships.

Training

Jinling will offer free, hands-on, interactive training to all Jinling ATV purchasers. This free training will be extended to the buyers' immediate relatives who are age appropriate for the ATV purchased. This training will be conducted through the existing educational programs of the ASI.

In addition, after completion of the ASI 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.

Consumers will be notified about the availability of the free, hands-on training for a Jinling ATV purchaser and the buyers' immediate relatives who are age appropriate for the ATV purchased, before, during and after the purchase of the Jinling ATV.

Before a consumer makes a purchase of a Jinling ATV, the consumer will have an opportunity to view Jinling sponsored posters positioned in the store, displaying a rider with the proper safety helmet and safety gear on and announcing the Jinling-sponsored free, hands-on training and the additional incentive of a \$100 for completing the ASI training program.

During the purchase, the consumer will be asked to read, and sign a document acknowledging all of the safety warnings, hazards and dangers of riding and driving an ATV. The purchaser has to read and sign this document in order to receive the manufacturer's warranty on the ATV.

After the purchase, the purchaser is told by the dealer that he can sign up now for the ASI training program. The dealer will also give the purchaser of the Jinling ATV a coupon to get reimbursed for the full cost of the ASI training program when finished.

And, finally, the Jinling ATV purchaser will receive in the mail or by email shortly after the purchase from Jinling, a letter of congratulations from Jinling of the ATV purchase and another reminder of the offer for the free, hands-on training program of the ASI and the \$100 incentive upon completion of the safety training program.

Each Jinling ATV will have a form included for the dealer to receive direct compensation from Jinling for the \$100 free training completion incentive, and to have the dealer reimbursed for the ASI training that was completed.

ATV Safety Video

Jinling will provide a Safety Video in DVD format to its distributors for dissemination to all retail purchasers of Jinling ATVs. The video shall comply 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. The Safety Video may be used by dealers at the point of purchase for demonstration of safety issues and to highlight the need for, and availability of, hands-on safety training.

Advertising

When preparing and presenting advertising and promotional materials, Jinling will depict the safe and responsible operation of ATVs. The use shown will be appropriate to the ATV, the age of the operator, and the depicted situation. ATV riders depicted in advertising and promotional materials will wear helmets and full protective gear. These marketing materials and presentations will contain the safety messages described in Section J.1 and Appendix K of the 1988 ATV Consent Decree and will contain information about the availability of operator training. Jinling will use its best efforts to promote dealer compliance with the advertising requirements, including conditioning cooperative advertising funding on such compliance.

Toll-free ATV Hotline

Jinling will provide a toll-free, 24-hour hotline to respond to consumer inquiries as described at Section H.4 of the 1988 ATV Consent Decree. Agents will be trained to provide safety and training information, including age recommendations. Jinling will also make copies of safety-related materials freely available to callers. Jinling's toll-free number will be printed in all owners' manuals, ATV web-sites and other promotional materials.

ATV Safety Posters

Jinling will provide ATV posters to all dealers. All dealers are required to refer to ATV safety posters to all actual and prospective ATV buyers.

Safety Alert

Jinling will supply its dealers with "Safety Alert" documentation to be provided at the point of purchase for all retail purchases of Jinling 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 Decree. This information includes: death and injury statistics involving ATVs, safety rules, age recommendations and the availability of safety training.

Participation in ASI's Safety Program (See attachment A)

If at any time Jinling is no longer a participating member of ASI's Safety Program, and therefore no longer able to access ASI's training and safety materials and services, Jinling will cease to distribute ATVs into US. Until such time Jinling will be providing equal or greater services as described herein.

Three-Wheel ATV

Jinling will not manufacture, sell or market three-Wheel ATVs.

Dealer Monitoring Requirements

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

Jinling will give its best efforts to ensure that its dealer complies with:

- the user age recommendation requirements of the ATV Standard;
- the requirements related to notifying ATV purchasers about the availability and the importance of free, hands-on ATV training and the monetary incentive for taking such training; and
- the requirements relating to providing the ATV Hang Tag, the ATV Owner's Manual, the ATV Safety Video, and the ATV Safety Alert to ATV purchasers at the point of purchase.

Jinling will conduct on-site inspections of each of its authorized ATV dealers at least twice a year, with a minimum of 50 on-site inspections per year, by means of independent, undercover investigators (also known as "secret shoppers") to ensure that these dealers comply with the above-listed requirements and other safety-related practices during sales or promotional functions. Jinling will also modify the visitation criteria of its field personnel so that inspecting for dealer compliance with the above-listed requirements becomes a normal function of routine dealer visits.

Within fifteen (15) days of learning of a dealer's non-compliance with the above-listed requirements from the CPSC staff or by one of Jinling's independent investigators, Jinling will:

- notify the dealer of its non-compliance;
- inform the dealer of the operative facts reported by the CPSC staff or the independent investigator (such as the name of the salesperson and the model(s) of the ATV(s) allegedly recommended during the inspection); and
- demand a correction of the reported violation(s).

In addition, within thirty (30) days after notifying the dealer of its non-compliance, Jinling will provide on-site training to all dealership personnel who are involved in the sale of ATVs. The training will include, but not be limited to, information concerning the above-listed requirements, the need for compliance with them, and the potential enforcement actions (including termination and non-renewal of the dealership agreement) that the dealer may incur if non-compliance continues. A record of the training effort will be made by Jinling and provided to CPSC staff during bi-annual reporting.

Within sixty (60) days after completing the above-referenced training for a non-compliant dealer, Jinling will conduct an undercover, on-site, follow-up inspection of the dealer to determine whether the dealer is complying with the above-listed requirements. If this follow-up inspection reveals evidence of continuing violations, Jinling will take remedial action against the dealer, up to and including possible termination or non-renewal of the dealership agreement with Jinling. If Jinling elects not to terminate the dealer's contract, remedial actions will at a minimum include additional undercover on-site inspections of the dealer. If these additional inspections reveal an additional violation, Jinling will terminate or decline to renew the dealer's contracts. In each instance, Jinling will inform the CPSC Office of Compliance and Field Operations in advance of any remedial action or disposition, and it will provide the CPSC staff a reasonable opportunity to comment on such action or disposition before it occurs.

Jinling will report the results of its dealer monitoring program to the CPSC staff on a bi-annual basis, with reports due to the CPSC's Office of Compliance and Field Operations on February 1 and August 1 of each year. These reports will include a list of non-complying dealerships, the date of inspection, and all training or enforcement actions taken by Jinling, along with dates of all follow up activities and remedial actions. Jinling will maintain a list of all dealerships inspected each year in spreadsheet format, and this spreadsheet shall be provided promptly to the CPSC staff upon its request. The CPSC staff will maintain the confidentiality of these reports in accordance with applicable laws. The CPSC staff also reserves the right to request additional information from Jinling regarding the results of Jinling's dealer monitoring program.

Jinling will notify its dealers in writing of its dealer monitoring program within fifteen (15) days of the effective date of this Action Plan. The notice will remind dealers of their ongoing obligations to comply with the above-listed requirements and the consequences of non-compliance, including, but not limited to, the assessment of administrative costs for Jinling's monitoring of the dealer and possible termination or non-renewal of the dealership agreement. Jinling will provide the CPSC's Office of Compliance and Field Operations an advance copy of the notice.

Notice of Changes of Action Plan

Jinling intends to maintain the above specified actions indefinitely. Jinling will provide information about these activities in writing upon receipt of reasonable requests from the CPSC. Jinling will notify the CPSC at least sixty (60) days prior to terminating or materially changing any of these activities.

Voluntary Standards

Jinling will participate in the ongoing efforts to update and revise the ATV voluntary standards. Potential technical issues identified by CPSC staff will be discussed and considered in good faith as part of those efforts.

Amendment and Termination Procedures

If Commission staff determines that Jinling's approved ATV Action Plan is no longer effective or adequate, Commission staff may take certain action, including but not limited to notifying Jinling that the ATV Action Plan must be amended to address the effectiveness of adequacy of the plan. With that notification, Commission staff shall provide Jinling with the text of any proposed amendment. Jinling and Commission staff must reach agreement on the proposed amendment within thirty (30) calendar days of the notification, unless Commission staff grants an extension for good cause. If Jinling and Commission staff fail to reach an agreement within the designated timeframe, then Commission staff may recommend termination of the Action Plan. Additionally, (i) if Jinling fails to comply with the obligations of this ATV Action Plan, or (ii) if Commission staff determines that Jinling can no longer comply with the obligations of this ATV Action Plan, or (iii) if Jinling fails to adopt a requested amendment within the timeframe specified by staff, Commission staff, after providing Jinling with notice and an opportunity to respond, may recommend termination of the ATV Action Plan. Jinling may not manufacture, import, or distribute any ATV in the United States under this Action Plan after receiving notice of termination. Failure to cease manufacture, importation, or distribution in the United States commerce of any ATV under this ATV Action Plan after receipt of notice of termination is a prohibited act under section 19(a)(1) of the CPSA, 15 U.S.C. §2068(a)(1).

On behalf of Jinling, thank you in advance for your attention to this important matter. Jinling stands ready to comply with all ATV action plan requirements. Jinling hereby agrees to take all of the actions to promote ATV safety set forth in this Jinling ATV Action Plan, and further agrees to fulfill each undertaking set forth in this Plan. Jinling understands that any failure to perform the actions, or fulfill the commitments set forth in the Plan may result in termination of the Plan.

Sincerely,


Susan Lee, C.F.O

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Cc: Tianbing Sun, Director of Engineering
Michael Turber, 5X5 Consultants
Onsite Manufacturing Vehicle Testing