United States
Consumer Product Safety Commission

June 26, 2023

Via Mail and Email (Delivery Receipt Requested)

Mr. Jiangzheng Xu
Mr. Lee Kang
EGL Motor, Inc.
1410 E. Holt Blvd. Suite A
Ontario, CA 91761

Re: EGL Motor, Inc.: Notice of ATV Action Plan Termination

Dear Mr. Xu and Mr. Kang:

On June 20, 2023, the Consumer Product Safety Commission voted (3-1) to terminate the All-Terrain Vehicle ("ATV") Action Plan of EGL Motor, Inc. ("EGL"). This decision was made consistent with the process described in the Amendment and Termination Procedures set forth in EGL Motor, Inc.'s ATV Action Plan, which provides: "Commission staff, after providing EGL with notice and an opportunity to respond, may recommend termination of the ATV Action Plan" if (1) "EGL fails to comply with the obligations of [its] ATV Action Plan," or (2) "Commission staff determines that EGL can no longer comply with the obligations of [its] ATV Action Plan."

On March 14, 2023, the Commission's Office of Compliance and Field Operations ("Compliance") notified EGL that it was preparing to recommend that the Commission terminate EGL's Action Plan and provided EGL an opportunity to respond. The March 14 notice explained that EGL has repeatedly failed to comply with the requirements of its Action Plan and, based on Compliance's evaluation, cannot meet the obligations of its Action Plan for reasons including that EGL has repeatedly violated the mandatory ANSI-SVIA 1-2017 ATV Safety Standard ("ATV Standard"). *See* 15 U.S.C. § 2089(a)(2); 16 C.F.R. Part 1420. Compliance has sent EGL multiple Notices of Violations, including that EGL is not compliant with requirements of its Action Plan (including dealer monitoring, the requirement to only recommend, market, advertise or sell ATVs for use under age category/speed guidelines specified in the ATV Standard, and to use its best efforts to ensure that its dealers comply with the user age recommendation requirements of the ATV Standard) and violated various provisions of the ATV Standard (including speed capability requirements, mechanical suspension, parking brakes, and handlebars).

The Commission's decision to terminate your Action Plan based on the grounds stated by

Compliance means that it is unlawful for EGL to import into or distribute within the United States any new assembled or unassembled ATV. Pursuant to Section 42(a)(3) of the Consumer Product Safety Act ("CPSA"), codified at 15 U.S.C. § 2089(a)(3), EGL's failure to comply with any provision of Section 42(a)(2), 15 U.S.C. § 2089(a)(2), shall be deemed a failure to comply with a consumer product safety standard under the CPSA and is subject to penalties and other remedies. *See* 15 U.S.C. §§ 2069-2070.

Should EGL seek to resume importing or distributing any ATVs into or within the United States, it may reapply and seek Commission approval of a new Action Plan.

Sincerely,

ALBERTA MILLS Digitally signed by ALBERTA MILLS
Date: 2023.06.26 09:07:16 -04'00'

Alberta Mills
Secretary
Consumer Product Safety Commission