

3Z Scale International, LLC
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~~NOT RE-PRIVILEGED~~ 5/8/10
 COMMENTS: ☐ YES ☒ NO
☐ OVERRULED; ☐ ATTACHED
☐ EXCISIONS/FOIA Hrs. ☐
☒ DO NOT RE-NOTIFY ☐ RE-NOTIFY

Feb 3, 2010

Delivery by Fax and US Mail

Anthony M. Cooke
 Attorney, Office of the General Counsel
 United States Consumer Product Safety Commission
 4330 East-West Highway
 Bethesda, Maryland 20814

Re: ATV Action Plan of 3Z Scale International, LLC.

Action Plan for CPSC

3Z Scale International, LLC ("3Z") 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.

Age Recommendations

3Z will only recommend, market, and sell ATVs for use under the age category/speed guidelines specified at Section 6 of the ANSI/SVIA 1-2007 Standard for ATVs ("the ATV Standard"). 3Z will not recommend, market, advertise, or sell adult-sized ATVs for the use of persons less than 16 years of age. 3Z will use its best efforts to ensure that our dealers comply with these requirements.

Dealer Monitoring

3Z requires that its dealers verify the intended ATV rider's age prior to selling that rider or his/her guardian an ATV. 3Z warranty registration cards require the identification of the intended rider's name and date of birth to ensure that dealers do not sell 3Z ATVs to under-aged riders.

3Z will use its best efforts to obtain dealer compliance with the age recommendation requirements of the ATV Standard. 3Z 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. These inspections will be conducted by means of independent, undercover investigators (also known as "secret shoppers") to ensure that these dealers follow age requirements and other safety related practices during sales or promotional functions. 3Z 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 3Z learns of dealers who do not abide by the age requirements of the ATV Standard, it will arrange follow-up inspections. If 3Z finds evidence of continued violations, 3Z will take remedial action, to the extent permitted by applicable state and local laws, up to and including possible termination or non-renewal of the dealer's contract with 3Z.

Information & Education Program

3Z will develop a new informational and educational effort to communicate age requirements, passenger dangers, and other safety related information to consumers, through its websites, literature and posters in dealer's stores. This program will be directed primarily at providing safety information and at deterring children under age sixteen from operating adult-sized ATVs. This program will be implemented immediately for a 10 (ten) year duration with monthly reviews conducted by 3Z's management. 3Z will spend the minimum of \$15,000 annually on safety and educational advertising.

Safety Reminders

3Z 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, 3Z will utilize the trained staff of the 24-hour hotline to call each new purchaser to ensure that customers were properly notified by the dealer about taking the ASI Safety Training course and about the \$100 incentive for completing the course.
2. A few weeks after each consumer purchase, 3Z will also send a letter or email to all purchasers of 3Z ATVs to remind the purchaser about 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 effort, and 3Z will continue to work on additional safety devices to aid responsible parents 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 would be attached to the adult-sized ATV for safety, and if the adult leaves the vehicle, the vehicle would stop running and reduce the dangers of small children being attracted to a running ATV. 3Z will make technical advances on ATVs to prevent unwanted stop and start functions, and to keep young children off of unattended, idling adult ATVs.

Boy Scouts

In continuing education efforts, 3Z will pursue creating an Eagle Scout award program with the Boy Scouts of America to develop an awareness of the dangers and the required training and

safety within the local community. 3Z and its dealers would develop this program by giving the Eagle Scout candidate registration in an ATV Safety Institute training class and the loan of an ATV vehicle from the local dealer to promote ATV safety.

Internet

In promoting ATV safety and educational efforts, 3Z will also provide its safety video for use for the Boy Scouts of America's website, to distribute its safety message and promote the safe use of ATVs. 3Z will provide through website mediums such as the BSA and other non-profit groups that have a core constituency of young adults, both information and educational materials on the dangers of ATVs. Through internet links, 3Z will continue its educational outreach on a continual basis. Through local, state and national non-profit groups, 3Z will make an annual effort to further ATV safety. By renewing the safety message each year, 3Z will be keeping the message of ATV safety, fresh and alive, just like its ATV customers.

To get the word out on ATV safety and to make sure it gets to a young audience, 3Z will be putting its own video of ATV safety on You Tube. This video will be a short video to tell of the importance of taking a hands-on ATV safety training course and demonstrating dangerous things not to do on an ATV. This will get the attention of younger You Tube internet visitors and still be non-commercial enough to get the point across of safety.

Dealers

3Z will create and disseminate a safety poster for posting by all of 3Z's dealers. This poster will feature safety and educational information containing ATV safe riding messages and encouraging correct ATV sizing and the need to take the hands-on safety training.

3Z will encourage dealers to promote the importance of ATV safety by recommending that each purchaser visit the ASI's website to learn more about the safe operation of an ATV. In addition, 3Z will provide dealers information about the dangers of unsafe riding.

Targeted Distribution of Safety Materials

3Z will distribute the aforementioned safety posters to pediatric offices, schools, and public libraries on a national level so that these materials may target children in the hopes of keeping children informed of safety precautions. Additionally, 3Z will distribute safety brochures to dealers in order to target individual consumers. Additionally, 3Z will mail safety brochures directly to individual consumers subsequent to their ATV purchase in order to act as a post-purchase reminder of safety measures that a consumer should abide to. Further, these brochures will incorporate valuable safety messages to parents in regards to child safety warnings and precautions.

Print Ad Campaign

3Z's print advertisements will feature safety messages communicating the importance and availability of safety training. 3Z's print advertisements will be in ATV Rider Magazine quarterly. 3Z's print advertisements will feature safety messages for 10 (ten) years.

ATV Labels

All 3Z ATVs will have the warning labels required by Section 4.23 of the ANSI/ SVIA 1-2007 Standard for ATVs ("the ATV Standard"). This includes general, age recommendation, passenger, tire pressure, and overloading labels.

Owners Manuals

All 3Z 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 3Z 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. 3Z will use its best efforts to require dealers to display the hang tags on all new ATVs. 3Z field representatives will spot check that tags remain on ATVs on display at ATV dealerships.

Training

3Z will offer free, hands-on, interactive training to all 3Z 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 ATV Safety Institute.

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 3Z ATV purchaser and the buyers' immediate relatives who are age appropriate for the ATV purchased, before, during and after the purchase of the 3Z ATV.

Before a consumer makes a purchase of a 3Z ATV, the consumer will have an opportunity to view 3Z sponsored posters positioned in the store, displaying a rider with the proper safety helmet and safety gear on and the consumer will be provided a brochure outlining the 3Z-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 provided with information about how to register for the training course, 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 3Z ATV a coupon to get reimbursed for the full cost of the ASI training program when finished.

And, finally, the 3Z ATV purchaser will receive in the mail or by email shortly after the purchase from 3Z, a letter of congratulations from 3Z of the ATV purchase and another reminder of the offer for the Free, hands-on training program of the ASI and the \$100 incentive on completing the safety training program.

Each 3Z ATV will have a form included in the ATV to fill out for the dealer to receive direct compensation from 3Z for the \$100 for the free training completion incentive, and to have the dealer reimbursed for the ASI training that was completed.

ATV Safety Video

3Z will provide a Safety Video in DVD-Format to its distributors for dissemination to all retail purchasers of 3Z ATVs. The safety videos will be played at the point of purchase in addition to each retail purchaser being provided with a safety video at the point of purchase. 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, 3Z 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. 3Z 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

3Z 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. 3Z will also provide to callers, free of charge, appropriate copies of safety-related materials. 3Z's toll-free number will be printed in all owners' manuals, ATV web-sites and other promotional materials.

Safety Alert

3Z will supply its dealers "Safety Alert" documentation to be provided at the point of purchase to all retail purchases of 3Z 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 for ATVs, safety rules, age recommendations and the availability of safety training.

3-Wheel ATV

3Z has never manufactured any such vehicle with only three wheels as an ATV, and it will not manufacture, sell or market such ATVs.

Notice of Termination of or Material Changes to Action Plan:

3Z will maintain the above specified actions indefinitely. 3Z will provide information about commitment under this action plan upon receipt of reasonable requests from the CPSC. 3Z will notify the CPSC at least sixty (60) days prior to terminating or materially changing any of these activities.

Sincerely,

Ron Shostack Dated: Feb 3, 2010
Ronald N. Shostack
Senior Member Officer
3Z Scale International, LLC
10645 N. Tatum Boulevard #200-513
Phoenix, Arizona 85028

Cc: Paul Douglas Kerns, CEO, Tianbing Sun, Director of Engineering
Motolabs Corp., EPA/ DOT/ ATV Consultants and Onsite Manufacturing Vehicle Testing

