Peace Industry Group (USA), Inc.
6600 B Jimmy Carter Blvd. Norcross GA 30071 · Phone: 770-662-1898 · Fax: 770-242-8111
http://www.peaceindustrygroup.com

Sep 10, 2009

Via Fax and Email

Ms. Haslett
Trial Attorney
Division of Compliance
Office of the General Counsel
U.S Consumer Products Safety Commission
4330 East-West Highway
Bethesda, MD, 20814

Peace Industry Group (USA), Inc. Action Plan

Dear Madame:

Peace Industry Group (USA), Inc. is fully committed to the goal of reducing ATV 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, which are outlined below.

Age Recommendations

Peace Industry Group (USA), Inc. will not recommend, market, advertise, or sell new adult-sized ATV's for the use of persons less than 16 years of age. In addition, Peace Industry Group (USA), Inc. will use only the maximum speed and speed limitations specified at Section 6 of the ANSI/SVIA-1-2007 Standard for ATV's. Peace Industry Group (USA), Inc. will use its best efforts, including monitoring dealers as outlined in the next section, to assure that Peace Industry Group (USA), Inc. retail dealers do not recommend or sell ATV's for use by individuals under the minimum age.

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Safety Video

Peace Industry Group (USA), Inc. will supply its dealers a "Safety Video" to be provided at the point of purchase to all retail purchasers of Peace Industry Group (USA), Inc. 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.

Dealer Monitoring

Peace Industry Group (USA), Inc. will use best efforts to monitor its dealers for compliance with age recommendations, including through its Dealer Monitoring program consisting of undercover, on-site inspections conducted by independent investigators. Peace Industry Group (USA), Inc. will randomly conduct at least 50 undercover, on-site dealer inspections annually. Peace Industry Group (USA), Inc. will take corrective action against non-complying dealers, including possible termination for repeat violation.

Hands-On Training Course

a. Peace Industry Group (USA), Inc. will require all of its authorized dealers to offer ATV purchasers, and members of the ATV purchaser's immediate family, the opportunity to register for free hands-on ATV training through the ("ASI") ATV Safety Institute at the time of purchasing.

b. Information about the safety training course and "how to register" can also be found on Hang Tags, in owner manuals, on advertisements, in "Safety Alert" and by calling the Toll-free Hotline. Peace Industry Group (US), Inc. will follow up with purchasers via email with information about registering for the training.

c. After completion of the course, the riders will quality 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.

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Safety Alert

Peace Industry Group (USA), Inc. will supply its dealers "Safety Alert" documentation to be provided at the point of purchase to all retail purchasers of Peace Industry Group (USA), Inc. 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.

Toll-Free-Telephone Hotline

Peace Industry Group (USA), Inc. will provide a 24-hour toll-free telephone hotline that will provide training and safety information, including age recommendations. The hotline will meet all of the requirements of Section H.4 of the 1988 ATV Consent Decree.

Advertising

Peace Industry Group (USA), Inc. ATV advertising and promotional materials will include the substance of the safety messages that are described in 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. In addition, all riders shown in such advertisements shall wear helmets and full protective gear. Peace Industry Group (USA), Inc. will use best efforts to promote dealer compliance with the advertising requirements.

Information/ Education Program

Peace Industry Group (USA), Inc. will have an Information and Education Program directed primarily at providing safety information and deterring children under age sixteen from operating adult sized ATVs. Peace Industry Group (USA), Inc. will conduct its Information and Education Program for at least 10 years.

a. Interactive CD-ROM
The CD-ROM will be designed to provide a exciting way to warn children against the use of adult-sized ATVs and to teach them about other risks associated with ATV use. The CD-ROM will be packaged with all new ATVs.

b. Video
The video will feature the safety themes and messages. The video will also promote participation in the hands-on training program. Copies of the new video will be packaged with all new ATVs.

c. Safety Reminders
Peace Industry Group (USA), Inc. will launch a direct mail effort to new ATV purchasers directed at parents. A direct mail piece incorporating the safety messages will be sent to new owners within a few weeks of vehicle purchase. Peace Industry Group (USA), Inc. will also use dealer's customer data to reach new purchasers by telephone with the safety reminders.

d. Poster
Peace Industry Group (USA), Inc. will create and disseminate a poster with safety message for its dealers to post. Peace Industry Group (USA), Inc. will also email safety and training reminders to dealers.

e. Website
Peace Industry Group (USA), Inc. intends to expand its' company website to the extent feasible to provide on-line access to a rendition of the CD-ROM program and other safety information. Peace Industry Group (USA), Inc. will provide a capability allowing persons to download the CD-ROM program from the website.

f. Print Ad
Peace Industry Group (USA), Inc. intends to integrate information about the availability of the new CD-ROM program through advertising in month to month ATV magazines (e.g., ATV Magazine, Dirt Bike Magazine) during the first three years of the Information and Education Program's creation.

g. Program Budget Estimate
Peace Industry will allocate at least $15,000 per year towards its Information and Education Program for at least 10 years.

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Notice

Peace Industry Group (USA), Inc. shall notify CPSC at least sixty (60) days in advance of terminating or materially changing any commitment under this action plan. Peace Industry Group (USA), Inc. will provide information about these activities upon reasonable requests from CPSC.

Sincerely,

QiuPing Wang
President