



CALIFORNIA PROPOSITION 65 COMPLIANCE MEASURES

ECHO Incorporated understands the importance of the Proposition 65 regulation and is doing a lot to support exposure of the regulation's warnings. The following information details all the areas of its business where ECHO is providing exposure to any potential dangers.

- Boxed Product
 - Prop 65 safe harbor warning on SKU label
- Displayed Product
 - Prop 65 safe harbor warning printed on reverse of "Air Index Tag" (consent decree product)
 - Prop 65 safe harbor warning printed on hang tag (non-consent decree product)
- Outsourced SKUs Licenced Products
 - Short-term - add label with Prop 65 safe harbor warning prior to shipment to EI
 - Require vendors to include Prop 65 safe harbor warning on-package (their cost)
 - Require vendors to include Prop 65 safe harbor warning hang tag (EI supplied, if needed)
- Service Parts
 - Prop 65 safe harbor warning printed on bulk packaging
 - EI will change from multiple bag sizes to only two, with the Prop 65 safe harbor warning pre-printed on the bag (net cost savings)
- Aftermarket
 - Short-term - add label with Prop 65 safe harbor warning
 - Long-term - change artwork to include Prop 65 safe harbor warning
 - Priority given to long-lead time SKUs needing significant rework (fuel, oil, etc.)
 - Labor required (= time required)
 - Cost of plate change vs. sales volume using stickers (at \$0.01 ea.)
 - Require vendors to include Prop 65 safe harbor warning (their cost)
- Service
 - Service Bulletin and on-line training for GED and dealers
 - Prop 65 requirements
 - EI's compliance measures
 - Dealer responsibility (including hang tags & bulk parts)
 - Links to training and California's website
 - Part numbers for dealers to order
 - Prop 65 safe harbor warning sticker roll
 - Bags pre-printed with Prop 65 safe harbor warning
 - Hang tags pre-printed with Prop 65 safe harbor warning
 - Advise dealers to include in their own brochures, catalogs, websites, etc.
 - Include warning in Operator's Manual
 - Only as OMs change organically since OM is not pre-purchase item
- Online
 - Include web page of Prop 65 explanation and EI's compliance measures
 - Include FAQ answer of Prop 65 explanation and EI's compliance measures in Consumer Support site
 - Include Prop 65 safe harbor warning in product catalog
 - Include Prop 65 safe harbor warning on THD website
- Current exception being reviewed:
 - YBK service parts - multiple bag sizes - warning won't fit on some bags or the printed part label
 - Drop-ship service parts from YBK to GED may require GED to label as they uncrate (Subset - if GED East receives a drop-ship and doesn't label, then cross-ships to GED West)
- Timeline
 - The law requires that the new labelling requirements be in place by the end of August
 - The law allows for unlimited sell-through of product produced prior to the effective date