

TECHNICAL BULLETIN

Impact Racing Products – SFI Decertification

Thursday April 1st, 2010

On March 24th 2010 the SFI Foundation took steps in relation to Impact Racing Products, including the imminent complete SFI decertification of all safety items manufactured by the company bearing an SFI label. ANDRA is proud of its safety record in international motorsports and always endeavors to ensure the highest level of safety possible is offered to its members. The recent notification from the SFI Foundation on decertification of Impact Racing Products items, and the complete SFI decertification of all Impact Racing Products from the SFI as of June 21st 2010, will be monitored by ANDRA. The current SFI decertification, effective April 27th 2010, affects all Impact Racing Products in relation to the certification under SFI 3.2A, 3.3, 16.1 and 16. The notice from SFI reads;

March 26, 2010 - NOTICE OF DECERTIFICATION; NOTICE TO CEASE AND DESIST AND TERMINATION OF ALL CONTRACTS OF PARTICIPATION ISSUED TO IMPACT RACING

SFI Foundation, Inc., has issued a Notice of Decertification; Notice of Cease and Desist, and a notice terminating all Contracts of Participation to Impact Racing. <u>Effective April 27, 2010</u>, all products manufactured and/or distributed by Impact Racing pursuant to SFI Specification Programs 3.2A, 3.3, 16.1, and 16.5 are decertified. Evidence obtained by SFI shows that over a period of years Impact Racing has engaged in the production and use of counterfeit SFI conformance labels and patches, and affixed them to Impact products for use in motorsports. Under the Contracts of Participation between SFI and Impact, SFI conformance labels and patches may only be obtained from SFI and no other source. Evidence shows that Impact had counterfeit SFI labels and patches made in Asia and then affixed them to Impact products it distributed to members of the racing community. To SFI's knowledge, Impact never advised its customers that its products contained phony SFI labels and patches. Impact never advised SFI of its systematic and longstanding practice of counterfeiting and distributing SFI patches and labeling.

Impact has been directed to cease and desist from this practice. SFI has directed Impact to immediately notify all affected customers to remove the counterfeit labeling and to offer the affected customers a <u>full refund</u> of the purchase price. SFI is requesting that all counterfeit conformance labels removed from Impact products be sent to SFI.

SFI has elected not to decertify these products immediately in order to minimize the potential hardships to members of the racing community that have been brought about by Impact's counterfeiting activities.

SFI has also elected to terminate all Contracts of Participation with Impact Racing effective 90 days from March 24, 2010. Under the terms of the Contracts, either party may terminate the agreements without penalty upon 90 days notice. This means that Impact will no longer be able to participate in <u>any</u> SFI programs after this 90 day period.

SFI has taken these actions in the best interests of the safety and integrity of the racing community. This is in keeping with SFI's mission and purpose.

The SFI and ANDRA continue to liaise in regards to certification and safety, this is a step deemed necessary by the SFI Foundation in relation to the ongoing safety of all competitors. Impact Racing Products has released a brief statement via their web site (below).

"Impact Racing would like to respond to the statement on March 26, 2010 by SFI regarding their intention to decertify all SFI labeled Impact Racing products. All SFI labeled products currently being sold by Impact Racing have current SFI certification and legally obtained labels. The safety of our products has in no way been compromised.

The allegation from SFI is in relation to the actual SFI tag only. We suggest at this time to continue to use your equipment, which is safe and has been certified and do not have anyone replace your tags on your product.

On March 26, 2010 the attorneys representing Impact Racing filed an appeal. There is also a hearing in court on April 1, 2010. Impact will keep all our customers informed as details unfold.

We are not accepting returns or refunds on delivered products. We suggest at this point to wait until further notice until we learn more about the details and allegations."

ANDRA will continue to monitor the situation and will request competitors affected to contact the Technical Department to ascertain the level of members potentially affected. At this stage ANDRA will inform competitors that as of June 30th 2010, unless legal action by both parties is resolved, SFI certified / labeled Impact Racing Products will not be accepted for use at ANDRA Sanctioned events. Again, this decision is dependant on the outcome of legal proceedings.

Thank you for your cooperation in giving careful examination to these items.

ANDRA Technical Department