PROPOSITION 65 – COMPLIANCE FOR NON-CALIFORNIA DEALERS MAKING SALES TO CALIFORNIA CUSTOMERS

Technical Service Bulletin SRV-SRB-18-032

Date: Thursday, August 30, 2018
To: Dealer Principal, General Manager, Sales Manager, Service Manager, North American Dealer Network – Non-California Dealers
From: Richard Kenton, Technical Director
Matt Feinstein-Irish, Regulatory Compliance Manager

Situation:

Starting on August 30, 2018 changes made to the California Safe Drinking Water and Toxic Enforcement Act of 1986 (also known as Proposition 65) will become effective.

Proposition 65 requires retail sellers to notify consumers in California prior to purchase about chemicals in the products they purchase that can cause cancer and/or birth defects or other reproductive harm when exposed to them.

Under Proposition 65 regulations, retail sellers are responsible for warnings for products sold to customers in California and must provide consumer warnings prior to the time of retail sale of the product whether in person or over the internet.

Ducati motorcycles, parts, and accessories contain chemicals identified by California and the Office of Environmental Health Hazard Assessment (OEHHA) to cause cancer and/or birth defects or other reproductive harm and therefore can expose customers to such chemicals including engine exhaust, carbon monoxide, phthalates, and lead, which are known to the state of California to cause cancer and/or birth defects or other reproductive harm.

Penalties for Non-Compliance:

Penalties for violating Proposition 65 by failing to provide exposure warning notices can be as high as $2,500 per violation per day, per product sold.

Failure to follow the directions of Ducati North America, Inc. to comply with Proposition 65 could result in claims by the State of California or consumer advocate attorneys against your dealership, including demands to pay penalties (as stated above) as well as attorney fees and additional costs.

PROPOSITION 65 – COMPLIANCE FOR NON-CALIFORNIA DEALERS MAKING SALES TO CALIFORNIA CUSTOMERS

Technical Service Bulletin SRV-SRB-18-032

For more information regarding California's Proposition 65 regulations and the consumer exposure warning requirements, please visit the following websites and consult with your legal counsel:

https://oehha.ca.gov/media/downloads/crnr/art6businessqa.pdf
https://www.p65warnings.ca.gov/fact-sheets/vehicle-passenger-and-highway-motor-vehicles

Dealership Responsibilities and Instructions for Compliance:

In order to comply with the changes to Proposition 65 that are in effect starting on August 30, 2018, Ducati dealerships selling Ducati motorcycles and Ducati Aftersales Product, including specifically parts and accessories, to customers in California will be required to do the following:

- Provide Proposition 65 consumer warnings prior to the time of retail sale of the product.

- Depending on the type of Ducati Product, Ducati motorcycle or Ducati Aftersales Product, the warning can be provided through labeling or packaging, point of sale statements, and/or online statements. (The warning label example is shown on page 3.)

- For Internet sales into California, the Proposition 65 warning must be prominently displayed to the purchaser either on the product display page or otherwise on a webpage prior to completing the purchase.

Ducati North America, Inc. and all Ducati Motorcycle dealers will need to work together to meet Proposition 65 requirements; however, Ducati North America, Inc. is not providing legal advice or suggesting that Ducati Motorcycle dealers should rely on this bulletin to assess their full legal obligations under Proposition 65.

In addition to its consumer exposure warning requirements, Proposition 65 also includes requirements for occupational and environmental exposure warnings. Ducati dealers may want to consult counsel or dealer associations for details and to determine if the regulations may affect their business.

Prior to selling a new or used Ducati motorcycle to a California resident the warning hangtag shown below must be placed on the motorcycles handlebars or in another prominent location and the warning sticker shown below must be adhered on the inside of the respective owner's manual front cover.

PROPOSITION 65 – COMPLIANCE FOR NON-CALIFORNIA DEALERS MAKING SALES TO CALIFORNIA CUSTOMERS

Technical Service Bulletin SRV-SRB-18-032

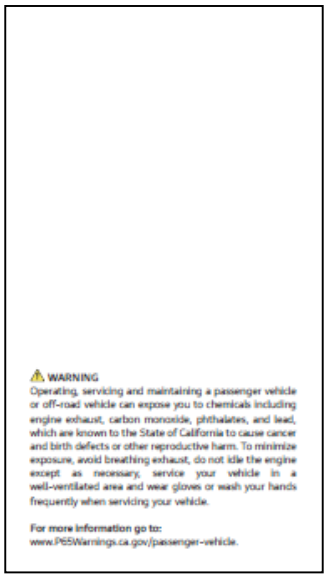
To order Proposition 65 warning hangtags, owner's manual stickers, and/or parts and accessory labels, please contact Ducati North America Regulatory Compliance Manager, Matt Feinstein-Irish, using the below contact details:

matt.feinstein@ducati.com – (650) 933-9837

Proposition 65 Parts Label Example:

⚠ **WARNING:** This product contains chemicals known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov

Proposition 65 Hang Tag Example:



Proposition 65 Owner's Manual Sticker* Example:

⚠ **WARNING:** Operating, servicing and maintaining a passenger vehicle or off-road vehicle can expose you to chemicals including engine exhaust, carbon monoxide, phthalates, and lead, which are known to the State of California to cause cancer and birth defects or other reproductive harm. To minimize exposure, avoid breathing exhaust, do not idle the engine except as necessary, service your vehicle in a well-ventilated area and wear gloves or wash your hands frequently when servicing your vehicle. For more information go to www.P65Warnings.ca.gov/passenger-vehicle.

*Proposition 65 Owner's Manual Stickers should be placed on the inside front cover of the Owner's Manual. If you have questions on placement requirements, please contact your Service Area Manager.