

GLOSSARY

This glossary contains definitions of certain technical terms used in this Document in connection with us and our business. These may not correspond to standard industry definitions and may not be comparable to similar terms adopted by other companies.

“ABE”	Allgemeine Betriebserlaubnis, an official approval that certifies that a standard vehicle or component meets the legal requirements for road traffic
“AD” or “Anti-dumping Duty”	an antidumping duty imposed under Title VII of the Tariff Act of 1930, on imported merchandise sold, or likely to be sold, in the United States at less than fair value
“ASP”	average selling price
“ATV”	all-terrain vehicle
“BTO”	build-to-order, a manufacturing strategy where a product is only manufactured after a customer places a confirmed order
“BTS”	build-to-stock, a build-ahead production approach in which production plans may be based upon sales forecasts and/or historical demand
“Base Customs Duty”	the customs duty imposed at the applicable rate in the “General” subcolumn of column 1 of the Harmonized Tariff Schedule of the United State, excluding any Section 301 Duties, AD, CVD or other additional duties or tariffs
“cadence”	a technique for emergency stops by rapidly pumping the brake pedal to prevent wheel lockup
“CAN”	Controller Area Network, a robust, message-based serial communication protocol letting microcontrollers and devices talk to each other in vehicles and industrial systems without a central host computer
“CARB”	California Air Resources Board, an agency of the government of California that aims to reduce air pollution
“CCC”	China Compulsory Certification, a compulsory safety mark for many products imported, sold or used in the Chinese market
“CKD” or “Complete Knock-Down”	a production model under which vehicle parts and components are shipped separately to the destination market and assembled locally into finished vehicles
“CPSC”	Consumer Product Safety Commission, a historically-independent agency of the United States government which seeks to promote the safety of consumer products

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“cross-promotional collaborations”	marketing partnerships where two or more complementary brands promote each other’s products/services to their existing audiences for mutual benefit, expanding reach, boosting credibility, and increasing sales with lower costs by leveraging shared customer bases
“CVD” or “Countervailing Duty”	a countervailing duty imposed under Title VII of the Tariff Act of 1930, on imported merchandise benefiting from a countervailable subsidy
“DTC”	direct-to-consumer, a sales strategy where a company sells its products directly to end customers, bypassing traditional intermediaries like retailers or wholesalers
“E-mark”	EU type-approval mark, a rectangular label showing compliance with EU/ECE regulations for vehicles or vehicle components, which allows them to be sold within the EU and other signatory countries
“E-mobility”	the concept of using electric power for transportation, encompassing electric vehicles like ATVs, LSEVs, motorcycles, and electric bicycles, along with the supporting infrastructure for charging and energy supply
“EPA”	Environmental Protection Agency, an independent agency of the United States government tasked with environmental protection matters
“EPS”	Electric Power Steering, systems use an electric motor, controlled by an Electronic Control Unit, to assist driver steering
“floor plan financing”	a form of dealer inventory financing under which a financing provider extends credit to a dealer to fund purchases of inventory, with the financed inventory generally serving as collateral for the dealer’s financing and the dealer repaying the financing
“GMS”	general merchandise stores, retailers that sell a wide variety of non-food products, such as clothing, hardware, housewares, and toys, often in one large location
“Import Duties”	the aggregate of the Base Customs Duty, Section 301 Duties, AD and CVD applicable to a particular import into the United States
“IoT”	Internet of Things, a network of devices, vehicles, appliances and other physical objects that are embedded with sensors, software and network connectivity
“ISO9001 certification”	the world’s leading standard for quality management systems

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“KAC”	key account customer, primarily includes (i) GMS, such as Walmart, Target, Academy and Tractor Supply Company and (ii) third-party e-commerce platforms such as Amazon and Walmart
“KBA”	Kraftfahrt-Bundesamt, a German federal authority for road traffic based in Flensburg, which is subordinate to the Federal Ministry of Transport
“large-displacement”	an internal combustion engine, having a relatively larger engine cylinder capacity, generally measured in cubic centimeters, or cc
“liquidation”	in the context of U.S. tariff, CBP’s final computation or ascertainment of the duties payable on a particular import entry. It is a customs process concerning the final duty liability for goods that have already entered the United States; it does not refer to the winding-up of a company or determine whether the goods may be sold
“LSEV”	low-speed electric vehicle, a four-wheeled electric motor vehicle designed for low-speed, short-distance mobility with an attainable speed exceeding 20 mph but not more than 25 mph on a paved level surface and a gross vehicle weight rating of less than 3,000 pounds
“LSPTVs”	low-speed personal transportation vehicles, including low-speed vehicles, LSEVs, golf carts, golf cars, personal transportation vehicles, light utility vehicles and other similar vehicles primarily used for short-distance personal transportation, recreational, community or utility purposes
“MAP”	Minimum Advertised Price
“ODM”	original design manufacturing
“OTA”	Over the Air, referring to wireless software/firmware updates for devices like phones and cars
“PC”	polycarbonate, a durable, transparent, thermoplastic plastic known for its exceptional impact resistance, optical clarity, and heat resistance
“Section 301 Duties”	additional duties imposed pursuant to Section 301 of the Trade Act of 1974
“TFT”	Thin-Film Transistor, a technology used in high-quality LCD screens, powering digital dashboards, infotainment systems, and backup cameras for clear, colorful, and responsive displays of speed, navigation, media, and vehicle diagnostics
“torque”	the engine’s twisting force that gets the vehicle moving, measured in pound-feet or Newton-meters
“torque sensor”	a torque sensor measures the amount of force you are applying to the pedals

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“towing receiver”	a robust, square metal tube mounted to a vehicle’s frame that serves as the universal connection point for various towing accessories like ball mounts, bike racks, or cargo carriers
“TSC”	Tractor Supply Company, a rural retailer work within or serve the broader mass merchandise retail landscape and specialized niche markets
“UL2271 certified”	a lithium-ion battery used in a light electric vehicle has been tested and verified to meet rigorous safety and performance standards
“UL 2849 certified”	an electric bicycle’s entire electrical system has been tested by a third-party organization, Underwriters Laboratories, and deemed safe according to the UL 2849 standard
“unliquidated entry”	in the context of U.S. tariff, an import entry for which the goods have generally already entered and been released into the United States but CBP has not yet completed the final computation or ascertainment of the duties payable. The goods may generally be sold in the ordinary course while the entry remains unliquidated
“UTV”	Utility Task Vehicle, a versatile off-road vehicle with side-by-side seating, steering wheel, foot pedals, seatbelts, and a roll cage, used for work or recreation
“VIN”	vehicle identification number