October 20, 2010

RE: Environmental and Consumer Safety Compliance Requirements

Dear O’Reilly Auto Parts Supplier Partner:

As you know, both your company and O’Reilly Auto Parts are challenged with the growing pressures of compliance surrounding an ever-increasing number of Federal, State, and local regulations. In this regard, we each have a responsibility to make every effort to protect our brands, our end-user customers and the communities we serve, as well as respond to the public concern for safer product alternatives.

We value the cooperation you have shown through our continuing business together and we are asking for your support with the following initiative we believe will help both you and us to better manage the many regulatory compliance challenges we face and alleviate the shared and costly exposure of non-compliance.

To help us each monitor and comply with the ever-changing regulatory landscape, O’Reilly Auto Parts is excited to announce that we have selected the WERCSmart solution offered by Wercs as our partner to manage our regulatory compliance requirements for solid and liquid products that you may sell to us which are regulated by environmental or consumer protection government agencies (for example, products containing lead, mercury, phthalates and/or other hazardous materials).

Examples of products that would be registered with the Wercs include those containing a:

- **Chemical** – a product that contains a power, gel, paste or liquid ingredient or coating that is not intended for human consumption and may be harmful to the environment or to human health or safety. This can include solid products such as piping or children’s clothing or toys, as they too are regulated for such contents as lead, phthalates and mercury, among others.
- **Pesticide** – product that is advertised or labeled to kill, repel or prevent growth of any living organism, among other things. Both U.S DPA and state agencies regulate these products as “pesticides.”
- **Aerosol** – an item that contains a compressed gas or propellant.

We would like to introduce you to the Wercs and these wonderful compliance programs through a webinar we are offering on ______. The connection information is ____________.

We are planning to add all new and existing products subject to environmental or consumer safety laws to the WERCSmart system beginning **October 25, 2010**.

**NEW PRODUCT**

In order to add any new product, visit [http://www.supplierwercs.com](http://www.supplierwercs.com) and follow the steps required to have your products assessed by the Wercs. We encourage you to do this immediately to avoid any
undue delay in adding your product to the O'Reilly offering. You should know that any proprietary information you provide to the Wercs is kept confidential. They will not share any proprietary information with O'Reilly Auto Parts.

If you sell your product to other retailers who have an existing relationship with the Wercs, you may have already provided product information using the WERCSmart solution, which will minimize your costs.

**EXISTING PRODUCT**

Current O'Reilly suppliers with items already in our system will need to be registered no later than **February 28, 2011** by visiting [http://www.supplierwercs.com](http://www.supplierwercs.com).

Please review the categories below to see which apply to you and the products you offer:

1. **You already have a WERCSmart account, your products are already registered and are the same products you offer O'Reilly Auto Parts.** Log on and authorize Wercs to send O'Reilly Auto Parts your MSDS and chemical assessment data.
2. **You already have a WERCSmart account and you are registering new products.** Log on and add this new product information and MSDS sheet(s) to WERCSmart and authorize the Wercs to send O'Reilly Auto Parts your MSDS and chemical assessment data.
3. **You do not have a WERCSmart account.** Visit [http://www.supplierwercs.com](http://www.supplierwercs.com) to set up an account and input the required information into WERCSmart.

Registration fees differ based upon which of the three categories you fall into. The fee schedule is:

- New Products not already registered in WERCSmart $180.00
- Release of date already in WERCSmart $25.00
- MSDS Authoring $85.00

We greatly appreciate your cooperation and partnership in our continued commitment to enhance compliance with State and Federal regulations, as well as lessen the impact on the environment within the communities we both serve.

Sincerely,

Tom Seboldt
Vice President of Merchandise
O'Reilly Auto Parts

/jlp