

IRONTEC TRUST, INC.

GOVERNMENT / REGULATORY STRATEGY WHITE PAPER

Consumer protection, market transparency and evidence-first regulatory adoption

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Executive Position

IronTec's strongest long-term government thesis is consumer and commercial-buyer protection through better market information. The policy question is not whether government should regulate IronTec. It is whether transactions involving used commercial diesel engines present a sufficiently material information-verification problem to justify standardized independent condition records, traceable evidence and a reliable method for verifying those records.

The recommended pathway is private standard -> market adoption -> independent validation -> public-sector education -> limited recognition or pilots -> only then, where evidence and legal authority justify it, consideration of legislation or rulemaking.

1. Public-Interest Case

- Buyer protection: high-value used engines can be difficult for remote purchasers to evaluate independently.
- Information asymmetry: sellers may possess materially more information than buyers while examination methods vary.
- Truthful commerce: standardized independent evidence can make condition representations easier to test and document.
- Fraud deterrence and traceability: certification records can preserve who examined an engine, when, under what standard and with what evidence.
- Interstate commerce: engines and heavy equipment are routinely sold across jurisdictional boundaries.
- Standardization: controlled record formats may reduce ambiguity created by inconsistent seller descriptions and shop practices.

2. Direct FTC Consumer-Protection Context

The FTC's Guides for the Rebuilt, Reconditioned and Other Used Automobile Parts Industry, 16 CFR Part 20, prohibit deceptive representations about used parts, including their condition, extent of previous use, reconstruction and repair. FTC materials describe the Guides as addressing used motor-vehicle parts and assemblies such as engines and transmissions. This is directly relevant context for IronTec's problem statement, but it is not an endorsement of IronTec and does not establish that IronTec certification satisfies any legal duty.

FTC used-vehicle consumer guidance also encourages independent inspection before purchase. IronTec should use these analogues to support the public-policy importance of independent information, written disclosure and verifiability - not to claim equivalent legal status.

3. What IronTec Should NOT Claim

- Government regulation is inevitable.
- EPA, DOT, FMCSA, NHTSA, FTC, a state DMV or Attorney General has approved or endorsed IronTec unless formally documented.

- IronTec certification is an emissions certificate, DOT inspection, warranty, appraisal, title document or government inspection.
- A hypothetical fee or regulatory framework already exists.
- Consumer protection means IronTec guarantees a successful purchase or prevents all fraud.

4. Regulatory Adoption Ladder

Stage	Objective	Consumer-Protection Evidence
1 - Private Standard	Prove controlled inspection/certification procedures.	Repeatability, evidence quality, dispute handling.
2 - Market Adoption	Dealers, buyers and channels voluntarily use the certification.	Buyer reliance, seller adoption, reduced ambiguity.
3 - Independent Validation	Engineering, legal, quality and research review.	Reliability, limitations, error rates, economic impact.
4 - Government Education	Brief appropriate agencies/legislators on problem and evidence.	Documented buyer harm, market failure, public benefit.
5 - Recognition / Pilot	Seek narrow accepted record format, procurement use, pilot or recognition.	Measurable outcomes and manageable compliance cost.
6 - Legislation / Rulemaking	Only where evidence, authority and proportionality support it.	Public benefit exceeds compliance and administrative burden.

5. Government Stakeholder Map

- Federal Trade Commission / consumer-protection stakeholders - deceptive marketing, used-parts representations and truthful commerce context.
- State Attorneys General / consumer-protection offices - potential interest where evidence demonstrates recurring misrepresentation or buyer harm.
- State dealer / licensing authorities - transaction, dealer and disclosure frameworks vary by state.
- NHTSA / U.S. DOT - vehicle-transaction disclosure and fraud-deterrence analogues; authority must be validated.
- FMCSA / U.S. DOT - commercial-vehicle inspection and inspector-qualification analogues; not equivalent to condition certification.
- EPA - engine testing/certification architecture and fee-program analogues; avoid confusing condition certification with emissions compliance.
- Public fleets / procurement agencies - potential use of independent condition records in procurement, surplus disposition or vendor requirements.

6. Evidence Required Before Government Outreach

- Documented and revision-controlled examination standard.
- Examination Center and examiner qualification criteria.
- Calibration, evidence capture and chain-of-custody rules.
- Repeatability / inter-rater consistency studies.
- Complaint, dispute, appeal, suspension and revocation procedures.
- Pilot metrics on defects, discrepancies, buyer outcomes and seller adoption.
- Primary research quantifying standalone-engine transaction volume and condition-related losses/disputes.
- Economic analysis of inspection cost versus transaction value and avoided-loss potential.
- Legal analysis of federal/state authority, preemption, commercial versus consumer coverage and small-business impact.

7. Government Revenue Principle

Government revenue is secondary. The public-policy justification must remain buyer protection, truthful commerce, traceable records and standardized evidence. Any fee model must be authorized by law, proportionate to program cost and evaluated on net fiscal impact rather than gross collections.

8. Government Affairs Message

Preferred opening: "There is a transparency gap in a high-value used-engine market. IronTec is building independent examination and verification infrastructure intended to give buyers better evidence and make condition claims more traceable. We want to prove the problem and the solution before asking government to act."

9. Selected Public Sources

- FTC, Guides for the Rebuilt, Reconditioned and Other Used Automobile Parts Industry, 16 CFR Part 20: <https://www.ftc.gov/legal-library/browse/rules/rebuilt-reconditioned-other-used-automobile-parts>
- FTC, Buying a Used Car From a Dealer: <https://consumer.ftc.gov/articles/buying-used-car-dealer>
- FTC, Used Car Rule, 16 CFR Part 455: <https://www.ftc.gov/legal-library/browse/rules/used-car-rule>
- Existing IronTec government strategy research concerning FMCSA inspection, NHTSA disclosure and EPA certification analogues remains supporting context and requires legal/policy validation before external advocacy.