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**ENDORSED
 FILED
 ALAMEDA COUNTY**

FEB 23 2011

K. McCoy, Exec. Off./Clerk

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14 Attorneys for Plaintiff
 15 CENTER FOR ENVIRONMENTAL HEALTH

**SUPERIOR COURT OF CALIFORNIA
 FOR THE COUNTY OF ALAMEDA**

<p>16 PEOPLE OF THE STATE OF CALIFORNIA, ex rel. EDMUND G. BROWN, JR., Attorney General, 17 18 Plaintiff, 19 v. 20 BAY AREA JUMP, et al., 21 Defendants</p>	<p>Case No. RG 10-530436 CONSENT JUDGMENT AS TO DEFENDANT NINJA JUMP, INC.</p>
<p>22 CENTER FOR ENVIRONMENTAL 23 HEALTH, a non-profit corporation, 24 Plaintiff, 25 v. 26 CUTTING EDGE CREATIONS, INC., et al., 27 Defendants</p>	<p>Case No. RG 10-530300</p>

1 **1. INTRODUCTION**

2 **1.1** On August 11, 2010, the People of the State of California (“People”), by and
3 through the Attorney General of the State of California (“Attorney General”) filed a complaint for
4 civil penalties and injunctive relief for violations of Proposition 65 and unlawful business
5 practices in the Superior Court for the County of Alameda. The People’s Complaint alleges that
6 the named Defendants failed to provide clear and reasonable warnings that their inflatable
7 structures made with vinyl such as, but not limited to, bounce houses, slides, games, ball ponds,
8 combos, obstacle courses and interactives (the “Products”) contain lead and lead compounds
9 (together “Lead”), and that use of, and contact with, those Products results in exposure to Lead, a
10 chemical known to the State of California to cause cancer and reproductive harm. The Complaint
11 further alleges that under the Safe Drinking Water and Toxic Enforcement Act of 1986, Health
12 and Safety Code section 25249.6, also known as “Proposition 65,” businesses must provide
13 persons with a “clear and reasonable warning” before exposing individuals to these chemicals,
14 and that the Defendants failed to do so. The Complaint further alleges that the Lead levels in the
15 Products exceed the standards set by the Consumer Product Safety Improvement Act (“CPSIA”)
16 of 2008. The Complaint also alleges that the violations of Proposition 65 and the CPSIA
17 constitute unlawful acts in violation of the Unfair Competition Law, pursuant to Business and
18 Professions Code sections 17200 *et seq.*

19 **1.2** The Center for Environmental Health (“CEH”) first brought the issue of Lead
20 exposures from the Products to the attention of the Attorney General by issuing its first 60-Day
21 Notice of Violation on February 19, 2010 (“Notice”). The Notice alleges that defendant Ninja
22 Jump, Inc. (“Ninja”) and others were violating Proposition 65 by introducing the Products into the
23 stream of commerce thereby exposing individuals to Lead. CEH filed its case, Center for
24 Environmental Health v. Cutting Edge Creations, LLC, et al., Alameda County Superior Court,
25 Case No. RG 19-530300, on August 11, 2010. CEH also seeks civil penalties and injunctive relief
26 for alleged violations of Proposition 65. On October 25, 2010, the People’s action was
27 coordinated with CEH’s action. The People and CEH are together referred to as “Plaintiffs.”
28

1 1.3 On December 3, 2010 both CEH and the People amended their respective
2 complaints to name Ninja (“Settling Defendant”) as a defendant.

3 1.4 Settling Defendant is a corporation that employs more than ten (10) persons and
4 employed ten or more persons at all times relevant to the allegations of the Complaints, and
5 manufactures, distributes and/or sells Products (as defined below) in the State of California and/or
6 has done so in the past four years.

7 1.5 For purposes of this Consent Judgment only, the People, CEH and the Settling
8 Defendant stipulate that this Court has jurisdiction over the allegations of violations contained in
9 the Notice and Complaints and personal jurisdiction over Settling Defendant as to the acts alleged
10 in the Notice and Complaints, that venue is proper in Alameda County, and that this Court has
11 jurisdiction to enter this Consent Judgment as a full and final resolution of all claims which were
12 or could have been raised in the Complaints based on the facts alleged therein.

13 1.6 The People, CEH and Settling Defendant enter into this Consent Judgment as a full
14 and final settlement of all claims relating to the Products (as that term is defined below) arising
15 from the alleged failure to warn regarding the presence of Lead in such Products. Nothing in this
16 Consent Judgment shall be construed as an admission by the Parties of any fact, conclusion of
17 law, issue of law or violation of law, nor shall compliance with the Consent Judgment constitute
18 or be construed as an admission by Parties of any fact, conclusion of law, issue of law or violation
19 of law. Nothing in this Consent Judgment shall prejudice, waive or impair any right, remedy
20 argument or defense the Parties may have against any Non-Parties to this Settlement Agreement
21 in this or any other future legal proceedings. By execution of this Consent Judgment and agreeing
22 to provide the relief and remedies specified herein, Settling Defendant does not admit any
23 violations of Proposition 65 or the Business and Professions Code or any other law or legal duty.
24 Settling Defendant expressly asserts that its Products do not require a warning under Proposition
25 65 and denies any wrongdoing or liability whatsoever.

26 2. **DEFINITIONS**

27 2.1 The “Actions” shall collectively mean the People of the State of California v. Bay
28 Area Jump, et al., Case No. RG 10-530436, Alameda County Superior Court (filed August 11,

1 2010) and the Center for Environmental Health v. Cutting Edge Creations, LLC, et al., Case No.
2 RG 10-530300, Alameda County Superior Court (filed August 11, 2010).

3 2.2 "Products" shall mean all inflatable structures made with vinyl, including but not
4 limited to bounce houses, slides, games, ball ponds, combos, obstacle courses and interactives
5 manufactured, distributed or sold by Settling Defendant.

6 2.3 The "Effective Date" of this Consent Judgment shall be the date on which this
7 Consent Judgment is entered as a judgment by the trial court.

8 2.4 "Parties" shall mean the following entities: People of the State of California ex rel.
9 Edmund G. Brown, Jr., CEH and Settling Defendant.

10 2.5 "Plaintiffs" shall mean People of the State of California ex rel. Edmund G. Brown,
11 Jr., Attorney General and CEH.

12 2.6 "Old Products" means any Products, located in the state of California,
13 manufactured by Settling Defendant between 2004 and 2006, as well as in June 2008, which are
14 the time periods Settling Defendant is alleged to have sold Products with levels of Lead exceeding
15 1000 ppm.

16 **3. INJUNCTIVE RELIEF: LEAD REDUCTION**

17 3.1 Immediate Product Reformulation. Immediately upon the Effective Date of this
18 Consent Judgment, Settling Defendant shall not manufacture, distribute or sell Products with lead
19 levels that exceed the Federal guidelines or 100 ppm, whichever is lower("Compliance Level") as
20 determined pursuant to total Lead testing, EPA Method 3050B or CPSIA method CPSC-CH-
21 E1001-08 (the "Test Protocols").

22 3.2 Specification and Certification of Vinyl. For so long as Settling Defendant
23 manufactures, distributes, or ships the Products for sale in California, Settling Defendant shall
24 issue specifications to its vinyl suppliers requiring that the vinyl used in the Products shall not
25 contain Lead in excess of the Compliance Level. Defendant shall obtain and maintain written
26 certification from its suppliers of the vinyl certifying that the vinyl used in the Products does not
27 contain Lead in excess of the Compliance Level.

28

1 **3.3 Settling Defendant’s Independent Testing.** In order to ensure compliance with
2 Section 3.1, Settling Defendant shall conduct (or cause to be conducted) testing to confirm
3 Products sold in California comply with the Compliance Level. Defendant shall either conduct
4 the testing of the vinyl used in the Products using an X-Ray Fluorescence Analyzer or shall cause
5 to have the testing performed by an independent, CPSIA-approved laboratory in accordance with
6 the Test Protocol. Settling Defendant shall perform the testing described in this Section on a
7 minimum of one roll of each color of vinyl contained in each container purchased from its
8 suppliers.

9 (a) Vinyl That Exceeds the Compliance Level. If the results of the testing
10 required pursuant to Section 2.3 show Lead levels in excess of the Compliance Level in
11 the vinyl, Defendant shall: (1) refuse to accept all the vinyl contained in each container
12 that contained any rolls that tested above the Compliance Level; and (2) send a notice to
13 the supplier explaining that such vinyl does not comply with either Settling Defendant’s
14 specifications for Lead or the supplier’s certification.

15 **4. INJUNCTIVE RELIEF: CLEAR AND REASONABLE WARNINGS**

16 **4.1** Plaintiffs allege that warnings are necessary as to the Old Products in the state of
17 California because these products purportedly cause continuing exposures to Lead. While
18 expressly denying such allegations, Settling Defendant agrees to implement the following
19 programs to provide clear and reasonable warnings to persons who come into contact with Old
20 Products sold before the Effective Date of this Consent Judgment:

21 (a) Informational Program. Settling Defendant shall mail the warnings and
22 informational materials attached hereto as Exhibit A, in English and Spanish, to the known
23 addresses of all parties within the State of California who purchased Old Products. The
24 informational materials provided pursuant to this section shall include an offer to perform
25 testing on the Old Products paid for by Settling Defendant. The purchasers of Old
26 Products referred to herein shall have six (6) months from the date of mailing by Settling
27 Defendant of the warnings and informational materials attached hereto as Exhibit A to
28

1 initiate the Testing referred to in paragraph 5.1, and Replacement and credit, referred to in
2 paragraph 5.2, or they will have no rights under paragraph 5.1 and/or 5.2.

3 **5. ADDITIONAL ACTIONS BY SETTling DEFENDANT**

4 **5.1 Testing of Old Products.** Upon request by an individual or entity that purchased
5 any Old Product which is located in the state of California, Settling Defendant shall perform
6 testing on all Old Products purchased and located in the state of California by the individual or
7 entity that requests testing. The testing pursuant to this section may be performed by X-Ray
8 Fluorescence or pursuant to the Test Protocol. This request for testing by an individual or entity
9 that purchased any Old Product which is located in the state of California must be initiated no
10 later than six (6) months from the date of mailing of the warning and informational materials
11 referred to in paragraph 4.1(a). In the event that testing is not initiated within said time period,
12 said individuals or entities shall have no further rights pursuant to this provision.

13 **5.2 Replacing Certain Old Products.** If the testing described in Section 5.1 reveals
14 Lead levels in excess of 1,000 ppm Settling Defendant shall, at its own cost, either (1) provide the
15 present owner of any such Old Product manufactured between 2004 and 2006 with a credit toward
16 the purchase of a new product from Ninja based on the present residual value of the Old Product
17 on the condition that possession and title to the Old Product be turned over to Ninja, (2) provide
18 the present owner of any such Old Product manufactured in June 2008 with a credit toward the
19 purchase of a new product from Ninja based on 85% of the original purchase price of the Old
20 Product on the condition that possession and title to the Old Product be turned over to Ninja, or
21 (3) provide the present owner of any Old Product with a Notice in compliance with Proposition 65
22 that the present owner must agree to place on the Old Product. Assuming they otherwise qualify,
23 the present owner of Old Products shall decide which of the alternatives set forth in this Paragraph
24 they wish to receive. A request for replacement or credit hereunder is only valid to the extent it
25 results from the testing and timing provisions set forth in Section 5.1.

1 **6. PAYMENTS**

2 **6.1 Payment Timing.** All payments under the Consent Judgment shall be due within
3 thirty (30) days following the Effective Date.

4 **6.2 Civil Penalties.** Settling Defendant shall pay a civil penalty of Twenty-Two
5 Thousand Five Hundred Dollars (\$22,500) pursuant to California Health & Safety Code
6 §§ 25249.7(b) and 25249.12. Pursuant to § 25249.12, 75% of these funds shall be remitted to the
7 California Office of Environmental Health Hazard Assessment (“OEHHA”), and the remaining
8 25% apportioned evenly among the Attorney General and CEH.

9 **6.3 Cy pres– Product Testing.** Settling Defendant shall make the following payment in
10 lieu of additional civil penalties. Settling Defendant shall pay \$7,500 to CEH to be used
11 exclusively for testing of inflatable structures made with vinyl such as bounce houses, combos,
12 obstacle courses and interactives. The payment required under this section shall be made payable
13 to CEH.

14 **6.4 Other Payments.** Settling Defendant shall also make the following payments:

15 **(a) Attorney General.** Settling Defendant shall pay the sum of Fifteen
16 Thousand Dollars (\$15,000) to the Attorney General, to reimburse the fees and costs his office has
17 expended with respect to this matter. Funds paid pursuant to this paragraph shall be placed in an
18 interest-bearing Special Deposit Fund established by the Attorney General. These funds,
19 including any interest, shall be used by the Attorney General, until all funds are exhausted, for the
20 costs and expenses associated with the enforcement and implementation of Proposition 65,
21 including investigations, enforcement actions, other litigation or activities as determined by the
22 Attorney General to be reasonably necessary to carry out his duties and authority under
23 Proposition 65. Such funding may be used for the costs of the Attorney General’s investigation,
24 filing fees and other court costs, payment to expert witnesses and technical consultants, purchase
25 of equipment, travel, purchase of written materials, laboratory testing, sample collection, or any
26 other cost associated with the Attorney General’s duties or authority under Proposition 65.
27 Funding placed in the Special Deposit Fund pursuant to this paragraph, and any interest derived
28 therefrom, shall solely and exclusively augment the budget of the Attorney General’s Office and

1 in no manner shall supplant or cause any reduction of any portion of the Attorney General's
2 budget.

3 (b) CEH's Attorney Fees. Settling Defendant shall pay Fifty Thousand Dollars
4 (\$50,000) to reimburse CEH and its attorneys for their reasonable investigation fees and costs,
5 attorneys' fees, and any other costs incurred as a result of investigating, bringing this matter to the
6 attention of Settling Defendant and the People, litigating and negotiating a settlement in the public
7 interest. The payment required under this section shall be made payable to Lexington Law Group.

8 6.5 Each payment required by this Consent Judgment shall be made through the
9 delivery of separate checks payable to the applicable person, as follows:

10 (a) Attorney General. Payments due to the Attorney General shall be made
11 payable to the "California Department of Justice," and sent to the attention of Robert Thomas,
12 Legal Analyst, Department of Justice, 1515 Clay Street, 20th Floor, Oakland, CA 94612.

13 (b) CEH/Lexington Law Group. The payments due to CEH and the Lexington
14 Law Group shall be made payable as set forth above and sent to: Mark N. Todzo, Lexington Law
15 Group, LLP, 1627 Irving Street, San Francisco, CA 94122.

16 (c) Copies of checks. Settling Defendant will cause copies of each check
17 issued by it pursuant to this Consent Judgment to be sent to: Jamie Jefferson, Deputy Attorney
18 General, 1515 Clay Street, 20th Floor, Oakland, California 94612.

19 **7. MODIFICATION OF CONSENT JUDGMENT**

20 7.1 This Consent Judgment may only be modified by express written agreement of the
21 Parties with the approval of the Court; by an order of this Court on noticed motion from the
22 People, CEH or Settling Defendant in accordance with law; or by the Court in accordance with its
23 inherent authority to modify its own judgments.

24 7.2 Before filing an application with the Court for a modification to this Consent
25 Judgment, the Party seeking modification shall meet and confer with the other parties to determine
26 whether the modification may be achieved by consent. If a proposed modification is agreed upon,
27 then the Parties will present the modification to the Court by means of a stipulated modification to
28 the Consent Judgment.

1 **8. ENFORCEMENT**

2 **8.1 Enforcement by Plaintiffs.** Plaintiffs may, by noticed motion in compliance with
3 CCP Sec. 1005 before this Court, seek to enforce the terms and conditions contained in this
4 Consent Judgment or seek resolution of any dispute arising under this Consent Judgment. In any
5 proceeding to enforce the terms of this Consent Judgment, Plaintiffs may seek whatever fines,
6 costs, penalties, or remedies are provided by law for failure to comply with the Consent Judgment.
7 However, Plaintiffs may not seek any fees or costs if Settling Defendant agrees to take the action
8 demanded by Plaintiffs during the meet and confer process described in section 8.3, below, and
9 implements such action in a prompt manner.

10 **8.2 Enforcement by Separate Action.** Where violations of this Consent Judgment are
11 based on subsequent alleged violations of Proposition 65 or other laws occurring subsequent to
12 the Effective Date of this Consent Judgment, Plaintiffs and/or CEH are not limited to enforcement
13 of the Consent Judgment, but may instead elect to seek, in another action, whatever fines, costs,
14 penalties, or remedies are provided for by law for failure to comply with Proposition 65 or other
15 laws. In any action brought by the People and/or CEH or another enforcer alleging subsequent
16 violations of Proposition 65 or other laws, Settling Defendant may assert any and all defenses that
17 are available, including the *res judicata* or collateral estoppel effect of this Consent Judgment.
18 Plaintiffs must elect whether (a) to use the enforcement provisions of section 8.1 of this Consent
19 Judgment or (b) to bring a new action pursuant to this subsection 8.2.

20 **8.3 Meet and Confer Required.** Before any party files any motion or institutes any
21 proceeding or separate action based on an alleged violation of the Consent Judgment, the moving
22 or enforcing party (Moving Party) shall provide the other party (Other Party) with at least thirty
23 (30) days written notice during which the Parties will meet and confer in good faith in an attempt
24 to informally resolve the alleged violation.

25 **8.4** The terms of this Consent Judgment shall be enforced exclusively by the Parties
26 hereto.

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1 **9. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**

2 9.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized
3 to stipulate to this Consent Judgment and to enter into and execute the Consent Judgment on
4 behalf of the party he or she represents.

5 **10. CLAIMS COVERED**

6 10.1 Full and Binding Resolution. This Consent Judgment is a full, final, and binding
7 resolution between the Plaintiffs, CEH, and Settling Defendant and its parents, divisions,
8 subdivisions, subsidiaries, sister companies, affiliates, cooperative members, licensors and
9 licensees, distributors, wholesalers, officers, directors, shareholders, affiliates, customers, agents,
10 employees, attorneys, successors and assigns, and all entities to whom they have distributed or
11 sold Products manufactured, distributed or sold by Settling Defendant, of any violation of
12 Proposition 65., the Business & Professions Code, including but not limited to sections 17200 *et*
13 *seq.*, and 17500 *et seq.*, and any other statutory or common law claims that have been or could
14 have been asserted in the public interest or by or on behalf of the people of the State of California
15 in the Notice or Complaints regarding or relating to the presence of lead and lead compounds in
16 the Products manufactured by or for Settling Defendant and/or the failure to warn about exposure
17 to lead or lead compounds in the Products. Compliance with the terms of this Consent Judgment
18 resolves any issue now, in the past, and in the future, concerning the presence of lead and lead
19 compounds in Products manufactured or distributed by or for Settling Defendant, and the failure
20 to warn about exposure to, lead or lead compounds, in Products manufactured or distributed by or
21 for Settling Defendant, its parents, divisions, subdivisions, subsidiaries, sister companies,
22 affiliates, cooperative members, licensors and licensees; its distributors, wholesalers, and retailers
23 who sell Products; and the shareholders, officers, predecessors, successors, and assigns of any of
24 them. This Consent Judgment does not resolve any claims that Plaintiffs may assert with respect
25 to (i) products other than the Products, or (ii) chemicals other than Lead.

26 **11. PROVISION OF NOTICE**

27 11.1 Notices sent pursuant to this Consent Judgment shall be sent to the person(s) and
28 addresses set forth in this paragraph. Any Party may modify the person and address to whom the

1 notice is to be sent by sending each other Party notice by certified mail, return receipt requested.
2 Said change shall take effect for any notice mailed at least five days after the date the return
3 receipt is signed by the party receiving the change.

4 **11.2** Notices shall be sent by overnight delivery, or by concurrent e-mail and by First
5 Class Mail, to the following when required:

6 For the Attorney General:

7 Jamie Jefferson, Deputy Attorney General
8 California Department of Justice
9 1515 Clay Street, 20th Floor,
 Oakland, CA 94612
 Jamie.Jefferson@doj.ca.gov

10 and simultaneously to:

11 Robert Thomas, Legal Analyst,
12 Department of Justice,
13 1515 Clay Street, 20th Floor,
 Oakland, CA 94612
 Robert.Thomas@doj.ca.gov

14 For the Center for Environmental Health

15 Mark N. Todzo
16 Lexington Law Group, LLP
17 1627 Irving Street
 San Francisco, CA 94122
 mtodzo@lexlawgroup.com

18 For the Settling Defendant:

19 Mark Goshgarian
20 Goshgarian & Marshall, PLC
21 23901 Calabasas Road, Suite 2073
 Calabasas, CA 91302
 MGoshgarian@gmlawplc.net

22 **11.3** Written Notification. Within 15 days of completing the actions required by
23 sections 3.1 (Immediate Product Reformulation, and also on Plaintiffs' written request with
24 respect to any other action required by this Consent Judgment, Settling Defendant shall provide
25 Plaintiffs with written notification that the required action has been completed.

26 **12. COURT APPROVAL AND DISMISSAL OF THE ACTIONS**

27 **12.1** This Consent Judgment shall be submitted to the Court for entry by noticed motion
28 or as otherwise may be required or permitted by the Court. If this Consent Judgment is not

1 approved by the Court, it shall be of no force or effect and may not be used by the Plaintiffs or
2 Settling Defendant for any purpose.

3 **13. ENTIRE AGREEMENT**

4 **13.1** This Consent Judgment contains the sole and entire agreement and understanding
5 of the Parties with respect to the entire subject matter hereof, and any and all prior discussions,
6 negotiations, commitments and understandings related hereto. No representations, oral or
7 otherwise, express or implied, other than those contained herein have been made by any Party
8 hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed
9 to exist or to bind any of the Parties.

10 **14. RETENTION OF JURISDICTION**

11 **14.1** This Court shall retain jurisdiction of this matter to implement and enforce the
12 Consent Judgment, and to resolve any disputes that may arise as to the implementation of this
13 Judgment.

14 **15. EXECUTION IN COUNTERPARTS**

15 **15.1** The stipulations to this Consent Judgment may be executed in counterparts and by
16 means of facsimile, which taken together shall be deemed to constitute one document.

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18 IT IS SO ORDERED and ADJUDGED:

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20 DATED: FEB 23 2011

STEVEN A. BRICK
JUDGE OF THE SUPERIOR COURT

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IT IS SO STIPULATED:

DATED: 12/17/10

EDMUND G. BROWN, JR.
Attorney General
J. MATTHEW RODRIQUEZ
Chief Assistant Attorney General
KEN ALEX
Senior Assistant Attorney General

By: Jamie Jefferson
JAMIE JEFFERSON
Deputy Attorney General
For People of the State of California

DATED: _____

CENTER FOR ENVIRONMENTAL HEALTH

By: _____
CHARLIE PIZARRO
Assistant Director

DATED: December 2, 2010

NINJA JUMP

By: [Signature]
Its: President

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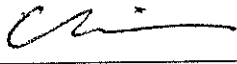
DATED: _____

EDMUND G. BROWN, JR.
Attorney General
J. MATTHEW RODRIQUEZ
Chief Assistant Attorney General
KEN ALEX
Senior Assistant Attorney General

By: _____
JAMIE JEFFERSON
Deputy Attorney General
For People of the State of California

DATED: 12/3/10

CENTER FOR ENVIRONMENTAL HEALTH

By: 
CHARLIE PIZARRO
Assistant Director
OC-ATE

DATED: _____

NINJA JUMP

By: _____
Its: _____

Exhibit A

Letter to Customers of Unreformulated Products

Dear Customer:

Our records show that you purchased products from us during the period 2004-2006 and/or in June 2008. This letter is written to inform you that some of the products manufactured by Ninja Jump during those time periods may contain levels of lead which require a warning notice under Proposition 65.

WARNING –Lead is a chemical known to the state of California to cause cancer and reproductive harm.

All of our products have now been formulated to reduce the amount of lead to levels below those of concern. However, some of our older products manufactured during the time periods identified above may have lead levels that would require a warning notice under Proposition 65.

We would like to provide you with the opportunity to have the products you purchased from us during those time periods tested to determine if such products contain high levels of lead. If you purchased a product or products from us that was manufactured during the period from 2004-2006 or in June 2008 that are still in use, please contact [Name] at [telephone number] to arrange for testing of those products. Ninja will conduct or pay for all testing of the products.

If the testing of any of the products reveals lead levels in excess of 1,000 parts per million, Ninja will either (1) provide you with a credit toward the purchase of a new product from Ninja based on the present residual value of your existing product, if your product was manufactured between 2004 and 2006, on the condition that you turn over possession and title of your existing product to Ninja, or (2) provide you with a credit toward the purchase of a new product from Nina based on 85% of the original purchase price of your existing product, if your product was manufactured in June 2008, on the condition that you turn over possession and title of your existing product to Ninja, or (3) provide you with a Notice in Compliance with Proposition 65 that you will be required to place on your existing product. Assuming that you otherwise qualify, it will be your choice to decide which of the foregoing alternatives you wish to receive. You must initiate testing within 6 months from the date of this letter, in order to obtain credit towards the purchase of a new product from Ninja.

In the meantime, you can reduce exposures to lead from these products by employing the following practices:

- a. Keeping the products clean;
- b. Having children wash their hands after playing in or on one of the products;
- c. Food, beverages and other ingestible items should not be allowed in or on the products; and
- d. Clothing worn when playing on the products should be cleaned after use.

For further information, please call [name] at [number].

Sincerely, Name