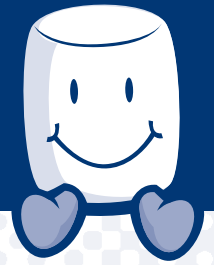




SONIC's Response to LEAD-BASED PAINT CONCERNS AND WACKY PACK® TOYS



SONIC's Wacky Pack® toys are designed and manufactured by a toy company whose quality assurance standards meet or exceed applicable U.S. industry and governmental standards for toy quality and safety. From the concept and design development stages, through the manufacturing and distribution stages, C3, SONIC's toy provider, uses an internationally accredited third-party laboratory to safety test and evaluate each product line to ensure all applicable U.S. standards are met. The laboratory tests prototypes, as well as product samples during and after manufacturing.

Quality assurance standards include:

- **Vendor and factory audits conducted by the third-party laboratory;**
- **Pre-production stage prototypes and materials tested by the third-party laboratory; and**
- **Production line and post-production samples both randomly selected and tested by the third-party laboratory.**

Providing our youngest customers with safe toys that are fun is one of our top priorities. Given the recent issues regarding lead-based paint on toys manufactured overseas, SONIC has reviewed all quality assurance policies, procedures and practices with the toy company and third-party laboratory to validate current practices and have found our Wacky Pack toys to be safe. We will continue to be vigilant in our review to ensure that we continue to provide fun and safe toys to our customers.

