



Consumer Product Safety Improvement Act Update

As a follow up to our previous communications regarding the Consumer Product Safety Improvement Act (CPSIA) of 2008, as many of you know, the Consumer Product Safety Commission voted on January 30, 2009 to issue a stay of enforcement for one year of certain testing and certification provisions of the CPSIA, which had been scheduled to go into effect on February 10, 2009.

Lehigh Phoenix acknowledges that the stay does not provide relief from complying with the underlying requirements enacted by Congress, including the standards addressing total lead content in products. Understandably, consumer safety remains of utmost importance.

Accordingly, Lehigh Phoenix is continuing its efforts to assure compliance with the underlying CPSIA standards through its internal protocol and a reasonable testing program which include:

- obtaining assurances from our vendors as to content of the raw materials they supply to Lehigh Phoenix;
- arrangements to ensure that any new materials introduced into the manufacturing process similarly meet applicable standards; and
- representative testing of book components or finished books that may be deemed to be intended primarily for use by children 12 and under, as the case may be, produced by Lehigh Phoenix or its contractors.

As before, the information provided in this letter is based on the current state of the implementation of the CPSIA. We continue to work with the Association of American Publishers (AAP) and other industry groups in attempting to seek further clarification and guidance as to the ultimate application of the CPSIA to children's books and, as appropriate, will modify our procedures accordingly.

Thank you for your continued cooperation.

February 4, 2009