

Dear California Distributor,

Your hard work and leadership-by-example is paying off! You will be pleased to know that California has become one of the fastest growing markets in all of Vollara, thanks to you! We are very proud of your success and look forward to your continued growth.

The purpose of this email is to share some good news with you. As you may be aware a few years ago California made some policy changes in its regulatory laws with respect to air purifiers. We have been there every step-of-the-way through this policy change and have sent emails over the last few months to keep you informed on these changes. We are ready! You will be pleased to know that we are on schedule for the release of our new California-compliant air purifiers on October 18th that will begin shipping in all Fast-Start Essential pack orders and individual orders on this date. In response to this new policy/regulation, Vollara has planned months in advance so you could be assured your business would not experience any interruptions. We have redesigned the FreshAir Everest, and have submitted it, along with the FreshAir HEPA to the California Air Resources Board for certification.

The redesigned FreshAir Everest and FreshAir HEPA are in the completion stages of the certification process and we are on schedule to have the certified units available right on time for shipment to distributors in the state of California by October 18th, the date this new regulation goes into effect. Again these newly certified units will automatically be included Fast-Start Essential Packs effective on this date.

After October 18, 2010, you can still use your previously purchased, non-California Certified Vollara air purifiers for your own personal use (your California customers who previously purchased these units from you can also continue to use them, too, as the new regulation only applies to air purifiers sold after October 18th), but they may only be sold/shipped to addresses outside the state of California. This means you will no longer be able to sell your pre-October 18th purchased Vollara air purifiers to fellow California residents. As a result, we have set up a fast and easy exchange program for pre-October 18th purifier units you have in inventory for sale to California residents that you can elect to replace with the new California certified units. You can find all the details of how to exchange any inventory that you will not be using personally or selling outside the state of California below. This includes: the current FreshAir Everest, FreshAir Surround, FreshAir Box, FreshAir Focus, FreshAir Buddy and FreshAir to Go.

If you have inventory of the FreshAir Surround (formerly FreshAir 2.1), FreshAir Box (formerly EcoBox), FreshAir Focus, FreshAir Buddy, FreshAir to Go, and/or current FreshAir Everest the following information is important to know:

- 1) Any existing inventory a California Distributor may have of these products may only be sold/shipped to customers or Distributors outside of the state of California.

- 2) California Distributors may continue to sell these products as long as the ship to state is other than California.
- 3) Warranty will still be honored in accordance with Vollara's warranty policy for the units sold prior to October 18, 2010.
- 4) Service parts for non-CARB units can still be purchased from Vollara.
- 5) Current FreshAir Everest, FreshAir Surround, FreshAir Box, FreshAir Focus, FreshAir Buddy and FreshAir Classic purchased by California Distributors from February 1, 2010 through October 17, 2010 may be considered for an exchange program. To qualify for the California CARB Exchange Program:
 - a. The Unit must be in new re-sellable condition defined as follows: *new in the unopened box; all literature and packing material intact and original condition; never demonstrated or used in any manner.*
 - b. The Unit serial number must not have been registered as sold in the Vollara Warranty registration system.
 - c. The Unit must have been purchased from Vollara between February 1, 2010 and October 17, 2010.

California CARB Exchange Program Details:

- The Exchange Program is in effect until December 31, 2011. All exchange requests must be submitted by December 31, 2011 to be considered for the program.
- The Distributor must call customer service at 800.989.2299 to obtain a valid California CARB Exchange Program RMA number.
- Upon receipt and inspection of the Unit, Vollara will issue a one-to-one exchange where an appropriate unit is available (FreshAir Surround will be exchanged for a certified FreshAir Everest, uncertified FreshAir Everest will be exchanged for certified FreshAir Everest). If no suitable exchange product exists, Vollara will issue product credit (less sales tax and shipping previously paid) to the Distributor to use for purchase of a new FreshAir Everest or FreshAir HEPA only.
- Exchanged product will have no PV as PV has already been given at time of original purchase.
- Credits will expire 6 months from date of issue if not used.
- Credits are non-transferrable
- Distributor should call Vollara Customer Service at 800.989.2299 to use any banked credits.
- Distributor pays freight to RMA returns center, Vollara will ship exchange product to the Distributor.

- As part of the California CARB Exchange Program, Vollara reserves the right to refuse any Unit that is sent in under RMA that does not qualify for the Exchange Program once the Unit has been inspected. If the Unit does not qualify under the Exchange Program the Distributor will be notified via email and will need to contact customer service to arrange for return of the product.

Further information on this regulation may be found at

<http://www.arb.ca.gov/research/indoor/aircleaners/aircleaners.htm> including a fact sheet of “Frequently Asked Questions” at www.arb.ca.gov/research/indoor/aircleaners/faq.pdf.

We encourage you to review the information found at the above-referenced links so that you are familiar with the specific requirements of the regulation that may affect you. If you have questions about the regulations and our specific plans for meeting the regulations, please contact our Customer Service Department at customerservice@vollara.com or call 1-800-989-2299.