

1 Clifford A. Chanler, State Bar No. 135534
2 Jenny Cohn, State Bar No. 169973
3 CHANLER & SOMERS
4 1700 Montgomery Street, Suite 110
5 San Francisco, CA 94111
6 Tel: (415) 391-1122
7 Fax: (415) 391-1157

8 Attorneys for Plaintiff
9 AS YOU SOW

FILED
San Francisco County Superior Court

JAN 4 1996

ALAN CARLSON, Clerk
BY: Alan Carlson
Deputy Clerk

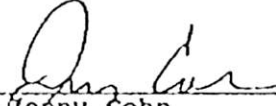
10 SUPERIOR COURT OF CALIFORNIA
11 IN AND FOR THE COUNTY OF SAN FRANCISCO

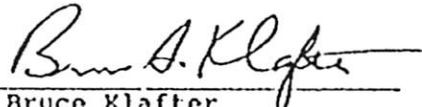
12 AS YOU SOW, a non-profit)
13 corporation,)
14 Plaintiff)
15 v.)
16 CHEMICAL PACKAGING CORPORATION,)
17 and DOES 1 through 1000,)
18 Defendants.)
19 _____)
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Case No. 968947
STIPULATION FOR ENTRY OF
JUDGMENT AND JUDGMENT ON
STIPULATION

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IT IS HEREBY STIPULATED, by and between plaintiff As
You Sow and defendant Chemical Packaging Corporation, through
their respective representatives, that judgment in the above-
entitled action be entered in accordance with the terms of the
settlement agreement between the parties, which is attached
hereto as Exhibit A.

Dated: December 13, 1995 by: 
Jonny Cohn
Attorney for Plaintiff
AS YOU SOW

Dated: December 28, 1995 by: 
Bruce Klaffer
Attorney for Defendant
CHEMICAL PACKAGING
CORPORATION

IT IS HEREBY ORDERED that judgment be entered in
accordance with the terms of the stipulation between the
parties.

1/4/96
Dated: December , 1995



Judge of the Superior Court
PRESIDING JUDGE

Exhibit A

SETTLEMENT AGREEMENT

On December 20, 1995 in San Francisco, California, As You Sow ("AYS") and Chemical Packaging Corporation ("Chemical Packaging") agreed to the following terms and conditions:

WHEREAS:

AYS is a not-for-profit public interest foundation dedicated to promoting consumer and worker awareness, protecting the environment and improving human health;

Chemical Packaging is a corporation headquartered in Florida that manufactures and/or distributes various products in the State of California that contain chemicals listed pursuant to Proposition 65, including toluene and methylene chloride;

A list of the names of the products that contain one or more of the chemicals listed above and which are covered by this Agreement is provided in Exhibit A (the "Products");

The Products have been distributed and sold by Chemical Packaging for use in California since April 1, 1989;

Beginning on February 9, 1995, AYS served Chemical Packaging and all of the requisite public enforcement agencies with a document entitled "60-Day Notice" which provided Chemical Packaging and such public enforcers with notice that Chemical Packaging was allegedly in violation of Health & Safety Code §25249.6 for failing to warn purchasers that certain products it sells in California expose users to Proposition 65-listed chemicals; and

On April 20, 1995, AYS filed a complaint entitled As You Sow v. Chemical Packaging Corporation, et al. (No. 968947) in the San Francisco Superior Court, naming Chemical Packaging as a defendant and alleging violations of Business & Professions Code §17200 and Health & Safety Code §25249.6 on behalf of individuals in California who allegedly are exposed to chemicals listed pursuant to Proposition 65 contained in certain Chemical Packaging products. On August 8, 1995 AYS filed its amended complaint against Chemical Packaging in the San Francisco Superior Court, thereby adding an additional cause of action under Business & Professions Code §17200 based on Chemical Packaging's violations of the California hazardous communication standard at 8 CCR §5194.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Product Labeling. Beginning immediately, Chemical Packaging shall initiate revisions to its current labels for the Products. Chemical Packaging shall use its best efforts to ensure that all Products are relabeled as quickly as possible, however, Chemical Packaging agrees that as of March 1, 1996, it shall not ship (or cause to be shipped) any of the Products for sale or use in or into the State of California unless each such Product contains the appropriate warning statement on its label as follows:

- 1.1. For Products containing a chemical listed by the State of California as known to cause birth defects or other reproductive harm:

"WARNING: This product contains a chemical(s) known to the State of California to cause birth defects or other reproductive harm."

- 1.2. For Products containing a chemical listed by the State of California as known to cause cancer:

"WARNING: This product contains a chemical(s) known to the State of California to cause cancer."

- 1.3. For Products containing any combination of chemicals listed by the State of California as known to cause cancer and known to cause birth defects or other reproductive harm:

"WARNING: This product contains chemicals known to the State of California to cause cancer and birth defects or other reproductive harm."

The warning statement shall be prominent and displayed with such conspicuousness, as compared with other words, statements, or designs as to render it likely to be read and understood by an ordinary individual. The parties agree that the sample label attached hereto as Exhibit B satisfies this requirement.

2. Warnings For Products in Commerce. Chemical Packaging agrees that within thirty (30) days from the date this Agreement is executed, it shall provide warning materials by certified mail to the customers that Chemical Packaging knows or has reason to believe sell or distribute the Products in California in an effort to ensure that users receive Proposition 65 warnings for Products that have not been labeled in accordance

with Section 1. Such warning materials shall include a reasonably sufficient number of warning stickers (considering the size of each particular customer and the amount of Products each customer has purchased), a letter of instruction for the placement of the stickers, and a Notice and Acknowledgment postcard. A sample of these materials is attached hereto as Exhibit C.

3. **Product Reformulation.** Chemical Packaging agrees that beginning immediately, the products segregated in Exhibit A as "Reformulated Products" will no longer contain any Proposition 65-listed chemicals. Chemical Packaging has already implemented such reformulation beginning in June of 1995.

4. **Restitution.** Chemical Packaging agrees to pay \$7,000 to AYS upon execution of this Agreement as restitution. This payment, which is made pursuant to Business & Professions Code §17203, shall be forwarded to AYS' Proposition 65 Enforcement Fund and the Rainforest Action Network. AYS' Proposition 65 Enforcement Fund shall utilize its portion of the funds to continue its ongoing research into workplace exposures to Proposition 65-listed chemicals. The portion of the funds transferred to the Rainforest Action Network shall be used by this non-profit advocacy group to further its goal of saving rain forests from destruction.

5. **Penalty.** Pursuant to Health & Safety Code §25249.7(b), Chemical Packaging shall pay, upon execution of this agreement, a civil penalty of \$25,000. Penalty monies shall be apportioned by AYS in accordance with Health & Safety Code §25192.

6. **Penalty Waiver.** Due to Chemical Packaging's reformulation commitments in Paragraph 3 of this agreement, AYS agrees to waive \$15,000 in civil penalties against Chemical Packaging.

7. **Reimbursement of Fees and Costs.** Chemical Packaging agrees to reimburse AYS for its investigation fees and costs, expert fees, reasonable attorneys' fees, and any other costs incurred as a result of investigating, bringing this matter to Chemical Packaging's attention, litigating and negotiating a settlement in the public interest. Upon execution of this agreement, Chemical Packaging shall pay AYS \$12,250 as reimbursement of its investigation fees and costs and \$14,750 as reimbursement of its attorney fees and costs.

8. **AYS Release.** AYS, in consideration of the Chemical Packaging commitments and payments set forth herein, on its own behalf, its attorneys, employees, successors, assigns, predecessors, subrogees, principals, agents, consultants and insurers, waives and hereby releases and forever discharges Chemical Packaging, and its distributors, customers and users of Products, as well as each of its successors, assigns,

predecessors, stockholders, officers, directors, subrogees, subsidiaries, divisions, trustees, corporate parents, affiliates, board members, consultants, agents, attorneys, and employees from any and all claims, demands, actions, causes of action, damages, responsibilities, obligations and liabilities, at law or in equity, in contract or tort or otherwise, whether known or unknown, up to and including the date of entry of judgment in San Francisco Superior Court No. 968947, arising out of or relating to the Products' compliance with Proposition 65, Business and Professions Code §§17200 et seq., or any other statute or common law claim with respect to the Products' compliance with Proposition 65.

9. **Chemical Packaging Release.** Chemical Packaging, by this Agreement, waives all rights to institute any form of legal action against AYS, its members, officers, directors, attorneys and representatives (the "AYS Releasees") for all actions or statements made by the AYS Releasees in the course of seeking enforcement of Proposition 65 or Business & Profession Code §§17200 et seq. against Chemical Packaging.

10. **MSDS Revisions.** Chemical Packaging agrees to revise each Material Safety Data Sheet ("MSDS") pertaining to each of the Products listed on Exhibit "A" of this Agreement, to include the applicable warning language set forth in ¶1 of this Agreement. Final MSDSs incorporating the revised warning language will begin to be distributed in the normal course of business on or before March 1, 1996. An example of a revised MSDS is attached hereto as Exhibit D.

11. **Warranties and Representations.** The parties make the following representations and warranties:

11.1. Chemical Packaging represents and warrants as follows:

11.1.1. Each of the Products listed in Exhibit "A" contains one or more substances known to the state of California to cause cancer or birth defects or other reproductive toxicity, and that Chemical Packaging has no analytical, risk assessment, or other data indicating that an exposure to any or all Products listed in Exhibit "A" poses "no significant risk" or will have "no observable effect," as each such standard is applicable and as each is defined under Health & Safety Code § 25249.10(c).

11.1.2. In the event that Chemical Packaging obtains analytical, risk assessment, or other data that shows that an exposure to any or all Products listed in Exhibit "A" poses "no significant risk" or will have "no observable effect," as each such standard is applicable and as each is defined under Health & Safety Code § 25249.10(c), Chemical Packaging shall provide AYS with 90 days prior written notice of

its intent to limit or eliminate the warning provisions under Section 1 and shall provide AYS with all such supporting data. Within thirty (30) days of receipt of Chemical Packaging's exposure data, AYS shall provide Chemical Packaging with written notice of its desire to challenge the data (in the event that AYS chooses to make such a challenge), and AYS and Chemical Packaging shall negotiate in good faith to attempt to reach a settlement.

In the event that no settlement is reached within thirty (30) days of mailing of AYS' challenge, AYS and Chemical Packaging agree to submit such challenge to binding arbitration by a single arbitrator in San Francisco, California, under the Commercial Arbitration Rules of the American Arbitration Association, as they may be amended, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. AYS shall initiate any such arbitration by submitting a request for arbitration to the American Arbitration Association within forty (40) days of the date of mailing of the AYS objection, unless the parties agree otherwise in writing. If no timely request for arbitration is made, Chemical Packaging's noticed limitation or elimination of the warning shall not be a breach of this Agreement and shall be deemed to be among the Released Claims within the meaning of this Agreement. The prevailing party in any such arbitration shall be entitled to an award of reasonable attorneys fees, costs and expenses related to the arbitration. The arbitrator shall determine who is a prevailing party and the amount of any award of attorneys fees, costs and expenses.

11.1.3: Chemical Packaging reserves the right to limit or eliminate any warnings required under this Agreement in the event any subsequent amendment to Proposition 65 or its implementing regulations, any court or administrative agency opinion interpreting Proposition 65 or its implementing regulations, or any subsequently developed scientific studies or data makes the warnings required hereunder unnecessary to comply with Proposition 65. In the event Chemical Packaging chooses to limit or eliminate any such warnings, Chemical Packaging shall provide AYS with 90 days prior written notice of such intent together with a statement of its basis. AYS may object to such limiting or elimination of the warning by providing Chemical Packaging with written notice of its objection within thirty (30) days of receipt of Chemical Packaging's notice. AYS and Chemical Packaging shall negotiate in good faith to attempt to resolve any AYS objection.

In the event no settlement is reached within thirty (30) days of mailing of AYS' objection, AYS and Chemical Packaging agree to submit the objection to binding arbitration by a single arbitrator in San Francisco, California, under the Commercial Arbitration Rules of the American Arbitration Association, as they may be amended, and judgment upon the award

rendered by the arbitrator may be entered in any court having jurisdiction thereof. AYS shall initiate any such arbitration by submitting a request for arbitration to the American Arbitration Association within forty (40) days of the date of mailing of the AYS objection, unless the parties agree otherwise in writing. If no timely request for arbitration is made, Chemical Packaging's noticed limitation or elimination of the warning shall not be a breach of this Agreement and shall be deemed to be among the Released Claims within the meaning of this Agreement. The prevailing party in any such arbitration shall be entitled to an award of reasonable attorneys fees, costs and expenses related to the arbitration. The arbitrator shall determine who is a prevailing party and the amount of any award of attorneys fees, costs and expenses.

11.1.4. Chemical Packaging understands that the sales data provided to Jenny Cohn (counsel for AYS) by Chemical Packaging in a letter from Tim Walker (counsel for Chemical Packaging) dated September 15, 1995 was a material factor upon which AYS has relied to determine the amount of penalties and restitution in Sections 3 and 4 of this agreement. The sales data provided in the above-referenced letter is true and accurate. Chemical Packaging acknowledges that, in the event AYS finds that the sales data provided is materially inaccurate, all other parts of this Agreement notwithstanding, AYS will have the right to rescind this Agreement and re-institute an enforcement action against Chemical Packaging. In such a case, AYS will reimburse Chemical Packaging for any money paid by Chemical Packaging to AYS under the terms of this agreement. Furthermore, in the event of rescission by AYS under this Paragraph, all applicable statutes of limitation shall be deemed tolled for the period between August 8, 1995 (the date AYS filed the instant action) and the date AYS notifies Chemical Packaging that it is rescinding this Agreement pursuant to this subpart.

12. **Stipulated Judgment.** The parties shall file a stipulated judgment to be approved pursuant to CCP §664.6 by the San Francisco Superior Court in accordance with the terms of this agreement.

13. **Severability.** In the event that any of the provisions of this Agreement are held by a court to be unenforceable, the validity of the enforceable provisions shall not be adversely affected.

14. **Attorneys' Fees.** In the event that a dispute arises with respect to any provision(s) of this Agreement, the prevailing party shall be entitled to recover costs and reasonable attorneys' fees.

15. **Governing Law.** The terms of this Agreement shall be governed by the laws of the State of California.

16. Notices. All correspondence to AYS shall be mailed to:

Jenny Cohn, Esq.
Chanler & Somers
1700 Montgomery Street
Suite 110
San Francisco, CA 94111

All correspondence to Chemical Packaging shall be mailed to:


Timothy P. Walker, Esq.
Orrick Herrington & Sutcliffe
Old Federal Reserve Bank Building
400 Sansome Street
San Francisco, CA 94111-3143

17. No Admissions. Nothing in this Agreement shall be construed as an admission by Chemical Packaging of any fact, finding, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by Chemical Packaging of any fact, finding, conclusion, issue of law, or violation of law. However, this Section shall not diminish or otherwise affect the obligation, responsibilities, and duties of Chemical Packaging under this Agreement.

18. Authorization. The undersigned are authorized to execute this Agreement on behalf of their respective parties and have read, understood and agree to all of the terms and conditions of this Agreement.

AGREED TO:

AS YOU SAW



LISA S. WIGGINS
Printed Name

AGREED TO:

CHEMICAL PACKAGING CORPORATION



TERRY M. COLKER - PRESIDENT
Printed Name

December 20, 1995
Date

Date

Exhibit A

EXHIBIT A

Products Containing Prop 65 Chemicals (Codes before and after reformulation)

Non Chlorinated Paint/Varnish - CPC Product #761 -
Prior to code #295
Non Chlorinated Gasket and Decal Remover - CPC Product #766 -
Prior to code #295
Accoustical Tile - CPC Product #967/968 -
Prior to code #355
Choke & Carburetor Cleaner - CPC Product #509 -
Prior to code #285
Zinc Galvanize - CPC Product #958 -
Prior to code #325

Other Products Containing Prop 65 Chemicals

Dry Moly Lubricant - CPC Product #955
Adhesive Spray - CPC Product #920
SNAP Safety Solvent - CPC Product #521
Sure Foot - CPC Product #910/911/912/913
Vandalism Spray - CPC Product #175
Paint & Varnish Stripper - CPC Product #760
Gasket & Decal Remover - CPC Product #765

Exhibit B

EXHIBIT B

[Exemplary Label]

aIs

AMER-STRIP
MULTI PURPOSE STRIPPER

REMOVES PAINT, VARNISH, WAX,
AND SEALER BUILDUP FROM
PLASTER, WOOD, GLASS, METAL,
BRICK AND CONCRETE

DANGER

AUTHORIZED BY U.S.D.A. FOR USE IN FEDERALLY
INSPECTED MEAT AND POULTRY PLANTS

AMER-STRIP
MULTI PURPOSE STRIPPER

A powerful, clinging jet that quickly blisters lacquers, enamels, stains, and acrylics without attacking substrates such as wood, metal, masonry, stone or concrete. Blistered paint can be scraped off or washed away with water.

DIRECTIONS

SHAKE VIGOROUSLY BEFORE EACH USE
Clean off dirt, grease or heavy oil. Make certain surface is dry. To avoid possible skin contact, do not stand downwind of spray at initial spraying application. Hold can 8 to 10 inches from surface. Apply a heavy coat (1/2 to 1 inch) to surface. Allow product to remain on surface for several minutes, even after blistering action has occurred. Remove residue with a scraper, putty knife, cloth or a strong water spray. If necessary, repeat application when surface is dry. Clean valve by turning can upside down and applying short burst.

CAUTION: Protect surrounding objects from overspray. Solvent will attack plastics, epoxies, tile and many synthetic materials. Do not allow scrapings or windings to contact food or fire regulations. Use of standard resistant gloves is recommended, especially if skin is subject to allergy or rash. Avoid contact with or inhalation of spray mist.

DANGER: Contains Methylene Chloride (75-09-2), Liquefied Petroleum Gas (94-78-95-7), Toluene (108-88-3) and Methyl Ethyl Ketone (78-93-1). Cannot be used near heat, sparks or open flame. Avoid contact with eyes and skin. Do not puncture or incinerate container. Do not expose to heat or store at temperatures above 120°F.

WARNING: This product contains chemicals known to the State of California to cause cancer and birth defects or other reproductive harm.

FIRST AID

IF EYE CONTACT: Flush with water for 10 minutes, lifting up eyelid and lower lid. Get immediate medical attention.

IF SKIN CONTACT: Wash affected area immediately with soap and water. Get medical attention.

IF INHALATION: Remove to fresh air and call a physician.

IF SWALLOWED: Call a doctor, hospital emergency room or Poison Control Center for instructions to induce vomiting. Do not use table salt solution. If available, use one tablespoon (1/2 ounce) of peccor syrup for persons one year of age or older, plus at least one cup of water.

HAZARD: Health, 3, Flammability, 2, Reactivity, 1, Personal Protection, C.

KEEP OUT OF REACH OF CHILDREN

Exhibit C

CHEMICAL Packaging CORPORATION

A Legacy Of Excellence

USA 1-800-327-1835

P.O. BOX 9947
FT. LAUDERDALE, FL 33310
2700 SW 14th STREET
FOXFORD BEACH, FLORIDA 33069 4504
(305) 974-5440
1-800-432-2606 (FLORIDA)
(305) 977-7513 (FAX)

LOS ANGELES PLANT
2302 SEAMAN AVENUE
SOUTH EL MONTE, CALIFORNIA 91733
(618) 443-3256 (S.G.V.)
1-800-SPRAY-IT
(777-2945)
(618) 443-6275 (FAX)

ATLANTA PLANT
4593 WINTERS CHAPEL
DORAVILLE, GEORGIA 30340
(404) 447-1422 (ATLANTA)
1-800-CHEM-PAK
(243-6725)
(404) 447-9377 (FAX)

EXHIBIT C

December 15, 1995

Dear Customer:

This letter is to advise you that Chemical Packaging Corporation currently sells you, or may have sold you in the past, a product or products which contain one or more chemicals regulated by California's Proposition 65.

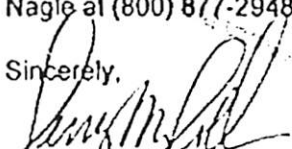
In a settlement of litigation concerning its warning materials and Proposition 65, Chemical Packaging Corporation has agreed to modify its labels. Chemical Packaging Corporation is now printing those revised labels, but you may have merchandise that was distributed before the new labeling began.

Attachment A lists the products which require warning modification under the settlement. We have reviewed your account and have enclosed stickers for you to modify your labels in accordance with the settlement. One sticker must be affixed to each container so that it is conspicuous and likely to be read and understood by an ordinary individual under customary conditions of purchase. The warning may vary depending on the product, and more than one kind of sticker may be enclosed for your use. Please refer to Attachment A to determine which sticker is needed for each product. If additional stickers are needed, please inform us immediately.

If you apply the stickers as directed, your later sale of the stickered product will be covered by the release granted under the settlement.

If you have any questions with regard to this matter, please contact Dianna Nagle at (800) 877-2948. Thank you for your cooperation.

Sincerely,


Terry M. Colker
President


DIVISION