Clifford A. Chanler, State Bar No. 135534 Syda Kosofsky, State Bar No. 172184 1 San Francisco County Superior Court CHANLER & ASSOCIATES 2 1700 Montgomery Street, Suite 110 AUG 11 1995 San Francisco, CA 94111 3 Tel: (415) 391-1122 ALAN CARLSON, Clerk 4 BY: Una Mu Deputy Clerk Attorneys for Plaintiff 5 AS YOU SOW 6 SUPERIOR COURT OF THE STATE OF CALIFORNIA 7 IN AND FOR THE COUNTY OF SAN FRANCISCO 8 9 Case No. 969175 AS YOU SOW, a non-profit 10 corporation, 11 STIPULATION FOR Plaintiff, ENTRY OF JUDGMENT 12 CURTIS INDUSTRIES, INC: 13 LAWSON PRODUCTS, INC; FULLWELL PRODUCTS; and DOES 1 through 14 1000, 15 Defendants. 16 17 18 IT IS HEREBY STIPULATED, by and between plaintiff As 19 You Sow and defendants Curtis Industries, Inc. and Fullwell 20 Products, through their respective representatives, that 21 judgment in the above-entitled action be entered in accordance 22 with the terms of the settlement agreement between the 23 parties, which is attached hereto as Exhibit A. 24 1111 25 1111 26 1111 27 1111 28

1

tep stm

072195-1314

1 2 3 4 5	Dated: July <u>27</u> , 1995	by: Syda Kosofsky Attorneys for Plaintiff AS YOU SOW
6 7 8	Dated: July <u>2</u> 1, 1995	COOLEY, GODWARD, CASTRO, HUDDLESON & TATUM
10 11 12 13 14		of Counsel: Stephen D. Williger, Esq. BENESCH, FRIEDLANDER, COPLAN & ARONOFF 2300 BP America Building 200 Public Square Cleveland, OH 44114-22378 (216) 363-4588
15 16 17 18 19		Attorneys for Defendants CURTIS INDUSTRIES, INC. and FULLWELL PRODUCTS
20 21 22 23		
24 25 26 27		

zep.stra 072195-1314

Exhibit A

SETTLEMENT AGREEMENT

On June 30, 1995, in San Francisco, California, As You Sow on the one hand ("AYS"), and Curtis Industries, Inc. ("Curtis") and C. F. Acquisition Corp. II, d.b.a. Fullwell Products ("Fullwell") and their parents, subsidiaries, affiliates, officers, directors, employees, attorneys, principals, agents, successors, assigns, predecessors, subrogees, consultants and insurers, on the other (the "Released Parties"), entered into this Settlement Agreement ("Agreement") on the following terms and conditions:

WHEREAS:

- 1. AYS is a not-for-profit public interest foundation dedicated to promoting consumer awareness, protecting the environment and improving human health; and
- 2. Curtis and Fullwell currently distribute and sell and have previously distributed and sold adhesives, sealants, cleaners, coatings, lubricants, paints, penetrants, protectants, and other products which contain toluene, perchloroethylene, methylene chloride, and other chemicals listed pursuant to Proposition 65 (as defined below) (together, the "Distributed Products"); and
- 3. On January 1, 1991, the State of California officially listed toluene as a chemical known to the State to cause birth defects or other reproductive harm, pursuant to Health & Safety Code §25249.8; and
- 4. On April 1, 1988, the State of California officially listed dichloromethane (methylene chloride) and tetrachloroethylene (perchloroethylene) as chemicals known to the State to cause cancer, pursuant to Health & Safety Code §25249.8; and
- 5. This Agreement covers all Distributed Products that either are or contain chemicals listed pursuant to Health & Safety Code §25249.8 (the "Products") that are listed in Attachment A. The Products were distributed or sold by the Released Parties for sale or use in California, since on or before February 27, 1988 and continuing to the date of this Agreement; and
- 6. On January 9, 1995, AYS served Curtis with a document entitled "60-Day Notice", which provided Curtis with notice that it was allegedly in violation of Health & Safety Code §25249.5 et seq. ("Proposition 65"), and in particular §25249.6, for failing to warn purchasers that certain Products it sells in California expose users to chemicals listed pursuant to Proposition 65; and
- 7. On April 28, 1995, AYS filed a complaint entitled As You Sow v. Curtis Industries, Inc., et al., case no. 969175)(the "Complaint") in San Francisco County Superior Court alleging violations of Business & Professions Code §17200 and Health & Safety Code §25249.6 on behalf of individuals in California who allegedly are exposed to Proposition 65 listed chemicals in certain Curtis Products;

- The Complaint was amended on June 5, 1995, to name Fullwell as a defendant;
- 9. In order to avoid costly and time-consuming litigation, AYS and the Released Parties have agreed to settle all claims that have been brought or that could have been brought against the Released Parties for violations of Proposition 65 arising from the Released Parties' acts or omissions occurring prior to the date of this Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. Product Labeling. The Released Parties agree that as of July 15, 1995, they shall not ship (or cause to be shipped) any Products containing Proposition 65 listed chemicals for sale or use in the State of California unless each such Product's label contains one of the following warning statements in compliance with Proposition 65 and the regulations promulgated thereunder:
 - 1.1 For products containing chemical(s) listed pursuant to Proposition 65 in CCR §12000 as reproductive toxin(s), but which contain no chemical(s) listed as carcinogen(s):

"WARNING:

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

1.2 For products containing chemical(s) listed pursuant to Proposition 65 in CCR §12000 as carcinogen(s), but which contain no chemical(s) listed as reproductive toxin(s):

"WARNING:

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

1.3 For products containing chemical(s) listed pursuant to Proposition 65 in CCR §12000 as a reproductive toxin and chemical(s) listed under Proposition 65 as a carcinogen;

"WARNING:

This products contains (a) chemical(s) known to the State of California to cause cancer and birth defects or other reproductive harm."

1.4 This warning statement shall be prominent and displayed with such conspicuousness, as compared with other words, statements, or design, as to render it likely to be read and understood by an ordinary individual. Such placement of the above warnings will constitute "clear and reasonable warning" within the meaning of Proposition 65. The parties agree that labels containing the

above language and displayed as described in this subparagraph fulfill the requirements of Proposition 65.

- 2. Changes in Regulation(s) and/or Law(s). In the event that any law, rule, regulation or final decision of any legislative, judicial or executive body is amended, becomes effective or is entered which renders the warning requirements required under this Agreement insufficient or unnecessary, the Released Parties may cease or, if applicable, avoid providing the warnings required hereunder; provided, however, any warnings required to be provided by any such law, rule, regulation or decision shall be provided by the Released Parties. This paragraph shall not apply to the provisions of paragraph 4 of this Agreement and the parties specifically agree that under no circumstances will the provisions of this paragraph operate to require any repayment (or nullify any payment due) by AYS or any person in privity therewith, of any amount paid (or to be paid) pursuant to paragraph 4 of this Agreement.
- 3. MSDS Revisions. The Released Parties also agree to initiate revisions to the Products' Material Safety Data Sheets ("MSDSs") to add Proposition 65 warnings. These revisions shall be completed by August 15, 1995, consistent with the language specified in paragraph 1.
- 4. Restitution and Costs. The Released Parties agree to pay \$13,000 (the "Settlement Amount") to AYS within fourteen days after the Stipulated Judgment set forth in paragraph 9, below, is approved by the San Francisco County Superior Court. In the event that such Stipulated Judgment is not so entered, this Agreement shall be null and void in all respects. The restitutionary component of this payment, made pursuant to Business & Professions Code §17203, shall be distributed among the Rose Foundation, Bike Aid (a project of the Overseas Development Network) and AYS' Proposition 65 Investigation Fund. The Rose Foundation supports community environmental projects in the Bay Area. Monies given to AYS' Proposition 65 Fund will be used to support ongoing research of California citizens' exposure to chemicals listed pursuant to Proposition 65. The cost component of this payment will be used by AYS to help defray its investigation fees and costs, expert fees, reasonable attorneys' fees, and any other costs incurred as a result of investigating, bringing this matter to the Released Parties' attention, and negotiating a settlement in the public interest.
- 5. AYS Release. AYS, by this Agreement, on behalf of itself and the people of the State of California, releases all rights to institute action against the Released Parties, their shareholders, directors, officers, attorneys, representatives, employees, distributors or customers (or any other third parties) that sell, distribute or use the Released Parties' Products, whether pursuant to Health & Safety Code §25249.7, Business & Professions Code §§17200 et seq., or any other statute or common law claim based on the Released Parties' failure to warn individuals about exposure to Proposition 65 listed chemicals from any of the Products listed in Exhibit A.

- 6. The Released Parties' Release. The Released Parties, by this Agreement, release all their rights to institute any form of legal action against AYS, their members, officers, directors, attorneys and representatives (the "AYS Releasees") based on any statute or provision of common law and for all actions or statement made by the AYS Releasees to and including the date of this Agreement in the course of seeking enforcement of Proposition 65 against the Released Parties.
- 7. General Release. The releases and discharges set forth herein shall have no application to the obligations of the Parties set forth in this Agreement. Each Party has read and understood and expressly waives the provisions of California Civil Code Section 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

The Parties understand and acknowledge the significance and consequences of such specific waiver of Section 1542 and hereby expressly agree that this Agreement shall apply to all unknown, unforeseen, unanticipated, and latent claims of any kind whatsoever, as well as to those which are known, foreseen, anticipated, and patent, with regard to the Products, Proposition 65 or Business and Professions Code §§17200, et seq.

- 8. Stipulated Judgment. The parties shall file a stipulated judgment in accordance with the terms of this Agreement to be approved pursuant to CCP §664.6 by the San Francisco County Superior Court.
- Severability. In the event that any provision(s) of this Agreement (other than paragraph
 are held to be unenforceable, the validity of the enforceable provisions shall not be adversely affected.
- 10. 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 its costs and reasonable attorneys' fees.
- 11. Governing Law. The terms of this Agreement shall be governed by the laws of the State of California.
- 12. Correspondence. All correspondence to AYS shall be mailed to:

Clifford Chanler, Esq. Chanler & Associates 1700 Montgomery Street, Suite 110 San Francisco, CA 94111

All correspondence to Released Parties shall be mailed to:

Idelle Wolf Chief Financial Officer Curtis Industries, Inc. 34999 Curtis Boulevard Eastlake, Ohio 44095

- 13. No Admission. Nothing in this Agreement shall be construed as an admission by the Released Parties, or any of them, of any fact, finding, issue of law, violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by the Released Parties of any fact, finding, conclusion, issue of law, or violation of law. However, this paragraph shall not diminish or otherwise affect the obligation, responsibilities, and duties of the Released Parties under this Agreement.
- 14. Authority to Execute. 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 an conditions of this Agreement.
- 15. AYS Representation. AYS represents to the Released Parties that it has not and will not pursue, settle or compromise any claim arising from the sale or distribution of any Products that are manufactured, distributed or sold by the Released Parties.

AGREED TO:

AGREED TO:

By: See

As You so

By: A Clashe Choche (C = 0)

AGREED TO:

By: Aculte well, CE

20902750 071895

5.

Attachment A

Part#	Description
26070	Ultra Non-Chlor Brake Cleaner
26072	Carburetor & Choke Cleaner
26075	Graphite Penetrant
26271	All Purpose Cleaner
26272	Glass Cleaner
33882	Non-Chlorinated Brake Cleaner
34300	Tire & Rubber Cleaner
36324	Stainless Steel Cleaner
39208	NC Brake Cleaner
39351	Undercoat
39355	Red Grease
39359	All Purpose Cleaner
39360	Tool Coolant
39361	Silicone Coolant
39366	Ultra Non-Chlor Brake Cleaner
39367	Ultra Non-Chlor Brake Cleaner
39368	Ultra Brake Cleaner
39369	Ultra Brake Cleaner
39370	Ultra Engine Degreaser
39371	Ultra Engine Degreaser
39372	Ultra Citrus Degreaser
39373	Ultra Citrus Degreaser
39380	Carburetor & Choke Cleaner
39381	Carburetor & Choke Cleaner
39382	All Purpose Cleaner
39383	All Purpose Cleaner
39384	Glass Cleaner
39385	Glass Cleaner
81866	Safety Solvent
81873	Gasket Adhesive & Sealer
81874	Black Cote Undercoating
83240	Battery Cleaner/Protector
83272	TFT Dry Lubricant
83395	Runzov Engine Degreaser
83466	Dry Moly Lubricant
83585	Electrical Contact Cleaner
83600	High Strength Surface Cleaner
83806	Vyn-All
83997	Brake Cleaner
83998	Surface Cleaner

Attachment A

D 44	Description
Part #	Description Trim Adhesive
84757	
85173	Metal Protectant Paint & Gasket Remover
86425	
89897	Rubberized Undercoat
96310	Battery Cleaner
96558	Brake Cleaner
96563	Glass Cleaner
39203	Bumper Chrome
39186	Upside Down-White
39187	Upside Down-Yellow
39198	High Heat - Aluminum
39199	High Heat - Black
39205	Cold Galvanize Primer
39930	Traffic Paint - White
39931	Traffic Paint - Yellow
39934	Chevy Orange
39937	Ford Red
15806	Label Remover
83799	Black Enamel
83801	Chevy Orange
83803	Ford Blue Enamel
84343	Hi-Temp Black Paint
84543	Gray Primer
85763	Tar & Bug Remover
86816	Curtis Blue Cabinet Paint
38549	Penetrating Threadlocker
38556	Instant Adhesive
38551	Pipe Sealant w/Teflon
38553	Pneumatic/Hyd Sealant
38552	Gasket Eliminator
87393	Threadlocker-Medium Str.
87394	Threadlocker-Medium Str.
87395	Threadlocker-High Str.
87396	Threadlocker-High Str.
38550	Quick Metal
87401	Rearview Mirror Kit
R363	RP-33 Safety Solvent (59519-59523)
82599	Cast Iron Gray
82696	Black Bumper Paint
83641	Aluminum Enamel
83806	Waste Management Burgundy
83825	Throttle Body Cleaner
84181	NC Brake Cleaner

Attachment A

Part#	Description
84299	Universal Black
84300	Ford Blue
84301	Cummins Beige
84302	Detroit Deisel Green
84303	Cummins Gold
84304	Detroit Desiel Silver
84390	Gray Primer
84391	Red Oxide Primer
88342	Engine Degreaser
88462	Carburetor Cleaner
88465	Belt Dressing
88468	Battery Cleaner
88511	Spray Undercoating
89491	Paint & Gasket Remover
89492	Brake Cleaner
89741	Rubberized Undercoating
89752	Gasket Eliminator
88758	Threadlocker - Medium Strength
88779	Threadlocker - Medium Strength
88759	Threadlocker - High Strength
88780	Threadlocker - High Strength
89658	Rearview Mirror Adhesive
89179	Rearview Mirror Adhesive