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1	Clifford A. Chanler, State Bar I Pia A. Angelikis, State Bar No.	171196
2	CHANLER LAW GROUP 1700 Montgomery Street, Suite 1	FILED
3	San Francisco, CA 94111 Tel: (415) 391-1122	San Francisco County Superior Court
4	Fax: (415) 391-1157	AUG ~ 5 1996
5	Attorneys for Plaintiff	ALAN CARLSON, Clerk SUPERIOR COURT
6	AS YOU SOW	BY: Deputy Clerk
7	SUPERIOR COURT	OF CALIFORNIA
8	IN AND FOR THE COUNTY OF SAN FRANCISCO	
9	THE AND TOK THE COOK	
10	AS YOU SOW, a non-profit) Case No. 973714
11	corporation,	{
12	Plaintiff) STIPULATION FOR ENTRY OF JUDGMENT AND JUDGMENT ON
13	v.) STIPULATION
14	HOLCHEM, INC., and DOES 1	{
15	through 1000,	
16	Defendants.	}
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1016L P.21

1	IT IS HEREBY STIPULATED, by and between plaintiff As
2	You Sow and defendant Holchem, Inc. through their respective
3	representatives, that judgment in the above-entitled action be
4	entered in accordance with the terms of the sattlement
5	agreement between the parties, which is attached heroto as
6	Exhibit A.
7	Dated: July 30, 1996 by: Pia Angelikis
В	
9	Attornays for Plaintiff As You Sow
10	
11	Dated: July H., 1996 by: Allully
12	Daniel E. Wax
13	Attorneys for Defendant Holchem, Inc.
14	
15	IT IS HEREBY ORDERED that judgment be entered in
16	accordance with the terms of the stipulation between the
17	parties.
18	
19	Avgust 2
30	Dated: July, 1996 Jun [/ Ray
31	Judge of the Superior Court
22	
23	
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SETTLEMENT AGREEMENT

On July 26, 1996 in San Francisco, California, As You Sow ("AYS") and Holchem, Inc., HCI USA Distribution Company, Inc., Dyce Chemical, Inc., HCI Chemicals (USA), Inc., and HCI Chemicals Nederland B.V. (hereafter referred to collectively as "Holchem") agreed to the following terms and conditions:

WHEREAS:

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

Holchem is a corporation, headquartered in Pacoima, California, that distributes and sells the chemicals toluene, methylene chloride, trichlorethylene, tetrachloroethylene, cadmium and cadmium compounds, chromium (hexavalent compounds), nickel and certain nickel compounds, lead and lead compounds, propylene oxide, thiourea, ethylene glycol monoethyl ether acetate, and ethylene glycol monoethyl ether which are listed pursuant to Proposition 65 (the "Listed Chemicals"), and products containing such chemicals in the State of California;

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

Holchem distributes such Products in California in a variety of sizes including 1, 5 and 55 gallon drums ("Drums") as well as tanker truckloads and railcars (together, "Bulk Shipments");

Some of the Products have been distributed and sold by Holchem for use in California since April 1, 1989;

On July 17, 1995, AYS first served Holchem and all of the requisite public enforcement agencies with a document entitled "60-Day Notice" which provided Holchem and such public enforcers with notice that Holchem 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 November 2, 1995, AYS filed a complaint entitled $\underline{\text{As}}$ You Sow v. Holchem Corporation (No. 973714) in the San Francisco Superior Court, naming Holchem 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 Holchem products.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

- 1. Product Labeling For Containers. As of September 1, 1996, Holchem agrees that it shall not ship for sale or use in the State of California, any of the Products, unless such Products contain the following warning statement on the container:
 - 1.1. For Products containing a chemical listed by the State of California as known to cause birth defects or other reproductive harm:
 - "WARNING: Contains a chemical 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: Contains a chemical known to the State of California to cause cancer."
 - 1.3. For Products containing a combination of carcinogens and reproductive toxins:
 - "WARNING: This product contains chemicals known to the State of California to cause cancer and birth defects or other reproductive harm."
 - 1.4. For Products containing two or more chemicals listed by the State of California as known to cause birth defects or other reproductive harm:
 - "WARNING: Contains chemicals known to the State of California to cause birth defects or other reproductive harm."
 - 1.5. For Products containing two or more chemicals listed by the State of California as known to cause cancer:
 - "WARNING: Contains chemicals known to the State of California to cause cancer."

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

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understood by an ordinary individual.

2. Warnings For Bulk Shipments. As of September 1, 1996, Holchem agrees that it shall not ship (or cause to be shipped) for sale or use in California, any Bulk Shipments of the Products, unless Holchem has furnished each California customer of Bulk Shipments of the Products with a Notice Letter setting forth the requirements of Proposition 65 and how they may apply to those customers. The Notice Letter shall be sent by certified mail and shall further explain how such customers should create adhesive labels for the vessels that store such customers' products as described below. An example of this Notice Letter is attached hereto as Exhibit C.

In the Notice Letter, Holchem agrees to inform its customers that the vessel labels should contain the warnings applicable to the products, as set forth above in Paragraphs 1.1, 1.2, 1.3, 1.4 and 1.5 of this Agreement, and should measure no smaller than six (6) inches square for all containers measuring 55 gallons or smaller.

The Notice Letter shall be subsequently sent to each customer of the Products along with each revised MSDS at least once in the course of each fiscal year. Within 60 days of the mutual execution of this Agreement, and at the end of Holchem's 1997 fiscal year, Holchem shall provide AYS with written certification, under oath, from an officer of Holchem, that each customer of the Products has been sent a copy of the Notice Letter and the most recent MSDS for each Product purchased.

- 3. Warnings for Out-of-State Shipments. As of the date of this agreement, Holchem agrees that, upon receipt of any inquiry from any customers of the Products located outside of California regarding Proposition 65, Holchem shall provide such customer with a letter setting forth the requirements of Proposition 65 as they apply to such customer (an "Inquiry Response Letter"). An example of the Inquiry Response Letter is attached hereto as Exhibit D.
- 4. Restitution. Holchem agrees to pay \$30,000 to AYS as restitution. This payment is made pursuant to Business & Professions Code §17203. This payment shall be forwarded by AYS to the Golden Gate University Environmental Law and Justice Clinic, the AYS Proposition 65 Investigation Fund, and the AYS Environmental Education Fund. The Golden Gate University Environmental Law and Justice Clinic represents a broad-based coalition of community, environmental and fishing groups against toxic discharges into the San Francisco Bay from Hunter Point Naval Shipyard. Toxics are leaking into the bay in violation of the Clean Water Act. The AYS Proposition 65 Investigation Fund

shall use these funds to help fund its ongoing investigation into occupational and consumer exposures to chemicals listed pursuant to Proposition 65. The AYS Environmental Education Fund shall use these funds to educate workers and consumers about the hazards of exposure to toxic chemicals, especially those listed under Proposition 65, and their right to know the ingredients of consumer and commercial products; and these funds may also be used to educate companies using unsafe levels of toxics to reformulate their products to reduce or eliminate toxic ingredients, and to educate youth about critical environmental issues. This payment shall be due within five days of Holchem's receipt of notice of the mutual execution of this Agreement.

- 5. Penalty. Pursuant to Health & Safety Code §25249.7(b), Holchem shall pay a civil penalty of \$60,000 within five days of Holchem's receipt of notice of the mutual execution of this Agreement. All penalty monies shall be apportioned by AYS in accordance with Health & Safety Code §25192.
- 6. Reimbursement of Fees and Costs. Holchem agrees to reimburse AYS for its reasonable investigation fees and costs, expert fees and costs, attorneys' fees and costs, and any other costs incurred as a result of investigating, bringing this matter to Holchem's attention, and enforcing and negotiating a settlement in the public interest. In the five business days following the mutual execution of this Agreement, Holchem and AYS will attempt to arrive at a reimbursement figure. If the parties are successful in arriving at a negotiated figure, then such payment shall be delivered to AYS on or before August 9, 1996.
- If the parties cannot negotiate a mutually acceptable reimbursement figure within those five business days, then AYS may seek its reasonable fees and costs for investigating, enforcing and concluding this action in the public interest through an application to the San Francisco Superior Court pursuant to Code of Civil Procedure ("CCP") §1021.5. Both parties expressly waive their right to appeal the Superior Court's ruling on the CCP §1021.5 motion.
- 7. MSDS Revisions. Holchem agrees to revise the MSDS which it generates for each of the Products to include the applicable warning language set forth in Paragraphs 1.1, 1.2, 1.3, 1.4 and 1.5 of this Agreement. Final MSDSs incorporating the revised warning language will begin to be distributed in the normal course of business on or before September 1, 1996. An example of an acceptable MSDS is attached hereto as Exhibit E.
- 8. AYS Release. AYS, by this Agreement, waives all rights to institute action against Holchem whether under Proposition 65 or Business & Profession Code §§17200 et seq., based on Holchem's failure to warn about exposure to the Listed

Chemicals contained in any of the Products manufactured on or prior to the date of this Agreement.

- 9. Holchem Release. Holchem, by this Agreement, waives all rights to institute any form of legal action against AYS, its officers, directors, attorneys and representatives (the "AYS Releases") for all actions or statements made by the AYS Releases in the course of seeking enforcement of Proposition 65 or Business & Profession Code §§17200 et seq. against Holchem.
- to provide AYS with all Material Safety Data Sheets which Holchem has received from its suppliers of the Listed Chemicals or any chemical product containing one or more Listed Chemicals since January 1, 1992, copies of any and all labels which Holchem has received for these chemical products since January 1, 1992, (including, but not limited to, labels affixed to any containers received by Holchem which contained one or more Listed Chemicals or any chemical product containing one or more Listed Chemicals and any labels provided by suppliers for use in repackaging one or more Listed Chemicals or any chemical product containing one or more Listed Chemicals or any chemical product containing one or more Listed Chemicals) and any other health hazard warning materials received from such suppliers, within Holchem's possession and control.

Holchem shall also provide AYS with an affidavit from an employee of Holchem having the requisite personal knowledge and authority to state that the MSDSs, labels and other warning materials provided to AYS were in fact received from each such supplier of Proposition 65 chemicals and that all such warning materials are attached to such affidavit. Such affidavit shall state, to the best of the affiant's knowledge, the date(s) each of the MSDS, labels and/or any other health hazard warning were received by Holchem. This affidavit shall be provided to AYS by August 5, 1996.

If Holchem is no longer in possession of certain supplier labels and MSDSs for the Products, the employee of Holchem having the requisite personal knowledge and authority will, in the above-referenced affidavit, describe generally, to the best of his or her recollection, what health hazard warning materials Holchem received from such suppliers, and provide an exemplar of such materials.

Holchem also agrees to provide AYS with the names and addresses of its California customers of the Products since January 1, 1992. For each customer listed, Holchem agrees to provide the specific Product or Products sold to each customer, the amount paid by the customer and the volume (in lbs. or gals.) of such purchases, the quantity of units sold for such product or products and identify any MSDS, labels and/or any other health hazard warning which was provided to the customer in conjunction

with the sale of the product. These materials are to be included in the above-referenced affidavit and provided to AYS by August 5, 1996.

Both parties acknowledge that section 10 of this agreement and the dates on which Holchem is to provide this information are material terms of this settlement. AYS agrees that Holchem's customer list and sales information is confidential and will not be turned over to any third party, including a court of law, unless as part of a formal discovery request or through subpoena, with the following exception: AYS may use this information in any legal action against Holchem's suppliers of the Products and/or chemicals listed pursuant to Proposition 65. In the event that AYS receives such a discovery request or subpoena seeking production of such information, it shall provide Holchem with notice of such request within twentyfour (24) hours of service of the request and prior to producing documents or otherwise complying with the request or subpoena. Should Holchem's customer list or sales information be used in any legal action against Holchem's suppliers, such information will be used in discovery or court proceedings under seal, consistent with Court Rules.

- 11. Warranties and Representations. The parties make the following representations and warranties:
 - 11.1. Holchem represents and warrants as follows:
- 11.1.1. Each of the Products listed in Exhibit "A" contains one or more of the Listed Chemicals in amounts such that Holchem 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).
- 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), Holchem 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 Holchem's exposure data, AYS shall provide Holchem with written notice of its desire to challenge the data (in the event that AYS chooses to make such a challenge), and AYS and Holchem 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 by AYS of such notice of challenge, AYS and Holchem agree to submit such challenge to binding arbitration, with an

arbitrator acceptable to both parties. The prevailing party shall be entitled to reasonable attorney's fees and costs associated with such an arbitration. If AYS does not challenge Holchem's notice or the arbitrator determines that no warning is required for a particular Product or Products, Holchem shall no longer be required to provide the warnings described in Section 1 of this Agreement for those Products.

11.1.3. Holchem understands that the sales data provided to Chanler Law Group by Holchem in letters through its counsel, including those dated April 30, 1996, July 12, 1996 and July 26, 1996 was a material factor upon which AYS has relied to determine the amount of penalties and restitution in Sections The sales data provided in the above-4 and 5 of this Agreement. referenced letters is true and accurate. Holchem 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 Holchem. In such a case, all applicable statutes of limitation shall be deemed tolled for the period between November 2, 1995 (the date AYS filed the instant action) and the date AYS notifies Holchem that it is rescinding this Agreement pursuant to this Section.

- Change In Law. In the event that any law, rule, regulation or final decision of any legislative, judicial or executive body with jurisdiction becomes effective or is entered, which renders the warnings agreed to under Section 1 of this Agreement unnecessary or inappropriate to comply with applicable laws, Holchem, at its option, may cease sending Notice Letters to its customers of bulk shipments, and placing the warnings required under Section 1 on its containers and MSDSs; provided, however, that Holchem shall continue to provide any warnings that continue to be required under other applicable laws, rules and regulations. Holchem shall provide AYS written notice of its intent to so limit the warning provisions under Section 1 of this Agreement and shall provide AYS with a written explanation for the basis of its contention that any new or revised law, rule, regulation or final decision limits or otherwise renders inapplicable the warning provisions of Proposition 65. Notwithstanding the terms of this paragraph, AYS shall not be required under any circumstances to refund or return any amount paid pursuant to Sections 4, 5 and 6 of this Agreement.
- 13. 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. The stipulated judgment shall be filed with the court by July 30, 1996.
- 14. 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.

- 15. 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.
- 16. Governing Law. The terms of this Agreement shall be governed by the laws of the State of California.
- 17. Notices. All correspondence to AYS shall be mailed to:

Clifford Chanler Chanler Law Group 1700 Montgomery Street Suite 110 San Francisco, CA 94111

All correspondence to Holchem shall be mailed to:

Dan Wax, Esq. McKenna & Cuneo 444 South Flower Street Los Angeles, CA 90071

- 18. No Admissions. Nothing in this Agreement shall be construed as an admission by Holchem 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 Holchem 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 Holchem under this Agreement.
- 19. 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.

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LISA S WIGGINS

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PAGE 2

JUL-29-1996 11::1 CHANLER LAW GROUP

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LISA S. WIGGINS

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July 29, 1996

7/27/96

EXHIBIT A [Product List]

bolchem.007

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Prop 65 Listing

Product Description

1200 THINNER ARKLONE TMC **BLANKET WASH** BLANKET WASH #10 BLEND M C-OSO BLEND **CADMIUM BALLS** CADMIUM OXIDE CAL-WASHOUT SOLUTION CEMENT LIQUIFIER CHROMIC ACID CRYSTAL CHROMIC ACID FLAKE COMPLIANCE WASH THINNER #304 COMPLIANCE WASH THINNER #306 CYCLO SQL 28 CYCLO SOL 53 DIPPER WASH DURALL BLEND **EPOSOLV** F-600 SOLVENT BLEND PABRIC C-BLEND FLUOBORATE GRAIN REFINER **GLYCOL ETHER EE ACETATE** GLYCOL ETHER EE CELLOSOLVE OLYCOL ETHER EM HC 303 BLEND HILL BROS. SOLVENT #3 IDEAL BLEND KAJ-7 KLENESOLV 360 KLENESOLV 360 KLENESOLV 600 KLENESOLV AP KLENESOLV FB1 KLENESOLY V 541

Page I

KLENSOLV 375

p65llat

KNI SOLVENT LAC SOLVE LACQUER THINNER #214 **LACQUER THINNER #28** LACQUER THINNER #400 LACQUER THINNER 20 LACQUER THINNER 2H LACQUER THINNER 380 LACQUER THINNER 870-66 LACQUER THINNER LAC 41-683-1 LACQUER THINNER P-66 LEAD FLUOBORATE **MEGA BLEND 9393** METHYLENE CHLORIDE MINERAL SPIRITS 145 EC NAPHTHA NICKEL ACETATE NICKEL ANODE BAR NICKEL CARBONATE NICKEL CHLORIDE CRYSTAL NICKEL CHLORIDE LIQUID NICKEL SULFAMATE #24 NICKEL SULFATE CRYSTALS NICKEL SULFATE LIQUID NICKEL SULFATE LIQUID ELECTROLESS PAINT REMOVER PAINT THINNER PARA-TOLUENE SULFONIC ACID PERCHLOROETHYLENE PPI BLEND PK ROLLER & BLANKET WASH POTASSIUM BICHROMATE PROPYLENE OXIDE RAINBOW BLEND RHOCLENE 7511 RUBBER BLEND SILK SCREEN WASH #1 SLOW REDUCER #1 SODIUM BICHROMATE

Page 2

SOLVENT 320

818 899 0871

p65list

SOLVENT BT-67 SOLVENT C **SOLVENT MS 31-1** SOLVENT TM 17-2 SOLVENT WEBER 50-50 STABILIZER FOR PERC STANDARD LACQUER THINNER STANNOUS FLUOBORATE STODDARD SOLVENT SUPER EX T-3000 BLEND THERMO-NAMEL THINNER THINNER ATV THIOUREA TIN LEAD **TOLU-SOL 6W** TOLUENE TOLUSOL WHT TRICHLOROETHYLENE TS-28B SOLVENT VINYL INK WASH #2 VINYL WASH 77 WASH THINNER WASH THINNER #5 XYLENE

EXHIBIT C

[Holchem Letterhead]

IMPORTANT LEGAL NOTICE

Date:

Attention:

Purchasers of Products Containing [list chemicals]

From Holchem Corporation

Subject:

California Proposition 65 Warnings

This letter is to advise you that the Holchem Corporation ("Holchem") products listed in Attachment A to this letter expose users of those products: (1) to a chemical known to the State of California to cause birth defects or other reproductive harm; and/or (2) to a chemical known to the State of California to cause cancer.

Pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), the purchasers and/or users of the products listed on Attachment A <u>must</u> be given clear and reasonable warning that a particular product contains a carcinogen, a reproductive toxin or both.

In an effort to provide the statutory warning to your employees and other users of the Products, you should prepare adhesive labels bearing the appropriate Proposition 65 warning language. The appropriate Proposition 65 warning language is set forth on Attachment B of this letter.

You should affix a warning label to each holding vessel used for each listed product. These warning labels should measure no smaller than six (6) inches square for all containers measuring 55 gallons or smaller. The label must be affixed so that it is conspicuous and likely to be read and understood by an ordinary individual under customary conditions of use. Additional warning labels or signs must be in place wherever the Products are used in your plant or manufacturing facility.

In addition, when the Products are incorporated into products manufactured by you, clear and reasonable Proposition 65 warnings must be provided to purchasers and users of such products in California. More information about Proposition 65 warning requirements may be found in the statute itself (Health & Safety Code § 25249.5 et seq.) and its implementing regulations (California Code of Regulations, Title 22, Section 12601).

Failure to provide a Proposition 65 warning for the listed products may subject you to legal action by the California Attorney General or various environmental groups, wherein monetary penalties of up to \$2,500 per violation could be sought.

Should you have any questions or concerns about this matter, please do not hesitate to contact at 1-800-XXX-XXXX by phone, or by mail at the above address.

Sincerely,

Title

ATTACHMENT B TO NOTICE LETTER

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

"WARNING: Contains a chemical known to the State of California to cause birth defects or other reproductive harm."

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

"WARNING: Contains a chemical known to the State of California to cause cancer."

For Products containing a combination of carcinogens and reproductive toxins:

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

For Products containing two or more chemicals listed by the State of California as known to cause birth defects or other reproductive harm:

> "WARNING: Contains chemicals known to the State of California to cause birth defects or other reproductive harm."

For Products containing two or more chemicals listed by the State of California as known to cause cancer:

"WARNING: Contains chemicals known to the State of California to cause cancer."

EXHIBIT D

[Holchem Letterhead]

IMPORTANT LEGAL NOTICE

Date:

Attention:

Purchasers of Products Containing [list chemicals]

From Holchem Corporation

Subject:

California Proposition 65 Warnings

Pursuant to your inquiry, this letter is to advise you that the Holchem Corporation ("Holchem") products listed in Attachment A to this letter expose users of those products to methylene chloride, tetrachloroethylene, and tetrachloroethylene, chemicals known to the State of California to cause cancer or toluene, a chemical known to the State of California to cause birth defects. Pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), the purchasers and/or users of the products listed on Attachment A <u>must</u> be given clear and reasonable warning that a particular product contains a carcinogen, a reproductive toxin or both.

Although you are not located in California, you are subject to the requirements of Proposition 65 for any products you sell in California that contain any product listed in Attachment "A". You thus must take certain actions to ensure that California purchasers of your products containing substances listed pursuant to Proposition 65 receive adequate warnings.

You will be in compliance with Proposition 65 for the products listed on Attachment A if you provide the following warning on the label and Material Safety Data Sheet for each of your products that includes a Holchem product as a component:

 For Products containing a chemical known to the State of California 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."

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."

3. For Products containing both reproductive toxins and carcinogens:

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

The warning statement must 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 Material Safety Data Sheets accompanying the Holchem Products listed in Attachment A describe which of the above warnings is appropriate for each Holchem Product. Additionally, a list of chemicals regulated under Proposition 65 may be found in the California Code of Regulations, Title 22, Section 12000.

Failure to provide a Proposition 65 warning for products containing listed chemicals and sold in California may subject you to legal action by the California Attorney General or various environmental groups, wherein monetary penalties of up to \$2,500 per violation could be sought.

Should you have any questions or concerns about this matter, please do not hesitate to contact at 1-800-XXX-XXXX by phone, or by mail at the above address.

Sincerely,

Title

EXHIBIT E [Sample MSDS]

hold42 PAGE 1 OF 4

MATERIAL SAFETY DATA SHEET

PRODUCT CODE: hol042 REV: 7/2/96 FOR EMERGENCIES XHVOLVING HCI HOLCHEM INC. SPILL, LEAK, FIRE OR EXPOSURE CALL 13546 DESHOND STREET 1-800-424-9300 PACOINA, CA DAY OR NIGHT 91331 PHONE: 818-897-4679 HMIS RATINGS: H-2 R=0 P=0 NFPA RATINGS: H=2 R=0 F=0 1 = SLIGHT R = REACTIVITY O - LEAST H = HEALTH 3 = HIGH E = EQUIPMENT 2 = HODERATE F = FIRE 4 - EXTREME SECTION I DESCRIPTION SECRETARISMS OF SECRETARISMS PRODUCT NAME: PAINT REMOVER BMYMONYB HONE MIXTURE/NOT APPLICABLE CHEMICAL FAMILY: SECTION II ----- PRODUCT COMPOSITION Promoundedmanagement TLV HAZARDOUS INGREDIENT WT & *METHYLENE CHLORIDE 75-09-2 100 PPM 67-56-1 200 PPM *HETRANOL 10 *THIS CHEMICAL IS CONSIDERED TO BE TOXIC ACCORDING TO SARA 313 TITLE III. EMISSIONS DATA MUST BE SUBMITTED TO THE SPA FOR COMPANIES WHO MANUFACTURE, PROCESS, OR OTHERWISE USE THIS PRODUCT IN EXCESS OF CERTAIN QUANTITIES ESTABLISHED BY THE EPA. THIS INFORMATION MUST BE INCLUDED IN ALL MSDS THAT ARE COPIED AND DISTRIBUTED FOR THIS MATERIAL. SECTION III ----- PHYSICAL PROPERTIES ----BOILING RANGE: 40°C SPECIFIC GRAVITY (WATER=1): 1.32 VAPOR PRESSURE AT 20C (MM OF HG): 420

YAPOR DENSITY (AIR-1):

SOLUBILITY IN WATER:

MODERATE

818 899 0871

hol042 PAGE 2 OF 4

EVAPORATION RATE:

0.62

* VOLATILES:

NOT AVAILABLE

hppmarance and odor:

CLOUDY, VISCIOUS LIQUID; ETHER ODOR

SECTION IV COMMENTED FIRE AND EXPLOSION DATA COMMENDED

PLANNABILITY LIMITS (% IN AIR):

LOWER: 14: UPPER: 25

FLASS POINT (AND METHOD):

NOT APPLICABLE

FLAMMABILITY CLASSIFICATION:

NOT APPLICABLE

RECOMMENDED EXTINGUISHING MEDIA:

USE CARBON DIOXIDE, WATER SPRAY, DRY CHEMICAL, OR FOAM.

SPECIAL FIRE PIGHTING PROCEDURES!

FIRE-FIGHTERS SHOULD BE EQUIPPED WITH PROTECTIVE CLOTHING AND A SELF-CONTAINED BREATHING APPARATUS. APPROACE FIRE FROM DOWNWIND SIDE. AVOID BREATHING SHOKE, FUMES, MIST, OR VAPORS. COOL FIRE-EXPOSED CONTAINERS WITH WATER SPRAY.

UNUSUAL FIRE/EXPLOSION BASARDS:

CONTAINERS MAY RUPTURE FROM INTERNAL PRESSURE IF CONFINED TO PIRE AREA.

HECTION V CHARACTER HEALTH INFORMATION MANAGEMENT HERET

THRESHOLD LIMIT VALUE:

NOT ESTABLISHED FOR MIXTURE

EFFECTS OF OVEREXPOSURE:

CONTACT WITH THE EYES AND SKIN CAN CAUSE IRRITATION, POSSIBLY SEVERE. INGESTION OF THIS PRODUCT MAY CAUSE BLOOD IN THE URINE, DRUNKENNESS, TINGLING SEMBATION, SUFFOCATION, BLOOD DISORDERS, BLINDNESS, CONVULSIONS, AND DEATH. INHALATION OF VAPORS MAY RESULT IN HEADACHE, FATIGUE, NAUSEA, VISUAL IMPAIRMENT, ACIDOSIS, CONVULSIONS, CIRCULATORY COLLAPSE, RESPIRATORY FAILURE, AND DEATH. CHRONIC OVEREXPOSURE MAY RESULT IN KIDNEY AND LIVER DAMAGE.

hol042 PAGE 3 OF 4

EMERGENCY FIRST AID PROCEDURES:

BYB CONTACT:

PLUSH WITH WATER FOR AT LEAST 15 MINUTES.

GET MEDICAL ATTENTION.

BKIN CONTACT:

REMOVE CONTAMINATED CLOTHING AND SHOES. WASH EXPOSED AREAS WITH SOAP AND WATER. CALL A PHYSICIAN IF IRRITATION PERSISTS.

INDITALIABINI

REMOVE TO PRESE AIR. IF VICTIM IS NOT

BREATHING, ADMINISTER ARTIPICIAL RESPIRATION. GET MEDICAL ATTENTION.

INGESTION:

CALL A PHYSICIAN INHEDIATELY. ONLY INDUCE

VOMITING IF DIRECTED BY A PHYSICIAN.

WARRING: This product contains a chemical known to the State of California to cause cancer.

STABILITY:

STABLE

CONDITIONS TO AVOID:

HEAT, SPARKS, AND OPEN FLAKE

INCOMPATIBILITY WITH

OTHER MATERIALS:

STRONG OXIDIZERS

HAHARDOUS

DECOMPOSITION PRODUCTS:

TOXIC OXIDES OF CARBON, BYDROGEN

CHLORIDE, PHOSGENE

MAZARDOUS POLYMERIZATION:

WILL NOT OCCUR

SECTION VII **** SPILL OR LEAK PROCEDURES ****

SPILL OR RELEASE

PROCEDURES:

CONTAIN SPILL AND VENTILATE AREA. ABSORB ON

INERT MEDIA AND CONTAINERIZE.

WASTE DISPOSAL

PROCEDURES:

DISPOSE OF IN ACCORDANCE WITH ALL LOCAL,

STATE, AND PEDERAL REGULATIONS.

SECTION VIII ----- SPECIAL PROTECTION INFORMATION

RESPIRATORY PROTECTION:

WHEN NECESSARY, USE NIOSH-APPROVED RESPIRATOR FOR ORGANIC VAPORS.

LOCAL EXHAUST:

RECOMMENDED

818 899 C871

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PROTECTIVE GLOVES:

NEOPRENE OR RUBBER

EYE PROTECTION:

CHEMICAL SAFETY GOGGLES

OTHER PROTECTIVE EQUIPMENT:

EYE-WASH STATION, SAFETY SHOWER,

PROTECTIVE CLOTHING

SECTION IX ---- ADDITIONAL PRECAUTIONS ---

AVOID CONTACT WITH EYES, SKIN, AND CLOTHING. AVOID EXCESSIVE INHALATION OF VAPORS. DO NOT TAKE INTERNALLY. USE ONLY WITH ADEQUATE VENTILATION. WASH TEOROUGHLY AFTER HANDLING. KEEP AWAY FROM HEAT, SPARKS, AND OPEN FLAME. EMPTY CONTAINER IS HAZARDOUS.

THE INFORMATION HEREIN IS PRESENTED IN GOOD FAITH AND BELIEVED TO BE CORRECT AS OF THE DATE HEREOF. HOWEVER, HCI MAKES NO REPRESENTATION AS TO THE COMPLETENESS AND ACCURACY THEREOF. USERS MUST MAKE THEIR OWN DETERMINATION AS TO THE BUITABILITY OF THE PRODUCT FOR THEIR PURPOSES PRIOR TO USE.

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