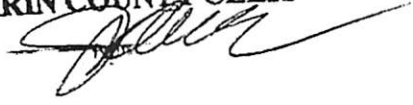


1 Clifford A. Chanler, State Bar No. 135534
2 Andrew L. Packard, State Bar No. 168690
3 CHANLER & ASSOCIATES
4 1700 Montgomery Street, Suite 110
5 San Francisco, CA 94111
6 (415) 391-1122
7 Fax: (415) 391-1157

8 Attorneys for Plaintiff
9 AS YOU SOW

FILED

FEB 17 1995
HOWARD HANSON
MARIN COUNTY CLERK

BY 


10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

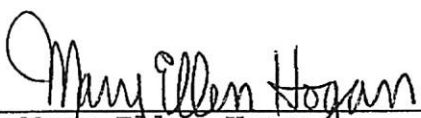
11 IN AND FOR THE CITY AND COUNTY OF MARIN

12 AS YOU SOW, a non-profit) No. 162324
13 corporation,)
14) STIPULATION FOR ENTRY OF
15 Plaintiff,) JUDGMENT AND JUDGMENT ON
16) STIPULATION
17)
18 v.)
19)
20 HURST GRAPHICS, INC., and DOES)
21 1 through 1000,)
22)
23 Defendants.)
24)
25)
26)
27)
28)
29)

30 *a*

1 IT IS HEREBY STIPULATED, by and between plaintiff As You
2 Sow and defendant Hurst Graphics, Inc., through their respective
3 representatives, that judgment in the above-entitled action may be
4 entered in accordance with the terms of the settlement agreement
5 between the parties, which is attached hereto as Exhibit A.

6
7 Dated: February 13, 1995 By: 
8 Andrew L. Packard
9 Attorneys for Plaintiff
AS YOU SOW

10
11 Dated: February 8, 1995 By: 
12 Mary Ellen Hogan
13 Attorneys for Defendant
HURST GRAPHICS, INC.

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

16
17
18 Dated: February 17, 1995 
19 Judge of the Superior Court

20 Signed by the presiding Judge in
21 the absence of the hearing Judge
22
23
24
25
26
27
28

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

On February 9, 1995, As You Sow ("AYS") and Hurst Graphics, Inc. ("Hurst"), desiring to settle this action, agree to the following stipulations:

WHEREAS:

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

B. Hurst is a company that currently manufactures and distributes lithographic printing and pressroom products, including, but not limited to releases, blanket and roller washes, rejuvenators and overnight sprays, some of which contain toluene and/or methylene chloride; and

C. On January 1, 1991, toluene was officially listed by the State of California as a chemical known to cause birth defects or other reproductive harm, pursuant to California Health & Safety Code §25249.8; and

D. On April 1, 1988, methylene chloride was officially listed by the State of California as a chemical known to cause cancer, pursuant to California Health & Safety Code §25249.8; and

E. A list of the products which contain toluene and/or methylene chloride and which are covered by this Agreement is provided in Exhibit A (the "Products"). The Products containing toluene have been manufactured by Hurst for sale and/or use in California in the period since January 1, 1992, and Products containing methylene chloride have been manufactured by Hurst for sale and/or use in California in the period since April 1, 1989; and

F. On August 26, 1994, AYS served Hurst with a document entitled "60-Day Notice" which provided Hurst with notice that Hurst was allegedly in violation of California Health & Safety Code §25249.6 for failing to warn purchasers that certain products it sells in California expose users to toluene, a reproductive toxin and methylene chloride, a carcinogen; and

G. On November 30, 1994, AYS served Hurst with a summons and complaint in the case of As You Sow v. Hurst Graphics, Inc., (Case No. 162324) (the "Complaint") which is currently pending in the Marin County Superior Court; and

H. Hurst at all times denied and denies the material factual and legal allegations contained in the "60-Day Notice"

and the Complaint. Nothing in this Agreement shall be construed as an admission by Hurst 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 Hurst of any fact, finding, conclusion, issue of law, or violation of law. However, this paragraph shall not diminish or otherwise affect the obligations, responsibilities, and duties of Hurst under this Agreement.

NOW, THEREFORE, AYS AND HURST AGREE AS FOLLOWS:

1. Beginning August 1, 1995, Hurst agrees that it will not knowingly ship (or cause to be shipped) any products containing toluene and/or methylene chloride for sale in the State of California unless such products bear the following warning statement on the products label:

For products containing toluene:

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

For products containing methylene chloride:

"WARNING: This product contains methylene chloride, a chemical known to the State of California to cause cancer."

For products containing toluene and methylene chloride:

"WARNING: This product contains toluene, a chemical known to the State of California to cause birth defects or other reproductive harm, and methylene chloride, a chemical known to the State of California to cause cancer."

This 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 warning statement currently on the products will be revised to omit the phrase "The relevance of these findings to humans is uncertain."

2. In an effort to ensure that consumers receive Proposition 65 warnings for Products that have already been

shipped for sale in California, Hurst agrees that on or before August 1, 1995, it shall provide to its California Distributors the letter attached as Exhibit B ("Distributor Letter").

3. Hurst agrees to provide to each of its California Distributors, with the Distributor Letter referenced in Paragraph 2, above, 50 (fifty) Warning Stickers. These Warning Stickers shall bear the warning language contained in Paragraph 1, above.

4. Hurst agrees to contribute, within three (3) days after the date of execution of this agreement by Hurst and AYS, \$2,800 to AYS, which funds AYS shall promptly transfer to: Organization de la Comunidad Alviso, a citizen group providing public education to poor and immigrant communities in California regarding the health risks associated with industrial solvents.

5. In an effort to defray AYS' investigation fees and costs, expert fees and costs, reasonable attorneys' fees and any other costs incurred as a result of investigating and bringing this matter to Hurst's attention and negotiating a settlement in the public interest, Hurst shall pay AYS the reasonable sum of \$5,350. Payment of this sum shall be made by Federal Express two (2) days after the execution of this Agreement by Hurst and AYS.

6. Hurst agrees to pay AYS \$1,600. AYS will distribute this amount in accordance with Health & Safety Code § 25192, with 75% of this amount being transferred by AYS to the California Attorney General's Office. Payment of this sum shall be made by Federal Express two (2) days after the execution of this Agreement by Hurst and AYS.

7. Except with respect to the obligations, representations and warranties set forth in this Agreement, AYS, on its own behalf and on behalf of each of its partners, partnerships, employees, agents, representatives, insurers, attorneys, predecessors, successors, assignors and assignees, and all persons and entities acting or claiming by, through, under or in concert with it or any of them, hereby irrevocably releases and forever discharges Hurst along with Hurst's distributors, retailers and customers which sell Hurst's Products and each of its distributors, retailers and customers' predecessors, successors, subsidiaries, divisions, affiliated companies, parent companies, holding companies, partners, partnerships, officers, directors, employees, agents, representatives, insurers, attorneys, assignors and assignees, and all persons and entities acting or claiming by, through, under or in concert with it or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, liabilities, claims, demand, damages, losses, costs or expenses (including attorneys' fees), of any nature whatsoever, whether known or unknown, fixed or contingent, which AYS has or may in the future have against Hurst arising out of the claims and

demands asserted in the Complaint, whether under Proposition 65, California Business and Professions Code §§ 17200 et seq., or any other statute or common law claim based on Hurst's alleged failure to warn consumers about exposure to toluene and/or methylene chloride from any of the Products identified in Exhibit A.

8. AYS (for itself, its members, officers, directors, attorneys, representatives, agents and affiliates), by this Agreement, waives all rights to institute an action against Hurst, its agents, officers, directors, employees, its distributors, retailers or customers which sell Hurst's Products, whether under Proposition 65, Business & Professions Code §§ 17200 et seq., or any other statute or common law claim based on Hurst's alleged failure to warn consumers about exposure to toluene and/or methylene chloride from any of the Products identified in Exhibit A.

9. Except with respect to the obligations, representations and warranties set forth in this Agreement, Hurst, on its own behalf and on behalf of each of its partners, partnerships, employees, agents, representatives, insurers, attorneys, predecessors, successors, assignors and assignees, and all persons and entities acting or claiming by, through, under or in concert with it or any of them, hereby irrevocably releases and forever discharges AYS and AYS's predecessors, successors, subsidiaries, divisions, affiliated companies, parent companies, holding companies, partners, partnerships, officers, directors, employees, agents, representatives, insurers, attorneys, assignors and assignees, and all persons and entities acting or claiming by, through, under or in concert with it or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, liabilities, claims, demand, damages, losses, costs or expenses (including attorneys' fees), of any nature whatsoever, whether known or unknown, fixed or contingent, which Hurst has or may in the future have against AYS arising out of the claims and demands asserted in the Complaint, whether under Proposition 65, California Business and Professions Code §§ 17200 et seq., or any other statute or common law claim based on Hurst's alleged failure to warn consumers about exposure to toluene and/or methylene chloride from any of the Products identified in Exhibit A.

10. Hurst, by this Agreement, waives all rights to institute legal action against AYS, its members, officers, directors, attorneys and representatives (the "AYS Releasees") based on all actions taken by the AYS Releasees in the course of seeking enforcement of Proposition 65 against Hurst.

11. Concurrently with the execution of this Agreement, AYS and Hurst shall execute and file a stipulated judgment to be

approved pursuant to CCP § 664.6 by the Marin Superior Court in accordance with the terms of this Agreement. If, for any reason, the stipulated judgment is not approved by the court, then the Agreement shall be deemed null and void.

12. This Agreement is the final written expression and the complete exclusive statement of all of the agreements, conditions, promises and covenant between AYS and Hurst with respect to the subject matter hereof. This Agreement supersedes all prior or contemporaneous agreements, negotiations, representations, understandings and discussions between AYS and Hurst and/or their respective counsel with respect to the subject matter covered hereby.

13. AYS or Hurst may specifically waive a breach of this Agreement by the other party, but no such waiver shall constitute a continuing waiver of similar or other breaches. A waiving party may at any time, upon written notice to the breaching party, direct future compliance with the waived term or terms of this Agreement, in which event the breaching party shall comply as directed from such time forward. All rights, remedies, undertakings, obligations and agreements contained in this Agreement shall be cumulative and not mutually exclusive.

14. Any rule of construction disfavoring the drafting party shall not apply in the construction of any provision of this Agreement.

15. 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.

16. 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.

17. The terms of this Agreement shall be governed by the laws of the State of California.

18. All correspondence to AYS shall be mailed to:

Andrew Packard, Esq.
Chandler & Associates
1700 Montgomery Street, 3rd Floor
San Francisco, CA 94111.

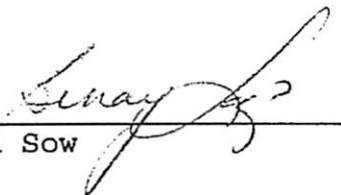
All correspondence to Hurst shall be mailed to:

Ms. Joanne Hirsh
Hurst Graphics, Inc.
2500 San Fernando Road
Los Angeles, CA 90065.

19. This Agreement may be executed in two counterparts, and all counterparts shall be considered together as one agreement.

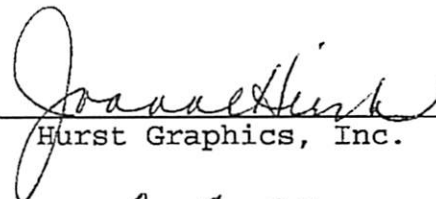
20. The undersigned are authorized to execute this Agreement on behalf of their respective parties and have read, understood and agree to all of the terms and conditions of this Agreement.

AGREED TO:

By: 
As You Sow

Dated: 2/10/95

AGREED TO:

By: 
Hurst Graphics, Inc.

Dated: 2-9-95

EXHIBIT A

1. Product No. 330
2. Product No. 106
3. Product No. 116
4. Product No. 14

EXHIBIT B
[Hurst Letterhead]

Date: [On or before August 1, 1995]
Attention: Hurst Graphics Distributors
Subject: California Proposition 65 Warnings
for Products Containing Toluene and/or
Methylene Chloride

This letter is to advise you that the Hurst Graphics, Inc. products listed in Attachment A to this letter contain TOLUENE, a chemical known to the State of California to cause birth defects or other reproductive harm, and/or METHYLENE CHLORIDE, 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 of the products listed on Attachment A must be given clear and reasonable warning of toluene's reproductive harm and of methylene chloride's carcinogenicity.

As of August 1, 1995, Hurst's products listed in Attachment A will have revised labels with revised Proposition 65 warnings. However, some of these products may have entered the chain of distribution prior to Hurst's label revision. In order to provide the revised warnings for any such products, you must take the following actions to ensure that purchasers of those products receive revised Proposition 65 warnings.

You are required to attach one of the enclosed Warning Stickers to all of these products not bearing the revised Proposition 65 warning.

Failure to attach these Warning Stickers to a product lacking the above warning may result in a violation of Proposition 65 and may subject you to legal action by various environmental groups of the California Attorney General, 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 me at 1-800-723-2004 by phone, or by mail at the above address. In addition, we will be glad to supply additional warning stickers if requested.

Sincerely,