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9 AS YOU SOW

FILED
San Francisco County Superior Court

MAR 26 1996

ALAN CARLSON, Clerk
BY: *B. Douglas*
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 MIDCO PRODUCTS COMPANY, INC.,)
17 and DOES 1 through 1000,)
18 Defendants.)
19 _____)
20)
21)
22)
23)
24)
25)
26)
27)
28)

Case No. 972689

STIPULATION FOR ENTRY OF
JUDGMENT AND JUDGMENT ON
STIPULATION

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

7 Dated: February 12, 1996

8 by: Jenny Cohn
9 Jenny Cohn
10 Attorney for Plaintiff
11 AS YOU SOW

12 Dated: February 18, 1996

13 by: Daniel Wax
14 Daniel Wax
15 Attorney for Defendant
16 MIDCO PRODUCTS COMPANY

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

20 Dated: **MAR 25 1996**
21 ~~February~~, 1996

22 Stuart R. Pollak
23 Judge of the Superior Court
24 *cc* STUART R. POLLAK
25 PRESIDING JUDGE
26
27
28

Exhibit A

SETTLEMENT AGREEMENT

On February 19, 1996 in San Francisco, California, **As You Sow** ("AYS") and **Midco Products Company, Inc.** ("MIDCO") agreed to the following terms and conditions:

WHEREAS:

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

MIDCO is a corporation headquartered in Missouri that manufactures and/or distributes various products in the State of California that contain chemicals listed pursuant to Proposition 65; and

A list of the products that contain one or more of the chemicals listed pursuant to Proposition 65 and which are covered by this Agreement is provided in Exhibit A (the "Products"); and

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

On June 12, 1995, AYS first served MIDCO with a document entitled "60-Day Notice" which provided MIDCO with notice that it 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 September 21, 1995, AYS filed a complaint entitled As You Sow v. Midco Products Company, Inc., et al. (No.972689) in the San Francisco Superior Court, naming MIDCO as a defendant and alleging ongoing 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 contained in certain MIDCO products.

MIDCO denies the allegations that it has any liability under, or violates the Business & Professions Code §17200 and/or the Health & Safety Code §25249 as set forth in the preceding paragraph;

NOW, THEREFORE, IN ORDER TO AVOID EXPENSIVE LITIGATION AND TO SETTLE ALL CLAIMS BETWEEN AS YOU SOW AND MIDCO PRODUCTS COMPANY, INC., THE PARTIES AGREE AS FOLLOWS:

1. **Product Labeling.** MIDCO shall continue its present efforts to revise its current labels for the Products. MIDCO shall use its best efforts to ensure that all Products are relabeled as quickly as possible, however, MIDCO agrees that as of April 15, 1996, it shall not ship (or cause to be shipped) any of the Products for sale or use in the State of California unless each such Product contains the following warning statement on its label or a label affixed to its packaging:

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 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 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."

1.4. 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 parties agree that the sample label attached hereto as Exhibit B satisfies this requirement.

2. **Warnings For Products in Commerce.** MIDCO agrees that within thirty (30) days from the date this Agreement is executed, it shall provide warning materials by certified mail to the direct customers that MIDCO knows sell or distribute the Products in California in an effort to ensure that users receive Proposition 65 warnings for Products that have not been labelled in accordance with Paragraph 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. Restitution. MIDCO agrees to pay \$2500 to AYS, in accordance with the Payment Plan set forth in Paragraph 6 of this Agreement, as restitution. This payment, which is made pursuant to Business & Professions Code §17203, shall be forwarded by AYS to AYS' Proposition 65 Enforcement Fund and the Santa Clara Center for Occupational Safety and Health. 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 Santa Clara Center for Occupational Safety and Health shall be used by this non-profit advocacy group to help phase out occupational exposures to toxic chemicals linked to miscarriages in women.

4. Penalty. Pursuant to Health & Safety Code §25249.7(b), MIDCO shall pay a civil penalty of \$2500 in accordance with the Payment Plan set forth in Paragraph 6 of this Agreement. Penalty monies shall be apportioned by AYS in accordance with Health & Safety Code §25192.

5. Reimbursement of Fees and Costs. MIDCO 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 MIDCO's attention, litigating and negotiating a settlement in the public interest. In accordance with the Payment Plan set forth in Paragraph 6 of this Agreement, MIDCO shall pay AYS \$6500 as reimbursement for these fees and costs incurred in this matter.

6. Payment Plan. MIDCO agrees to pay AYS the amounts set forth in Paragraphs 3, 4 and 5 of this Agreement in five (5) individual payments. Such payments shall be made at the offices of Chanler & Somers as follows:

\$4,000 upon execution of this Agreement.

\$1,875 on March 1, 1996

\$1,875 on April 1, 1996.

\$1,875 on May 1, 1996.

\$2,250 on June 1, 1996.

7. AYS Release. AYS, by this Agreement, waives all rights to institute action against MIDCO, its distributors or customers, whether under Proposition 65 or Business & Profession Code §§17200 et seq., based on MIDCO's failure to warn about exposure to Proposition 65-listed chemicals contained in any of

the Products manufactured on or prior to the date of this Agreement. AYS acknowledges that compliance with the terms of this Agreement with respect to the Products shall constitute compliance with Proposition 65 by MIDCO.

8. MIDCO Release. MIDCO, 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") based on any statute or provision of common law and 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 MIDCO.

9. MSDS Revisions. MIDCO shall ensure that the Material Safety Data Sheets ("MSDS") for each of the Products contains a warning that will be substantially consistent in wording with the on-label warning language required by paragraph 1. Final MSDSs incorporating the revised warning language will begin to be distributed in the normal course of business on or before March 15, 1996.

10. Supplier Information. MIDCO agrees to provide AYS with all non-privileged Material Safety Data Sheets which MIDCO has received from its suppliers of Proposition 65 chemicals over the last four years and which are in MIDCO's possession, copies of labels from the containers in which MIDCO has received Proposition 65 chemicals over the last four years and which are in MIDCO's possession, and an affidavit from an employee of MIDCO having the requisite knowledge and authority to state that the MSDSs and labels were in fact received from each such supplier of Proposition 65 chemicals and that all such warning materials are attached to such affidavit.

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

11.1. MIDCO represents and warrants that 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 MIDCO has no information that the levels of such substances pose "no significant risk" and/or have "no observable effect" as defined under Health & Safety Code § 25249.10(c).

In the event that MIDCO 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" and/or will have "no observable effect" as defined under Health & Safety Code § 25249.10(c), MIDCO shall no longer be required to provide the warnings described in Paragraph 1 of this Agreement for those products. If the data shows that an exposure to only some of the Proposition 65 chemicals contained in a product poses no significant risk and/or will have no observable effect, MIDCO

shall no longer be required to provide warnings described in Paragraph 1 of this Agreement only as to those chemicals contained in those Products. In either case, MIDCO shall provide AYS with 30 days notice of its intent to limit or eliminate the warning provisions under Paragraph 1 and shall provide AYS with the supporting data.

In the event AYS desires to challenge the supporting data described in the above paragraph, AYS and MIDCO agree to submit to binding arbitration for such a challenge, 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. AYS shall be the prevailing party if the arbitrator rules that the warning is required, and MIDCO shall be the prevailing party if the arbitrator rules that no warning is required for each chemical in question. Prior to such a challenge AYS shall provide MIDCO with thirty (30) days written notice of its desire to challenge the data, and AYS and MIDCO shall negotiate in good faith to attempt to reach a settlement prior to arbitration. If such a settlement is reached prior to the mutual selection of the arbitrator each side shall bear its own costs.

11.2. AYS warrants and represents that the amount of the penalty in Paragraph 4 is based upon sales data provided to AYS by MIDCO in a letter from MIDCO'S counsel dated December 21, 1995. MIDCO warrants and represents that the sales data provided in the above-referenced letter is true and accurate. In the event that 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 MIDCO. In such a case, all applicable periods of limitation shall be deemed tolled for the period between September 21, 1995 (the date AYS filed the instant action) and September 21, 1999.

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 MIDCO shall be mailed to:

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

17. No Admissions. Nothing in this Agreement shall be construed as an admission by MIDCO 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 MIDCO 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 MIDCO 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:

AGREED TO:

AS YOU SOW

MIDCO PRODUCTS COMPANY, INC.



LISA S. WIGGINS
Printed Name

Randall D. Garland
Printed Name

March 11, 1996

February 19, 1996

~~February 19, 1996~~

Exhibit A

EXHIBIT A
[Product List]

EXHIBIT A
[PRODUCT LIST]

PROPOSITION 65 LABELING PER CATEGORIES LISTED IN DRAFT OF
PROPOSED AGREEMENT BETWEEN MIDCO AND AYS AND THE
CORRESPONDING MIDCO AEROSOL PRODUCTS.

CATEGORY

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

MIDCO AEROSOL PRODUCT

NO. 06 - CHOKE & CARBURETOR CLEANER

CATEGORY

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

MIDCO AEROSOL PRODUCTS

NO. 08 - CLEAR PROTECTIVE SPRAY
NO. 11 - SPRAY ADHESIVE
NO. 12 - ANT & ROACH KILLER
NO. 16 - DEGREASER & CLEANER
NO. 19 - DRY FILM LUBRICANT
NO. 20 - DRY MOLY LUBRICANT
NO. 26 - FLYING INSECT KILLER
NO. 28 - WASP-A-WAY (WASP & HORNET KILLER)
NO. 33 - METAL PROTECTOR
NO. 35 - OPEN GEAR LUBE
NO. 38 - PENETRATING OIL
NO. 40 - SILICONE SPRAY
NO. 41 - SILICONE SPRAY F. G.
NO. 51 - CHAIN and CABLE LUBRICANT
NO. 52 - PENETRATING OIL NON FLAMMABLE
NO. 54 - ELECTRICAL EQUIPMENT PROTECTOR
NO. 57 - ELECTRICAL CONTACT POINT CLEANER
NO. 69 - FABRIC PROTECTOR (OIL)
NO. 72 - RED GREASE

EXHIBIT A
[PRODUCT LIST]

NO. 74 - BRAKE & PARTS CLEANER
NO. 75 - WHITE GREASE
NO. 76 - INSULATION SPRAY
NO. 77 - HI HEAT MULTI-PURPOSE LUBE
NO. 78 - FABRIC PROTECTOR (WATER)
NO. 81 - ACOUSTICAL CEILING TILE RESTORER (EGGSHELL)
NO. 82 - ACOUSTICAL CEILING TILE RESTORER (WHITE)
NO. 84 - LITHIUM GREASE
NO. 88 - FABRIC PROTECTOR (WATER)
NO. 95 - SUPER SOLVENT DEGREASER
NO. 105 - PRO-SOLVE DEGREASER

CATEGORY

- 1.3 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.

MIDCO AEROSOL PRODUCTS

NO. 03 - PAINT AND VARNISH REMOVER
NO. 13 - BELT DRESSING
NO. 45 - VANDAL MARK REMOVER
NO. 63 - CARTON RENEW (OYSTER WHITE)
NO. 64 - CARTON RENEW (KRAFT COLOR)
NO. 68 - VANDAL MARK REMOVER (GEL)

Exhibit B

EXHIBIT B

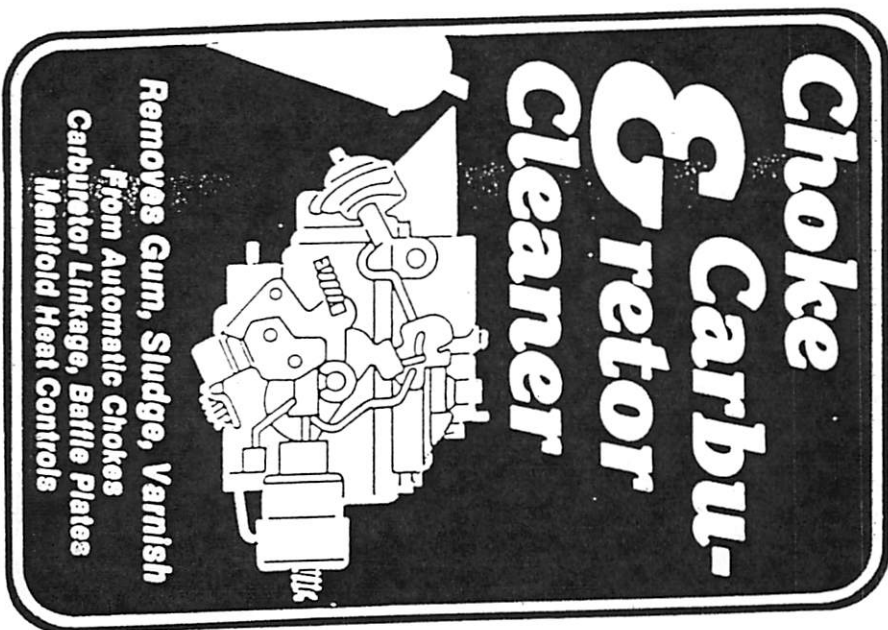
[Exemplary Label]

[Exemplary Label]

USE THE "MAGIC TOUCH"

Pro-Magic

formulated for professionals!



CHOKE AND CARBURETOR CLEANER acts instantly on gum and varnish deposits, dissolving them to the bare metal in seconds. Also serves as an excellent penetrant to free hard to reach passages and sliding surfaces that are clogged or bound by gum, carbon, or corrosive deposits.

DIRECTIONS

Automatic Chokes: Spray choke cleaner on the vacuum piston and cylinder and then on both ends of choke valve shaft. Keep working choke until it becomes free. Start engine and again spray contents on piston and cylinder while at the same time opening and closing choke by hand.

Carburetor Linkage: Ideally suited for cleaning dirt from oily carburetor linkage. This buildup of dirt causes improper carburetor control. Just spray on linkage, let set for a few seconds and flush off by spraying again.

Manifold Heat Controls: Spray Choke Cleaner on exposed part of heater valve shaft while engine is cold. Let fluid penetrate, then move counterweight up and down until valve is free.

DANGER:

EXTREMELY FLAMMABLE. Do not use near fire, sparks or open flame. **HARMFUL OR FATAL IF SWALLOWED.** Contains Petroleum Distillates. If swallowed, **DO NOT** induce vomiting. **VAPOR HARMFUL.** Avoid prolonged breathing of vapor. Use with adequate ventilation. Avoid contact with skin or eyes. (See **FIRST AID TREATMENT** below). Do not expose to heat or store at temperatures above 120°F. Use only as directed.

WARNING: Contains Toluene which is known to the state of California to cause birth defects or other reproductive harm.

FIRST AID TREATMENT

EYES: Flush immediately with large amounts of water for 15 minutes. Call a physician.
SKIN: Wash immediately with soap. Remove contaminated clothing and launder before reuse. Get medical attention if irritation persists.
INGESTION: **DO NOT** induce vomiting. Call a physician immediately.
INHALATION: Remove victim to fresh air. Give oxygen if breathing is difficult. Call a physician immediately.

KEEP OUT OF REACH OF CHILDREN

| | |
|------------------|----------------|
| CONTAINS: | CAS NO. |
| Toluene | 108-88-3 |
| Propylene | 74-98-6 |
| Isobutane | 75-28-5 |

FOR INSTITUTIONAL AND INDUSTRIAL USE ONLY

DANGER: EXTREMELY FLAMMABLE, HARMFUL OR FATAL IF SWALLOWED. VAPOR HARMFUL. CONTENTS UNDER PRESSURE. Read carefully other cautions on back panel. **KEEP OUT OF REACH OF CHILDREN**

NET WT. 16 OZ. (454 g)

029606GA

#06

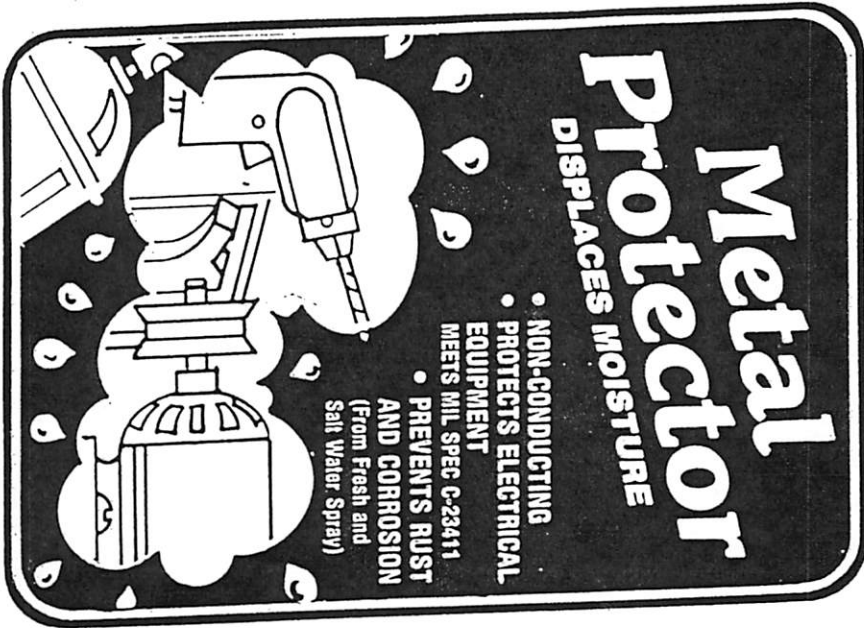
MANUFACTURED BY:
Midco Products Co., Inc.
Chesterfield, MO 63005-1005

[Exemplary Label]

USE THE "MAGIC TOUCH"

Pro-Magic

formulated for professionals!



- NON-CONDUCTING
- PROTECTS ELECTRICAL EQUIPMENT
- MEETS MIL SPEC C-23411
- PREVENTS RUST AND CORROSION (From Fresh and Salt Water Spray)

WARNING: VAPOR MAY BE HARMFUL
CONTENTS UNDER PRESSURE
 Read carefully other cautions on back panel.
KEEP OUT OF REACH OF CHILDREN

NET WT. 18 OZ. (510 g)

METAL PROTECTOR is recommended for general industrial requirements. It provides a soft film on the surface preventing rust and corrosion. Displaces moisture by "creeping" between and lifting the water from the surface. Penetrates to loosen corroded parts, nuts, bolts, etc. The remaining soft film provides a lubricant on the areas to be covered.
 Use on bare metal only. Do not apply on painted, plastic or synthetic surfaces.

USES:

Industrial: Tools, dies, jigs, fixtures and hand tools.
 Automotive, Aircraft and Boats: Battery terminals, ignition systems, doors, hatches, locks, wheels and brakes.
 Construction and Marine: Tools, pulleys, winches, hardware and equipment.
 Electrical: Ignition systems, circuit breakers, rectifiers, relays, windings, motors, controls, switches, office machines, etc. Before applying, use Electrical Contact Point Cleaner to clean the surface.

DIRECTIONS:

Spray into and on equipment until the surface is thoroughly wet. This will remove the moisture, condensation, oil and grease.

WARNING:

VAPOR MAY BE HARMFUL, especially to someone with heart condition. Contains Methylene Chloride. Do not take internally. See FIRST AID TREATMENT below. Do not inhale vapors. Use with sufficient ventilation to keep vapor below 50 ppm in air. Avoid contact with skin and eyes. Use only as directed. Intentional misuse by deliberately concentrating and inhaling the contents can be fatal. Contents under pressure. Do not expose to heat or store at temperatures above 120°F. Do not puncture or incinerate container. Wrap empty container in paper and dispose in trash collection.

WARNING: Contains Methylene Chloride which is known to the state of California to cause cancer.

FIRST AID TREATMENT:

- IF SWALLOWED:** Do not induce vomiting. Call a physician or medical treatment facility at once.
- IF IN EYES:** Flush with plenty of water for at least 15 minutes. Call a physician.
- IF INHALED:** Remove victim to fresh air. If breathing is difficult, give oxygen. If breathing has stopped, give artificial respiration. Call a physician.
- IF ON SKIN:** Wash thoroughly with soap and warm water. Remove contaminated clothing and launder before reuse. Call a physician if irritation persists.

KEEP OUT OF REACH OF CHILDREN
FOR INSTITUTIONAL AND INDUSTRIAL USE ONLY

Manufactured by:
Midco Products Co., Inc.
Chesterfield, MO 63005-1005

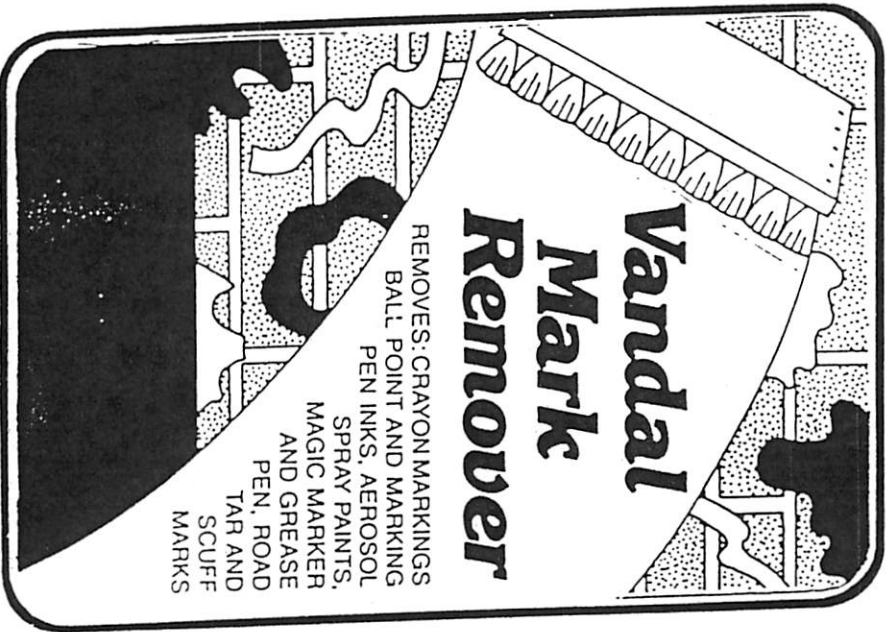
109533GA

#33

USE THE "MAGIC TOUCH"

Pro-Magic

formulated for professionals!



VANDAL MARK REMOVER contains blended solvents for removing most graffiti markings found in public places - road signs and billboards, sidewalks, pavement and bridges, busses, trucks and buildings, etc. Will not harm aluminum, steel, glass, concrete, porcelain, brass, chrome, marble, brick, and most enameled surfaces. Be sure to pretest in hidden areas for surfaces susceptible to solvent damage such as plastic, painted (enameled) rubber, asphalt tile and other synthetic surfaces.

DIRECTIONS:

- Shake can well before using.
- Pre-test on hidden area as indicated above. On smooth surfaces, spray directly on surface, allow solvents to react with markings, and wipe away. On rough surfaces, spray directly on surface and use brush to remove markings-dry with cloth.

DANGER:

EXTREMELY FLAMMABLE. Do not use near heat or open flame. Harmful or fatal if swallowed. **HARMFUL OR FATAL IF SWALLOWED. VAPOR HARMFUL.** Contains Methylene Chloride and Toluene. Use with adequate ventilation to keep vapor concentration below 25 parts per million in air. Avoid prolonged breathing of vapors. Vapor may be harmful to those with heart condition. Avoid contact with skin or eyes. See antidote below. **CONTENTS UNDER PRESSURE.** Do not puncture or incinerate container. Do not expose to heat or store at temperatures above 120°F. Use only as directed. Intentional misuse by deliberately concentrating and inhaling contents can be fatal.

WARNING: Contains Methylene Chloride and Toluene which are known to the state of California to cause cancer and known to cause birth defects or other reproductive harm.

FIRST AID TREATMENT

- IF IN EYES:** Flush immediately with large amounts of water for 15 minutes. Call a physician.
 - IF ON SKIN:** Wash immediately with soap. Remove contaminated clothing and launder before reuse. Get medical attention if irritation persists.
 - IF INGESTED:** DO NOT induce vomiting. Call a physician.
 - IF INHALED:** Remove to fresh air. Give oxygen if breathing is difficult. Call a physician immediately.
- CONTAINS:** (CAS NO.) Methylene Chloride (75-09-2), Toluene (108 98 3), Ethanol (64 17-5), Ethylene Glycol Monobutyl Ether (111-76-7), Diethylene Glycol Monomethyl Ether (111-90-0), Propane (74-98-6), Isobutane (75-28-5)

FOR INSTITUTIONAL AND INDUSTRIAL USE ONLY

DANGER: CONTENTS UNDER PRESSURE. EXTREMELY FLAMMABLE. VAPOR HARMFUL. HARMFUL OR FATAL IF SWALLOWED.
Read carefully other cautions on back panel.
KEEP OUT OF REACH OF CHILDREN

MANUFACTURED BY:
Midco Products Co., Inc.
Chesterfield, MO 63005-1005

NET WT. 16 OZ. (454 g)

023645GA

#45

Exhibit C

EXHIBIT C

[MIDCO Letterhead]

IMPORTANT LEGAL NOTICE

Date:

Attention: Customers of MIDCO PRODUCTS COMPANY, INC.

Subject: California Proposition 65 Warnings

This letter is to advise you that the MIDCO PRODUCTS COMPANY, INC. ("MIDCO") products listed in Attachment A to this letter expose users of those products to chemicals known to the State of California to cause cancer and/or birth defects or other reproductive harm. 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 must be given clear and reasonable warning that a particular product contains a carcinogen, a reproductive toxin or both.

Although MIDCO has begun labelling the listed products with proper warnings, you may have in your possession certain products that were manufactured and distributed before the new labeling was implemented. Until those products have been sold, you must take certain actions to ensure that purchasers of the products receive Proposition 65 warnings.

You will be in compliance with Proposition 65 for the products listed on Attachment A if you affix the enclosed warning stickers to the products in the manner described below. The following materials will enable you to provide warnings in compliance with the law:

- (1) One hundred and five (105) Warning Stickers; and
- (2) A return postcard indicating that you have received the enclosed materials and will comply with the warning requirements of Proposition 65 for the listed products.

You should affix the appropriate warning sticker to the container, cap, label or package of each listed product which does not have a Proposition 65 warning on its label. The sticker must be affixed so that it is conspicuous and likely to be read and understood by an ordinary individual under customary conditions of purchase.

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.

You should return the enclosed postcard affirming your compliance with Proposition 65's warning requirements for the listed products.

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. In addition, we will be glad to supply additional warning stickers if requested.

Sincerely,

Title

RETURN POSTCARD FROM CUSTOMERS

* * * *

The undersigned certifies that this customer of MIDCO PRODUCTS COMPANY, INC. has received (a) the Important Legal Notice letter regarding Proposition 65 warning requirements, (b) the list of MIDCO PRODUCTS COMPANY, INC. products requiring a warning, and (c) 100 warning stickers. The undersigned further certifies that this customer will comply with Proposition 65 warning requirements by affixing the warning stickers provided to them in the manner directed.

[Name & Title]

[Company]

[Address]

Please send me _____ additional stickers.