ENDORSED FILED San Francisco County Superior Court JAN 2 5 1994

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ALAN M. CARLSON, Clerk 6Y: S. DOUGLAS

Deputy Clerk

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Dated: 1-14-90

IN AND FOR THE CITY AND COUNTY OF SAN FRANCISCO

SUPERIOR COURT OF THE STATE OF CALIFORNIA

AS YOU SOW, a non-profit corporation,

Plaintiff

THE SHERWIN-WILLIAMS COMPANY

Defendants.

No. 954568

JUDGMENT ON STIPULATION FOR ENTRY OF JUDGMENT

In the above-entitled action, plaintiff As You Sow and defendant Quabaug Corporation, having stipulated through their respective representatives, that judgment be entered pursuant to the terms of the settlement agreement entered into by the parties on December _____, 1993, said stipulation being attached hereto,

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

STUART R. POLLAK

Judge of the Superior Court

1	Clifford A. Chanler Suzanne E. Bevash Danielle R. Fugere	
2		
3	CHANLER & ASSOCIATES 1700 Montgomery Street, 3rd Floor	
4	San Francisco, CA 94111 (415) 391-1122	
5	Attorneys for Plaintiff AS YOU SOW	
б	AS XOU SOW	
7	ATTENTANT CATTER OF MITS CHAME AN ART TRAINETS	
8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	IN AND FOR THE CITY AND COUNTY OF SAN FRANCISCO	
10	AS YOU SOW, a non-profit) No. 954568 corporation,	
11		
12	Plaintiff) STIPULATION FOR ENTRY OF) JUDGMENT	
13	V.	
14	the sherwin-williams company) et al.,	
15	Defendants.	
16		
17	IT IS HEREBY STIPULATED, by and between plaintiff As	
18	You Sow and defendant Quabaug Corporation, through their	
19	respective representatives, that judgment in the above-	
20	entitled action be entered in accordance with the terms of the	
21	settlement agreement between the parties, which is attached	
22	hereto as Exhibit A.	
23	Dated: December 30, 1993 by: CUISCU	
24	Clifford A/ Chanler	
25	Attorneys for Plaintiff AS YOU SOW	
26		
27	C. Duno	
28	Dated: December 31, 1993 by: David Officen	

David Officen
Attorney For Defendant
QUABAUG CORPORATION

SETTLEMENT AGREEMENT

On December 30, 1993 in San Francisco, California, As You sow ("AYS") and Quabaug Corporation agreed to the following terms and conditions:

WHEREAS:

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

Quabaug Corporation is a company that currently distributes products including contact adhesives which contain toluene; and

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

A list of the toluene products which Quabaug Corporation has distributed for retail sale in California since January 1, 1992 is provided in attachment A (the "Products"); and

On October 30 1992, AYS served Quabaug Corporation with a document entitled "60-Day Notice" which provided Quabaug Corporation with notice that it was in violation of Health & Safety Code §25249.6 for failing to warn purchasers that certain products it sells in California expose users to toluene; and

On August 31, 1993, AYS filed a complaint in San Francisco Superior Court on behalf of California consumers of spray paint and adhesive products entitled As You Sow v. The Sherwin-Williams Company, et al. (No. 954568) alleging violations of Business & Professions Code and Health & Safety Code §25249.6.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Quabaug Corporation agrees not to ship (or cause to be shipped) any of the Products for sale in the State of California unless Quabaug is in compliance with Proposition 65 such that the label on each of the Products bears a clear and reasonable warning which reads:

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

Such warning shall be in bold print and shall have a line bordering the entire warning message. The warning message shall further be in a language spoken by a significant portion of the California consumers of the Products, so as to render the message clear.

- 2. Quabaug Corporation agrees to make best efforts to provide each of its California distributors with warning stickers, written instructions for the placement of the stickers, and a compliance acknowledgment form, in an effort to ensure that consumers receive Proposition 65 warnings for Products that have already been shipped for sale in California.
- 3. In an effort to defray AYS' costs of investigating and litigating this matter including legal fees and costs, Quabaug Corporation agrees to reimburse AYS the reasonable sum of eighty-five thousand dollars (\$85,000) to be paid in two installments. The first payment of forty-five thousand dollars (\$45,000) is due upon execution of the Agreement and the second payment of forty thousand dollars (\$40,000) is due on July 10, 1994.
- 4. AYS agrees to waive Quabaug's second installment of \$40,000, if: (a) Quabaug notifies AYS in writing by July 1, 1994 that all of the Products have been reformulated so as to eliminate the presence of toluene, as well as any other chemical listed in 22 CCR \$12000, as intended ingredients. Such written notification shall be sent by overnight mail to AYS' counsel as set forth in paragraph 10 below; or (b) Quabaug notifies AYS in writing by July, 1, 1994 that it will discontinue distribution of the Products in California and has notified its distributors that the Products are not to be sold in California.
- 5. AYS, by this Agreement, waives all rights to institute action against Quabaug Corporation, its distributors, manufacturers or retailers which sell the Products, whether under Proposition 65, Business & Profession Code §§17200 et seg., or any other statute or common law claim based on Quabaug Corporation's failure to warn product users about exposure to toluene from any of the Products identified in attachment A.
- 6. The parties shall file a stipulated judgment (to be approved pursuant to CCP §664.6) with the San Francisco Superior Court in accordance with the terms set forth in this Agreement.

- 7. In the event that any of the provisions of this Agreement is held by a court to be unenforceable, the validity of the enforceable provisions shall not be adversely affected.
- 8. 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.
- 9. The terms of this Agreement shall be governed by the laws of the State of California.
- 10. Payment to AYS shall be made payable to "As You Sow" and sent by overnight mail to AYS' counsel:

Clifford A. Chanler Chanler & Associates 1700 Montgomery Street, 3rd Floor San Francisco, CA 94111

- admission by Quabaug Corporation 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 Quabaug Corporation 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 Quabaug Corporation under this Agreement.
- 12. 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 ASSISSION
By: Chara Train	By: (All A Visited
As You Sow	Quabaug Corporation
	Laten C
Dated:	Dated: // ///

ATTACHMENT "A"

Barge All Purpose Cement Gal. Barge All Purpose Cement Qt. Barge All Purpose Thinner Gal. Barge All Purpose Thinner Qt. Barge Super Speed Cement Gal. Superbond All Purpose Cement Gal. Superbond Fast Dry Cement Gal. Barge All Purpose Cement Pail Barge Super Speed Cement Qt. Barge Super Speed Thinner Gal. Barge Super Speed Thinner Qt. Barge Rubber Cement Gal. Barge Rubber Cement Qt. Barge Leather Lok Primer Gal. Barge Redi-Quik Cement Gal. Barge Vinyl-Stik Cement Pt. Barge Vinyl-Stik Cement Qt. Barge Redi-Quick/VS Thinner Gal. Superbond All Purpose Cement Qt. Superbond Universal Cleaner Gal. Barge All Purpose Cement 3/4 Ounce Tubes Barge All Purpose Cement 2 Ounce Tubes XL8 Cement Gal. XL8 Cement qt. XL8 Thinner Gal. Duall 88 Cement Gal. Duall 88 Thinner Gal. Duall 88 Thinner Qt. Be Be Weld Cement Gal. Be Be Weld Cement Qt. Be Be Weld Thinner Gal. HH 66 Vinyl Cement Qt.