

**SETTLEMENT AGREEMENT**  
**AND**  
**FULL RELEASE**

THIS SETTLEMENT AGREEMENT and full release of any and all claims is by and between Graham & Martin, LLP and the Consumer Defense Group Action (collectively "CDG") and Oki Data Americas, Inc. ("Oki"), including all parents, subsidiaries, successors, assigns or related entities thereof.

WHEREAS, on or about April 6, 2005, CDG served a 60 Day Notice of Intent to Sue Oki ("Notice") under California's Safe Drinking Water & Toxic Enforcement Act of 1986, as amended ("Proposition 65"). A copy of the Notice is Attached as Exhibit "A" and fully incorporated and made part of this Agreement by reference;

WHEREAS, in the Notice, CDG claimed that Oki was in violation of Proposition 65 § 25249.6 for failure to provide clear and reasonable warnings of exposures to listed chemicals;

WHEREAS, Oki initiated investigations of its products following receipt of the Notice and determined that no violation of Proposition 65 existed;

WHEREAS, CDG and Oki have engaged in settlement discussions in an attempt to resolve all claims of violations that CDG has or may have in the future against Oki;

WHEREAS, following settlement discussions between CDG and Oki, CDG agreed that Oki is not in violation of Proposition 65 as alleged in the Notice;

WHEREAS, Oki and CDG have reached an agreement that fully and finally compromises, settles and forever discharges any and all claims against Oki by CDG in any way related to the Notice or Proposition 65 or that could have in any way been asserted based on the Notice.

NOW, THEREFORE, CDG and Oki, for good and valuable consideration, the receipt of which is hereby acknowledged, agree and acknowledge as follows:

1. Withdrawal of Notice. Within ten (10) days of execution of this Agreement, CDG will fully and completely withdraw the Notice and inform the California Attorney General that it has determined that Oki is not and was not in violation of Proposition 65.

2. Payment to CDG. Within thirty (30) days of CDG demonstrating full compliance with Paragraphs 1, 5 and 8 of this Agreement, Oki will pay CDG Twenty Thousand Dollars (\$20,000).

3. Product Testing Protocol. Oki will continue to make sure that new products are tested before they are sold in California to ensure that they comply with Proposition 65.

4. Product Instruction. Within one (1) year of the effective date of this Agreement, Oki will include in all of its product instruction manuals for the products named in the Notice, an instruction that the product should be used in a well-ventilated area.

5. Withdrawal of Customer Notices. Attached as Exhibit "B" and incorporated herein by reference is a list of all of Oki's customers to whom CDG sent a Sixty Day Notice of Intent To Sue under Proposition 65 related in any way to the Notice. By entering into this agreement, CDG certifies that Exhibit "B" is complete, true and correct, and includes each and every Oki customer that received Proposition 65 notices.

Within thirty (30) days after the effective date of this Agreement, CDG will withdraw all Sixty Day Notices of Intent To Sue under Proposition 65 sent to Oki's customers, all of which are identified on Exhibit "B." The withdrawal will be by means of a letter, the content of which shall be in the form attached hereto as Exhibit "C". CDG shall copy Oki on all such letters.

6. Cooperation in Future Litigation. CDG agrees to undertake all reasonable efforts to prevent future Proposition 65 litigation against Oki, including, without limitation, providing any statements or affidavits reasonably requested by Oki concerning the Proposition 65 compliance status of Oki's products, or making statements to the press at Oki's request confirming Oki's Proposition 65 compliance.

7. Confidentiality. Except as provided in Paragraph 6 above and Paragraph 8 below, CDG and Oki agree and promise to keep confidential and to cause their employees, agents, representatives and lawyers to keep confidential, the terms of this Agreement, except to acknowledge that an agreement has been entered into by CDG and Oki.

8. Public Announcement. Oki and CDG agree that either party may acknowledge the existence of this settlement, and may disclose that, as part of the Settlement Agreement, Oki and CDG both acknowledge that there has been no violation of Proposition 65 as alleged in the Notice, and that Oki has agreed to continue with a testing protocol to ensure that future products will not operate in violation of Proposition 65. Moreover, within 30 days of the effective date of this Agreement, CDG and Oki agree to jointly release the attached press statement, Exhibit "D," concerning this Agreement. Additionally, CDG agrees to submit, within 30 days of the effective date of this Agreement, a 500 word article to the Prop 65 Litigation reporter describing why CDG and Oki agreed to this settlement, in the form attached hereto as Exhibit "E."

9. Release.

Except for such rights and obligations that have been created under this Agreement, CDG, on their own behalf with respect to all matters related to or raised or potentially raised in any way by the Notice, do hereby fully, completely, and finally and forever release, relinquish and discharge: Oki, its respective officers, directors, shareholders, affiliates, subsidiaries, parent companies, agents, employees, attorneys, successors and assigns of and from any and all claims, actions, causes of action, demands, rights, debts, agreements, promises, liabilities, notices, damages, accountings, costs and expenses, including attorney fees, whether known or unknown, suspected or unsuspected, or of every or any nature whatsoever, which CDG has or may have against Oki, arising directly or indirectly out of any fact or circumstance occurring from the beginning of time until the end of the world relating in any way to alleged violations of Proposition 65 ("Released Claims"). The Released Claims include any and all

allegations made, or that could have been made, by CDG and/or the general public and/or any other entity with respect to the chemicals and products identified in the Notice, including claims under the Unfair Competition Act (Cal. Bus. Cot. and Prof. Code §17200, et seq.).

10. The Effect of Release. The Release is a full and final release with respect to all claims regarding or relating in any way to the Notice including, but not limited to:

(a) Claims for any violation of Proposition 65 by Oki including, without limitation, claims arising from consumer product, environmental and occupational exposures to the noticed chemicals from operation of the noticed to products, wherever occurring and to whomever occurring, from the beginning of the world until the end of time; and

(b) Claims for violations of the Unfair Competition Act (Cal. Bus. Cot. and Prof. Code §17,200, et seq.) arising from the foregoing circumstances, including but not limited injunctive relief and/or monetary relief.

11. Intent of the Parties. It is the intention of the parties to this Agreement that, upon the effective date of this Agreement, this relief shall be effective as a full and final accord and satisfaction and release of each and every released claim. In furtherance of this intention, CDG acknowledges that they are familiar with California Civil Code Section 1542, which provides as follows:

“A general release does not extend to claims which the creditor does not know or expect 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.”

**CDG hereby waives and relinquishes all of the rights and benefits that CDG has or may have under California Civil Code § 1542 (as well as any similar rights and benefits which CDG may have by virtue of any statute or rule of law in any other state or territory of the United States).** CDG hereby acknowledges that they may hereinafter discover facts in addition to, or different from, those which they now know or believe to be true with respect to

the subject matter of this Agreement and Released Claims, but notwithstanding the foregoing, it is CDG's intention hereby to fully, finally, completely and forever settle and release every and all Released Claims, and that in furtherance of such intention, the releases herein given shall be and remain in effect as a full and complete general release, notwithstanding the discovery or existence of any such additional or different facts.

12. CDG's Representations. CDG hereby represents and warrants to Oki that it has not previously assigned any released claim, and it has the right, ability and power to release fully and completely each and every released claim.

13. No Reliance. No party, nor any officer, agent, employee, representative, insurer, lender or attorney of or for any party to this Agreement, has made any statement or representation to any other party, or any other party's officers, general or limited partners, agents, employees, representatives or attorneys, regarding any fact relied on in entering into this Agreement and each party does not rely on any statement, representation or promise of any other party or of any officer, general or limited partner, agent, employee, representative, insurer, lender or attorney for the other party, in executing this Agreement, or in making the settlement provided for herein, except as expressly stated in this Agreement.

14. Independent Investigations. Each party to this Agreement has made such investigation of the facts pertaining to the settlement in this Agreement and to all the matters pertaining to this Agreement as it deems necessary.

15. Authority to Enter Agreement. The parties, and each of them, represent and warrant that they have the full right, power and authority to bind themselves or any other entity on their behalf of which or for which they will be executing this Agreement in a representative capacity, to all of the terms of this Agreement and, no consent of any other person is required as a condition to being bound by this Agreement, or such consent has been obtained.

16. Representation of Counsel. Each party to this Agreement acknowledges that it has been represented by and has had the benefit of independent counsel of its own choosing to advise it with respect to the effect of executing this Agreement, and each of its terms and provisions, including, but not limited to, the meaning and operation of California Civil Code Section 1542, and each acknowledges that it entered into this Agreement of its own free will and without coercion.

17. Interpretation. Any rule of law, including but not limited to California Civil Code Section 1654, which could require interpretation of any ambiguities against the drafter of this Agreement, is inapplicable and is hereby waived. This Agreement shall be deemed to be drafted by each of the parties. No provision of this Agreement shall be interpreted for or against any party because that party or its attorney drafted that provision.

18. Jurisdiction and Applicable Law. This Settlement Agreement shall in all respects be governed by the laws of the State of California.

19. Complete Agreement. This Settlement Agreement represents the entire agreement and understanding of the parties with respect to the subject matter of the Agreement and supersedes all prior agreements or other discussions of the parties in connection with this matter. Each party explicitly represents that it has entered into this Agreement solely in reliance on its own separate evaluation of the matters covered herein and not upon any information provided or which may not have been provided by any other party respecting such matters.

20. Amendment. This Settlement Agreement may not be amended, modified or changed, except pursuant to a written agreement signed by all parties. No purported oral modification, amendment or change shall have any effect.

21. Severability. This Agreement will be enforced to the fullest extent permitted by applicable law. If for any reason any provision of this Agreement is held to be invalid or unenforceable to any extent, then such provision will be interpreted, construed and reformed to

the extent reasonably required to render the same valid, enforceable and consistent with the original intent underlying such provision, and such invalidity or unenforceability will not affect the other provisions of this Agreement.

22. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together will constitute one instrument binding upon all parties. Each party may execute a separate signature page that may be appended to a single original of this Settlement Agreement.

23. Effective Date. The effective date of this Agreement shall be three (3) days after delivery of a copy of the fully executed Agreement to each and every party hereto.

21. Notices. A copy of all notices, submissions, withdrawals or other correspondence (“Notices”) required under this Agreement must be sent by certified mail, return receipt requested, to:

Notices to Oki:

David L. Vaughn  
Senior Manager, Legal Affairs  
Okidata, Inc.  
Division of Oki America, Incorporated  
2000 Bishops Gate Boulevard  
Mount Laurel, NJ 08054-3499

And

Peter J. Fontaine, Esquire  
Cozen O’Connor  
457 Haddonfield Road, Suite 300  
Cherry Hill, NJ 08002

Notices to CDG:

Anthony G. Graham  
Graham & Martin LLP  
950 South Coast Drive, Ste. 220  
Costa Mesa, CA 92626

22. Past Attorney Fees and Costs. Each party to this Agreement shall bear its own costs and attorneys fees with respect to all disputes of any kind currently pending between the parties to this Agreement.

23. Future Attorney Fees and Costs. If, after the date this Agreement is executed, a dispute arises concerning the terms of this Agreement, its existence, its termination, or its enforcement, the prevailing party in said dispute shall be entitled to payment of its attorney fees and costs incurred in connection with said dispute; said payment to be made by the non-prevailing party in said dispute. Further, any person released under the terms of this Agreement shall be entitled to payment of all fees and costs incurred in connection with any future dispute, where said dispute was initiated or contributed to by the releasor; said payment to be made by the releasor.

24. Arbitration. Any dispute concerning the terms of this Agreement, its existence, its termination, or its enforcement, and/or any other future dispute between any releasor and any releasee identified or described in this Agreement, shall be resolved by binding arbitration, in California, before a three arbitrator panel of the American Arbitration Association. The attorney fees and costs provisions set forth in paragraph 23, above, shall be fully applicable to such arbitration.

IN WITNESS WHEREOF, the parties have executed this Agreement effective for all purposes as of the effective date.

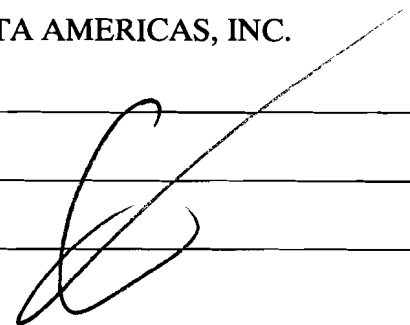
\_\_\_\_\_  
Witness:

OKI DATA AMERICAS, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





Lin Maly

Witness:

Lin Maly

Witness:

CONSUMER DEFENSE GROUP ACTION

By: Brian Fagan

Name: Brian Fagan

Title: President

GRAHAM & MARTIN, LLP

By: Anthony G. Graham

Name: Anthony G. Graham

Title: Counsel for Consumer Defense  
Group Action