

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“this Agreement”) is made effective on the date last executed herein (“Effective Date”) by and between Environmental Research Center Inc. (“ERC”) and The Clean Program Corp. (“The Clean Program”). ERC and The Clean Program are hereinafter referred to collectively as “the Parties”. The Parties agree as follows:

1. This Agreement is limited to this Matter, which is defined as all claims and allegations related to the Notice of Violations of California Health & Safety Code § 25249.5, *et seq.* (also known as “Proposition 65”) that ERC served on The Clean Program on September 17, 2012 (“the Notice”), and the following products identified in the Notice, namely (“the Covered Products”).

- **The Clean Program Corp. Move**
- **The Clean Program Corp. Nourish Daily Natural Vanilla Flavor with Other Natural Flavors**
- **The Clean Program Corp. Clean Greens Superfood**

2. The Parties enter into this Agreement in order to achieve a settlement of the claims as stated in Section 1 for the purpose of avoiding prolonged litigation. Nothing in this Agreement shall be construed as an admission of ERC or The Clean Program of any fact, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by The Clean Program of any fact, issue of law or violation of law. The Clean Program contends that the settlement in this matter has been agreed to based on economic considerations. Nothing in this Agreement or any document referred to herein, shall be construed as giving rise to any presumption or inference of admission or concession by The Clean Program as to any fault, wrongdoing or liability whatsoever. The Parties agree that this paragraph shall not diminish or otherwise affect the obligations, responsibilities, and duties of the Parties under this Agreement.

3. In consideration of the following covenants of The Clean Program, and the other conditions contained in this Agreement, ERC releases The Clean Program as set forth in this Agreement:

a. Beginning on the Effective Date, The Clean Program shall not manufacture for sale in the State of California, distribute into the State of California, or directly sell the Covered Products in the State of California, which expose a person to a daily dose of lead more than 0.5 micrograms per day when taking the largest serving size recommended on the Covered Product’s label, unless it provides the following warning:

“**[California Residents Prop 65] WARNING:** This product contains [lead,] [a] chemical[s] known to the State of California to cause [cancer and] birth defects or other reproductive harm.”

b. The term “cancer” shall be included in the warning only if there is an exposure to a daily dose of more than 15 micrograms of lead when taking the largest serving size recommended on the Covered Product’s label.

c. The warning shall be prominently displayed for California consumers on the webpage for each Covered Product and the warning shall be provided at the time the customer enters a California address for the shipping address. For sales of Covered Products to California consumers with California shipping addresses, who purchased the product through the Internet while they were located outside of California, the warning shall be provided on the invoice with such conspicuousness, as compared with other words, statements, or designs so as to render it likely to be read and understood.

d. If The Clean Program is successful with reformulation for any of the Covered Products, and reduces the lead content to 0.5 micrograms or below when taken pursuant to the maximum number of servings pursuant to the directions on the label of the Covered Product, both ERC and The Clean Program agree that the Covered Products may be offered for sale in California without the warning discussed in Section 3a. If The Clean Program is successful with reformulation on any of the Covered Products, The Clean Program shall notify ERC and provide any test results for the Covered Products that document this change in reformulation. Any such testing shall be performed by a laboratory certified by the California Environmental Laboratory Accreditation Program for the analysis of heavy metals or a laboratory that is approved by, accredited by, or registered with the United States Food & Drug Administration. The method of selecting samples for testing must comply with the regulations of the Food & Drug Administration as set forth in Title 21, Part 111, Subpart E of the Code of Federal Regulations, including section 111.80(c). Testing for lead shall be performed using Inductively Coupled Plasma-Mass Spectrometry (ICP-MS) and closed-vessel, microwave-assisted digestion employing high-purity reagents or any other testing method agreed upon in writing by the Parties. Nothing in this Agreement shall limit The Clean Program’s ability to conduct or require that others conduct additional testing of the Products, including raw materials used in their manufacture.

e. The requirements of Sections 1, 2, and 3a.,3b.,3c.,and 3d. will only apply to any time in which The Clean Program is a “person in the course of doing business,” as that term is defined in Health and Safety Code Section 25249.11(b). The Clean Program represents that at the time of the execution of this Agreement, it is a “person in the course of doing business” because it has 10 or more employees.

4. In full and final satisfaction of civil penalties, payment in lieu of further civil penalties, ERC’s expenses, and consulting fees and costs of investigation, The Clean Program shall make a total payment of \$43,500.00 (forty-three thousand five hundred dollars) (“Total Settlement Amount”) to ERC. Sections 4.a-4.e below describe the agreed partition and timing of payments of the Total Settlement Amount.

a. As a portion of the Total Settlement Amount, \$4,000.00 (four thousand dollars) shall be considered a civil penalty pursuant to California Health and Safety Code § 25249.7(b)(1). ERC shall remit 75% (\$3,000.00 (three thousand dollars)) of the civil penalty to

the Office of Environmental Health Hazard Assessment (“OEHHA”) for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code §25249.12(c). ERC will retain the remaining 25% (\$1,000 (one thousand dollars)) of the civil penalty.

b. As a portion of the Total Settlement Amount, \$11,960.00 (eleven thousand nine-hundred and sixty dollars) shall be considered a payment to ERC in lieu of further civil penalties for activities such as (1) funding the investigating, researching and testing of consumer products that may contain Proposition 65 listed chemicals; (2) funding grants to California non-profit foundations/entities dedicated to public health; (3) funding the ERC Eco Scholarship Fund for high school students in California interested in pursuing an education in the field of environmental sciences; (4) funding the ERC Cancer Scholarship Fund for cancer survivors in California interested in pursuing a higher education, (5) funding ERC’s Operation Education Program designed to provide funding to educators in the State of California public school system for creative and effective environment and environmental sciences teaching projects; (6) funding ERC’s Voluntary Compliance Program to work with companies not subject to Proposition 65 to reformulate their products to reduce potential consumer exposures to Proposition 65 listed chemicals; (7) funding ERC’s RxY Program to assist various medical personnel to provide testing assistance to independent distributors of various products; (8) funding ERC’s Got Lead? Program to assist consumers in testing products for lead content; (9) funding post-settlement monitoring of past consent judgments; (10) funding to maintain ERC’s database of lead-free products, Proposition 65-compliant products and contaminated products; (11) funding to track and catalog Proposition 65-compliant, contamination-free sources of ingredients used in the products ERC tests; and (12) funding the continued enforcement of Proposition 65 matters which address contaminated ingestible products, similar to the subject matter of this Notice.

c. As a portion of the Total Settlement Amount, \$27,540.00 (twenty-seven thousand five-hundred and forty dollars) shall be considered a reimbursement to ERC for its reasonable investigation and consulting costs associated with the enforcement of Proposition 65 and other expenses and costs incurred as a result of investigating, bringing this matter to The Clean Program’s attention, and negotiating a settlement.

d. Pursuant to Section 4, The Clean Program agrees to remit the Total Settlement Amount of \$43,500.00 (forty-three thousand five-hundred dollars) to ERC in three monthly payments of \$14,500. The first payment shall be due on March 15, 2013. The second payment shall be due on April 15, 2013. The third payment shall be due on May 15, 2013. The Clean Program shall make these payments by check made payable to “Lozeau Drury LLP Attorney Trust Account” and sent by first-class registered or certified mail, or overnight delivery, to Richard Drury, Lozeau Drury, LLP, 410 12th Street, Suite 250, Oakland, CA 94607.

e. In the event that payment owed under Section 4 of this Settlement Agreement is not remitted on or before its due date, The Clean Program shall be in default of its obligations under this Settlement Agreement. ERC shall provide written notice to The Clean Program of any default at: The Clean Program Corp., 470A Broome Street, New York, NY 10013.

5. The Clean Program and ERC shall bear any and all of their own costs, expenses, and attorneys’ fees related to this matter, except as set forth in this Agreement.

6. ERC, on behalf of themselves and their respective owners, principals, shareholders, officers, directors, employees, agents, affiliates, parents, subsidiaries, servants, heirs, executors, administrators, successors and assigns, and legal representatives, and acting on its own behalf releases The Clean Program from all claims for violations of Proposition 65 up through the Effective Date based on exposure to Lead from the Covered Products as set forth in the Notice.

7. The Parties hereby agree that this Agreement applies to The Clean Program, and fully releases The Clean Program, its parents, subsidiaries, affiliates (including those companies that are under common ownership and/or common control), shareholders, directors, members, managers, officers, employees, attorneys, manufacturers, distributors, wholesalers, customers, retailers, franchisees, suppliers, and any other person or entity in the course of doing business who distributed, marketed or sold the Covered Products (“Clean Releasees”), from all claims of any nature asserted in the Notice. An identical product sold under a different brand is not a Covered Product.

8. ERC, on behalf of itself only, hereby releases and discharges the Clean Releasees from any and all known and unknown past, present, and future rights, claims, causes of action, suits, damages, penalties, liabilities, injunctive relief, declaratory relief, and attorneys’ fees, costs, and expenses arising from or related to the claims asserted, or could have been asserted, under state or federal law, regarding the presence of lead in the Covered Products or the facts alleged in the Notice.

9. It is possible that other injuries, damages, liability, or claims not now known to the Parties arising out of the facts alleged in the Notice and relating to the Covered Products will develop or be discovered. ERC acknowledges that this Agreement is expressly intended to cover and include all such injuries, damages, liability, and claims, including all rights of action therefor. ERC has full knowledge of the contents of California Civil Code section 1542. ERC acknowledges that the claims released in this Agreement may include unknown claims, and nevertheless waives California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

ERC acknowledges and understands the significance and consequences of this specific waiver of California Civil Code section 1542.

10. ERC, on its own behalf, on one hand, and The Clean Program, on the other hand, release and waive any claims they may have against each other, and their shareholders, officers, directors, members, managers, employees, agents, representatives, and attorneys (“the Releasees”) for all actions or statements made or undertaken by the Releasees in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notice.

11. The Clean Program agrees to waive all rights to institute any form of legal action against ERC for all actions or statements made or undertaken by ERC prior to the Effective Date in the course of seeking enforcement of Proposition 65 by means of the Notice.

12. Nothing in this release is intended to apply to any occupational or environmental exposures arising under Proposition 65, except as otherwise provided in this agreement, nor shall it apply to any of The Clean Program products other than the Covered Products.

13. Nothing herein shall be construed as diminishing The Clean Program's continuing obligations to comply with Proposition 65.

14. After execution of the Agreement, ERC will submit to the California Attorney General a Report of Settlement. In addition, ERC will provide to the California Attorney General the fully signed copy of this Agreement. The Parties acknowledge and agree that the Parties shall provide as much information as is requested by the California Attorney General, or any other governmental agency, regarding the Matter, its settlement, and this Agreement.

15. This Agreement contains the entire agreement between the Parties with regard to settlement of this Matter, and supersedes and replaces any and all prior or contemporaneous agreements or understandings, written or oral, with regard to the matters set forth in this Agreement. This Agreement may be amended or modified in whole or in part at any time only by an agreement in writing executed by all parties to this Agreement.

16. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective owners, principals, shareholders, members, managers, affiliates, officers, directors, employees, agents, servants, heirs, executors, successors, and assigns.

17. No inference, assumption or presumption shall be drawn, and no provision of this Agreement shall be construed against any of the Parties, based upon the fact that one of the Parties and/or one of the Parties' attorneys prepared and/or drafted all or any portion of this Agreement. It is conclusively presumed all of the Parties participated equally in the preparation and drafting of this Agreement.

18. If any provision, term or section of this Agreement is found to be invalid, illegal or unenforceable, all remaining provisions, terms or sections shall continue in full force and effect and remain binding on the Parties. If any provision, term or section of this Agreement is determined to be unenforceable, the Parties shall make good faith efforts to modify such provision, term or section so that the unenforceable provision, term or section is enforceable to the greatest extent possible.

19. This Agreement shall be deemed to have been entered into in the State of California, and governed and interpreted by the laws of the State of California, regardless of the physical locations of the individuals executing this Agreement at the time of execution.

20. Any legal action to enforce this Agreement shall be brought in any county of the State of California, any of which is deemed to be the proper venue for such legal action.

21. This Agreement may be signed in counterparts, and each counterpart, as well as any facsimile, e-mail or other copies of this Agreement or any counterparts, shall be deemed to be an original.

22. Each of the individuals who execute this Agreement represents and warrants he has the authority to execute this document and bind the party for whom he executes to the terms and conditions of this Agreement, and has read, understands, and agrees to all of the terms and conditions in this Agreement.

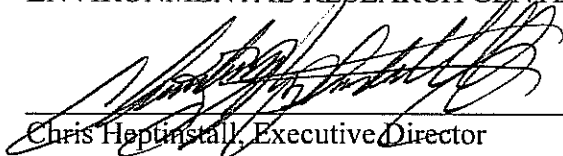
DATED: 3/12/2013

THE CLEAN PROGRAM CORP.

By: 
Print Name: Dhrumil K. Purohit
Title: CEO

DATED: 3/8/2013

ENVIRONMENTAL RESEARCH CENTER, INC.

By: 
Chris Heptinstall, Executive Director