

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (this "Agreement") is made effective on the date on which it is fully executed (the "Effective Date") between Environmental Research Center Inc. ("ERC"); Deepak Chopra, LLC and Chopra Enterprises, LLC (collectively, "Chopra"). ERC and Chopra are referred to individually as a "Party" and 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 Chopra on December 13, 2013 (the "Notice"), and the product identified below (the "Covered Product").

- **Pondera Pharmaceuticals Inc. Pondera Deepak Chopra Endorphinate PR**

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 Chopra of any fact, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by Chopra of any fact, issue of law or violation of law. Chopra contends that the settlement in this matter was agreed to because of 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 Chopra as to any fault, wrongdoing or liability whatsoever. The Parties agree that this Section 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 Chopra, and the other conditions contained in this Agreement, ERC releases Chopra as set forth in Section 6 below:

a. Chopra agrees that all Covered Products produced and offered for sale in California (and offered for sale to a third party for retail sale in California) on and after the Effective Date, shall comply with California law, including Proposition 65.

b. Reformulation: Chopra agrees to reformulation of the Covered Product. If Chopra is successful with reformulation for the Covered Product, and reduces the lead content to 0.5 micrograms or below when taken pursuant to the maximum suggested dose as directed on the Covered Product's label, the Parties agree that the Covered Product may be offered for sale in California without the warning stated in Section 3d. If Chopra is successful with reformulation of the Covered Product, Chopra shall notify ERC and provide any test results for the Covered Product that documents this change in formulation, no longer than fifteen (15) working days after Chopra's receipt of the test results.

(1) Pursuant to Sections 3b. and 3c., any such testing shall be performed by an independent third-party laboratory certified by the California Environmental Laboratory Accreditation Program for the analysis of heavy metals or an

independent third-party laboratory that is registered with the United States Food & Drug Administration. Chopra may perform this testing itself only if it provides, in an attachment to the test results Chopra provides to ERC, proof that its laboratory meets the requirements in this Section 3b(1). 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) achieving a limit of quantification of less than or equal to 0.010 mg/kg or any other testing method agreed upon in writing by the Parties. Nothing in this Agreement shall limit Chopra's ability to conduct or require that others conduct additional testing of the Covered Product, including raw materials used in their manufacture.

(2) Pursuant to Sections 3b. and 3c., Chopra shall retain copies of its test data from the date testing commenced and shall provide all test data to ERC within fifteen (15) days of receipt of said data after conducting the required testing as set forth above. The requirement to provide all test data to ERC shall cease after three (3) years from the Effective Date.

c. Testing: Chopra shall arrange, for at least five (5) consecutive years and at least once per year, for the lead testing of one (1) randomly-selected sample from each of five (5) separate lots per year (or for each lot, if less than five (5) lots are produced in any year) for the Covered Product to confirm whether the maximum recommended daily dose is more or less than 0.5 micrograms of lead when taken pursuant to the directions on the Covered Product's label. For purposes of this Agreement, daily lead exposure levels shall be measured in micrograms, and shall be calculated using the following formula: micrograms of lead per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of servings in a recommended dosage appearing on the product label), which equals micrograms of lead exposure per day. Chopra shall provide ERC with any related documentation pursuant to Section 3.b.2, and shall include the lot identification numbers of the lots tested. The first test shall commence no later than 60 (sixty) days from the Effective Date of this Agreement. Chopra shall test samples in the form intended for the end-user to be distributed or sold to California consumers.

d. Warning if Reformulation Ineffective: Beginning on the Effective Date, Chopra shall not manufacture for sale in the State of California, distribute into the State of California¹, or directly sell in the State of California, any Covered Product which exposes a person to a daily dose of lead more than 0.5 micrograms of lead per day when the maximum suggested dose is taken as directed on the Covered Product's label, unless each such unit of the Covered Product bears the following warning statement on its individual unit label packaging or by sticker securely affixed on the container or bottle cap:

¹ As used in this Settlement Agreement and Release, the term "distribute into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that Chopra knows will sell the Covered Product in California.

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

e. The term “cancer” shall be included in the warning only if the maximum recommended daily dose causes an exposure to more than 15 micrograms of lead when taken as directed on the Covered Product’s label.

f. The warning statement set forth in Section 3.d shall be prominent and displayed securely on either the cap, the unit packaging, or by a sticker securely affixed to the Covered Product with such conspicuousness, as compared with other words, statements, or designs so as to render it likely to be read and understood by an ordinary individual purchasing or using the Covered Product. The warning appearing on the label or container shall be at least the same size as the largest of any other health or safety warnings correspondingly appearing on the label or container, as applicable, or such product, and the word “WARNING” shall be in capital letters and in bold print. No other statements may accompany the warning.

g. The requirements of Section 3 will only apply to any time in which Chopra is a “person in the course of doing business,” as that term is defined in Health and Safety Code Section 25249.11(b). Chopra represents that during periods when the Covered Product was placed in the stream of commerce it was a person in the course of doing business because it employed 10 or more employees.

h. Covered Products manufactured or shipped to a consumer, retailer or other third party prior to the Effective Date are not subject to the reformulation, testing or warning obligations of this Agreement. On the Effective Date, Defendant shall provide ERC with the last lot number and expiration date for each of the Covered Products that are subject to this Section 3.

4. Chopra shall make a total payment of \$ 14,000.00 (“Total Settlement Amount”) to ERC. Sections 4.a-4.e below describe the agreed partition of the Total Settlement Amount.

a. As a portion of the Total Settlement Amount, \$1,500.00 shall be considered a civil penalty pursuant to California Health and Safety Code §25249.7(b)(1). ERC shall remit 75% \$1,125.00 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% \$375.00 of the civil penalty.

b. As a portion of the Total Settlement Amount, \$6,350.00 shall be considered a reimbursement to ERC for its reasonable work, analysis, and consulting costs associated with the enforcement of Proposition 65 and other expenses and costs incurred as a result of bringing this matter to Chopra’s attention and negotiating a settlement.

c. As a portion of the Total Settlement Amount, \$6,150.00 shall be considered reimbursement of attorney fees for Lozeau | Drury LLP.

d. Pursuant to Section 4, Chopra agrees to remit the Total Settlement Amount of \$14,000.00 to ERC within 5 days of the Effective Date. Chopra shall make this payment by check made payable to "Environmental Research Center" and sent by first-class registered or certified mail, or overnight delivery, to ERC at: Environmental Research Center, 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108.

e. In the event that Chopra fails to remit the payment owed under Section 4 of this Settlement Agreement on or before the due date, Chopra shall be deemed to be in material breach of its obligations under this Agreement.

5. Except as expressly set forth in Section 4, Chopra and ERC shall bear their own costs, expenses, and attorneys' fees related to this Matter.

6. ERC, on behalf of itself and its respective owners, principals, shareholders, officers, directors, employees, agents, affiliates, parents, subsidiaries, servants, heirs, executors, administrators, successors, assigns, and legal representatives, releases Chopra from all claims for violations of Proposition 65 up through the Effective Date based on exposure to lead from the Covered Product as set forth in the Notice.

7. The Parties hereby agree that this Agreement applies to Chopra, and fully releases Chopra, its parents, subsidiaries, affiliates (including those companies that are under common ownership and/or common control), shareholders, directors, members, managers, officers, employees, and attorneys, and each entity to whom each of them directly or indirectly distributed or sold the Covered Product, including but not limited to manufacturers, distributors, wholesalers, customers, retailers, franchisees, and any other person or entity in the course of doing business who distributed, marketed, or sold the products, and excluding private label customers, from all claims asserted in the Notice.

8. ERC, on its own behalf, on one hand, and Chopra, 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.

9. 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 Chopra's products other than the Covered Product.

10. Nothing herein shall be construed as diminishing Chopra's continuing obligations to comply with Proposition 65.

11. After execution of this Agreement, ERC will submit to the California Attorney General a Report of Settlement. In addition, ERC will provide to the California Attorney General a 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 this Matter, its settlement, and this Agreement.

12. This Agreement contains the entire agreement between the Parties with regard to settlement of this Matter, and supersedes 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 the Parties.

13. 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.

14. 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 that the Parties participated equally in the preparation and drafting of this Agreement.

15. If any provision, term, or section of this Agreement is found to be invalid, illegal, or unenforceable, then 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, then such provision, term, or section may be modified so that the unenforceable provision, term, or section is enforceable to the greatest extent possible.

16. 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.

17. The Parties acknowledge that they have a right to consult an attorney and they have consulted their attorneys with respect to the terms and conditions of this Agreement or by signing this Agreement hereby acknowledge they have made the decision not to consult with an attorney in this Matter. The Parties further acknowledge that they fully understand this Agreement and the effect of signing and executing this Agreement.

18. The Parties are aware and acknowledge that this Agreement is an out-of-court settlement and that they will not receive the protections afforded by a court-approved consent judgment. The Parties are entering into this Agreement in good faith and in an effort to settle all claims and allegations related to the Notice, and this Agreement applies only to the claims made by ERC and to the products identified in the Notice.

19. 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. The prevailing party in any such legal action shall be entitled to recover its attorneys' fees in addition to any other legally recoverable costs.

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

21. Each of the individuals who execute this Agreement represents and warrants they have the authority to execute this document and bind the respective Parties to the terms and conditions of this Agreement, and have read, understand, and agree to all the terms and conditions in this Agreement.

22. ERC has been informed of and has read and is familiar with Section 1542 of the Civil Code of the State of California, which provides:

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. Cal Civ Code § 1542.

Upon the advice of legal counsel, ERC waives all rights under California Civil Code Section 1542 and any other State or Federal statute or common law principle of similar effect with respect to the matters being released herein.

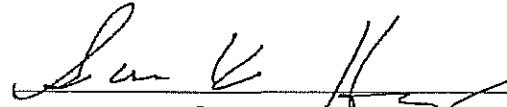
DATED: 4/8/14

DEEPAK CHOPRA, LLC

By: 
Deepak Chopra, Managing Member

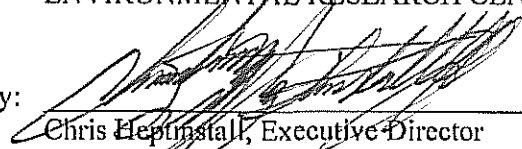
DATED: 4/8/14

CHOPRA ENTERPRISES, LLC

By: 
Print Name: Sara Harvey
Title: COO

DATED: 4/11/14

ENVIRONMENTAL RESEARCH CENTER, INC.

By: 
Chris Hepinstall, Executive Director