

SETTLEMENT AGREEMENT

Tamar Kaloustian and Herbal Secrets (Tamar Kaloustian and Herbal Secrets collectively referred to as, the “Parties”) enter into this agreement (“Settlement Agreement”) for the purpose of avoiding prolonged and costly litigation to settle Tamar Kaloustian’s allegations that Herbal Secrets violated Proposition 65. The effective date of this Settlement Agreement shall be the date upon which it is fully executed by all Parties hereto (the “Effective Date”).

1.0 Introduction

1.1 Tamar Kaloustian is an individual that resides in the State of California, and seeks to promote awareness of exposures to toxic Chemical and to improve human health by reducing or eliminating hazardous substances contained in consumer and industrial products.

Herbal Secrets previously sold, at various times, product described in Tamar Kaloustian’s March 21, 2018 Notice of Intent to Sue, as Organic Whole Psyllium Husk. The “Covered Products,” herein is defined as all Organic Whole Psyllium Husk sold by Herbal Secrets.

1.2 Tamar Kaloustian alleges that Covered Products contain Lead Compounds (“LEAD”), and that Herbal Secrets did not provide a required warning in compliance with the California Safe Drinking Water and Toxic Enforcement Act (*Cal. Health & Safety Code § 25249.5, et seq.* (“Proposition 65”)).

1.3 On February 27, 1987, the Governor of California added Lead to the list of chemicals known to the State to cause reproductive toxicity, developmental, female, male, and on October 1, 1992, the Governor added Lead and Lead compounds to the list of chemicals known to the State to cause cancer. Tamar Kaloustian served its “Sixty-Day Notice of Intent To Sue For Violations Of The Safe Drinking Water And Toxic Enforcement Act of 1986” which is further described below.

1.4 LEAD is referred to hereafter as the “Listed Chemical”.

1.5 On or About March 21, 2018 Tamar Kaloustian served Herbal Secrets and certain relevant public enforcement agencies with documents entitled “Sixty-Day Notice Of Intent To Sue For Violations Of The Safe Drinking Water And Toxic Enforcement Act of 1986” regarding Covered Products containing the Listed Chemical (“Notice”)

1.6 The Sixty-Day Notice referred to in paragraphs 1.5 (referred to as the “Notice”) alleged that the noticed parties violated Proposition 65 by failing to warn consumers in California that use of Covered Products exposes persons to the Listed Chemical.

1.7 The Parties enter into this Settlement Agreement to settle disputed claims between the Parties as set forth below concerning the Parties’ and the Covered Products’ compliance with Proposition 65 (the “Dispute”).

1.8 By execution of this Settlement Agreement, the Parties do not admit any facts or conclusions of law, including, but not limited to, any facts or conclusions of law regarding any violation of Proposition 65, or any other statutory, regulatory, common law, or equitable doctrine. Nothing in this Settlement Agreement shall be construed as an admission by the Parties of any fact, conclusion of law, issue of law, or violation of law. Nothing in this Settlement Agreement, nor compliance with its terms, shall constitute or be

construed, considered, offered, or admitted as evidence of an admission or evidence of fault, wrongdoing, or liability by Herbal Secrets or any of their respective past or present officers, directors, employees, or parents, subsidiaries or affiliated corporations, in any administrative or judicial proceeding or litigation in any court, agency, or forum. Except for the allegations settled and compromised, nothing in this Settlement Agreement shall prejudice, waive, or impair any right, remedy, argument, or defense that Tamar Kaloustian or Herbal Secrets may have against one another in any other pending legal proceeding as to allegations unrelated to the Dispute or claims released herein.

2.0 Release

This Settlement Agreement is a full, final, and binding resolution between Tamar Kaloustian, acting in its individual capacity, on the one hand, and (a) Herbal Secrets and its owners, parents, subsidiaries, affiliates, sister and related companies, employees, shareholders, officers, directors, insurers, attorneys, predecessors, successors, and assigns (collectively "Releasees") and (b) those entities to whom Releasees have directly or indirectly provided, distributed, or sold the Covered Products, including but not limited to distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees (collectively referred to as "Downstream Releasees"), on the other hand, of any violation(s) or claimed violation(s) of Proposition 65 or any statutory or common law claim that has been, could have been, or may in the future be asserted against the Releasees and Downstream Releasees regarding exposing persons to the Listed Chemical and the failure to warn about exposure to the Listed Chemical arising only in connection with the Covered Products manufactured, shipped, delivered, and/or otherwise distributed prior to the

Effective Date, even if sold by Downstream Releasees after the Effective Date. The

Covered Products are limited to Organic Whole Psyllium Husk manufactured, distributed or sold by Herbal Secrets.

Tamar Kaloustian, its past and current agents, representatives, attorneys, successors, and/or assignees (collectively Tamar Kaloustian Releasors) hereby waive and release with respect to the Covered Products all claims and rights to institute or participate in, directly or indirectly, any form of legal action, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees, expert fees, and attorneys' fees), whether known or unknown, (collectively "Claims"), that Tamar Kaloustian's Releasors have or may have against Releasees and/or Downstream Releasees that arise under Proposition 65 or any other statutory or common law claims that were or could have been asserted in respect of any Covered Products sold prior to the Effective Date, to the extent that such claims relate to Releasees and/or Downstream Releasees alleged violation of California Safe Drinking Water and Toxic Enforcement Act (*Cal. Health & Safety Code* § 25249.5, *et seq.* including but not limited to exposure of persons to the Listed Chemical contained in the Covered Products or any failure by Releasees and Downstream Releasees to warn about exposures to the Listed Chemical contained in the Covered Products.

Tamar Kaloustian's Releasors acknowledge that they are familiar with Section 1542 of Civil Code, which provides 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.

Tamar Kaloustian's Releasors expressly waive and relinquish any and all rights and benefits which they may have under, or which may be conferred on them by the provisions of Civil Code § 1542 as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that it may lawfully waive such rights or benefits pertaining to the released matters. The release in this section shall have no force or effect until the full amount of payments set forth in Section 4.0 below are paid in full.

2.1 Within fourteen (14) days after the Effective Date, Tamar Kaloustian will dismiss, without prejudice, all actions filed by Tamar Kaloustian against any other Downstream Releasees.

2.2 As a condition of settlement, Tamar Kaloustian and his counsel represent, except for the Dispute, they do not have any other charges, lawsuits, or claims of any kind against the Releasees and Downstream Releasees presently pending before any state, federal, or other court, any state or federal agency, or any other governmental entity, related to demands, litigation, or released claims. As a further condition of settlement, Tamar Kaloustian and his counsel represent that they have no present plan or present intention, as of the date of the execution of this Agreement, to serve as Plaintiff or represent any other clients, or refer any other clients to any other attorney regarding any claims against Herbal the Releasees and Downstream Releasees.

3.0 Herbal Secrets' Duties

3.1 Herbal Secrets agrees, promises, and represents that, as of sixty days after the Effective Date, to the extent it ships or sells into the State of California any Covered Products in existing inventory as of that date, it will provide warnings on such Covered Products that comply with Proposition 65. The warnings shall be provided in such a conspicuously and prominent manner that will assure the message is made available and likely to be read, seen, or heard by the consumer prior to or at the time of the sale or purchase. The Parties agree that product labeling stating that “WARNING: Consuming this product can expose you to a chemical known to the State of California to cause cancer or reproductive harm” shall constitute compliance with Proposition 65 with respect to the Listed Chemical in the Covered Products.

4.0 Payments

4.1 Herbal Secrets agrees, to pay a total of Ten Thousand dollars (\$10,000) within ten (10) days of the effective date, so long as W-9 forms have been provided for all recipients to counsel for Herbal Secrets at pjun@birdmarella.com, by separate checks apportioned as follows:

4.2 Attorneys' Fees and Costs: Nine thousand dollars (\$9,000.00) of such payment shall be paid to KJT Law Group, LLP, as Tamar Kaloustian’s attorneys, for reasonable investigation fees and costs, attorneys' fees, and any other necessary and reasonable costs incurred as a result of investigating and bringing this matter to Herbal Secrets’ attention. The check shall be delivered addressed to: Vache Thomassian, KJT Law Group, LLP., 230 N. Maryland Avenue, Suite 306, Glendale, California 91206. KJT Law Group, LLP’s Employer Identification Number: 46-5637353.

4.3 Penalty: Herbal Secrets shall issue two separate checks for a total amount of One

Thousand dollars (\$1000.00) as penalties pursuant to Health & Safety Code § 25249.12:

(a) one check made payable to the State of California’s Office of Environmental Health Hazard Assessment (OEHHA) in the amount of Seven Hundred and Fifty dollars (\$750.00), representing 75% of the total penalty; and (b) one check to Tamar Kaloustian in the amount of Two Hundred and Fifty dollars (\$250.00), representing 25% of the total penalty. OEHHA’s check shall be delivered and addressed to Office of Environmental Health Hazard Assessment, Attn: Mike Gyurics, PO Box 4010, Sacramento, California 95812-4010. Tamar Kaloustian’s check shall be made payable to Tamar Kaloustian and delivered addressed to: Vache Thomassian, KJT Law Group, LLP., as attorneys for Tamar Kaloustian, 230 N. Maryland Avenue, Suite 306, Glendale, California 91206.

5.0 Authority to Enter Into Settlement Agreement

5.1 Tamar Kaloustian represents that its signatory to this Settlement Agreement has full authority to enter into and legally bind Tamar Kaloustian to this Settlement Agreement.

5.2 Herbal Secrets represents that its signatory to this Settlement Agreement has full authority to enter into and legally bind Herbal Secrets to this Settlement Agreement.

6.0 Report of the Settlement Agreement to the Office of the Attorney General Of California

6.1 Tamar Kaloustian shall report this Settlement Agreement to the Attorney General’s Office within five (5) days of the Parties’ execution of this Settlement Agreement.

7.0 Execution in Counterparts and Facsimile

7.1 This Settlement Agreement may be executed in counterparts, which taken together shall be deemed to constitute the same document. A facsimile or portable document format (PDF) signature shall be as valid as the original.

8.0 Entire Agreement

8.1 This Settlement Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and all related prior discussions, negotiations, commitments, and understandings. No other agreements, oral or otherwise, exist to bind any of the Parties.

9.0 Modification of Settlement Agreement

9.1 Any modification to this Settlement Agreement shall be in writing and signed by the Parties.

10.0 Application of Settlement Agreement

10.1 This Settlement Agreement shall apply to, be binding upon, and inure to the benefit of, the Tamar Kaloustian Releasors, and the Releasees /Downstream Releasees identified in Section 2 above.

11.0 Enforcement of Settlement Agreement

11.1 Any party may file suit before the Superior Court of the County of Los Angeles, consistent with the terms and conditions set forth in paragraphs 11.1 and 11.2 of this

Settlement Agreement, to enforce the terms and conditions contained in this Settlement Agreement. The prevailing party shall be entitled to its reasonable attorneys' fees and costs associated with such enforcement.

No action to enforce this Settlement Agreement may be commenced or maintained, and no notice of violation related to the Covered Products may be served or filed against Herbal Secrets by Tamar Kaloustian, unless the party seeking enforcement or alleging violation notifies the other party of the acts alleged to breach this Settlement Agreement at least 30 days before serving or filing any action or Notice of Violation. Any notice to Herbal Secrets must contain (a) information identifying the product, (b) dates when the product was sold after the Effective Date in California without reformulation or warning as set forth in section 3, (c) identification of at least one entity, store, or other place where the product was made available for sale to consumers, and (d) other evidence or other support for the allegations in the notice.

11.2 Within 30 days of receiving the notice described in Section 11.1, Herbal Secrets shall either (1) send all stores and other places at or through which the product was made available for sale a letter directing that the offending product be immediately removed from inventory and returned to Herbal Secrets for full credit, including shipping costs, or (2) refute, to Tamar Kaloustian's satisfaction, the information provided under Section 11.2. Should the parties be unable to resolve the dispute, any party may seek relief under Section 11.1.

12.0 Notification Requirements

12.1 Any notice required or permitted hereunder shall be effective only if given in writing and delivered in person, certified or registered mail return receipt requested, or traceable overnight delivery service, to the following designees:

For Tamar Kaloustian:

230 N. Maryland Avenue, Suite 306
Glendale, California 91206
Telephone: 1-818-507-8525
Facsimile: 1-818-507-8588

For Herbal Secrets:

Haejin A. Shim, Esq.
SHIM & ASSOCIATES
1270 Broadway, Suite 305
New York, NY 10001
Telephone: 1-201-482-0749
Facsimile: 1-201-515-6552

Any party may change its designee(s) for purposes of notification by providing written notice of such change pursuant to this section.

13.0 SEVERABILITY

13.1 If, subsequent to the execution of this Settlement Agreement, any of the provisions of this Settlement Agreement are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

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14.0 GOVERNING LAW

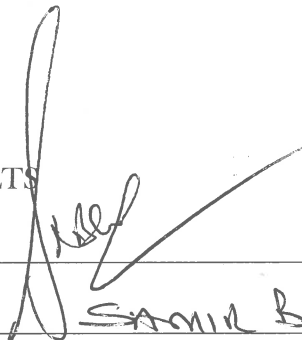
14.1 The terms of this Settlement Agreement shall be governed by the laws of the State of California.

TAMAR KALOUSTIAN

Dated: 6/21/2019

By: 
DocuSigned by:
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Tamar Kaloustian
Printed Name: _____
PLAINTIFF
Title: _____

Dated: 7/2/2019

HERBAL SECRETS
By: 
Printed Name: SAMIR BHATIA
Title: CEO