

**SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release (“Agreement”) between Environmental Research Center, Inc. (“ERC”) and Aceva, LLC and AlignLife Systems, LLC, individually and dba Aceva (collectively “Aceva”) is effective on the date on which it is fully executed (“Effective Date”). ERC and Aceva are referred to individually as a “Party” and collectively as the “Parties.” The Parties agree as follows:

1. This matter arises out of the Notices of Violation of California Health & Safety Code §25249.5, *et seq.* (also known as “Proposition 65”) that ERC served on Aceva on March 6, 2020, March 16, 2020, and May 7, 2020 (the “Notices”) with regard to the following products identified below (referred to as the “Covered Products”):

1. Aceva Absolute Greens Contains Organic Fruits & Vegetables
2. Aceva Clinically Inspired Nutrition Candeva Microflora Balancing Formulation
3. Ultimate Body Cleanse Kit
4. Aceva Clinically Inspired Nutrition Stress Relief 90 Capsules
5. Aceva Clinically Inspired Nutrition Sine Aid 90 Capsules
6. Ultimate Body Cleanse Parasite Cleanse 30 Capsules

2. The Parties enter into this Agreement in order to fully resolve all claims, demands, and allegations regarding the Notices and for the purpose of avoiding prolonged litigation. Nothing in this Agreement shall be construed as an admission of the Parties 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 Parties of any fact, issue of law or violation of law. Nothing in this Agreement or any document referred to shall be construed as giving rise to any presumption or inference of admission or concession by the Parties as to any fault, wrongdoing or liability. This Section shall not diminish or otherwise affect the obligations, responsibilities, and duties of the Parties under this Agreement.

**3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS**

In consideration of the following covenants and conditions contained in this Agreement, the Parties have provided the releases as set forth in Section 6 below:

3.1 Beginning one week after the Effective Date (the “Compliance Date”), Aceva shall be permanently enjoined from manufacturing for sale in the State of California, “Distributing into the State of California,” or directly selling in the State of California, any Covered Product which exposes a person to a “Daily Lead Exposure Level” of more than 0.5 micrograms of lead per day unless it meets the warning requirements under Section 3.2.

3.1.1 As used in this Agreement, the term “Distributing into the State of California” shall mean to directly ship a Covered Product into California for sale in California

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or to sell a Covered Product to a distributor that Aceva knows or has reason to know will sell the Covered Product in California.

3.1.2 For purposes of this Agreement, the "Daily Lead Exposure Level," 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 recommended daily servings appearing on the label), which equals micrograms of lead exposure per day. If the label contains no recommended daily servings, then the number of recommended daily servings shall be one.

### 3.2 Clear and Reasonable Warnings

If Aceva is required to provide a warning pursuant to Section 3.1, the following warning must be utilized ("Warning"):

**WARNING:** Consuming this product can expose you to chemicals including [lead] which is [are] known to the State of California to cause [cancer and] birth defects or other reproductive harm. For more information go to [www.P65Warnings.ca.gov/food](http://www.P65Warnings.ca.gov/food).

Aceva shall use the phrase "cancer and" in the Warning only if the "Daily Lead Exposure Level" is greater than 15 micrograms of lead as determined pursuant to the quality control methodology set forth in Section 3.4 or if Aceva has reason to believe that another Proposition 65 chemical is present at a level requiring the cancer warning.

The Warning shall be securely affixed to or printed upon the container or label of each Covered Product offered for sale in California, and if the Warning is provided on the label, it must be set off from other surrounding information and enclosed in a box. In addition, for any Covered Product sold over the internet, the Warning shall appear on the checkout page when a California delivery address is indicated for any purchase of any Covered Product. ~~An asterisk or other identifying method must be utilized to identify which product on the checkout page is subject to the Warning.~~ <sup>Product ID</sup> In no event shall any internet or website Warning be contained in or made through a link. <sup>JE</sup>

The Warning shall be at least the same size as the largest of any other health or safety warnings also appearing on the website or on the label or container of Aceva's product packaging and the word "WARNING" shall be in all capital letters and in bold print. No statements intended to or likely to have the effect of diminishing the impact of, or reducing the clarity of, the Warning on the average lay person shall accompany the Warning. Further, no statements may accompany the Warning that state or imply that the source of the listed chemical has an impact on or results in a less harmful effect of the listed chemical.

Aceva must display the above Warning with such conspicuousness, as compared with other words, statements or designs on the label, container, or on its website, as applicable, to

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render the Warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product.

### 3.3 Conforming Covered Products

A Conforming Covered Product is a Covered Product for which the "Daily Lead Exposure Level" is no greater than 0.5 micrograms of lead per day as determined by the quality control methodology described in Section 3.4.

### 3.4 Testing and Quality Control Methodology

3.4.1 Beginning within one year of the Effective Date, Aceva shall arrange for lead testing of the Covered Products at least once a year for a minimum of five (5) consecutive years by arranging for testing of three (3) randomly selected samples of the Covered Products, in the form intended for sale to the end-user, which Aceva intends to sell or is manufacturing for sale in California, directly selling to a consumer in California or "Distributing into the State of California." If tests conducted pursuant to this Section demonstrate that no Warning is required for the Covered Products during each of the five (5) consecutive years, then the testing requirements of this Section will no longer be required as to the Covered Products. However, if during or after the five-year testing period, Aceva changes ingredient suppliers for the Covered Products and/or reformulates the Covered Products, Aceva shall test the Covered Products annually for at least four (4) consecutive years after such change is made.

3.4.2 For purposes of measuring the "Daily Lead Exposure Level," the highest lead detection result of the three (3) randomly selected samples of the Covered Products will be controlling.

3.4.3 All testing pursuant to this Agreement shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including limit of detection, qualification, accuracy, and precision that meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS") achieving a limit of quantification of less than or equal to 0.010 mg/kg.

3.4.4 All testing pursuant to this Agreement shall be performed by an independent third-party laboratory certified by the California Environmental Laboratory Accreditation Program or an independent third-party laboratory that is registered with the United States Food & Drug Administration.

3.4.5 Nothing in this Agreement shall limit Aceva's ability to conduct, or require that others conduct, additional testing of the Covered Products, including the raw materials used in its manufacture.

3.4.6 Within thirty (30) days of ERC's written request, Aceva shall deliver lab reports obtained pursuant to Section 3.4, and related documentation, to ERC. Aceva shall retain all such lab reports and related documentation for a period of five years from the date of each

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test. Any request by ERC for lab reports and related documentation shall be made prior to the expiration of the five-year time period identified in this section 3.4.6.

3.4.7 The testing and reporting requirements of Section 3.4 of this Agreement shall not apply to any Covered Product for which a Warning is provided, continuously and without interruption from the Compliance Date, in accordance with Section 3. In the event a Warning is provided after the Compliance Date but Aceva thereafter ceases to provide the Warning, the testing requirements of Section 3.4 of this Agreement shall apply beginning one year after the date the Warning ceases to be provided, unless Aceva can show to the satisfaction of ERC that the cessation in providing the Warning was a temporary error that was resolved when discovered.

4. Aceva shall make a total payment of \$10,000.00 ("Total Settlement Amount") in three monthly payments ("Periodic Payments"), according to the following payment schedule ("Due Dates"):

- Payment 1 -- \$3,333.34 within 5 days of the Effective Date
- Payment 2 -- \$3,333.33 within 35 days of the Effective Date
- Payment 2 -- \$3,333.33 within 65 days of the Effective Date

Aceva shall make these payments by wire transfer to ERC's account, for which ERC will give Aceva the necessary account information. The Total Settlement Amount shall be apportioned as follows:

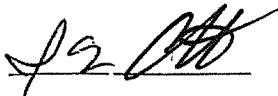
a. \$1,200.00 shall be considered a civil penalty pursuant to California Health and Safety Code §25249.7(b)(1). ERC shall remit 75% (\$900.00) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code §25249.12(c). ERC will retain the remaining 25% (\$300.00) of the civil penalty.

b. \$2,380.90 shall be considered a reimbursement to ERC for its costs incurred as a result of bringing this matter to Aceva's attention and negotiating a settlement.

c. \$6,419.10 shall be considered reimbursement for ERC's in-house legal fees.

d. In the event that Aceva fails to remit, in full, any of the Periodic Payments owed pursuant to Section 4 of this Consent Judgment on or before the applicable Due Date, Aceva shall be deemed to be in material breach of its obligations under this Agreement. ERC shall provide written notice of the delinquency to Aceva via electronic mail. If Aceva fails to deliver the delinquent payment to ERC within five days from the written notice, the Total Settlement Amount, less any amounts previously paid pursuant to Section 4, shall become immediately due and payable and shall accrue interest at the statutory judgment interest rate provided in the Code of Civil Procedure section 685.010. Additionally, Aceva agrees to pay ERC's reasonable attorneys' fees and costs for any efforts to collect any payment(s) due under this Agreement.

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6.4 Compliance with the terms of this Agreement shall be deemed to constitute compliance with Proposition 65 by any releasee regarding alleged exposures to lead in the Covered Products as set forth in the Notices.

6.5 Nothing in this Agreement is intended to apply to any occupational or environmental exposures arising under Proposition 65, nor shall it apply to any of Aceva's products other than the Covered Products.

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

8. All notices required to be given to either Party to this Agreement by the other shall be in writing and sent to the following agents listed below via first-class mail, or via electronic mail where required. Courtesy copies of notices sent via first-class mail may also be sent via email.

**FOR ENVIRONMENTAL RESEARCH CENTER, INC.:**

Chris Heptinstall, Executive Director, Environmental Research Center  
3111 Camino Del Rio North, Suite 400  
San Diego, CA 92108  
Tel: (619) 500-3090  
Email: chris.heptinstall@erc501c3.org

With a copy to:

Charles W. Poss  
Environmental Research Center, Inc.  
3111 Camino Del Rio North, Suite 400  
San Diego, CA 92108  
Ph: (619) 500-3090  
Email: charles.poss@erc501c3.org

**FOR ACEVA, LLC and ALIGNLIFE SYSTEMS, LLC, individually and dba ACEVA:**

Dr. Joseph Esposito  
4812 N. Sheridan Road  
Peoria, IL 61614  
Email: jesposito@alignlife.com

9. After executing 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 the Notices, the settlement, and this Agreement.

10. This Agreement contains the entire agreement between the Parties with regard to settlement of the Notices, and supersedes all prior or contemporaneous agreements or understandings, written or oral, with regard to the Notices as set forth in this Agreement. This

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Agreement may be amended or modified as to injunctive terms only in whole or in part at any time only by an agreement in writing executed by the Parties.

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

12. 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.

13. 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.

14. 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.

15. The Parties acknowledge by signing this Agreement that they have a right to consult an attorney and that they have either consulted their attorney(s) with respect to the Notices and the terms and conditions of this Agreement or have made the decision not to consult with an attorney regarding the Notices and the terms and conditions of this Agreement. The Parties further acknowledge that they fully understand this Agreement and the effect of signing and executing this Agreement.

16. Any legal action to enforce this Agreement shall be brought in the county of Alameda of the State of California. ERC shall be entitled to recover its reasonable attorneys' fees and costs that are necessary and required to enforce the Agreement pursuant to California Code of Civil Procedure section 1021.5.

17. 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.

18. 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.

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DATED: May 13, 2020

ACEVA, LLC

By: [Signature]  
Name: Joseph Esposito  
Title: CEO

DATED: May 13, 2020

ALIGNLIFE SYSTEMS, LLC, individually and dba  
ACEVA

By: [Signature]  
Name: Joseph Esposito  
Title: CEO

DATED: 5/18/20

ENVIRONMENTAL RESEARCH CENTER, INC.

By: [Signature]  
Chris Herdinstall, Executive Director

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