

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“**Agreement**”) between The Chemical Toxin Working Group, Inc. (“**CTWG**”) and Healing Solutions, LLC (“**HSL**”) is effective on the date on which it is fully executed (“**Effective Date**”). CTWG and HSL are referred to individually as a “**Party**” and collectively as the “**Parties.**” The Parties agree as follows:

1. This Agreement is intended to fully resolve all claims, demands, and allegations set forth in or related to the Notice of Violations of California Health & Safety Code, section 25249.5 *et seq.* (also known as “**Proposition 65**”) that CTWG served on HSL and Amazon.com Services, Inc. (“**Amazon**”) on April 10, 2020 (the “**Notice**”) with regard to the product named: “**Healing Solutions __ 100% Pure & Premium __ Turmeric __ Curcumin __ with Bioperine __ 1500 mg**” (all sizes) (the “**Covered Product**”).

2. The Parties enter into this Agreement in order to achieve a settlement of the claims as stated in Section 1 (collectively “**this Matter**”) and for the purpose of avoiding prolonged litigation. Nothing in this Agreement shall be construed as an admission by HSL of any fact, issue of law, or violation of law, nor shall compliance with this Agreement constitute or be construed as an admission by HSL of any fact, issue of law or violation of law. 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 HSL 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 of HSL, and the other conditions contained in this Agreement, CTWG releases HSL as set forth in Section 6 below:

3.1 Beginning sixty (60) days from the Effective Date, HSL shall not sell, “distribute” nor manufacture for sale, in the State of California, any Covered Product which expose a person to more than 0.50 micrograms of lead based on the recommended serving size on the Covered Product’s label, unless each such unit of the Covered Product bears a warning meeting the warning requirements under Section 3.2. Nothing in this Agreement shall be construed to apply to any Covered Products distributed or sold outside California.

3.1.1 As used in this Settlement Agreement and Release, the term “**distribute**” shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that HSL has reason to know will sell the Covered Product in California.


3.1.2 For the purposes of this Agreement, the amount of lead a person is exposed to from the Covered Product 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.

3.2 Clear and Reasonable Warnings.


For Covered Product that requires a Proposition 65 warning under this Settlement Agreement, HSL shall utilize one of the following warning statements:

- (a) For Covered Product manufactured up to and through August 31, 2018, HSL may use any one of the three warning statements below (Options 1, 2 or 3), or Option 4 alternative.
- (b) For Covered Product manufactured after August 31, 2018, HSL may only use the warning statements in Options 2 or 3, or the Option 4 alternative:

3.2.1 Option 1

 **WARNING: This product can expose you to chemicals, including lead, which is 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.**

3.2.2 Option 2

 **WARNING:** Consuming this product can expose you to chemicals, including lead, which 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.

Alternatively, at HSL's option, the warning specified above may be modified to include a warning that complies with 27 Cal. Code Regs. § 25607.2. If the warning is printed on the label, the warning shall be set off from other surrounding information in the label and enclosed in a box.

3.2.3 Option 3

For the Covered Product, the warning may state:

 **WARNING: Cancer and Reproductive Harm – www.P65Warnings.ca.gov.**

The pictogram specified in Section 3.2.3 shall be in yellow with a black exclamation mark; *provided however*, the pictogram may be in white instead of yellow if the Covered Product label does not contain the color yellow.

3.2.4 Option 4

Any warning authorized by any Proposition 65 law or regulation effective on or after the Effective Date.

Respecting the warnings defined in Sections 3.2.1, 3.2.2, and 3.2.3, the warning must be in a type size no smaller than the largest type size used for other consumer information on the product. In no case shall the warning appear in a type size smaller than 6-point type.

HSL elects to comply with the warning requirements of Section 3.2.4.

3.3 Calculation of Levels; Reformulated Covered Products.

A “**Reformulated Covered Product**” is one for which the average daily exposure level does not exceed 0.50 micrograms of lead per day, as determined by the formula, testing and quality control methodology described in Section 3.4. As used in this Agreement, “no more than 0.50 micrograms of lead per day” means that the samples of the testing under Section 3.4 yield an average daily exposure of no more than 0.50 micrograms of lead per day (with average daily exposure calculated pursuant to Section 3.4 of this Agreement). For Covered Product distributed or sold in California that causes exposures in excess of 0.50 micrograms of lead per day, HSL shall provide the warnings set forth in Section 3.2. For purposes of determining which warning, if any, is required pursuant to Section 3.2, the average concentration utilizing the geometric mean of lead detection results of three (3) samples of the relevant product, randomly selected by HSL, will be controlling.

3.4 Testing and Quality Control Methodology.

3.4.1 To the extent that HSL decides to sell Reformulated Covered Product in California, HSL shall arrange, for at least two (2) consecutive years and at least once per year, commencing approximately one year from the Effective Date, for lead testing of three (3) randomly-selected samples of three separate lots (or the maximum number of lots available if less than three) each year for the Covered Product to confirm whether the exposure to lead from the maximum serving size is more or less than 0.50 micrograms of lead per day. For purposes of this Agreement, average daily exposure levels shall be measured in micrograms per day, and shall be calculated using the following formula: the average concentration of lead in the product in micrograms per gram, multiplied by grams of product per serving of the product (using the serving size appearing on the product label, as applicable), multiplied by frequency of consumption of once every fourteen (14) days. The testing requirements of this Section 3.4.1 do not apply to any of the Covered Products for which HSL has provided a warning as specified in Section 3.2. Further, HSL is only required to obtain testing under this paragraph if it is selling Reformulated Covered Products in California.

3.4.2 The Parties agree that the Reformulated Covered Product may be offered for sale in California without the warning stated in Section 3.2.

3.4.3 All testing pursuant to this Agreement shall be performed by an independent third-party laboratory certified for the analysis of heavy metals or an independent third-party laboratory that is approved by, accredited by or registered with the United States Food & Drug Administration, California Environmental Laboratory Accreditation Program or other California state governmental agency.

3.4.4 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.

3.4.5 Nothing in this Agreement shall limit HSL's ability to conduct or require that others conduct additional testing of the Covered Product, including raw materials used in its manufacture. No such other testing must be produced to CTWG hereunder.

4. In full satisfaction of all potential civil penalties and attorney's fees, costs, and any other expenses incurred by CTWG or its counsel, HSL shall pay the total settlement amount of \$71,500 (the "**Settlement Amount**") within ten (10) days of the Effective Date. HSL shall pay the Settlement Amount by wire (account info to be provided on request) or check made payable to "Client Trust Account - Khansari Law Corporation" on behalf of CTWG, and mailed to:

Khansari Law Corporation
11845 W. Olympic Blvd., Suite 1000
Los Angeles, CA 90064

4.1 \$15,000 shall be considered a "civil penalty" pursuant to California Health and Safety Code, of which CTWG shall remit seventy-five percent (75%) (\$11,250) to the "Safe Drinking Water and Toxic Enforcement Fund" managed by the State of California's Office of Environmental Health Hazard Assessment ("OEHHA"). CTWG will retain the remaining 25% (\$3,750) of the civil penalty.

4.2 \$56,500 shall be considered reimbursement of all of CTWG's attorneys' fees and costs (including experts) related to the Matter and CTWG shall be solely responsible for remitting those fees to its counsel and its experts.

5. Except as expressly set forth in Section 4.2 and Section 7.3 below, the Parties shall bear their own costs, expenses, and attorneys' fees related to this Matter.

6. Binding Effect; Claims Covered and Released.

6.1 CTWG, on behalf of itself and its respective owners, principals, shareholders, officers, directors, employees, agents, affiliates, parents, subsidiaries, successors, assigns, and legal representatives (collectively referred to as "**Covered Releasors**") fully releases and discharges HSL, and each of its owners, principals, shareholders, officers, directors, employees, agents, parents, subsidiaries, affiliates (including those companies that are under common ownership and/or common control), successors, assigns, and legal representatives, and any upstream suppliers of the Covered Product, including, but not limited to manufacturers, producers, packagers, importers and ingredient suppliers, and each entity to whom HSL directly or indirectly distributes or sells the Covered Product, including, but not limited to, its downstream distributors, wholesalers, customers, retailers (including specifically Amazon), franchisers, cooperative members, licensors and licensees (collectively referred to as "**Covered Releasees**") from any and all claims, actions, suits, demands, liabilities, damages, penalties, fees, costs and expenses (collectively, "**Claims**") asserted or that could have been asserted for alleged violations of Proposition 65, up through and including the Effective Date based on alleged failure to provide warnings for alleged exposure to lead, or for causing alleged exposure to lead, from the Covered Product.

6.2 CTWG and HSL further waive and release any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notice.

6.3 It is possible that other claims not known to the Parties arising out of the facts alleged in the Notice or relating to the Covered Product will develop or be discovered. Covered Releasors and Covered Releasees acknowledge that this Agreement is expressly intended to cover and include all such claims up through and including the Effective Date, including all rights of action therefore, and further acknowledge that the claims released this section may include unknown claims and unknown parties. Covered Releasors nevertheless waive(s) California Civil Code, section 1542 as to any such unknown claims and unknown parties. California Civil Code, section 1542 reads as follows:

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

CTWG acknowledges and understands the significance and consequences of this specific waiver of California Civil Code Section 1542.

6.4 Compliance with the requirements of Section 3 of this Agreement shall be deemed to constitute compliance by HSL and any Covered Releasee with Proposition 65 with respect to any lead in the Covered Product.

6.5 The Parties agree that the commitments HSL has agreed to and actions to be taken by HSL herein would confer a significant benefit to the general public, as set forth in California Civil Code section 1021.5 and Cal. Admin. Code tit. 11, section 3201. As such, it is the intent of the Parties that to the extent any other private party initiates an action alleging a violation of Proposition 65 with respect to HSL or any Covered Releasee's failure to provide a warning concerning exposure to lead with respect to the Covered Product, such private party action would not confer a significant benefit on the general public as to the Covered Products addressed in this Agreement, provided that HSL is in material compliance with this Agreement. This Section 6.5 does not constitute a release.

7. Resolution of Disputes.

7.1 If CTWG alleges that HSL has failed to comply with this Agreement, prior to filing an action or motion relating to enforcement, CTWG shall first provide HSL thirty (30) days' advance written notice of the alleged violation. CTWG shall provide testing results, lot numbers, photographs of the Covered Product packaging, and purchase receipts for the Covered Product at issue in the alleged violation, as applicable. The Parties shall meet and confer during such thirty (30) day period in an effort to reach agreement on an appropriate cure for the alleged violation without the need for litigation.

7.2 Notwithstanding the provisions of Section 3, CTWG may not issue any notice under Section 7.1 if the packaging of the Covered Product is marked or labeled with the statement "Not for Sale in California" or substantially similar language, such statement is prominently placed upon such Covered Product's label or other labeling as compared with other words or statements on the label or labeling as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use. If HSL marks or labels a Covered Product with such a statement, HSL shall additionally notify its customers/distributors by letter that the Covered Product shall not be sold in California.

7.3 In the event any litigation, arbitration, mediation, or other proceeding is initiated by any Party to enforce this Agreement, and such Party prevails in such proceeding, it shall be entitled to recover from the other Parties, as applicable, all costs, expenses, reasonable attorneys' fees and expert fees, relating to or arising out of (i) such proceeding, and (ii) any post judgment or post-award proceeding including without limitation to enforce any judgment or award resulting from any such proceeding.

8. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable or limited by reason of law generally, or as to the Covered Products, HSL shall have no further obligations pursuant to this Agreement with respect to, and to the extent that, a Covered Product is so affected.

9. 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 and electronic mail.

For HSL:

H. Kim Sim
Conkle, Kremer & Engel PLC
Attn: Healing Solutions, LLC
3130 Wilshire Boulevard, Suite 500
Santa Monica, California 90403
k.sim@conklelaw.com & support@conklelaw.com

For CTWG:

Khansari Law Corporation
Attn: CTWG
11845 W. Olympic Blvd., Suite 1000
Los Angeles, California 90064
Tel: (424) 248-6688
Fax: (424) 248-6689
Email: andre@khansarilaw.com

10. After executing this Agreement, CTWG will submit to the California Attorney General a Report of Settlement. In addition, CTWG will provide to the California Attorney General a signed copy of this Agreement.

11. 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. Except as otherwise provided herein, 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. Grounds for modification include, however are not limited to the establishment or adoption of OEHHA of safe harbor levels greater than that specified in Section 3.1 of this Agreement for Reformulated Covered Products.

12. 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, successors, and assigns.

13. 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.

14. 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.

15. 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.

16. 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.

17. Any legal action to enforce this Agreement shall be brought in the County of Alameda of the State of California.


18. 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.

19. 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.

[Signatures Appear on the Following Page]

DATED: September 11, 2020

HEALING SOLUTIONS, LLC

By: 
Name: Christopher Marshall
Its: Chief Financial Officer

DATED: September 11, 2020

THE CHEMICAL TOXIN WORKING GROUP, INC.

By: 
David Steinman, Executive Director