SETTLEMENT AGREEMENT AND RELEASE

The Chemical Toxin Working Group Inc. dba Healthy Living Foundation Inc. ("HLF") and NOW Health Group, Inc. dba NOW Foods ("Company") enter into this Settlement Agreement ("Agreement"). HLF and Company are referred to individually as a "Party" or collectively as "Parties." The Parties agree as follows.

Introduction.

The "Matter" arises out of the Notice of Violation of California Health & Safety Code §25249.5, et seq. ("Proposition 65") that HLF served to NOW Health Group, Inc. dba NOW Foods, Amazon.com, Inc. and Amazon.com Services LLC (collectively, the "Noticed Companies") on November 30, 2021, California Attorney General's number 2021-02944 (referred to as "Notice" or "NOV"). In the Notice, HLF alleges that the following product requires a Warning for lead under Proposition 65: NOW® Valerian Root 500 mg Herbal Supplement ("Covered Product").

The Parties enter into this Agreement in order to fully resolve all claims, demands, and allegations regarding the Notice 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, including, but not limited to, Proposition 65. 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.

1. Definitions

1.1. "Effective Date" is the date on which this Agreement is fully executed by the Parties.

1.2. "Compliance Date" is the date that is sixty (60) calendar days after the Effective Date.

1.3. "Expose" and/or "Exposure" are used in this Agreement as defined in Cal. Code Regs., tit. 27, § 25102(i) and means to cause to ingest, inhale, contact via body surfaces or otherwise come into contact with a chemical listed in Proposition 65. An individual may come into contact with a listed chemical through water, air, food, or consumer products.

1.4. "Daily Exposure Level" means 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 or in marketing materials of Company. If the label or marketing materials contain no recommended daily servings, then the number of recommended daily servings shall be one.

1.5. "Maximum Daily Exposure Level" is 0.5 micrograms of lead per day, calculated consistent with the definition of "Daily Exposure Level."

1.6. "Consumer Information" is used in this Agreement as defined in Cal. Code Regs., tit. 27, § 25600.1(c) and includes warnings, directions for use, ingredient lists, and nutritional information.

Consumer Information does not include the brand name, product name, company name, location of manufacture, or product advertising.

1.7. "Warning" is a warning compliant with Section 2.3 of this Agreement.

1.8. "Warning Symbol" is a black exclamation point in a yellow equilateral triangle with a black outline, except that if the sign or label for the Product does not use the color yellow, the symbol may be in black and white.

1.9. "Reformulated Product" is an identical Product in substance and labeling to Covered Product(s), but with a product's component(s) harvested in different location(s) or grown/manufactured with different (from Covered Product(s)) methods that have resulted in reduced or eliminated presence of a concentration of lead and lead compounds below the Maximum Daily Exposure Level.

1.10. "Distributor(s)" is any entity or individual that stands between Company as manufacturer and the Retail Seller(s) in purchases or contracts for sale of the Covered Product.

1.11. "Retail Seller(s)" means any entity or individual that engages in the business of selling the Covered Product to retail buyers (consumers). "Retail Seller" does not include any third party resellers who themselves purchase the Covered Product from a Retail Seller and then attempt to resell the Covered Product to another buyer.

1.12. "Distribute into the State of California" means to directly or indirectly sell Covered Product in California; ship Covered Product for sale in California, including to sell Covered Product to a Distributor or Retail Seller that Company knows, or for which it is Reasonably Foreseeable, will sell Covered Product in California.

1.13. "Reasonably Foreseeable" means that a reasonable inquiry would have revealed to Company that a Distributor or Retail Seller sells or intends to sell Covered Product in/to California. Some, but not all, examples of such circumstances include: where the Distributor sells products online/over the internet, telephone, telephone applications (apps), or mail-order; maintains or intends to maintain storage, warehouse(s), or brick-and-mortar retail establishment(s) located in California.

2. Company's Duties.

2.1. As of the Compliance Date, Company shall not Distribute into the State of California Covered Product(s) that Expose(s) a person to lead at a level exceeding the Maximum Daily Exposure Level, unless Covered Product(s) meet(s) the Warning requirements of this Agreement. Covered Product(s) that Company Distributes into the State of California, after the Compliance Date, shall either (1) qualify as a Reformulated Product or (2) comply with the Warning requirements of this Agreement.

2.2. Testing.

2.2.1. The testing requirements of Section 2.2 do not apply to Covered Product for which Company provides a Warning.

2.2.2. Testing shall be performed prior to Company's first distribution into California or sale in California of Reformulated Product.

2.2.3. Testing shall continue at least once per year for as long as Company sells Covered Product.

2.2.4. For purposes of determining if a Warning is required, Company shall randomly select and test three (3) samples of the Covered Product from different lot numbers (or, if fewer than three (3) lots are available for testing, from as many lots as are available). Company must consider the highest level in determining if the product can be sold without Warning. Testing shall continue at least once per year thereafter for as long as Company sells Covered Product. HLF reserves the right to test Covered Product and, if the results are violative of Section 2.2., assert any new claims that may arise.

2.2.5. 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, limit of quantification, accuracy, and precision and meets the following criteria: Inductively Coupled Plasma Mass Spectrometry (ICP-MS) achieving a limit of detection of less than or equal to 40 parts per billion, or any other testing method subsequently agreed upon in writing by the Parties.

2.2.6. Testing pursuant to this Agreement shall be performed by an independent, third party laboratory accredited to perform testing for lead using the methodology in Section 2.2.5.

2.3. Warning.

2.3.1. As of the Compliance Date, Company shall not Distribute into the State of California Covered Product(s) that expose(s) a person to lead or lead compounds at a level exceeding the Maximum Daily Exposure Level unless Company provides a Warning as further specified in this Section 2.3. The Warning shall consist of either the Standard Warning (under Section 2.3.1. (a)) or the Short-Form Warning (under Section 2.3.1. (b)).

(a) Standard Warning. The Standard Warning shall consist of the statement:

⚠ **WARNING**: Consuming this product can expose you to chemicals, including lead, which are known to the State of California to cause birth defects or other reproductive harm. For more information go to www.P65Wamings.ca.gov/food.

(b) Short-Form Warning. The Short-Form Warning shall consist of the statement:

⚠ **WARNING**: Reproductive Harm - www.P65Wamings.ca.gov/food.

The font size of the Short-Form Warning must be a minimum of 6 point, and it cannot be smaller than the largest size font used for Consumer Information.

2.3.2. Print Warning. The Standard Warning or Short-Form Warning provided pursuant to Section 2.3 in print form must:

(a) contain the word "WARNING:" in all capital letters, in bold font, followed by a colon;

(b) display the Warning Symbol to the left of the word "WARNING:";

(c) display the Warning Symbol in a size no smaller than the height of the word "WARNING:";

(d) be affixed to or printed on the Product label, or on a placard, shelf tag, sign or electronic device;

(e) be displayed with such conspicuousness, as compared with other words, statements, or designs, as to render it likely to be read and understood by an ordinary individual under customary conditions of purchase or use;

(f) be set off from other surrounding information; and

(g) be enclosed in a box.

2.3.3. Online/Internet Warning. If Company sell(s) Covered Product via internet websites to customers located in California, the warning requirements of this Section shall also be satisfied by (1) on-label warning and (2) the Warning also must be displayed online prior to the purchase, either on one or on all of the below:

(a) on the same web page on which the Covered Product is displayed and/or described;

(b) on the same page where the price for the Covered Product is displayed; or

(c) on one or more web pages displayed to a purchaser prior to completion of purchase during the checkout process.

2.3.4. The Online Warning must also comply with all requirements of Section 2.3.2 of this Agreement, except 2.3.2(d) and (g); the Online Warnings must be prominently displayed and visible to the purchaser without a search for it in the general content of the website.

2.3.5. For purchases of the Covered Product occurring from one (1) year prior to the NOV to the Effective Date ("Prior Purchase(s)"), Company shall provide, within thirty (30) days of the Effective Date, a written Notice ("NDR") to each such Distributor or Retail Seller. For sales of the Covered Product occurring on or after the Effective Date ("Future Sale(s)"), Company shall provide, within thirty (30) days of the Effective Date, an NDR to each Distributor or Retail Seller to whom it sells the Covered Product from the Effective Date onward. The NDR shall, at a minimum, (i) state that consuming the Covered Product may result in exposure to chemicals, including lead, which are known to the State of California to cause birth defects or other reproductive harm; (ii) include the exact name or description of the Covered Product or specific identifying information such as a Universal Product Code; (iii) instruct that the Distributor or Retail Seller is responsible for providing online warnings for any sale(s) of the Covered Product into the State of California; and (iv) provide the specific warning language and requirements specified in Sections 2.3.1 and 2.3.3 - 2.3.4 of this Agreement. For Distributors with whom Company has a supply agreement, Company may satisfy this obligation by providing the NDR in its supply agreements with those Distributors and/or by providing the NDR to the Distributor's authorized agent or designated contact person. For any Distributors or Retail Sellers that purchase the Covered Product directly from Company, Company may satisfy this obligation by including the NDR with each fulfillment of each purchase order and/or by providing the NDR to the Distributor's or Retail Seller's authorized agent or designated contact person to cover subsequent purchase orders. Regardless of the method, or whether a Prior Purchase or a Future Sale, a confirmation of receipt of the NDR must be received electronically or in writing, or as a postal "return receipt" confirmation from the entity or an authorized agent or designated contact person for the Distributor or Retail Seller to which Company sent the NDR.

2.3.6. The injunctive relief set forth in Section 2 shall not apply to Covered Products that have left possession and control of Company prior to the Compliance Date, if Company provides the NDR as in Section 2.3.5. above.

2.3.7. If HLF makes a violative purchase after forty-five (45) days past the Effective Date, HLF may request, and Company must provide to HLF, within fifteen (15) days, a confirmation of receipt of the

NDR by a violative Distributor or Retail Seller, and a copy of the NDR received by a violative Distributor or Retail Seller.

3. Settlement Payments.

3.1 In satisfaction of all claims for civil penalties and attorney fees and costs related to the Notice, Company shall pay a total settlement amount of $147,500 (the "Settlement Amount") within ten (10) days of the Effective Date by wire transfer to HLF's counsel escrow account, for which HLF's counsel will give Company the necessary account information no later than the Effective Date.

HLF shall be solely responsible for allocating the Settlement Amount pursuant to Section 3. On the Effective Date, HLF or its legal counsel shall supply Company with a completed W-9 form. The Settlement Amount shall be allocated as follows:

3.2. $29,500 shall be considered a "civil penalty," of which HLF shall remit seventy-five percent (75%) to the "Safe Drinking Water and Toxic Enforcement Fund" managed by the State of California's Office of Environmental Health Hazard Assessment.

3.3. $118,000 shall be considered reimbursement of HLF's attorney's fees and costs related to the Matter.

3.4. Except as expressly set forth in this Section 3 and in Section 10 below, the Parties shall bear their own costs, expenses, and attorneys' fees related to this Matter.

4. Binding Effect; Claims Covered and Released.

4.1. This Agreement is a full, final, and binding resolution between HLF and Company of any violation(s) of Proposition 65 related to the NOV that was (were) or could have been asserted by HLF. HLF, on behalf of itself, and its respective principals, officers, directors, employees, parents, subsidiaries, executors, administrators, attorneys, successors, and assigns (collectively, the "Releasors"), releases and discharges Company and its successors in interest, and each of their respective direct and indirect corporate parents, subsidiaries, as well as the past, present and future owners, shareholders, directors, officers, employees, attorneys, insurers, representatives, franchisees, members, licensees, successors and assigns of all such persons or entities, and also each entity who directly or indirectly buys, distributes, markets or sells the Covered Product(s), including but not limited to, upstream manufacturers, downstream Distributors, wholesalers, customers, Retail Sellers, and marketplaces (including, but not limited to, NOW Health Group, Inc. dba NOW Foods, Amazon.com, Inc., and Amazon.com Services LLC, and the predecessors, successors and assigns of any of them) (singularly, "Released Party" and collectively, "Released Parties"), from and against any and all claims, demands, actions, causes of action, suits, liabilities, damages, penalties, fees, costs and expenses, related to the NOV, that the Releasors have, had or may have against the Released Parties from one (1) year prior to the NOV to the Effective Date of this Agreement, whether known or unknown, for failure to provide warnings for alleged exposures to lead from use of the Covered Product, all claims for violations of Proposition 65 through the Effective Date based on exposure to lead from the manufacture, sale, marketing, distribution, use or consumption of the Covered Product, or all claims otherwise arising out of or relating to the Notice.

4.2. HLF, on its own behalf only, and Company, on its own behalf only, 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.

4.3. It is possible that other claims not known to the Parties, arising out of the facts alleged in the Notice, and relating to the Covered Product, will develop or be discovered. HLF, on behalf of itself only, and Company, on behalf of itself only, 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. HLF and Company acknowledge that the claims released in Sections 4.1 and 4.2 above may include unknown claims, and nevertheless waive California Civil Code § 1542 and any federal or state law of similar effect as to any such unknown claims. California Civil Code § 1542 reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW 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.

HLF, on behalf of itself only, and Company, on behalf of itself only, acknowledge and understand the significance and consequences of this specific waiver of California Civil Code § 1542.

4.4. If HLF alleges that Company has failed to comply with this Agreement, prior to filing an action or a notice of violation as to any Released Party, HLF shall first provide Company thirty (30) days' advance written notice of the alleged violation(s). HLF shall provide testing results, receipts, lot numbers, and photographs of the Covered Product packaging for the Covered Product at issue. The Parties shall meet and confer during such thirty (30)-day period in an effort to resolve the matter informally without the need for litigation. If the matter is not resolved within thirty (30) days, or such additional period that the Parties mutually agree in writing, provided that such extension may not exceed ninety (90) days, HLF can file litigation and recover all applicable costs and reasonable attorneys' fees in accordance with California Code of Civil Procedure § 1021.5.

4.5. The Parties agree that compliance with the terms of this Agreement shall constitute compliance by any Released Party with Proposition 65 regarding alleged exposures to lead or lead compounds in the Covered Product or Reformulated Product(s) manufactured, purchased, distributed, or sold by Company after the Compliance Date. This release shall not apply to any Distributor or Retail Seller who fails to provide an internet warning as required pursuant to Section 2.3.

5. Modification.

5.1. 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.

5.2. This Agreement may be modified by (a) express written agreement of the Parties or (b) as provided in this Section 5. As applicable, any Party seeking to modify this Agreement (1) must notify the other Party in writing; (2) the Parties shall thereafter attempt in good faith to meet and confer prior to (3) presenting the issue to a court for resolution (1-3 are collectively referred to as "Move to Modify").

5.3. If, in the future, there is a change in Proposition 65 or its implementing regulations (including, but not limited to, the "safe harbor maximum allowable dose level" for lead set forth in Cal. Code Regs.,

tit. 27 § 25805, subdivision (b)) or there is a Proposition 65 regulation that specifies a change in the naturally occurring allowance for lead in the Covered Product in a manner that impacts the Maximum Daily Exposure Level of a Reformulated Product, then Company may Move to Modify this Agreement to conform to such regulation.

5.4. If a dispute should arise concerning a modification of this Agreement, then the Parties shall meet and confer in good faith to attempt to resolve the dispute, but if it cannot be resolved in that manner, either Party may present the dispute to the court for resolution.

6. 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, successors, and assigns.

7. 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.

8. 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.

9. 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.

10. Any legal action to enforce this Agreement or related to this Matter may be brought in any California State court. In any successful legal action brought to enforce this Agreement, HLF shall be entitled to recover its reasonable attorneys' fees and costs.

11. This Agreement may be signed in counterparts, and each counterpart, as well as any e-mail copy or electronically stored on a cloud software copy of this Agreement, or any other counterpart, shall be deemed to be original.

12. All notices required to be given to either Party under this Agreement shall be in writing and sent to the following recipients by (1) (a) first-class mail or (b) overnight delivery, and (2) by email.

For HLF:

Poulsen Law P.C.
282 11th Avenue, Suite 2612
New York, New York, 10001
Tel: +1 (646) 776 5999
Tel: + 1(650) 296 1014 Direct
ap@poulsenlaw.org

For Company:

Trenton H. Norris

Arnold & Porter Kaye Scholer LLP
Three Embarcadero Center, 10th Floor
San Francisco, CA 94111
Tel: +1 (415) 471-3303
trent.norris@arnoldporter.com

13. Each of the individuals who executes this Agreement represents and warrants he/she has the authority to execute this document and bind the respective Parties to the terms and conditions of this Agreement, and has read, understood, and agreed to all the terms and conditions in this Agreement.

DATED: October 25, 2022

THE CHEMICAL TOXIN WORKING GROUP INC.
DBA HEALTHY LIVING FOUNDATION INC.

By: David Steinman

Name: David Steinman

Title: Chief Officer

DATED:
25 OCTOBER 2022

NOW Health Group, Inc. d.b.a. NOW Foods

By: Jim Emme

Name:Jim Emme

Title:CEO