

SETTLEMENT AGREEMENT BETWEEN THE LIVING GALLERY, LLC AND ECLECTIC INSTITUTE, INC.

1. RECITALS

1.1 The Parties

1.1.1 This Settlement Agreement (“Agreement”) is entered into by and between The Living Gallery, LLC (“LG”) and Eclectic Institute, Inc. (“Eclectic Institute”). LG and Eclectic Institute shall hereinafter collectively be referred to as the “Parties”.

1.1.2 LG is an organization based in California with an interest in protecting the environment, improving human health and the health of ecosystems, and supporting environmentally sound practices, which includes promoting awareness of exposure to toxic chemicals and reducing exposure to hazardous substances found in consumer products.

1.1.3 LG alleges that Eclectic Institute is a person in the course of doing business as the term is defined in California *Health & Safety Code* section 25249.6 et seq. (“Proposition 65”).

1.2 Allegations

1.2.1 LG alleges that Eclectic Institute distributed, sold or made available for sale Eclectic Herb Beet Juice Powder, including but not limited to 0-23363-37909-5 (hereinafter, the “Product(s)”) causing users in California to be exposed to lead without providing “clear and reasonable warnings”, in violation of Proposition 65. Lead is potentially subject to Proposition 65 warning requirements because it is listed by the State of California as known to cause cancer and birth defects or other reproductive harm.

1.2.2 On April 15, 2026, LG served a Sixty-Day Notice of Violation (“Notice”), along with a Certificate of Merit, to Eclectic Institute, as well as iHerb, LLC, and the various public enforcement agencies regarding the alleged violation of Proposition 65 with respect to the Products.

1.3 No Admissions

Eclectic Institute denies all allegations in LG's Notice and maintains that the Products have been, and are, in compliance with all laws, and that Eclectic Institute has not violated Proposition 65. This Agreement shall not be construed as an admission of liability by Eclectic Institute but to the contrary as a compromise of claims that are expressly contested and denied. However, nothing in this section shall affect the Parties' obligations, duties, and responsibilities under this Agreement.

1.4 Compromise

The Parties enter into this Agreement in order to resolve the controversy described above in a manner consistent with prior Proposition 65 settlements and consent judgments that were entered in the public interest and to avoid prolonged and costly litigation between them.

1.5 Effective Date

The "Effective Date" shall be the date upon which a complete and fully executed copy of the Agreement is delivered to each Party or its counsel.

2. INJUNCTIVE RELIEF

2.1 Reformulation Standard

As of the Effective Date, Eclectic Institute shall not sell, distribute, or cause the Products to be offered for sale in California unless: (a) the Products expose a person to no more than 0.5 micrograms of lead per day based on the recommended Daily Serving as calculated below in Section 2.2, or (b) the Products are distributed, sold, or offered for sale with a clear and reasonable warning as described below in Section 2.3. Product in Eclectic Institute's warehouse can be sold through for a period of no more than 30 days following the Effective Date of this Agreement without meeting the injunctive requirements of this Section.

2.2 Exposure Calculation

2.2.1 A "Daily Serving" (for purposes of determining Proposition 65 compliance for chemicals present in the Products) shall be defined by the serving size set forth on the label of the Products under "Nutrition Facts", "Supplement Facts", or equivalent. If the

label, package, or Product display page on the internet¹ do not recommend a number of daily servings, then the number of daily servings shall be one.

2.2.2 The daily exposure shall be calculated by using the following formula: micrograms of lead per gram, multiplied by grams of Product per serving, multiplied by servings of the Product per day.

2.3 Proposition 65 Warnings

Whenever a warning is required under Section 2.1, Eclectic Institute shall use one of the following options:

Option 1

WARNING [*or* **CA WARNING** *or* **CALIFORNIA WARNING**]:

Consuming this product can expose you to 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.

Option 2

WARNING [*or* **CA WARNING** *or* **CALIFORNIA WARNING**]: Risk of [cancer and] reproductive harm from exposure to lead. See www.P65Warnings.ca.gov/food.

or

WARNING [*or* **CA WARNING** *or* **CALIFORNIA WARNING**]: Can expose you to lead, a [carcinogen and] reproductive toxicant. See www.P65Warnings.ca.gov/food.

Option 3 (for Product manufactured and labeled before January 1, 2028)

WARNING: [Cancer and] Reproductive Harm - www.P65Warnings.ca.gov/food.

If the daily exposure for the Product exceeds 15 micrograms of lead, where daily exposure is determined pursuant to Section 2.2, Eclectic Institute shall include the phrase “cancer and” or “carcinogen and” in the warning.

¹ The “Product display page on the internet” applies to Products purchased therefrom, not to Products purchased elsewhere, such as a brick-and-mortar retail store.

Nothing in this Agreement shall prevent Eclectic Institute from modifying any warning contained in Option 1 or 2 to disclose the presence of additional chemicals if Eclectic Institute determines that such disclosure is appropriate or required.

Under Option 3, the warning shall be accompanied by a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline. Where the label for the product is not printed using the color yellow, the symbol may be printed in black and white. The symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of the word “WARNING”.

Each warning shall be provided on the Product label, set off from other surrounding information, enclosed in a box. Additionally, if the Product contains consumer information in a foreign language, the warning must be provided in the foreign language. The Products shall carry said warning on each label with such conspicuousness as compared with other words, statements or designs as to render it likely to be read and understood by an ordinary consumer prior to sale. A Product that is sold by Eclectic Institute on the internet to persons located in California shall also provide the warning message to Californians by a clearly marked hyperlink on the product display page, or otherwise prominently displayed to the California purchaser before the purchaser completes his or her purchase of the Product. For Products that Eclectic Institute provides for a downstream entity that Eclectic Institute knows or has reason to believe will sell the Product on the internet directly to persons located in California, Eclectic Institute shall include an instruction that the entity comply with the warning requirements of this section.

3. PAYMENTS

3.1 Civil Penalty Pursuant To Proposition 65

In settlement of all claims referred to in this Agreement, Eclectic Institute shall pay a total civil penalty of one thousand five hundred dollars (\$1,500.00) to be apportioned in accordance with *Health and Safety Code* section 25249.12(c)(1) and (d), with 75% (\$1,125.00) for State of California Office of Environmental Health Hazard Assessment (“OEHHA”), and the remaining 25% (\$375.00) for LG.

Eclectic Institute shall issue these payments as part of the total payment described below

in Section 3.2 via wire transfer to Law Offices of Lucas T. Novak. After receipt of the wire transfer, Law Offices of Lucas T. Novak shall be responsible for forwarding the respective payments to OEHHA and LG.

3.2 Reimbursement Of LG's Fees And Costs

Eclectic Institute shall reimburse LG's reasonable experts' and attorney's fees and costs incurred in prosecuting the instant action, for all work performed through execution of this Agreement, in the amount of eighteen thousand five hundred dollars (\$18,500.00). Accordingly, Eclectic Institute shall remit total payment via wire transfer to Law Offices of Lucas T. Novak in the amount of Twenty-thousand dollars (\$20,000.00) which includes the civil penalty described in Section 3.1, within ten (10) business days of the Effective Date. Wire instructions have been exchanged between the Parties.

4. RELEASES

4.1 LG's Release Of Eclectic Institute

LG, in consideration of the promises and monetary payments contained herein, hereby releases Eclectic Institute, its parents, subsidiaries, affiliated companies under common ownership or control, shareholders, directors, members, managers, officers, partners, agents, employees, representatives, attorneys, successors and assignees, as well as its downstream distributors, wholesalers, retailers, and franchisees, including but not limited to iHerb, LLC (collectively, "Released Parties"), from any alleged Proposition 65 violation claims asserted in the Notice regarding failure to warn about lead exposure from the Products sold or distributed by Eclectic Institute for sale or potential sale in California before the Effective Date.

4.2 Eclectic Institute's Release Of LG

Eclectic Institute, by this Agreement, waives all rights to institute any form of legal action against LG, its shareholders, directors, members, officers, employees, attorneys, experts, successors and assignees for actions or statements made or undertaken, whether in the course of investigating claims or seeking enforcement of Proposition 65 against Eclectic Institute in this matter. If any Released Parties should institute any such action, then LG's release of said Released Party in this Agreement shall be rendered void and unenforceable.

4.3 Waiver Of Unknown Claims

Each of the Parties acknowledges that it is familiar with Section 1542 of California Civil Code which provides 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.

Each of the Parties waives and relinquishes any right or benefit it has or may have under Section 1542 of California Civil Code or any similar provision under the statutory or non-statutory law of any other jurisdiction to the full extent that it may lawfully waive all such rights and benefits. The Parties acknowledge that each may subsequently discover facts in addition to, or different from, those that it believes to be true with respect to the claims released herein. The Parties agree that this Agreement and the releases contained herein shall be and remain effective in all respects notwithstanding the discovery of such additional or different facts.

5. SEVERABILITY

Should any part or provision of this Agreement for any reason be declared by a Court to be invalid, void or unenforceable, the remaining portions and provisions shall continue in full force and effect.

6. GOVERNING LAW

The terms of this Agreement shall be governed by the laws of the State of California. This Agreement is entered into in the State of California and may only be enforced in the State of California.

7. NOTICES

All correspondence and notices required to be provided under this Agreement shall be in writing and delivered personally or sent by first class or certified mail addressed as follows:

TO ECLECTIC INSTITUTE: Michael J. Stiles, Esq. StilesPomeroy LLP 150 N. Santa Anita Ave., Suite 300 Arcadia, California 91006	TO LG: Lucas Novak, Esq. Law Offices of Lucas T. Novak 8335 W Sunset Blvd., Suite 217 Los Angeles, CA 90069
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8. PUBLIC BENEFIT

It is the Parties' belief that the terms of this Settlement Agreement confer a significant benefit to the general public as set forth in California Code of Civil Procedure section 1021.5 and California Administrative Code title 11, section 3201. As such, it is the intent of the Parties that to the extent any other private party initiates an action alleging that the Products are somehow in violation of Proposition 65, such private party action would not confer a significant benefit on the general public, so long as Eclectic Institute is in material compliance with the terms of this Agreement.

9. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute the same document. Execution and delivery of this Agreement by e-mail, facsimile, or other electronic means shall constitute legal and binding execution and delivery. Any photocopy of the executed Agreement shall have the same force and effect as the originals.

10. COMPLIANCE WITH HEALTH AND SAFETY CODE § 25249.7(f)

LG agrees to comply with the reporting form requirements referenced in California Health and Safety Code § 25249.7(f).

11. MODIFICATION

This Agreement may be modified only by written agreement of the Parties.

12. ENTIRE AGREEMENT

This Agreement contains the sole and entire agreement and understanding of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter

hereof. No representations, oral or otherwise, express or implied, other than those specifically referred to in this Settlement Agreement have been made by, or relied on, any Party.

13. AUTHORIZATION

The undersigned are authorized to execute this Agreement on behalf of their respective Parties. Each Party has read, understood, and agrees to all of the terms and conditions of this Agreement. Each Party warrants to the other that it is free to enter into this Agreement and is not subject to any conflicting obligation that will or might prevent or interfere with the execution or performance of this Agreement by said Party.

AGREED TO:

Date: 8/28/26

By: 
Authorized Representative of The Living Gallery, LLC

AGREED TO:

Date: 8/26/2026

By:  Christine Alstat
Authorized Representative of Eclectic Institute, Inc.