

EXHIBIT 40

Section 3: Kratom Use in the United States

Dr. Chris McCurdy: Kratom use in the United States is a totally different story. And this is what we see. It's widely available in the internet, smoke and vape shops. And this data is a little bit old now, but the American Kratom Association reported back in about three years ago now that there was almost 2000 metric tons exported into the US every month.

And so if we do a quick calculation about a typical dose being three to five grams, it suggests there's probably in the neighborhood of 15 million users in the United States. There have been some more conservative reports that have come out recently that actually indicate there's probably two to three million users.

But based on talking with vendors and the American Kratom Association, I think that number is north of 10 million for sure. This is what the products look like here. We've got crushed leaves, we've got pharmaceutically encapsulated extracts and products. We've got energy shots and then, just finely ground powders.

This is all under an import ban from the FDA. So it's not even supposed to be coming into the country. Yet most of it comes in the country under the guise of sodium alginate or seaweed, a food thickening agent that's used quite commonly in the culinary industry. And so we, it's, it comes in as a green powder.

It looks just like sodium alginate as well. And so it's no surprise that much of it's getting through undetected. In some cases, it literally comes in under wet seaweed and that's been a problem with Salmonella and other issues that have led to some recalls.