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15	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF ALAMEDA	
16		IVISION
17		
18	PEOPLE OF THE STATE OF	Case No. RG19043543
19	CALIFORNIA,	
20	Plaintiff,	[PROPOSED] CONSENT JUDGMENT
21	v.	Dept: 19
22	JUUL LABS, INC., ADAM BOWEN,	Judge: Stephen Kaus Trial Date: October 6, 2023
23	JAMES MONSEES, NICHOLAS PRITZKER, RIAZ VALANI, AND DOES	Action Filed: November 18, 2019
24	6-100, INCLUSIVE,	
25	Defendants.	
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28		

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Plaintiff, the People of the State of California, by and through Rob Bonta, Attorney General of the State of California, George Gascón, District Attorney for Los Angeles County, and Los Angeles County Counsel (the "State Plaintiffs"), commenced a lawsuit against Defendant JUUL Labs, Inc. ("JLI") regarding potential violations of the STAKE Act (Bus. & Prof. Code, § 22958, and Health & Saf. Code, § 119405 (repealed)), remote sales provisions of the STAKE Act (Bus. & Prof. Code, § 22963), digital privacy rights of minors (Bus. & Prof. Code, § 22580), delivery sales provisions of the Cigarette and Tobacco Products Tax Law (Rev. & Tax. Code, § 30101.7), public nuisance (Civ. Code, § 3479, et seq.), false or misleading statements (Bus. & Prof. Code, § 17500), and unlawful, unfair, and fraudulent business practices (Bus. & Prof. Code, § 17200). The State Plaintiffs subsequently filed a first amended complaint (the "Complaint") adding claims against defendants Adam Bowen, James Monsees, Nicholas Pritzker, and Riaz Valani¹ for potential violations of public nuisance (Civ. Code, § 3479, et seq.), false or misleading statements (Bus. & Prof. Code, § 17500), and unlawful, unfair, and fraudulent business practices (Bus. & Prof. Code, § 17200), in the action now captioned The People of the State of California v. JUUL Labs, Inc., Adam Bowen, James Monsees, Nicholas Pritzker, Riaz Valani, and Does 6-100 (Super. Ct. Alameda County, Case No. RG19043543) (the "Lawsuit"). The Parties stipulate that this Court may enter this Consent Judgment.

This Court has jurisdiction over the subject matter of this Lawsuit and over all Parties.

The terms of this Consent Judgment are governed by the laws of the State of California. Entry of this Consent Judgment is in the public interest and reflects a negotiated agreement among the Parties. By entering into this Consent Judgment, the Parties have agreed to resolve the matters released as provided herein.

The Parties enter into this Consent Judgment without trial or adjudication of any contested issue of fact or law, and without finding or admission of wrongdoing or liability of any kind. JLI neither admits nor denies any wrongdoing or allegations in the Complaint, and no part of this Consent Judgment, including its statements and commitments, shall constitute evidence of any

¹ Hoyoung Huh, also named in the amended complaint, filed a motion to quash the amended complaint challenging the exercise of personal jurisdiction over him, which the court granted on October 19, 2022.

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liability, fault, or wrongdoing by JLI. JLI is entering into this Consent Judgment solely for the purpose of concluding this matter, and nothing contained herein may be taken as or construed to be an admission or concession of any alleged violation of law, rule, or regulation, or of any other matter of fact or law, or of any liability or wrongdoing. This Consent Judgment shall not be construed or used as a waiver of any defense JLI may raise in any other proceeding.

Nothing in this Consent Judgment will be construed as an approval by the State Plaintiffs, the Court, the State of California, or any agency thereof of JLI's past, present, or future conduct. JLI shall not represent or imply that the State Plaintiffs, the Court, the State of California, or any agency thereof has approved or approves of any of JLI's actions or any of JLI's past, present, or future business practices.

The Court having considered the matter and good cause appearing: IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

I. <u>DEFINITIONS</u>

- 1. As used herein:
 - a. "Adult-Only Facility" means a facility or restricted area (whether open-air or enclosed) where the operator ensures or has a reasonable basis to believe (such as by checking identification as required under state law, or by checking the identification of any person appearing to be under the age of 30) that no Youth are present. A facility or restricted area need not be permanently restricted to persons over 21 years of age in order to constitute an Adult-Only Facility, provided that the operator ensures or has a reasonable basis to believe that no Youth are present during the event or time period in question.
 - b. "Attorney General" means the Attorney General of the State of California or any of his or her duly designated representatives.
 - c. "Bankruptcy Proceedings" means if JLI seeks relief or is placed involuntarily into relief under Title 11 of the United States Code or under any state or federal receivership or insolvency law; provided, however, that

JLI shall not be deemed to have entered Bankruptcy Proceedings if involuntary proceedings against it are dismissed within sixty (60) days of commencement.

- d. "Brand Name" means a brand name (alone or in conjunction with any other word), trademark, logo, symbol, motto, selling message, recognizable pattern of colors, or any other indicia of product identification identical or similar to, or identifiable with, those used for any JUUL Products.
- e. "Billboard" means an individual advertisement that both (1) is placed outdoors or in an arena, stadium or shopping mall and (2) occupies an area larger than 70 square feet (or is placed in such proximity to any other such advertisement so as to create a single "mosaic"-type advertisement larger than 70 square feet); provided that "Billboard" does not include an advertisement on the outside (but on the property) of a JLI facility.
- f. "Cartoon" means any drawing or other depiction of an object, person, animal, creature, or any similar caricature that satisfies any of the following criteria: (1) the use of comically exaggerated features; (2) the attribution of human characteristics to animals, plants, or other objects, or the similar use of anthropomorphic technique; (3) the attribution of unnatural or extrahuman abilities, such as imperviousness to pain or injury, X-ray vision, tunneling at very high speeds, or transformation; or (4) is presented in a non-realistic style.
- g. "Claims" means any and all civil (i.e., non-criminal) claims, demands, actions, suits, causes of action, damages, fines, penalties, and liabilities and monetary impositions of any nature, as well as costs, expenses, and attorneys' fees, whether known or unknown, suspected or unsuspected, accrued or unaccrued, whether legal, equitable, statutory, regulatory, or administrative.
- h. "Compliance Officer" means the person appointed by JLI pursuant to

	Paragraph 39.	
i.	"Covered Conduct" means any and all of the following:	
	All conduct related to age verification, product quantity limits,	
	Nicotine content, flavors, or the size, shape, operation, or	
	appearance of the product in the design, manufacture, marketing,	
	advertising, product description, promotion, distribution, sale, or	
	offer of JUUL Products.	
	. All conduct that could have induced a person, including a Youth, to	
	use or purchase JUUL Products.	
	i. All conduct that could have allowed a person, including a Youth, to	
	use or purchase JUUL Products without allegedly adequate age	
	verification, product quantity limits, or other age-based limitations	
	or procedures.	
	v. All conduct that may have violated federal or state laws,	
	regulations, or rules, or that could give rise to any common law	
	cause of action, relating to the conduct described in subparagraphs	
	(i)-(iii).	
	. For the avoidance of doubt, Covered Conduct does not include any	
	conduct relating to an undisclosed non-Nicotine ingredient hazard	
	in JUULpods resulting in personal injury to a consumer (other than	
	a non-Nicotine ingredient hazard alleged in the Lawsuit).	
	i. As used herein, "conduct" includes, without limitation, any act,	
	failure to act, practice, omission, statement, or representation.	
j.	Depository Documents" means documents created on or before	
	eptember 14, 2019 produced by JLI, Pax Labs, Inc., or the Individual	
	Defendants to any of the Settling Litigating States. "Depository	
	Occuments" shall also include any documents identified by the Settling	
	itigating States pursuant to the next paragraph that were both produced by	
	i. " i.	

JLI, Pax Labs, Inc., or the Individual Defendants to any of the Settling Litigating States and were created after September 14, 2019 to the extent that such documents include, in whole or in part, information or data that pre-dates September 14, 2019. Examples of such documents include, but are not limited to: (i) copies of JUUL advertisements and social media posts; (ii) Microsoft Excel spreadsheets; (iii) extracts of Slack messages; and (iv) extracts of text messages.

By June 1, 2023, the Settling Litigating States will provide a final list of documents that were created after September 14, 2019, and meet the specifications of the preceding paragraph for inclusion in the Document Depository. JLI will assist the Settling Litigating States by (i) identifying the Bates numbers of documents described on the list for which the Settling Litigating States are unable to provide Bates numbers; and (ii) identifying whether any documents on the list have been re-produced and/or downgraded and providing the Bates numbers of such reproductions and/or downgrades. If this information is not readily identifiable, JLI will work with the Settling Litigating States in good faith to identify relevant documents based on sample documents found by the Settling Litigating States, provided that JLI shall not be required to conduct a search for new and/or previously un-produced documents.

- k. "Document Depository" means a single depository established pursuant to Section III.
- 1. "Effective Date" of this Consent Judgment means the date the Court enters the Consent Judgment.
- m. "Individual Defendants" means Adam Bowen, James Monsees, Nicholas
 Pritzker, Riaz Valani, and Hoyoung Huh.
- n. "JLI" means JUUL Labs, Inc. and its successors and assigns.
- o. "JUUL Device" means any electronic Nicotine delivery system ("ENDS")

advertisement inside a California Retail Store that sells JUUL Products that is not placed on the inside surface of a window facing outward.

- v. "Parties" or "Party" means the State Plaintiffs and JLI, collectively and individually, respectively.
- w. "Reference Date" means the date ninety-one (91)-days after JLI has made all payments due under Paragraph 48(a)-(e).
- "Promote," "Promotion," or "Promotional" (or any conjugation or use of such terms), when used herein, refer to any activity that involves advertising, marketing, distribution, sales, licensing, product placement, or an offer to do these activities, regardless of whether payment or consideration is associated with the activity and regardless of the form of promotion, whether print, digital, webpage, or other.
- y. "Released Parties" means (1) JLI, (2) Pax Labs, Inc. in its capacity as a predecessor of JLI, (3) their past and present direct or indirect subsidiaries and affiliates listed in Exhibit A (and their respective successors and assigns), and (4) each and all of the past and present principals, partners, officers, directors, supervisors, employees, stockholders and members (other than Altria Group, Inc. and its direct or indirect subsidiaries), and insurers of any of the persons and entities listed in (1)-(4), but only to the extent that the person or entity was acting in such capacity on behalf of JLI.
- z. "Releasors" means (1) the District Attorney for the County of Los Angeles, (2) the Los Angeles County Counsel, and (3) the Attorney General, and (4) only to the full extent of the Attorney General's power and authority under California law to release Claims, the State of California and any other State of California entity or official or public or governmental entity or official within the State. "Releasors" does not include any other person or entity otherwise within clause (4) if the Attorney General lacks power and authority under California law to release

address listed in cross-referenced data sources and the shipping address for that order, or (2)(a) that the name, address, and date of birth provided by the customer are cross-referenced against information obtained from official government records or similar independent, competent, and reliable data sources, and (b) for the sale of JUUL Products only, that (i) the last four digits of the customer's Social Security Number is provided by the customer and is cross-referenced against information obtained from official government records or similar independent, competent, and reliable data sources, (ii) a phone number or other personal indicator provided by the customer is used for two-factor authentication, and (iii) the billing address on the method of payment matches the shipping address for that order.

ff. "Youth" means individuals who are under the age of 21.

II. <u>COMPLIANCE PROVISIONS</u>

Prohibition on Youth Targeting and Sales

- 2. JLI shall not take any action, directly or indirectly, that targets Youth within California in the Promotion of JUUL Products, or take any action a purpose of which is to initiate, maintain, or increase the incidence of Youth use of any JUUL Product within California.
- 3. JLI shall not (1) directly fund or operate any Youth education campaigns or Youth prevention activities in California, or (2) provide materials on Youth education programs or events in California.
- 4. JLI shall not depict or portray any individual under the age of thirty-five (35) in any Promotion or Promotional materials for JUUL Products in California.
- 5. JLI shall not use Cartoons in any of its Promotional activities for JUUL Products in California.
- 6. JLI shall not make any payment or provide other consideration to any person or entity in exchange for the placement of a JUUL Product or Brand Name displayed or accessible in any of the following in California: any motion picture, television show, theatrical production or other live performance, live or recorded performance of music, commercial film, virtual reality

system, video, or video game, including any of the foregoing displayed on any streaming media or website or that JLI has reason to believe would be shared on any Social Media Platform (collectively, "Media"). Provided, however, that the foregoing prohibition shall not apply to (a) Media where the audience or viewers are within an Adult-Only Facility (provided such Media are not visible to persons outside such Adult-Only Facility); (b) Media not intended for distribution or display to the public; or (c) instructional Media concerning how to use a JUUL Product viewed only by or provided only to persons who are not Youth. The prohibition in this Paragraph on product placement includes the prohibition on the use of any JUUL Product as a prop.

- 7. JLI shall not retain or encourage individuals to Promote JUUL Products on an individual's personal account, or any account controlled in whole or in part by that individual, on any Social Media Platform. JLI shall not retain or encourage any person or entity to Promote JUUL Products as "brand ambassadors," influencers, or affiliates (i) on any Social Media Platform accessible in California; or (ii) in person in California, unless the operator of the location of the in-person Promotion represents to JLI that in connection with such Promotion it will undertake reasonable industry standard measures to prohibit access by Youth and JLI has a good-faith belief that the operator is adhering to such representation.
- 8. JLI shall not Promote or cause to be Promoted in California any of the following that bears a Brand Name: any apparel, any other goods whose primary use is unrelated to the use or care of JUUL Products, or any item designed to be affixed to any such apparel or goods. Provided, however, that nothing in this subsection shall (a) require JLI to retrieve, collect or otherwise recover any item previously Promoted or caused to be Promoted; or (b) prohibit the distribution to any JLI employee who is not a Youth of apparel or other goods that is intended for use in employment. For the avoidance of doubt, nothing in this Paragraph shall prevent JLI from the use of the Brand Name on any JUUL Product, the JUUL Device, accessories directly related to the use or care of the JUUL Device (including JUULpods, charger, and carrying case), or any other Nicotine related JLI products, or in any print or digital Promotional materials or coupons for any of the foregoing listed in this sentence.

- 9. JLI shall not Promote or otherwise provide any JUUL Product to any consumers, wholesalers, or Retail Stores in California in any flavor that JLI does not distribute or sell in California as of the Effective Date, unless and until JLI receives written FDA authorization that permits the marketing of that flavored JUUL Product. JLI shall not Promote or otherwise provide any JUUL Product to any consumers in any flavor that violates state or local laws in California.
- 10. JLI shall require any individual in California to be Verified at the first point of access to any website owned and/or operated by JLI before that consumer is able to access or view any content. Such first point of access may include a welcome page so long as it does not contain any information beyond the Brand Name and identification of the website. The requirements of this Paragraph are not applicable to JLI's corporate website currently available at www.juullabs.com or www.juullabsscience.com so long as such websites contain exclusively non-commercial content and, as to www.juullabsscience.com, JLI maintains an attestation on the welcome page as set out in Exhibit C. JLI shall maintain records sufficient to document its compliance with this Paragraph. Such records shall be provided to the Attorney General upon request.

Nicotine Content

- 11. JLI shall not make any claims or representations in Promotional materials in California comparing the quantification of the amount of Nicotine in JUUL Products to that found in tobacco products or any other ENDS, unless JLI receives written FDA authorization that permits such claims or representations.
- 12. Beginning nine (9) months after the Effective Date, if JLI makes any statement about the Nicotine content of JUUL Products in any Promotional materials in California other than through the JUUL Product packaging or label, JLI shall also disclose the amount of Nicotine content in milligrams per milliliter (mg/ml) and as a percentage in terms of total volume of a JUULpod. This shall include any display of the Nicotine content portion of the JUUL Product packaging or label in any Promotional materials. The obligations under this Paragraph are no longer in effect if (1) the FDA implements a uniform Nicotine content disclosure standard for

LinkedIn, and YouTube for (i) hosting testimonial videos of the experiences of persons thirty-five (35) years of age or older who are or were habitual combustible cigarette smokers using JUUL Products, and (ii) non-Promotional communications. JLI shall not use any testimonials or other Promotional material in California that makes a claim or representation that JUUL Products or vaping is safer or healthier than combustible cigarettes, are modified risk products, or are smoking cessation devices until JLI receives written FDA authorization for JUUL Products that permits JLI to make such a claim or representation.

- 19. JLI shall not create or use any hashtags in California for the purpose of Promoting any JUUL Product.
- 20. JLI shall not retain or encourage any person or entity to Promote JUUL Products in person in California, unless the operator of the location or event represents to JLI that in connection with such Promotion it shall undertake reasonable industry standard measures to prohibit access by Youth and JLI has a good-faith belief that the operator is adhering to such representation.
- 21. JLI shall not include any person in California who is not Verified on JLI's marketing distribution lists for JUUL Products.
- 22. JLI shall not send direct-to-consumer Promotional emails, materials, or text messages for JUUL Products to any consumers in California who are not Verified.
- 23. JLI shall not use in its Promotions any research that JLI sponsored, funded, or otherwise supported or provided consideration for unless JLI clearly and conspicuously discloses the source and funding of the research, including specifically the extent to which JLI or any other ENDS company or trade association was directly or indirectly responsible for the research.

Samples

24. JLI shall not provide free JUUL Products to consumers in California, nor shall it provide JUULPods to consumers in California at a nominal price, defined as a sale price lower than the larger of (i) 20% of the suggested retail price or (ii) \$3 per JUULPod. To the extent that packs of JUULPods are sold, the nominal price shall scale with the number of JUULPods in a pack.

- 25. JLI shall not expressly authorize or otherwise enter into any agreement with any California Retail Store to (1) display unsecured JUUL Products in a location other than behind a counter or (2) allow individuals to access JUUL Products without the assistance of a California Retail Store employee. If the Attorney General, Los Angeles District Attorney, or Los Angeles County Counsel notifies JLI or JLI customer service is notified that any California Retail Store is engaging in any activity that JLI is not permitted to authorize in this Paragraph, JLI shall promptly take commercially reasonable steps to investigate and halt any such activity.
- 26. JLI shall limit online sales to consumers in California of JUUL Products on any website owned and/or operated by JLI to no more than two (2) JUUL Devices per month, ten (10) JUUL Devices per calendar year, and sixty (60) JUULpods per month, sold individually or through JUULpod Packs.
- 27. JLI shall take reasonable steps to limit retail transactions at retail stores in California to one (1) JUUL Device and/or sixteen (16) JUULpods, sold individually or through JUULpod Packs, per transaction, including (a) requiring that any contract it enters with a California Retail Store for the purchase or sale of JUUL Products provides that the California Retail Store shall comply with such limits and (b) continuing to maintain the bulk sale limits in the JUUL Labs Authorized Reseller Program Policy. JLI shall continue to assess compliance through JLI Compliance Checks as described in Paragraph 40 below.
- 28. JLI shall not offer, sell, deliver, or in any manner directly provide any JUUL Products to consumers in California who have not been Verified.
- 29. In furtherance of Paragraph 28, for all sales of JUUL Products to consumers in California on any website owned and/or operated by JLI, JLI shall continue to recommend to credit card companies (through JLI's third-party payment gateways or processors) that the words "JUUL TOBACCO PRODUCT" be printed on the consumer's credit card statement (in addition to such other language as may be required by California law or regulation).

- 30. JLI shall require an adult signature for delivery of JUUL Products to a residential address in California for all orders for JUUL Products purchased through a website owned or operated by JLI in conformance with the PACT Act.
- 31. Prior to distributing JUUL Products to consumers in California through a consumer warranty program, JLI shall first confirm that the individual requesting the warranty replacement is Verified. For the purposes of this Consent Judgment, a distribution through a consumer warranty program shall be considered a sale of JUUL Products.
- 32. Prior to enrolling consumers in California in any auto-shipment program, JLI shall first confirm that the individual to be enrolled in the auto-shipment program is Verified.
- 33. If JLI is provided notice pursuant to this Consent Judgment by the State Plaintiffs that a JUUL Product previously purchased by a consumer through an online sale is later provided to a Youth, JLI shall not knowingly sell JUUL Products on any website owned and/or operated by JLI to that California purchasing consumer.
- 34. JLI shall not license or authorize any third party to engage in conduct that is impermissible under the terms of this Consent Judgment if done directly by JLI.
- 35. JLI shall continue to monitor Social Media Platforms and Third-Party Sales Websites to identify content Promoting use of JUUL Products by Youth, unauthorized sales of JUUL Products or counterfeit JUUL Products, or content that would otherwise be impermissible by JLI under this Consent Judgment.
- 36. JLI shall continue to use reasonable efforts, including possible legal action, to work with Social Media Platforms and owners of Third-Party Sales Websites to remove content promoting use of JUUL Products by Youth, unauthorized sales of JUUL Products or counterfeit JUUL products, or content that would otherwise be impermissible by JLI under this Consent Judgment.
- 37. The Parties agree that JLI shall be deemed to be in compliance with Paragraph 36 if it continues to (i) engage a nationally recognized service provider to monitor Social Media Platforms and Third-Party Sales Websites using the service provider's "web-scraping" or similar technology for effective monitoring, and (ii) maintain a process for diligently requesting that

Social Media Platforms or owners of Third-Party Sales Websites remove the content identified through such monitoring. JLI may follow any procedures that Social Media Platforms or websites have established for providing notice of the content.

38. The Parties agree that compliance with Paragraphs 35-36 does not create any liability for JLI for content posted by a third party or for the failure of a third party to remove posted content after being requested by JLI. JLI shall maintain records related to monitoring of Social Media Platforms and Third-Party Sales Websites and requests to operators and owners of those Platforms and websites sufficient to document its compliance with Paragraphs 35-36.

Retail Compliance

- 39. JLI shall designate and maintain a Compliance Officer, who shall be a corporate senior-level employee responsible for ensuring compliance with this Consent Judgment and shall act as a point of contact with the State Plaintiffs to address any compliance-related issues.
- 40. JLI shall maintain a retailer-compliance program for California Retail Stores that requires:
 - a. JLI to send representatives to conduct unannounced JLI Compliance
 Checks at 334 California Retail Stores per year (i.e., 5% of such stores)
 until the later of (i) four (4) years after the Effective Date, or (ii) the date
 when the payments established in Paragraph 48 are paid to the Settling
 Litigating States in full. A "JLI Compliance Check" is an assessment of a
 California Retail Store's compliance with the (a) federal requirements to
 verify a purchaser's age pursuant to 21 C.F.R. § 1140.14 or (b) productquantity limits of up to one (1) JUUL Device and sixteen (16) JUULpods,
 sold individually or through JUULpod Packs, per transaction, or (c) both.
 - b. JLI to use reasonable efforts to have the representatives conduct JLI Compliance Checks at different California Retail Stores each month. JLI to use reasonable efforts to have the Compliance Checks conducted by service providers engaged by JLI.

- c. The representative conducting the JLI Compliance Check to complete a standardized form documenting the transaction(s) in which he or she participated in each retail store, which shall note any violations. The representative's compensation shall not be dependent on the results of the retailer-compliance inspections.
- d. JLI to implement the following penalties to California Retail Stores for violations of the JLI Compliance Checks:
 - i. <u>First JLI Compliance Check Failure</u>: JLI shall issue a letter notifying the California Retail Store of its first violation. The letter shall reiterate the requirements of the JLI Compliance Checks and the penalty escalation structure. For any California Retail Store that commits a first violation, JLI shall perform a second JLI Compliance Check within ninety (90) days of the first violation, which shall be in addition to the above-stated annual requirement.
 - ii. Second JLI Compliance Check Failure: If a second violation occurs within one year of the first violation, JLI shall issue a letter notifying the California Retail Store of the second violation. JLI shall suspend (or shall instruct any wholesaler, distributor, or subdistributor through which JLI supplies the California Retail Store to suspend) the California Retail Store from any Promotional activities for six (6) months following the date of the second failed JLI Compliance Check. For any California Retail Store that commits a second violation, JLI shall perform a third JLI Compliance Check within ninety (90) days of the second violation, which shall be in addition to the above-stated annual requirement. For any second age-verification failure, JLI shall communicate the age-verification non-compliance to the United States Food and Drug Administration ("FDA").

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- iii. Third JLI Compliance Check Failure: If a third violation occurs within one year of the first violation, JLI shall issue a letter notifying the California Retail Store of the third violation. JLI shall cease doing business with the California Retail Store as an authorized retailer for three (3) years from the date of the third failed JLI Compliance Check, and notify all applicable wholesalers, distributors, and sub-distributors to suspend sales of JUUL Products to the California Retail Store for the three-year period. For any California Retail Store that commits a third violation, JLI shall perform a fourth JLI Compliance Check within ninety (90) days of the third violation, which shall be in addition to the above-stated annual requirement. For any third age-verification failure, JLI shall communicate the age-verification non-compliance to the FDA.
 - Fourth JLI Compliance Check Failure: If a fourth violation occurs within one year of the first violation, JLI shall cease doing business with the California Retail Store and notify all applicable wholesalers, distributors, and sub-distributors to suspend sales of JUUL Products to the California Retail Store. The embargo on doing business with that California Retail Store shall remain in place until new ownership of that California Retail Store wholly unrelated to the embargoed ownership is in place and licensed to sell vapor products. Where that California Retail Store is part of a chain or similar group of stores, "ownership" in the preceding sentence shall refer to the owner or franchisee of the specific California Retail Store at issue, and not to a parent company or owner of the chain. For any fourth age-verification failure, JLI shall communicate the age-verification non-compliance to the FDA.
- e. If (i) JLI receives information pursuant to this Paragraph 40 or (ii) JLI

e.

files of JLI custodians discussing vacation or sick leave, family, or other personal matters.

- c. JLI may withhold a Depository Document in its entirety if it contains only information in subparagraphs 43(b)(i)-(vii) above. Documents so withheld must be replaced by JLI with a slip sheet identifying the document by Bates Number (where available) and JLI must identify any category that forms the basis for redaction or withholding.
- d. JLI's inadvertent failure to redact or withhold a document under Paragraph 43(b) shall not constitute a waiver of any confidentiality rights that JLI has under this Paragraph, nor shall it prevent JLI from later redacting or withholding the document, or requesting that the State Plaintiffs return the inadvertently produced copy of the document.
 - Within sixteen (16) months of the Effective Date, JLI shall identify every Depository Document it seeks to redact or withhold and identify the category that forms the basis for redaction or withholding. Within three (3) months of JLI's identification of a document for redaction or withholding, the Multistate Leadership Committee shall confer with JLI about its redaction or withholding requests. The Multistate Leadership Committee may challenge such requests on the ground that the information at issue does not fall within the categories in Paragraph 43(b)(i)-(vii) above. In the event differences remain between the Parties with regard to JLI's redaction or withholding requests, within thirty (30) days after the deadline for the Multistate Leadership Committee and JLI to meet and confer, the Parties shall request that a court in one of the Settling Litigating States appoint one or more special masters to review any disputed documents and determine whether the information that JLI requests to redact or withhold falls within the categories in Paragraph 43(b)(i)-(vii) above. The determination of the special master(s) shall be binding on the Parties. The costs and fees of the

special master(s) shall be borne equally by the Parties. For the avoidance of doubt, JLI's prior designation of any Depository Document under a Settling Litigating State confidentiality or protective order shall not create any presumption as to the confidentiality of such document for purpose of the Document Depository.

- 44. The Document Depository shall be maintained and operated by one or more public universities or similar research entities chosen by the Settling Litigating States (the "Depository Institution"). The Settling Litigating States shall notify JLI of the Depository Institution chosen. Upon its selection, the Depository Institution will commit to hosting for the public the Depository Documents for no less than ten (10) years. The Document Depository shall be freely accessible to the public and government entities of all states and territories in the United States.
- 45. JLI shall be responsible for and shall reimburse the Depository Institution for any reasonable expenses incurred by it in the receiving, indexing, storing, and providing public access to the Depository Documents for ten (10) years, not to exceed \$5,000,000. JLI shall establish a single escrow account to be used by the Settling Litigating States collectively for the purpose of reimbursing the Depository Institution established under Paragraph 44 for such expenses, which shall be funded with \$1,000,000 within ninety (90) days of the Effective Date; provided that the \$1,000,000 shall be used only after (i) the amounts reimbursed by JLI under this Paragraph exceed \$4,000,000 in the aggregate or (ii) JLI is unable to reimburse the Depository Institution within ninety (90) days of receipt of a written request for reimbursement. In the case of a change in control of JLI or a sale of all or substantially all of JLI's assets, JLI agrees to place the remaining \$4,000,000 in escrow for the purpose of reimbursing the Depository Institution within ninety (90) days of such event.
- 46. The Depository Institution will make the Depository Documents produced by JLI available to the public within two (2) years of its selection, provided that the documents produced by or on behalf of the Individual Defendants shall be made available to the public only after the Reference Date. Should the Depository Institution choose to discontinue hosting the Depository Documents, the Depository Documents shall be transferred to the Settling Litigating States,

where they will remain available to the public at the discretion of and in the form selected by such Settling Litigating States.

IV. MONETARY PAYMENT

- 47. JLI hereby warrants and represents that, as of the date of the execution of this Consent Judgment, it is not insolvent as such term is defined and interpreted under 11 U.S.C. §§ 101 et seq. ("Code") including, without limitation, Code §§ 547 and 548.
- 48. Subject to the terms and conditions below, JLI shall pay a total amount of \$462,000,000 ("the Litigating States' Settlement Amount") to the Settling Litigating States as follows: (a) \$57,750,000 within ninety (90) days of the Effective Date; (b) \$57,750,000 by June 1, 2024; (c) \$57,750,000 by June 1, 2025; (d) \$57,750,000 by June 1, 2026; (e) \$57,750,000 by June 1, 2027; (f) \$57,750,000 by June 1, 2028; (g) \$57,750,000 by June 1, 2029; and (h) \$57,750,000 by June 1, 2030. JLI shall notify the Settling Litigating States, in writing, at least ninety (90) days prior to transmitting any payment required under subparagraphs (b)-(h).
- 49. If one or more state(s) listed on Exhibit B is not a Settling Litigating State, the amounts in Paragraph 48, including the total and each annual payment, will be reduced by a percentage reflecting the ratio of (a) the total population of all states listed on Exhibit B that are not Settling Litigating States to (b) the total population of all states listed on Exhibit B, in each case employing the population figures from the 2020 United States census.
- 50. Each payment under Paragraph 48 shall be allocated and distributed among the Settling Litigating States in their sole discretion, in accordance with Exhibit D. Accordingly, JLI shall pay the State Plaintiffs the following amounts as the State of California's share: (a) \$21,983,237.26 within ninety (90) days of the Effective Date; (b) \$21,983,237.26 by June 1, 2024; (c) \$21,983,237.26 by June 1, 2025; (d) \$21,983,237.26 by June 1, 2026; (e) \$21,983,237.26 by June 1, 2027; (f) \$21,983,237.26 by June 1, 2028; (g) \$21,983,237.26 by June 1, 2029; and (h) \$21,983,237.26 by June 1, 2030, subject to Paragraph 49 and any prepayment adjustments in Paragraph 51. Each payment shall be paid to the Attorney General and allocated and distributed among the Attorney General, the District Attorney for Los Angeles County, and Los Angeles County Counsel in accordance with Exhibit E. If the Effective Date for a Settling

Litigating State has not occurred by the time of a payment date, JLI shall pay that state's share of the payment at issue 15 days after its Effective Date occurs.

- 51. JLI shall have the right to prepay any amount in Paragraphs 50(b)-(h) in whole or in part before such amount becomes due at a discount calculated using an effective discount rate of 7.5% per annum, with the discount calculated at the daily rate of -0.021357045% for each day between (i) the later of (a) September 1, 2025 or (b) the date such payment is made by JLI and (ii) the due date for the payment under Paragraph 50. Such pre-payment shall constitute full payment of the undiscounted amount due under Paragraph 50. JLI shall notify the Settling Litigating States, in writing, at least ninety (90) days prior to transmitting any pre-payment under this Paragraph.
- 52. As detailed in Exhibit E, a portion of the amount paid to the State Plaintiffs shall be used for the costs of the State Plaintiffs' investigation, litigation, filing fees and other court costs, payments to expert witnesses and technical consultants, and related reimbursement for other costs of the investigation and litigation, including attorneys' fees; a portion of the amount paid to the State Plaintiffs shall be allocated and used in accordance with Section 17206 of the Business and Professions Code; and the remaining amounts paid to the State Plaintiffs shall be administered by the Attorney General, the District Attorney for Los Angeles County, and Los Angeles County Counsel, and used as directed by these officials consistent with their respective authorities, including but not limited to:
 - a. Programs that provide cessation assistance to California residents who were exposed to ENDS while under the age of 21;
 - b. Education or prevention programs that are designed to prevent or reduce use of ENDS by California residents who are under the age of 21;
 - c. Research by independent third parties in support of preventing ENDS use by California residents who are under the age of 21;
 - d. Research into the health effects, whether short-, medium-, or long-term, of the use of ENDS by persons, including persons under the age of 21;
 - e. Programs or equipment that are designed to abate the impact that ENDS

1	JB Kelly		
2	Wachtell, Lipton, Rosen & Katz 51 West 52 nd Street		
3	New York, NY 10019 jbkelly@wlrk.com		
4	b. For California and/or the Attorney General:		
5	James Hart Supervising Deputy Attorney General		
6	1300 "I" Street P.O. Box 944255		
7	Sacramento, CA 94244-2550 James.Hart@doj.ca.gov		
8	c. For the District Attorney for Los Angeles County:		
9	Hoon Chun Head Deputy District Attorney		
10	211 West Temple Street, Suite 1000 Los Angeles, CA 90012		
11	hchun@da.lacounty.gov		
12	d. For Los Angeles County Counsel		
13	Scott Kuhn Assistant County Counsel/Division Chief		
14	648 Kenneth Hahn Hall of Administration 500 West Temple Street		
15	Los Angeles, CA 90012-2713 skuhn@counsel.lacounty.gov		
16	VI. ENFORCEMENT		
17	55. JLI shall, after diligent inquiry, beginning one hundred and twenty (120) days		
18	from the Effective Date and thereafter annually certify compliance with this Consent Judgment to		
19	the State Plaintiffs pursuant to the notice provisions in Section V.		
20	56. For the purposes of resolving disputes with respect to compliance with the		
21			
22	injunctive terms of this Consent Judgment, should any of the State Plaintiffs have a reasonable		
23	basis to believe that JLI has engaged in a practice that may have violated the terms of this		
24	Consent Judgment, the State Plaintiffs shall notify JLI of the specific objection, identify with		
25	particularity the provision of this Consent Judgment that the practice appears to violate, and give		
26	JLI thirty (30) days to respond to the notification. JLI shall have the thirty (30) day period to		
27	provide a good faith written response to the State Plaintiffs' notification, containing either a		
28	statement explaining why JLI believes it is in compliance with the Consent Judgment or a		

detailed explanation of how the alleged violation occurred and a statement explaining how JLI intends to remedy the alleged breach. Following receipt of JLI's written response, the Parties shall meet and confer in good faith regarding the alleged violation. Nothing in this Section limits the State Plaintiffs' Civil Investigative Demand or investigative subpoena authority, and JLI reserves all of its rights in responding to a Civil Investigative Demand or investigative subpoena issued pursuant to such authority.

- 57. The State Plaintiffs may assert any claim that JLI has violated this Consent Judgment in a separate civil action to enforce compliance with this Consent Judgment, or may seek any other relief afforded by law for violations of the Consent Judgment, but only after providing JLI an opportunity to respond to the notification described in Paragraph 56 above; provided, however, that the State Plaintiffs may take any action at any time if the State Plaintiffs believe that, because of the specific practice, a threat to the health or safety of the public requires immediate action.
 - 58. A state may not enforce the Consent Judgment of another state.

VII. RELEASE

- 59. Releasors release and forever discharge the Released Parties from any and all Claims based on, arising out of, or in any way related to the Covered Conduct prior to the Effective Date to the full extent of the Releasors' power and authority to release Claims (the "Released Claims"); provided, however, that if either JLI fails to make any of the payments required under Paragraph 50(a)-(e) by thirty (30) days after such payment's due date or JLI enters Bankruptcy Proceedings prior to the Reference Date, then the release and discharge of the Individual Defendants shall no longer be effective.
- 60. The release in Paragraph 59 is intended by the Parties to be broad and shall be interpreted so as to give all the Released Parties the broadest possible bar against any liability relating in any way to Released Claims. Subject to the enumerated carve-outs in this Section, this Consent Judgment shall be a complete bar to any Released Claims.
- 61. Nothing in Paragraphs 59-60 will be construed as an approval by the Attorney General, the District Attorney for Los Angeles County, Los Angeles County Counsel, the Court,

- if the State Plaintiffs receive a judgment as described above, all amounts previously received by the State Plaintiffs under this Consent Judgment shall be credited against such judgment; and
- provisions regarding the release of all Released Parties under Paragraph 59
 other than JLI shall remain in full force and effect.
- d. Alternatively, the Settling Litigating States may notify JLI that the remaining payments under Paragraph 48 are fully due, the release of JLI under Paragraph 59 shall remain in full force and effect, and the State Plaintiffs may immediately collect their share under Paragraph 50 of the amounts due using the methods described in California law, and by any other means authorized by California or other applicable law, unless stayed under federal bankruptcy law.
- 65. If JLI enters Bankruptcy Proceedings later than the Reference Date but prior to ninety-one (91) days of payment of all amounts due under Paragraph 48, the State Plaintiffs may immediately collect their share under Paragraph 50 of the amounts due using the methods described in California law, and by any other means authorized by California or other applicable law, unless stayed under federal bankruptcy law.
- 66. Any applicable statute of limitation with respect to the Released Parties is tolled from the date of this Consent Judgment until the Reference Date.

VIII. PARITY PROVISION

67. If, after the Effective Date but before the date four (4) years after such date, JLI enters into any pre-trial and pre-judgment settlement or consent judgment with another state, commonwealth, or territory of the United States or the District of Columbia, by and through their attorneys general ("Other State(s)"), that resolves claims similar to the Released Claims, and such settlement or consent judgment contains overall payment or compliance provisions more favorable to such Other State(s) than the overall payment or compliance terms of this Consent Judgment, then this Consent Judgment will be revised to contain such more favorable payment or compliance provisions. This Section VIII does not apply to, and there is no ability of any Settling

Litigating State to seek or obtain revision of this Consent Judgment based on, any Other State agreement with JLI that is entered into after ninety (90) calendar days prior to the scheduled start date of a trial between JLI and the Other State or any severed or bifurcated portion thereof.

68. If JLI enters into a pre-trial or pre-judgment settlement or consent judgment with an Other State during the time period referenced in Paragraph 67, JLI shall provide a copy of such Other State's settlement document to the Multistate Leadership Committee for review within ten (10) days of its effective date. If, after review of the Other State's settlement document, the Multistate Leadership Committee believes such settlement document contains overall conduct terms requiring revision to this Consent Judgment, then, on behalf of the Attorneys General of the Settling Litigating States, the Multistate Leadership Committee shall provide written notice to JLI within fifteen (15) days of receipt of the Other State's settlement document requesting that this Consent Judgment be revised to contain such more favorable conduct terms. JLI and the Multistate Leadership Committee or their representative states shall promptly meet and confer in good faith concerning any such request. If an agreement is reached between JLI and the Multistate Leadership Committee that a revision of this Consent Judgment is required, this Consent Judgment shall be revised accordingly. If an agreement is reached between JLI and the Multistate Leadership Committee that no revision of this Consent Judgment is required, then this Consent Judgment shall not be revised. If after meeting and conferring JLI and the Multistate Leadership Committee fail to reach an agreement as to whether a revision is required, the Attorney General may request that the Court determine whether revision of this Consent Judgment is required under this Paragraph.

IX. GENERAL TERMS

- 69. Term: The provisions of Paragraphs 2–42 shall remain in place as follows:
 - a. The provisions of Paragraphs 2–5, 7, 15, 16, 19–25, 28, and the provisions of Paragraph 34 to the extent the underlying terms at issue have not expired under this Paragraph 69, shall not expire (subject to the provisions of subparagraph c below).

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- b. The provisions of Paragraphs 9, 11, and 12, shall not expire except as described in those provisions.
- c. The remaining provisions shall expire six (6) years after the Effective Date. If JLI receives an Authorization Order that contains authorizations, obligations, standards, or requirements as to conduct addressed in such remaining provisions (including by incorporating actions, obligations, standards, requirements proposed or set forth in JLI's application for such Authorization Order), then as of the date of such Authorization Order:
 - such authorizations, obligations, standards, or requirements shall supersede any different obligations, standards, or requirements in Section II; and
 - ii. actions by JLI that act within or reasonably implement such obligations, standards or requirements of the Authorization Order shall be permissible under this Consent Judgment even if any remaining provision hereof would provide otherwise.
- d. Within thirty (30) days, or such other time as the Parties may mutually agree, after the FDA's issuance of an Authorization Order, JLI shall meet and confer with the Multistate Leadership Committee regarding the scope of the Authorization Order, whether JLI believes the Order addresses provisions from subparagraph c above, and JLI's plans to implement it.
- e. "Authorization Order" means a granted written marketing order from the FDA authorizing a Premarket Tobacco Product Application ("PMTA") submitted by JLI related to JUUL Products or other written authorization from the FDA to JLI related to JUUL Products (including a Modified Risk Tobacco Product Application).
- 70. Any failure of the State Plaintiffs to exercise any right under any provision of this Consent Judgment shall not constitute a waiver of any rights of the State Plaintiffs to enforce such provision prospectively.

- 71. Applicability: This Consent Judgment applies only to JLI in its corporate capacity and acting through its respective successors and assigns, directors, officers, employees, agents, subsidiaries, divisions, or other internal organizational units of any kind or any other entities acting in concert or participation with them. The remedies, penalties, and sanctions that may be imposed or assessed in connection with a violation of this Consent Judgment (or any order issued in connection herewith) shall only apply to JLI.
- 72. Successors: This Consent Judgment is binding on, and inures to the benefit of, the Parties' successors and assigns. For the avoidance of doubt, if JLI ceases selling a type of JUUL Product that it either sold in the United States or had in development as of either April 1, 2022 or the Effective Date, and a company other than JLI thereafter sells such type of JUUL Product in California, that company shall be considered a successor of JLI with respect to such JUUL Product for purposes of compliance provisions under Section II of this Consent Judgment and all associated provisions necessary for their enforcement and interpretation. For the avoidance of doubt, the compliance provisions of Section II of this Consent Judgment shall not apply to such company's own products.
- 73. The compliance provisions of Section II of this Consent Judgment shall be binding on the Individual Defendants and on any business that the Individual Defendants control directly or indirectly that engages in the Promotion or sale of ENDS or Nicotine products.
- 74. <u>Non-Release</u>: Except as otherwise specifically provided in this Consent Judgment, nothing in this Consent Judgment shall limit, prejudice, or otherwise interfere with the rights of any Settling Litigating State or State Plaintiffs to pursue any and all rights and remedies they may have against any non-Released Party.
- 75. Restrictions on Transfers: JLI shall not in one (1) transaction, or a series of related transactions, sell or transfer assets having a fair market value equal to twenty-five percent (25%) or more of the consolidated assets of JLI (other than sales or transfers of inventories, or sales or transfers to an entity owned directly or indirectly by JLI) where the sale or transfer is announced after the Effective Date, is not for fair consideration, and would foreseeably and unreasonably jeopardize JLI's ability to make the payments under this Consent Judgment that are due on or

before the payment date under Paragraph 48(e) following the close of a sale or transfer transaction, unless JLI obtains the acquiror's agreement that it will be either a guarantor of or successor to the percentage of JLI's remaining payment obligations under this Consent Judgment equal to the percentage of JLI's consolidated assets being sold or transferred in such transaction. Percentages under this section shall be determined in accordance with the United States generally accepted accounting principles and as of the date of JLI's most recent publicly filed consolidated balance sheet prior to the date of entry into the sale or transfer agreement at issue.

- Negotiated Judgment: The Parties are entering into this Consent Judgment for the purpose of compromising and to avoid the time, expense, burden, and uncertainty associated with continuing litigation, and to address the State Plaintiffs' concerns with JLI's historical business practices with respect to JUUL Products. It is expressly agreed that this Consent Judgment is not admissible in any proceeding (except in a dispute between the State Plaintiffs and JLI regarding compliance with the Consent Judgment or as necessary for the Released Parties to enforce the release provisions), and it is also expressly agreed and understood that nothing contained in this Consent Judgment may be taken as or construed to be an admission or concession of any liability, wrongdoing, or violation of any source of law, or of any other matter of fact or law. This Consent Judgment is not intended to be used or admissible in any unrelated administrative, civil, or criminal proceeding. JLI does not waive any defenses it may raise elsewhere in other litigation or matters.
- 77. Private Action: This Consent Judgment shall not confer any rights upon, and is not enforceable by, any persons or entities besides the State Plaintiffs and the Released Parties. The State Plaintiffs may not assign or otherwise convey any right to enforce any provision of this Consent Judgment, provided that nothing in this sentence shall preclude the State Plaintiffs from employing the services of a collection agency for the purpose of pursuing collection of payments due under this Consent Judgment.
- 78. <u>Conflict with Other Laws</u>: Nothing in this Consent Judgment shall impose an obligation on JLI that is less restrictive than JLI's obligations under federal, state, or local law, rule, regulation, or guidance. In the event there is a conflict between this Consent Judgment and

the requirements of federal, state, or local laws, such that JLI cannot comply with this Consent Judgment without violating these requirements, JLI shall document such conflicts and notify the Attorney General that it intends to comply with the federal, state, or local requirements to the extent necessary to eliminate the conflict. Within thirty (30) days after receipt of a notification from JLI referenced above, the State Plaintiffs may request a meeting to discuss the steps JLI has implemented to resolve the conflict, and JLI shall comply with any such reasonable request. Nothing in this Consent Judgment shall relieve JLI of its obligation to comply with all local, state and federal laws.

- 79. The Promotion or sale of JUUL Products solely for consumers outside California shall not be deemed actions taken (or omitted to be taken) in California or directed at consumers in California, and the provisions of this Consent Judgment shall not be applicable to such Promotion of JUUL Products.
- 80. Nothing in this Consent Judgment shall prohibit JLI from complying with the terms of any court order.
- 81. Except as expressly set forth herein, this Consent Judgment shall not be modified (by this Court, by any other court, or by any other means) without the consent of the Attorney General, the District Attorney for Los Angeles County, Los Angeles County Counsel, and JLI, or as provided for in Paragraphs 67-68.
- 82. This Consent Judgment shall not be construed or used as a waiver or any limitation of any defense otherwise available to JLI in any pending or future legal, regulatory, or administrative action or proceeding, or JLI's right to defend itself from, or make any arguments in, any individual or class claims or suits.
- 83. Except as provided herein, each Party shall bear its own attorneys' fees and costs arising out of, related to, or in connection with entry of this Consent Judgment.
- 84. Except for Paragraphs 59-66, if any provision of this Consent Judgment shall, for any reason, be held illegal, invalid, or unenforceable, in whole or in part, such illegality, invalidity, or unenforceability shall not affect any other provision or clause of this Consent

1	IT IS SO STIPULATED AND AGREED)
2	Dated: April 1, 2023	ROB BONTA
3		Attorney General of California
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5		
6	·	JAMES V. HART Supervising Deputy Attorney General
7		Attorneys for Plaintiff, People of the State of California
8		
9	Dated: April, 2023	George Gascón
10		Los Angeles County District Attorney
11		
12		
13		Hoon Chun Head Deputy District Attorney
14		Attorneys for Plaintiff, People of the State of California
15		
16	Dated: April, 2023	DAWYN R. HARRISON
17	,	County Counsel, Los Angeles County
18		
19		Control
20		SCOTT KUHN Assistant County Counsel
21		Attorneys for Plaintiff, People of the State of California
22		
23	Datade April 2022	HIII Lang big
24	Dated: April, 2023	JUUL LABS, INC.
25		
26		Dayin I Honory
27		DAVID I. HOROWITZ Attorney for Defendant, JUUL Labs, Inc.
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1	IT IS SO STIPULATED AND AGREED	
2	Dated: April, 2023	ROB BONTA
3		Attorney General of California
4		
5		
6		JAMES V. HART Supervising Deputy Attorney General
7		Attorneys for Plaintiff, People of the State of California
8		
9	Dated: April, 2023	GEORGE GASCÓN
10		Los Angeles County District Attorney
11		Ma
12		
13		HOON CHUN Head Deputy District Attorney
14		Attorneys for Plaintiff, People of the State of California
15		
16	Dated: April, 2023	DAWYN R. HARRISON
17		County Counsel, Los Angeles County
18		
19		C
20		SCOTT KUHN Assistant County Counsel
21		Attorneys for Plaintiff, People of the State of California
22		
23	Dated: April, 2023	HHH LARG ING
24		JUUL LABS, INC.
25		
26		David I. Horowitz
27		Attorney for Defendant, JUUL Labs, Inc.
28		

IT IS SO STIPULATED ANI	D AGREED
Dated: April, 2023	ROB BONTA
	Attorney General of California
	JAMES V. HART
	Supervising Deputy Attorney General Attorneys for Plaintiff, People of the State of California
Dated: April, 2023	GEORGE GASCÓN Los Angeles County District Attorney
	Dos ringeles County District rinorney
	Hoon Chun
	Head Deputy District Attorney Attorneys for Plaintiff, People of the State of California
Dated: April 11, 2023	DAWYN R. HARRISON
	County Counsel, Los Angeles County
	Jon Scott Kuhn
	SCOTT KUHN
	Assistant County Counsel Attorneys for Plaintiff, People of the State of
	California
Dated: April , 2023	JUUL LABS, INC.
<u> </u>	
	DAVID I. HOROWITZ
	Attorney for Defendant, JUUL Labs, Inc.
	Dated: April, 2023 Dated: April, 2023

1	IT IS SO STIPULATED AND AGREED	
2	Dated: April, 2023	ROB BONTA Attorney General of California
3		Timothey Conorm of Cantonna
4		
5		JAMES V. HART
6 7		Supervising Deputy Attorney General Attorneys for Plaintiff, People of the State of California
8		
9	Dated: April, 2023	GEORGE GASCÓN Los Angeles County District Attorney
10		Los Angeles County District Attorney
11		
12		Hoon Chun
13 14		Head Deputy District Attorney Attorneys for Plaintiff, People of the State of California
15		
16	Dated: April, 2023	DAWYN R. HARRISON
17	<u> </u>	County Counsel, Los Angeles County
18		
19		SCOTT KUHN
20		Assistant County Counsel Attorneys for Plaintiff, People of the State of
21		California
22		
23	Dated: April	JUUL LABS, INC.
24	Dated. April -1, 2020	<u> </u>
25		0101
26		DAVID I. HOROWITZ
27		Attorney for Defendant, JUUL Labs, Inc.
28		

1		IT IS SO ORDERED	
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3	Dated:		
4	Dated.		Hon. Stephen Kaus
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1		Exhibit A
2	1.	JUUL Labs, Inc., a corporation organized under the laws of Delaware.
3	2.	1186610 B.C. Ltd., a limited liability company organized under the laws of the
4	Province of F	British Columbia.
5	3.	1186675 B.C. Ltd., a limited liability company organized under the laws of the
6	Province of F	British Columbia.
7	4.	Ala Kupono Insurance, Co. Inc. a corporation organized under the laws of Hawaii.
8	5.	Envenio, Inc., a corporation organized under the laws of Canada.
9	6.	JUUL Labs (Shanghai) Co., Ltd., a limited liability company organized under the
10	laws of China	a.
11	7.	JUUL Labs (Shanghai) Co., Ltd., Shenzhen Branch, a limited liability company
12	organized un	der the laws of China.
13	8.	JUUL Labs (Shanghai) Co., Ltd., Suzhou Branch, a limited liability company
14	organized un	der the laws of China.
15	9.	JUUL Labs and Products Israel, Ltd., a limited liability company organized under
16	the laws of Is	rael.
17	10.	JUUL Labs Austria GmbH, a limited liability company organized under the laws
18	of Austria.	
19	11.	JUUL Labs Belgium SRL, a limited liability company organized under the laws of
20	Belgium.	
21	12.	JUUL Labs Canada, Ltd., a limited liability company organized under the laws of
22	Canada.	
23	13.	JUUL Labs Colombia S.A.S., a simplified stock company organized under the
24	laws of Color	mbia.
25	14.	JUUL Labs CZ & SK s.r.o., a company organized under the laws of the Czech
26	Republic.	
27	15.	JUUL Labs Czech Republic s.r.o., a company organized under the laws of the
28	Czech Renuh	die

1	45.	Main Mission Mezz LLC, a limited liability company organized under the laws of
2	Delaware.	
3	46.	Pax Labs, Inc., a corporation organized under the laws of Delaware.
4	47.	Representative Office of JUUL Labs Singapore Holdco Pte. Ltd.
5	48.	Shenzhen Wei'ai Tech Co., Ltd., a limited liability company organized under the
6	laws of China	a.
7	49.	Vapor Investment Partners LLC, a limited liability company organized under the
8	laws of Delay	ware.
9	50.	VMR CZ Sro, a company organized under the laws of Czech Republic.
10	51.	VMR (HK) Holdings LTD, a limited liability company organized under the laws
11	of Hong Kon	g.
12	52.	VMR Products B.V. a company organized under the laws of the Netherlands.
13	53.	VMR Products LLC, a limited liability company organized under the laws of
14	Florida.	
15	54.	VMR Products Shenzhen Ltd., a limited liability company organized under the
16	laws of China	a.
17	55.	VMR Products, Inc., a corporation organized under the laws of Delaware.
18	56.	VMR Strategic LLC, a limited liability company organized under the laws of
19	Delaware.	
20	57.	Zhonghe Hengtong VMR (Shenzhen) Technology, Ltd., a limited liability
21	company org	anized under the laws of China.
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Exhibit B **List of States in Multistate Group** California Colorado District of Columbia Illinois Massachusetts New Mexico New York

Exhibit C **Website Attestation** In accordance with Paragraph 10, and subject to alternate agreement between JLI and the Multistate Leadership Committee, JLI shall maintain the following attestation on the welcome page to www.juullabscience.com: Disclaimer This website serves as a centralized portal for Juul Labs to disseminate scientific information to members of the scientific and public health communities, regulators, and policymakers. This information is not for advertising or promotional purposes, and is not intended for a consumer audience or anyone below the age of 21. By clicking accept, I agree to these terms and that I am over the age of 21.

Exhibit D

Settling Litigating State Allocation

State	Allocated Share
California	\$175,865,898.05
Colorado	\$31,713,649.05
District of Columbia	\$15,178,398.95
Illinois	\$67,669,755.94
Massachusetts	\$41,740,057.66
New Mexico	\$17,082,606.98
New York	\$112,749,633.37
Total	\$462,000,000.00

Exhibit E

Allocation of State of California Funds by Office and Payment

Amounts due under Paragraph 50 of the Consent Judgment shall be paid to the Attorney General and administered by and for the State Plaintiffs in accordance with the instructions below, with any disbursements made by the Attorney General to the various funds within 15 days of receipt of payment. Absent other agreement among the State Plaintiffs, payments to the County of Los Angeles and Los Angeles County District Attorney's Office accounts shall be transmitted by check.

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1	Payment	Account or Fund	Percentage
2		For investigation and litigation costs and fees	
3 4		To the County of Los Angeles, "For costs of investigation and litigation, to be used consistent with Section 17206 of the Business and Professions Code"	4.062295100%
5		To the Los Angeles County District Attorney's Office, "For costs of investigation."	1.137230140%
7		To the California Department of Justice, Public Rights Law Enforcement Special Fund no. 3053, "For costs of investigation, to be used for costs necessary to pursue	45.489205620%
9		Public Health-related actions or initiatives investigated by the Attorney General for the benefit of the State of California."	
10		To the California Department of Justice, Litigation	2.274460280%
11		Deposit Fund, "People v. JUUL Labs, Inc., Common Expenses"	
12		For purposes in accordance with B&P 17206	
13		To the County of Los Angeles, "Paid pursuant to Section 17206 of the Business & Professions Code"	3.247711210%
14	Payments 50(a)	To the Los Angeles District Attorney's Office, "Paid	3.247711210%
15 16	and 50(b)	pursuant to Section 17206 of the Business & Professions Code"	3.21771121070
17		To the California Department of Justice, Unfair	6.495422410%
18		Competition Fund no. 3087, "To be allocated and used in accordance with Section 17206 of the Business & Professions Code"	
19		For other enumerated purposes	
20		To the County of Los Angeles, "To be used to for	15.598575720%
21		preventing and treating nicotine addiction and consumer and public education related to vaping and/or	
22		nicotine use and addiction including but not limited to all costs related to: (1) programs that provide cessation	
23		assistance to County residents; (2) education or prevention programs designed to prevent or reduce use	
24		of electronic nicotine delivery systems ('ENDS') and nicotine products; (3) research in support of preventing	
25		ENDS use by County residents; (4) research into the health effects of use by ENDS; (5) programs or	
26		equipment designed to abate the impacts that ENDS and other nicotine products have had on youth and to	
27		reduce those impacts in the future; (6) other prevention, treatment, consumer education and enforcement	
28		efforts."	

Payment	Account or Fund	Percentage
	California Department of Justice, Litigation Deposit Fund, "People v. JUUL Labs, Inc., E-Cigarette	18.447388310%
	Programs"	100.000000000%

Payment	Account or Fund	Percentage
	For investigation and litigation costs and fees	l
	To the County of Los Angeles, "For costs of investigation and litigation, to be used consistent with Section 17206 of the Business and Professions Code"	4.0622951009
	To the Los Angeles County District Attorney's Office, "For costs of investigation."	1.1372301409
	For purposes in accordance with B&P 17206	
	To the County of Los Angeles, "Paid pursuant to Section 17206 of the Business & Professions Code"	3.2477112109
	To the Los Angeles District Attorney's Office, "Paid pursuant to Section 17206 of the Business & Professions Code"	3.2477112109
	To the California Department of Justice, Unfair	6.495422410
	Competition Fund no. 3087, "To be allocated and used in accordance with Section 17206 of the Business &	
D	Professions Code"	
Payments 50(c) through 50(h)	For other enumerated purposes	
	To the County of Los Angeles, "To be used to for preventing and treating nicotine addiction and consumer and public education related to vaping and/or	15.598575720
	nicotine use and addiction including but not limited to all costs related to: (1) programs that provide cessation	
	assistance to County residents; (2) education or prevention programs designed to prevent or reduce use	
	of electronic nicotine delivery systems ('ENDS') and nicotine products; (3) research in support of preventing ENDS use by County residents; (4) research into the	
	health effects of use by ENDS; (5) programs or equipment designed to abate the impacts that ENDS	
	and other nicotine products have had on youth and to reduce those impacts in the future; (6) other prevention,	
	treatment, consumer education and enforcement efforts."	
	To the California Department of Justice, Litigation	66.211054210
	Deposit Fund, "People v. JUUL Labs, Inc., E-Cigarette Programs"	
		100.000000000