

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties

This Settlement Agreement (“Agreement”) is entered into by and between My Nguyen (“Nguyen”) and Juvo Plus Inc. (“Juvo Plus”) with Nguyen and Juvo Plus referred to individually as a “Party” and, collectively, as the “Parties.” Nguyen is a resident of the State of California and is proceeding in the public interest, pursuant to California Health & Safety Code §25249.7(d), to promote awareness of the health hazards posed by exposure to toxic chemicals and to ensure chemicals known to the State of California to cause cancer are disclosed on or eliminated from products sold in California. Nguyen alleges Juvo Plus employs ten or more persons and is a “person in the course of doing business,” as defined by California Health & Safety Code § 25249.11(b), for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.5 *et seq.* (“Proposition 65”).

1.2 General Allegations

Nguyen alleges that Juvo Plus manufactures, imports, distributes, sells and/or offers for sale in California collapsible buckets containing diisononyl phthalate (“DINP”) and that it does so without providing the health hazard warning Nguyen alleges is required by Proposition 65. DINP is listed pursuant to Proposition 65 as a chemical known to the State of California to cause cancer.

1.3 Consumer Product Description

The consumer products covered by this Agreement are collapsible buckets containing DINP that are manufactured, imported, distributed, sold or offered for sale in California by Juvo Plus, including, but not limited to, the Juvale Collapsible Bucket, SKU #LJ-SRPAC-071318-01-1, referred to hereinafter as the “Products.”

1.4 60-Day Notice of Violation

On or about July 6, 2020, Nguyen served Juvo Plus, the California Attorney General, and the requisite public enforcement agencies with a 60-Day Notice of Violation (“Notice”) alleging that Juvo Plus violated Proposition 65 when it failed to warn its customers and consumers in California that the Products allegedly expose users to DINP, a carcinogen. To the best of the

Parties' knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

1.5 No Admission

Juvo Plus denies the material, factual and legal allegations contained in the Notice and maintains, to the best of its knowledge, all products it manufactured, imported, sold, offered for sale and/or distributed in California, including the Products, have been and are in compliance with all laws. Nothing in this Agreement shall be construed as an admission by Juvo Plus of any fact, finding, conclusion, issue of law or violation of law; nor shall compliance with this Agreement constitute or be construed as an admission by Juvo Plus of any fact, finding, conclusion, issue of law or violation of law. This section shall not, however, diminish or otherwise affect the obligations, responsibilities and duties under this Agreement.

1.6 Effective Date

For purposes of this Settlement Agreement, the term "Effective Date" shall mean November 18, 2020.

2. INJUNCTIVE RELIEF: REFORMULATION & WARNINGS

2.1 Commitment to Reformulate or Warn

Commencing on or before January 1, 2021, and continuing thereafter, Juvo Plus agrees that all Products it manufactures, imports, distributes, sells or offers for sale in or into California shall be either: (a) Reformulated Products, in accordance with and as defined by Section 2.2, below; or (b) Products labeled with a clear and reasonable exposure warning pursuant to Sections 2.3 through 2.6.

2.2 Reformulated Products Defined

For purposes of this Agreement, "Reformulated Products" are Products containing DINP in concentrations less than 0.1 percent (1,000 parts per million (ppm)) in each accessible component (i.e. any component that may be touched during a reasonably foreseeable use) when analyzed by a laboratory accredited by the State of California, a federal agency, or a nationally recognized accrediting organization ("Reformulation Standard"). For purposes of compliance with this Reformulation Standard, testing samples shall be prepared and extracted utilizing generally accepted Consumer Product Safety Commission methodologies and analyzed using

U.S. Environmental Protection Agency (“EPA”) methodology 8270D or other methodologies utilized by federal or state government agencies to determine phthalate content in a solid substance.

2.3 Clear and Reasonable Warnings

Commencing on or before January 1, 2021, and continuing thereafter, Juvo Plus shall provide clear and reasonable health hazard warnings for all Products that Juvo Plus manufactures, imports, distributes, sells or offers for sale in California that do not qualify as Reformulated Products. For purposes of this Agreement, a warning shall be deemed clear and reasonable if it meets the criteria set forth in California Health & Safety Code § 25249.5 *et seq.* and title 27 California Code of Regulations (“Cal. Code Regs.”) § 25600 *et seq.*, as may be amended from time to time.

Each warning shall be prominently placed with such conspicuousness as compared with other words, statements, designs, or devices as to render it likely to be read and understood by an ordinary individual under customary conditions before purchase or use. Each warning shall be provided in a manner such that the consumer or user understands to which *specific* Product the warning applies, so as to minimize the risk of consumer confusion. For purposes of this Agreement, the following warnings shall be deemed clear and reasonable:

(a) Warning:

⚠WARNING: This product can expose you to chemicals including diisononyl phthalate (DINP), which are known to the State of California to cause cancer. For more information go to www.P65Warnings.ca.gov

(b) Alternative Short-Form Warning:

⚠WARNING: Cancer – www.P65Warnings.ca.gov.

If Juvo Plus believes that either of the above warnings should address one or more additional chemicals, Juvo Plus may modify the content of such warnings to address the new chemical(s), provided the revised warnings comply with title 27 Cal. Code Regs. § 25600 *et seq.* In such circumstance, for the long form version of the warning (subsection (a) above), the Parties agree that if Juvo Plus believes that a warning should be provided for a chemical listed

both as a carcinogen and as a reproductive toxicant, the warning may identify that chemical instead of DINP.

2.4 On-Product Warning Requirements

Juvo Plus shall affix one of the warnings provided in Section 2.3 on the Product Label, packaging or directly on each Product that is manufactured, imported, distributed, sold or otherwise provided for sale to consumers in California. "Product Label" is defined as a display of written, printed or graphic material that is printed on or affixed to a Product or its immediate container or wrapper.

A Warning or Alternative Short-Form Warning provided pursuant to Section 2.3 must print the word "WARNING:" in all capital letters and in bold font, followed by a colon. The warning symbol to the left of the word "WARNING:" must be a black exclamation point in a yellow equilateral triangle with a black outline, except that if the sign or label for the Products does not use the color yellow, the symbol may be in black and white. The symbol must be in a size no smaller than the height of the word "WARNING:". The warning may be contained in the same section of the packaging, labeling, or instruction booklet that states other safety warnings, if any, concerning the use of the Products and shall be at least the same size as those other safety warnings. If the Alternative Short-Form Warning is used, it shall appear in at least 6-point type, and in no event shall it be smaller than the largest type size used for other consumer information, as defined in tit. 27, Cal.Code Regs., section 25600.1(c), on the Product.

2.5 Internet Product Warning Requirements

For all Products imported, distributed, sold or offered for sale by Juvo Plus directly, via the internet, to customers located in California after January 1, 2021, Juvo Plus shall provide warnings for each Product, both on the Product Label, in accordance with Section 2.4, and by prominently displaying the warning to customers prior to purchase or during the checkout process. The online warning requirements shall be provided by including either the warning or a clearly marked hyperlink using the word "WARNING" on the product display page, or by otherwise prominently displaying the warning to the purchaser prior to completing the purchase, in a manner such that the consumer does not have to search for the warning in the general contents of the website, pursuant to California Code of Regulations § 25602(4)(b). Warnings

provided in conjunction with the sale of Products via the internet may use the Alternative Short-Form Warning, described supra in Section 2.3, if the warning appearing on the Product Label also utilizes the Alternative Short Form Warning.

2.6 Compliance with Warning Regulations

Juvo Plus may comply with the warning requirements of this Section by any other means authorized pursuant to Health and Safety Code 25249.5 *et seq.* and/or by adhering to the safe harbor guidelines published by the Office of Environmental Health Hazard Assessment as set forth in Title 27, Div. 4, Chap. 1, Ar. 6 of the California Code of Regulations, commencing at § 25600 *et seq.*, as they may be amended from time to time.

3. MONETARY SETTLEMENT TERMS

3.1 Civil Penalties

Pursuant to Health and Safety Code § 25249.7(b), and in settlement of all claims alleged in the Notice or referred to in this Settlement Agreement, Juvo Plus agrees to pay \$1,500 in civil penalties. The penalty payments shall be allocated in accordance with Health and Safety Code § 25249.12(c)(1) and (d), with 75% of the penalty amount paid to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty amount retained by Nguyen.

Within fifteen (15) days of the Effective Date, pursuant to Health & Safety Code § 25249.7(b), Juvo Plus agrees to pay a non-waivable civil penalty of \$1,500, in two separate checks, made payable as follows: (1) “OEHHA” in the amount of \$1,125; and “My Nguyen” in the amount of \$375, delivered to the address in Section 3.3, below. Nguyen’s counsel shall deliver OEHHA’s portion of the civil penalty payment.

3.2 Reimbursement of Attorneys’ Fees and Costs

The Parties acknowledge Nguyen and his counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving the issue to be resolved after the Parties settled the material terms of this Agreement. Shortly after the Parties finalized the non-monetary and injunctive terms, Juvo Plus expressed a desire to resolve Nguyen’s attorneys’ fees and costs. The Parties then negotiated a resolution of the compensation due to Nguyen and his counsel under general contract principles and the private

attorney general doctrine, codified at California Code of Civil Procedure § 1021.5, for all work performed through the mutual execution of this Settlement Agreement.

Under these legal principles, within fifteen (15) days of the Effective Date, Juvo Plus agrees to pay \$16,000 to Nguyen and his counsel for all reasonable fees and costs incurred in investigating, bringing this matter to the attention of Juvo Plus' management, and negotiating a settlement in the public interest. Juvo Plus' payment shall be delivered to the address listed in Section 3.3, below, in the form of a check, made payable to "Seven Hills LLP."

3.3 Payment Address

All payments required by this Settlement Agreement shall be delivered to the following address:

Seven Hills LLP
c/o Kimberly Gates Johnson
4 Embarcadero Suite 1400
San Francisco, CA 94111

4. CLAIMS COVERED AND RELEASED

4.1 Nguyen's Release of Juvo Plus

This Agreement is a full, final and binding resolution between Nguyen, as an individual and *not* on behalf of the public, and Juvo Plus, of any violation of Proposition 65 that was or could have been asserted by Nguyen on behalf of himself, his past and current agents, representatives, attorneys, successors, and/or assignees (collectively, "Releasers"), against Juvo Plus, its parents, subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom Juvo Plus directly or indirectly distributes or sells Products, including, but not limited, to downstream distributors, wholesalers, customers, retailers, marketplace hosts, franchisees, cooperative members, and licensees, including but not limited to Amazon (collectively, "Releasees"), based on alleged exposures to DINP and the alleged failure to provide a warning about exposure to DINP contained in Products manufactured, imported, distributed, sold or offered for sale by Juvo Plus and Releasees, as alleged in the Notice, prior to and through ninety (90) days after the Effective Date. The parties agree compliance with Section 2 of this Agreement shall be deemed compliance with Proposition 65 as to alleged exposures to DINP from the Products.

In further consideration of the promises and agreements herein contained, Nguyen as an individual and *not* on behalf of the public, and on behalf of Releasors hereby waives all of Nguyen's rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that Releasors may have, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, expenses, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 with respect to DINP in Products manufactured, imported, distributed, sold and/or offered for sale by Juvo Plus through ninety (90) days after the Effective Date, against Juvo Plus and Releasees.

The Parties further understand and agree that this Section 4.1 release shall not extend upstream to any entities that manufactured the Products or any component parts thereof or any suppliers who sold the Products or any component parts to Juvo Plus. Nothing in this Section affects Nguyen's right to commence or prosecute an action under Proposition 65 against a Releasee not involving Juvo Plus Products.

4.2 Juvo Plus' Release of Nguyen

Juvo Plus, on behalf of itself, its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims against Nguyen and his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Nguyen and his attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter with respect to the Products.

4.3 Mutual Waiver of California Civil Code Section 1542

It is possible other claims not known to the Parties arising out of the facts alleged in the Notice and relating to the Products will develop or be discovered. The Parties acknowledge the claims released in Sections 4.1 and 4.2, above, may include unknown claims, and nevertheless waive California Civil Code Section 1542 as to any such unknown claims.

California Civil Code, Section 1542, reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF

KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties each acknowledge and understand the significance and consequence of this specific waiver of California Civil Code Section 1542.

5. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any of the provision of this Settlement Agreement is deemed by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

6. GOVERNING LAW

The terms of this Agreement shall be governed by and apply within the laws of the State of California. In the event Proposition 65 is repealed or is otherwise rendered inapplicable, by reason of law generally, or no longer required as to the Products specifically, then Juvo Plus shall provide written notice to Nguyen of any asserted change in the law and shall have no further injunctive obligations pursuant to this Agreement with respect to, and to the extent that, the Products are so affected. Nothing in this Agreement shall be interpreted to relieve Juvo Plus from its obligation to comply with pertinent state or federal toxics control laws.

7. NOTICE

Unless specified herein, all correspondence and notices required to be provided by this Agreement shall be in writing and: (i) personally delivered; (ii) sent by first-class (registered or certified mail) return receipt requested; or (iii) sent by overnight courier, to one party by the other party at the following addresses:

For Juvo Plus:

Steve Neuffer, CEO
Juvo Plus, Inc.
245 W. Foothill Blvd.
Morovia, CA 91016

With a Copy to:

Ann G. Grimaldi
Jennifer K. Singh
Grimaldi Law Offices
75 Broadway St., Suite 202
San Francisco, CA 94111

For Nguyen:

Kimberly Gates Johnson, Esq.
Seven Hills LLP
4 Embarcadero Center, Suite 1400
San Francisco, CA 94111

Any party, from time to time, may specify in writing to the other party a change of address to which all notices and other communications shall be sent.

8. COUNTERPARTS; FACSIMILE AND SIGNATURES

This Settlement Agreement may be executed in counterparts and by facsimile or pdf signature, each of which shall be deemed an original, and all of which, when taken together, shall be deemed to constitute one and the same document.

9. REPORTING PURSUANT TO HEALTH & SAFETY CODE § 25249.7(f)

Nguyen agrees to comply with the reporting requirements referenced in Health & Safety Code § 25249.7(f), and shall report this Settlement Agreement to the Attorney General's Office within five (5) days of the date this agreement is fully executed by the Parties.

10. MODIFICATION

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

11. AUTHORIZATION


The undersigned represent they have the full authority to enter into and legally bind the entities that are the subject of this Settlement Agreement. The undersigned further represent they are authorized to execute this Settlement Agreement and have read, understood and agree to all of the terms and conditions contained herein.

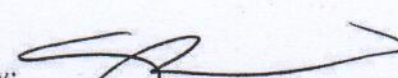
AGREED TO:

AGREED TO:

Date: 11-19-20

Date: 11-18-2020

By: 
My Nguyen

By: 
Steve Neuffer, CEO
Juvo Plus Inc.