IN THE CIRCUIT COURT OF THE THIRTEENTH JUDICIAL CIRCUIT IN AND FOR HILLSBOROUGH COUNTY, FLORIDA

Case No. 23-CA-015721

OFFICE OF THE ATTORNEY GENERAL, STATE OF FLORIDA, DEPARTMENT OF LEGAL AFFAIRS,

Plaintiff,

v.

JUUL LABS, INC.,

Defendant.

CONSENT JUDGMENT

Plaintiff, Office of the Attorney General, State of Florida, Department of Legal Affairs ("Attorney General"), commenced a lawsuit against Defendant Juul Labs, Inc. ("JLI") regarding potential violations of the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes. 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. Venue is proper in Hillsborough County. The terms of this Consent Judgment are governed by the laws of the State of Florida. 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 denies any wrongdoing and the allegations in the Complaint, and no part of this Consent Judgment, including its statements and commitments, shall constitute evidence of any 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 Attorney General, the Court, the State of Florida, or any agency thereof of JLI's past, present, or future conduct. JLI shall not represent or imply that the Attorney General, the Court, the State of Florida, 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.

I. **DEFINITIONS**

- 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.
 - "Attorney General" means the Attorney General of the State of Florida or any of its duly designated representatives, including the Office of the Attorney General and Department of Legal Affairs.

- c. "Brand Name" means any product name, trademark, trade dress, logo, motto, or selling message used for any JUUL Products.
- d. "**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.
- e. "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.
- f. "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.

- g. "Compliance Officer" means the person appointed by JLI pursuant to Paragraph 36.
- h. "Covered Conduct" means any and all of the following:
 - (1) 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.
 - (2) All conduct that could have induced a person, including a Youth, to use or purchase JUUL Products.
 - (3) 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.
 - (4) All conduct that may have violated federal, state, or local laws, regulations, or rules, or that could give rise to any common law cause of action, relating to the conduct described in Subparagraphs (1)–(3).
 - (5) 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.
 - (6) As used herein, "conduct" includes, without limitation, any act, failure to act, practice, omission, statement, or representation.

- i. "Directory" means the Attorney General's Directory of Nicotine Dispensing Devices that are Attractive to Minors. See Fla. Stat. § 569.311(2); Fla. Admin. Code R. 2-4.001.
- j. **"Effective Date**" means the date the Court enters the Consent Judgment.
- k. **"Florida Retail Store**" means a physical retail location in Florida that purchases JUUL Products either directly from JLI or from a JLI authorized distributor for resale directly to consumers.
- 1. "JLI" means JUUL Labs, Inc., and its successors and assigns.
- m. "JUUL Device" means any electronic nicotine delivery system ("ENDS")
 device sold, marketed, and/or distributed by JLI in the United States.
- n. "JUULpod Packs" means a package of JUULpods sold as one unit by JLI.
- o. "JUULpods" means any disposable pods sold, marketed, distributed, and/or manufactured by JLI and prefilled with a liquid solution containing nicotine that consumers use as part of the closed-pod, liquid-based, ENDS sold, marketed, and/or distributed by JLI in the United States.
- p. "JUUL Product" means any electronic nicotine delivery product sold, marketed, and/or distributed by JLI in the United States, including a closedpod, liquid-based ENDS product composed of one or more of the following components: JUUL Device, JUULpods, JUULpod Packs, and/or a charger.
- q. "Outdoor Advertising" means (1) Billboards; (2) signs and placards in arenas, stadiums, and shopping malls; and (3) any other advertisements placed (A) outdoors, or (B) on the inside surface of a window facing outward; provided that "Outdoor Advertising" does not mean (1) an

advertisement on the outside of a JLI facility; (2) an individual advertisement that does not occupy an area larger than 14 square feet (and that neither is placed in such proximity to any other such advertisement so as to create a single "mosaic"-type advertisement larger than 14 square feet, nor functions solely as a segment of a larger advertising unit or series), and that is placed (A) on the outside of a Florida Retail Store, (B) outside (but on the property of) any such store, or (C) on the inside surface of a window facing outward in any such store; or (3) an advertisement inside a Florida Retail Store that sells JUUL Products that is not placed on the inside surface of a window facing outward.

- r. "Parties" or "Party" means the Office of the Attorney General, State of Florida, Department of Legal Affairs and JLI, collectively and individually, respectively.
- s. "Released Parties" means (1) JLI, (2) Pax Labs, Inc., and its successors and assigns, (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)–(3), but only to the extent that the person or entity was acting in such capacity on behalf of JLI.
- t. "**Releasors**" means (1) the Attorney General, and (2) only to the full extent of the Attorney General's power and authority under Florida law to release

Claims, the State of Florida and any other State entity or official or public or governmental entity or official within the State. "Releasors" does not include a person or entity otherwise within clause (2) if the Attorney General lacks power and authority under Florida law to release Claims of that person or entity as to the Claim at issue.

- u. "Social Media Platform" means any internet-based platform, including those which may be accessed through an app, through which users are able to create and/or share content that is accessible to members of the public, and includes, but is not limited to, sites such as Facebook, Instagram, Snapchat, TikTok, X (formerly known as Twitter), Clubhouse, Pinterest, Tumblr, Google+, and YouTube.
- v. "Verified" means determined to be 21 years or older through the use of reliable and independent age-verification service(s) that cross-reference the customer's name, address, and date of birth against independent, competent, and reliable data sources, such as official government records, or that apply other demonstrably reliable technology tools, including but not limited to facial age estimation technology. Specifically, "Verified" requires: (1)(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 the last four digits of the customer's Social Security Number are provided by the customer and are cross-referenced against information obtained from official government records or similar

independent, competent, and reliable data sources, a phone number or other personal indicator provided by the customer is used for two-factor authentication, and the billing address on the method of payment matches the shipping address for that order, (2)(a) that each customer submit a nonexpired government identification, that the name and date of birth extracted from the identification are cross-referenced against the name and date of birth provided by the customer, and that the photo from the identification matches a photo taken in real time by the customer and (b) for the sale of JUUL Products only, that the billing address on the method of payment matches the shipping address for that order, or (3)(a) the application of other technology tools, including but not limited to age estimation software, that are demonstrably reliable methods of age verification, and (b) for the sale of JUUL Products only, the customer is determined to be 21 years or older through the methods described in either (1) or (2) of this Subparagraph.

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

II. COMPLIANCE PROVISIONS

Prohibition on Youth Targeting and Sales

2. JLI shall not take any action, directly or indirectly, to target Youth within Florida in the advertising, promotion, or marketing of JUUL Products, or take any action the primary purpose of which is to initiate, maintain, or increase the incidence of Youth use of any JUUL Product within Florida.

3. JLI shall not (1) directly fund or operate any youth education campaigns or youth prevention activities in Florida, or (2) provide materials on youth education programs or events in Florida.

4. JLI shall not depict or portray any individual under the age of thirty-five (35) in any promotion, marketing, or advertising materials for JUUL Products in Florida.

JLI shall not use Cartoons in any of its promotion, advertising, or marketing for
 JUUL Products in Florida.

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 Florida: any motion picture, television show, theatrical production or other live performance, live or recorded performance of music, commercial film or video, 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 advertise, promote, market, distribute, offer, sell, license, or cause to be advertised, promoted, marketed, distributed, offered, sold, or licensed, any of the following that bears a Brand Name in Florida: 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 marketed, distributed, offered, sold, licensed, or caused to be marketed, distributed, offered, sold or licensed; (b) apply to apparel or other goods used solely within an Adult-Only Facility that is not distributed (by sale or otherwise) to any member of the general public; or (c) prohibit the distribution to any JLI employee who is not 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 advertisements or coupons for any of the foregoing listed in this sentence.

8. JLI shall not advertise, market, promote, distribute, sell, offer, or otherwise provide any JUUL Product to any consumers, wholesalers, or Retail Stores in Florida in any flavor that JLI does not distribute or sell in Florida as of the Effective Date, unless and until JLI receives written authorization from either the United States Food and Drug Administration ("FDA") or another federal or state entity with regulatory authority over the marketing of JUUL Products in Florida that permits the marketing of that flavored JUUL Product or as otherwise permitted by law.

9. JLI shall require any individual in Florida 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 the current attestation required on the welcome page.

Nicotine Content

10. JLI shall not make any claims or representations in promotional, marketing, or advertising materials in Florida comparing the quantification of the amount of nicotine in JUUL Products to that found in combustible tobacco products or any other ENDS, unless JLI receives from the FDA or another federal or state entity with regulatory authority over the marketing of JUUL Products in Florida authorization in writing that permits such claims or representations.

11. Beginning nine (9) months after the Effective Date, if JLI makes any statement about the nicotine content of JUUL Products in an advertisement or webpage, or promotional or marketing materials in Florida 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 an advertisement, webpage, or promotional or marketing materials. The obligations under this Paragraph are no longer in effect if (1) the FDA or another federal or state entity with regulatory authority over the marketing of JUUL Products in Florida implements a uniform nicotine content disclosure standard for ENDS products or (2) JLI receives from the FDA or another federal or state entity with regulatory authority over the marketing of JUUL Products in Florida written authorization for JUUL Products that permits JLI to use a specific nicotine content disclosure.

Sponsorships and Naming Rights

12. JLI shall not sponsor any events in Florida in which payment is made (or other consideration is provided) in exchange for use of any Brand Name.

- 13. Notwithstanding Paragraph 12, JLI may sponsor events in Florida:
 - a. At an Adult-Only Facility, or
 - In the name of JLI's corporate name, provided that the sponsorship uses the abbreviation "JLI" for the corporate name, does not use the word "JUUL," and does not include reference to JUUL Products.

Advertising and Marketing

14. JLI shall not advertise, market, or promote JUUL Products in media or outlets in Florida unless, according to nationally established advertising demographic services, such as Comscore, 85% or more of the individuals comprising the audience of the media or outlets are not Youth. This provision does not apply to marketing or advertising through Outdoor Advertising, on the property of Florida Retail Stores selling JUUL Products, or on any online website that requires Florida consumers to be Verified before being able to further access the website.

15. JLI shall not use Billboards in Florida. JLI shall not place or cause to be placed Outdoor Advertising at any location in Florida that at the time of the placement, or renewal of the placement, of the Outdoor Advertising is within 1,000 feet of any elementary, middle, or high school or public playground in Florida.

16. JLI shall not place or cause to be placed any marketing or advertising in or on public transportation or inside public transportation facilities in Florida, including, but not limited to, taxicabs, public buses or bus stations, public trains or train stations, and airports. This Paragraph shall not apply to any in-store materials at any Florida Retail Store located in a public transportation facility or any material in a designated smoking area within any public transportation facility.

17. JLI shall not publish any marketing, promotional, or advertising material for JUUL Products on any Social Media Platform accessible in Florida, provided that JLI shall be permitted to use X (formerly known as Twitter), 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 advertising, promotional, or marketing material in Florida that makes a claim or representation that JUUL Products or vaping are safer than combustible cigarettes, are modified risk products, or are smoking cessation devices prior to such claim or representation (or the substance thereof) being allowed by federal authorities.

18. JLI shall not create or use any hashtags in Florida for the purpose of advertising, marketing, or promoting any JUUL Product.

19. JLI shall not engage or pay any person or entity, through payment or other consideration (including non-monetary consideration or discounted or free product), to advertise, market, or promote JUUL Products on any Social Media Platform accessible in Florida.

20. JLI shall not engage or pay any person or entity, through payment or other consideration (including non-monetary consideration or discounted or free product), to promote JUUL Products in person in Florida, 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. With respect to promotions conducted within Florida Retail Stores, the Parties agree that "reasonable industry standard measures to prohibit access by Youth" include measures to limit any one-on-one, in-person promotion to persons who either appear to be thirty-five (35) years of age or whose age exceeds 21 and has been verified by the Florida Retail Store.

21. JLI shall not send direct-to-consumer advertising, promotional, or marketing emails, materials, or text messages for JUUL Products to any Florida consumers who are not Verified.

Samples

22. JLI shall not provide free JUUL Products to Florida consumers.

Sales and Distribution Restrictions

23. JLI shall not expressly authorize or otherwise enter into any agreement with any Florida 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 Florida Retail Store employee. If the Attorney General notifies JLI or JLI customer service is notified in writing that any Florida 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.

24. JLI shall limit online sales to Florida consumers 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.

25. JLI shall take reasonable steps to limit retail transactions at Retail Stores in Florida 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 Florida Retail Store for the purchase or sale of JUUL Products provide that the Florida 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 37 below.

26. JLI shall not offer, sell, deliver, or in any manner directly provide any JUUL Products to Florida consumers who have not been Verified.

27. In furtherance of Paragraph 26, for all sales of JUUL Products to Florida consumers 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 or such other language as may be required by Florida law or regulation.

28. Prior to distributing JUUL Products to Florida consumers through a consumer warranty program, JLI shall first confirm that the individual requesting the warranty replacement is Verified.

29. Prior to enrolling Florida consumers in any auto-shipment program, JLI shall first confirm that the individual to be enrolled in the auto-shipment program is Verified.

30. If JLI is provided notice in writing pursuant to this Consent Judgment by the Office of the Attorney General 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 Florida purchasing consumer.

31. JLI shall not license or expressly authorize any third party to engage in conduct that is impermissible under the terms of this Consent Judgment if done directly by JLI.

32. JLI shall continue to monitor Social Media Platforms and third-party websites in the United States that resell JUUL Products to identify content promoting use of JUUL Products

by Youth, unauthorized sales of JUUL Products, or content that would otherwise be impermissible by JLI under this Consent Judgment.

33. JLI shall continue to use reasonable efforts, including possible legal action, to work with Social Media Platforms and owners of third-party websites in the United States that resell JUUL Products to remove content promoting use of JUUL Products by Youth, unauthorized sales of JUUL Products, or content that would otherwise be impermissible by JLI under this Consent Judgment.

34. The Parties agree that JLI shall be deemed to be in compliance with Paragraph 33 if it continues to (i) engage a nationally recognized service provider to monitor Social Media Platforms and third-party websites in the United States that resell JUUL Products 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 websites in the United States that resell JUUL Products 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.

35. The Parties agree that compliance with Paragraphs 33–34 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 sufficient to document its compliance with Paragraphs 33–34.

Retail Compliance

36. 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 Florida to address any compliance-related issues.

37. JLI shall maintain a retailer-compliance program for Florida Retail Stores that requires:

- a. JLI to send representatives to conduct unannounced JLI Compliance Checks at 320 Florida Retail Stores per year for two (2) years after the Effective Date. A "JLI Compliance Check" is an assessment of a Florida 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) product-quantity limits of up to one (1) JUUL Device and sixteen (16) JUULpods, sold individually or through JUULpod Packs, per transaction, or both.
- JLI to use reasonable efforts to have the representatives conduct JLI Compliance Checks at different Florida 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 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 Florida Retail Stores for violations of the JLI Compliance Checks:
 - <u>First JLI Compliance Check Failure</u>: JLI shall issue a letter notifying the Florida Retail Store of its first violation. The letter shall reiterate the requirements of the JLI Compliance Checks and the penalty

escalation structure. For any Florida 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.

- (2) Second JLI Compliance Check Failure: If a second violation occurs within one year of the first violation, JLI shall issue a letter notifying the Florida Retail Store of the second violation. JLI shall suspend (or shall instruct any wholesaler, distributor, or sub-distributor through which JLI supplies the Florida Retail Store to suspend) the Florida Retail Store from any promotional activities for six months following the date of the second failed JLI Compliance Check. For any Florida 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 FDA.
- (3) <u>Third JLI Compliance Check Failure</u>: If a third violation occurs within one year of the first violation, JLI shall issue a letter notifying the Florida Retail Store of the third violation. JLI shall cease doing business with the Florida 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 Florida Retail

Store for the three-year period. For any Florida 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.

- (4) Fourth JLI Compliance Check Failure: If a fourth violation occurs within one year of the first violation, JLI shall cease doing business with the Florida Retail Store and notify all applicable wholesalers, distributors, and sub-distributors to suspend sales of JUUL Products to the Florida Retail Store. The embargo on doing business with that Florida Retail Store shall remain in place until new ownership of that Florida Retail Store wholly unrelated to the embargoed ownership is in place and licensed to sell vapor products. Where that Florida 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 Florida 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.
- (5) Nothing in this Paragraph requires JLI to breach any existing contractual obligations with wholesalers, distributors, or sub-distributors.

- e. If (1) JLI receives information pursuant to this Paragraph or (2) JLI customer service receives information or complaints of Florida Retail Stores violating the age-verification requirements or product quantity limits, JLI shall conduct a JLI Compliance Check of those retail stores within ninety (90) days of receipt of such information or complaints.
- f. JLI's obligations under this Paragraph become effective on the first day of the first full calendar month beginning no earlier than twenty-one (21) days after the Effective Date.
- g. Every six (6) months, JLI shall provide the Office of the Attorney General with results of its JLI Compliance Checks of Florida Retail Stores, with the first set of results being provided six months and two weeks after the terms of this Paragraph become effective pursuant to Paragraph 37(f).

38. The Parties agree that JLI shall not be subject to any liability for any conduct by Florida Retail Stores arising out of or relating to JLI's creation and maintenance of the retailer-compliance program described above.

39. JLI shall continue to include serial numbers on JUUL Devices that permit Florida's consumers to report the serial number of a JUUL Device confiscated from a Youth through a website, currently https://www.juul.com/trackandtrace. Every six (6) months with the reports provided pursuant to Paragraph 37(g), JLI shall report to the Office of the Attorney General any and all information regarding any submissions to the website for transactions identified as relating to a Florida Retail Store.

III. MONETARY PAYMENT AND ENFORCEMENT FUNDING

40. JLI shall pay the Office of Attorney General, State of Florida, Department of Legal Affairs a total amount of \$49 million (\$49,000,000.00) in seven annual installments of \$7 million (\$7,000,000.00) beginning December 31, 2025 ("Settlement Payments").

41. In addition to the Settlement Payments, between the Effective Date and December 31, 2032, JLI shall pay \$30 million (\$30,000,000.00) (the "Enforcement Amount") to aid in the enforcement of the State's nicotine and vapor laws ("Enforcement") at the direction of the State through the Attorney General. JLI shall pay no more than \$4.3 million toward Enforcement in any 12-month period. However, the amount JLI pays toward Enforcement in a 12-month period may exceed \$4.3 million in a 12-month period with JLI's written consent.

42. As used in Paragraph 41, "Enforcement" shall mean contracting with private, non-State investigators ("Investigators") (a) to investigate and identify licensed premises where business owners or employees are selling non-tobacco nicotine products to underage persons or selling ENDS products that are not authorized for sale in the State of Florida—including ENDS products listed on the Attorney General's Directory and ENDS products that have not received a granted written marketing order from the FDA and are not the subject of a pending Premarket Tobacco Product Application ("PMTA") filed with the FDA on or before September 9, 2020—to anyone; (b) to investigate and identify unlicensed premises where any person is selling nontobacco nicotine products to anyone; (c) to investigate and identify those people or entities who are distributing or supplying ENDS products that are not authorized for sale in the State of Florida; (d) to inform the FDA or the State, including the Attorney General, about the results of such investigations, including by identifying licensed or unlicensed premises in Florida that are not in compliance with Chapter 569, Florida Statutes, and (e) notifying the State about ENDS that fit the criteria for inclusion in the Directory. The Investigators shall report their findings to the Attorney General as the Attorney General directs and, in all events, at least once every three months. In addition to the Investigators' reports, JLI shall provide the Attorney General an annual report in which it shall describe each payment toward the Enforcement Amount with a level of detail sufficient for the Attorney General to confirm the amount of the payment and the service rendered ("Annual Report"). The cost of preparing each Annual Report shall count toward the Enforcement Amount. For the avoidance of doubt, Paragraphs 41 and 42 shall not impose on JLI any obligation to undertake any specific act related to Enforcement other than payment of the total Enforcement Amount by December 31, 2032, and preparation of each Annual Report.

IV. NOTICE

43. All notices or certifications required to be provided to a Party or a designated state office shall be sent electronically and by first class mail, postage pre-paid, as follows, unless a Party gives notice of a change to the other Party:

a. For JLI:

Tyler Mace Chief Legal Officer Juul Labs, Inc. 1000 F Street Washington, D.C. 20004 tyler.mace@juul.com

With a copy to:

George S. LeMieux Gunster, Yoakley & Stewart, P.A. 450 E. Las Olas Boulevard Suite 1400 Ft. Lauderdale, FL 33301 glemieux@gunster.com

b. For the State of Florida:

Office of the Attorney General State of Florida PL-01, The Capitol Tallahassee, FL 32399-1050

c. For the Office of the Attorney General:

Victoria Butler Consumer Protection Division Director Office of the Attorney General, State of Florida Department of Legal Affairs 3507 E. Frontage Rd., Ste. 325 Tampa, FL 33607 Victoria.Butler@MyFloridaLegal.com

V. ENFORCEMENT OF THIS CONSENT JUDGMENT

44. JLI shall, after diligent inquiry, annually certify compliance with this Consent Judgment to the Office of the Attorney General pursuant to the notice provisions in Section IV.

45. For the purposes of resolving disputes with respect to compliance with the injunctive terms of this Consent Judgment, should the Attorney General have a reasonable basis to believe that JLI has engaged in a practice that may have violated the terms of this Consent Judgment, the Attorney General shall notify JLI in writing of the specific objection, identify with particularity the provision of this Consent Judgment that the practice appears to violate, and give JLI thirty (30) days to respond to the notification. JLI shall have the thirty (30) day period to provide a good faith written response to the State of Florida's notification, containing either a 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 of Florida's Civil Investigative Demand ("CID") or investigative subpoena authority, and JLI reserves all of its rights in responding to a CID or investigative subpoena issued pursuant to such authority.

46. The Attorney General 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 45 above; provided, however, that the Attorney General may take any action if the Attorney General believes that, because of the specific practice, a threat to the health or safety of the public requires immediate action.

47. The Attorney General may not enforce a consent judgment or agreed judgment of another State.

VI. RELEASE

48. Releasors hereby 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 Attorney General's power and authority to release Claims (the "Released Claims").

49. The release in Paragraph 48 is intended by the Parties to be broad and shall be interpreted so as to give the Released Parties the broadest possible bar against any liability relating in any way to Released Claims. This Consent Judgment shall be a complete bar to any Released Claims.

50. Notwithstanding any term of this Consent Judgment, any and all of the following forms of liability are specifically reserved and not released under Paragraph 48:

- a. Any criminal liability;
- b. Any liability for state or federal securities violations;
- c. Any liability for state or federal tax violations;

- d. Any state or federal antitrust liability;
- e. Any state or federal environmental liability; and
- f. Any enforcement of the terms of this Consent Judgment.

VII. GENERAL TERMS

- 51. <u>Term</u>: The provisions of Paragraphs 2–39 shall remain in place as follows:
 - a. The provisions of Paragraphs 2, 3, 4, 5, and 8, and the provisions of Paragraph 31 to the extent the underlying terms at issue have not expired under this Paragraph, shall not expire (subject to the provisions of Subparagraph d below).
 - b. The provisions of Paragraphs 10, 11, 15, 19, and 21 shall expire July 31, 2039 (subject to the provisions of Subparagraph d below).
 - c. The remaining provisions shall expire six (6) years after the Effective Date (subject to the provisions of Subparagraph d below).
 - d. If JLI receives an Authorization Order that contains authorizations, obligations, standards, or requirements as to conduct addressed in a provision of Section II (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 of this Consent Judgment; and
 - (2) 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 provision hereof would provide otherwise.

e. "Authorization Order" means a granted written marketing order from the FDA authorizing a PMTA submitted by JLI related to JUUL Products or other written authorization from the FDA or another federal or state entity with regulatory authority over the marketing of JUUL Products in Florida to JLI related to JUUL Products (including a Modified Risk Tobacco Product Application).

52. The Attorney General will not take the position that any generally applicable law or regulation requires conduct by JLI different than the conduct the State of Florida requires from any other manufacturer or seller of ENDS products.

53. Nothing in Paragraphs 51–52 will be construed as an approval by the Attorney General, the Court, the State of Florida, or any agency thereof of JLI's past, present, or future conduct or business practices.

54. <u>Applicability</u>: 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.

55. <u>Successors</u>: 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 July 1, 2024, or

the Effective Date, and a company other than JLI thereafter sells such type of JUUL Product in the State of Florida, 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 Agreed 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.

56. Denial and No Admission: JLI denies it and/or its employees, officers, directors, subsidiaries, founders, and/or owners have violated any statute, regulation. decision, or other source of law. 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 Attorney General's 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 Attorney General 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.

57. <u>Private Action</u>: This Consent Judgment shall not confer any rights upon, and is not enforceable by, any persons or entities besides the Attorney General and the Released Parties. The Attorney General 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 of Florida from

employing the services of a collection agency for the purpose of pursuing collection of payments due under this Consent Judgment.

58. <u>Conflict with Other Laws</u>: Nothing in this Consent Judgment shall impose an obligation on JLI that conflicts with 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 State of Florida 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 Attorney General may request a meeting to discuss the steps JLI has implemented to resolve the conflict, and JLI shall comply with any such reasonable request.

59. The marketing, advertising, or sale of JUUL Products intended solely for consumers outside the State of Florida shall not be deemed actions taken (or omitted to be taken) in the State of Florida or directed at consumers in the State of Florida, and the provisions of this Consent Judgment shall not be applicable to such marketing, advertising, or sale of JUUL Products.

60. Nothing in this Consent Judgment shall prohibit JLI from complying with the terms of any court order.

61. 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 and JLI.

62. 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.

63. Each Party shall bear its own attorneys' fees and costs arising out of, related to, or in connection with entry of this Consent Judgment.

64. Except for Paragraphs 48–49, 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 Judgment and this Consent Judgment shall be construed and enforced as if such illegal, invalid, or unenforceable provision, in whole or in part, had not been contained herein.

65. This Consent Judgment represents the entire agreement between the Parties, and there are no representations, agreements, arrangements, or understandings, oral or written, between the Parties relating to the subject matter of this Consent Judgment that are not fully expressed herein or attached hereto. In any action undertaken by the Parties, no prior versions of this Consent Judgment and no prior versions of any of its terms that were not entered by the Court in this Consent Judgment may be introduced for any purpose whatsoever.

66. The Court retains jurisdiction over this Consent Judgment and the Parties with respect to this Consent Judgment.

67. This Consent Judgment does not limit the rights of any private party to pursue any private remedies allowed by law; provided that this Consent Judgment is not intended to create any private right of action by other parties.

68. This Consent Judgment may be executed by the Parties in counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart hereof, all of which together will constitute one and the same document.

DONE AND ORDERED in Chambers, Tampa, Florida, this _____ day of ______,

2025.

HON. DARREN D. FARFANTE CIRCUIT JUDGE

AGREED AS TO SUBSTANCE AND FORM AND ENTRY REQUESTED:

JAMES UTHMEIER Attorney General of the State of Florida

wh (man

Patrick Crotty Special Counsel, Assistant Attorney General Florida Bar No. 108541 Patrick.Crotty@MyFloridaLegal.com

Victoria Butler Director, Consumer Protection Division Florida Bar No. 861250 Victoria.Butler@MyFloridaLegal.com

OFFICE OF THE ATTORNEY GENERAL, STATE OF FLORIDA Department of Legal Affairs Consumer Protection Division 3507 E. Frontage Road, Suite 325 Tampa, FL 33607 Phone: (813) 287-7950

Attorneys for Plaintiff

AGREED AS TO SUBSTANCE AND FORM AND ENTRY REQUESTED:

Date: 2/28/25

George S. LeMieux Florida Bar No. 16403 GUNSTER, YOAKLEY & STEWART, P.A. 450 E. Las Olas Boulevard, Suite 1400 Fort Lauderdale, Florida 33301 Telephone: (954) 462-2000 glemieux@gunster.com

Attorneys for Defendant Juul Labs, Inc.

Date:

Juul Labs, Inc.

By: Scott Richburg Senior Vice President, Litigation

AGREED AS TO SUBSTANCE AND FORM AND ENTRY REQUESTED:

Date:

George S. LeMieux Florida Bar No. 16403 GUNSTER, YOAKLEY & STEWART, P.A. 450 E. Las Olas Boulevard, Suite 1400 Fort Lauderdale, Florida 33301 Telephone: (954) 462-2000 glemieux@gunster.com

Attorneys for Defendant Juul Labs, Inc.

Juul Labs, Inc.

Date: March 7, 2025

By: Scott Richburg Senior Vice President, Litigation

Exhibit A

1. Juul Labs, Inc., a corporation organized under the laws of Delaware.

2. 1186610 B.C. Ltd., a limited liability company organized under the laws of the Province of British Columbia.

3. 1186675 B.C. Ltd., a limited liability company organized under the laws of the Province of British Columbia.

4. Ala Kupono Insurance, Co. Inc., a corporation organized under the laws of Hawaii.

5. Envenio, Inc., a corporation organized under the laws of Canada.

6. JUUL Labs (Shanghai) Co., Ltd., a limited liability company organized under the laws of China.

7. JUUL Labs (Shanghai) Co., Ltd., Shenzhen Branch, a limited liability company organized under the laws of China.

8. JUUL Labs (Shanghai) Co., Ltd., Suzhou Branch, a limited liability company organized under the laws of China.

9. JUUL Labs and Products Israel, Ltd., a limited liability company organized under the laws of Israel.

10. JUUL Labs Austria GmbH, a limited liability company organized under the laws of Austria.

 JUUL Labs Belgium SRL, a limited liability company organized under the laws of Belgium.

12. JUUL Labs Canada, Ltd., a limited liability company organized under the laws of Canada.

13. JUUL Labs Colombia S.A.S., a simplified stock company organized under the laws of Colombia.

14. JUUL Labs CZ & SK s.r.o., a company organized under the laws of the Czech Republic.

15. JUUL Labs Czech Republic s.r.o., a company organized under the laws of the Czech Republic.

16. JUUL Labs France SAS, a limited liability company organized under the laws of France.

17. JUUL Labs Germany GmbH, a limited liability company organized under the laws of Germany.

18. JUUL Labs Global Business Services, Sp. Z.o.o., a limited liability company organized under the laws of Poland.

19. JUUL Labs Greece M.E.P.E., a limited liability company organized under the laws of Greece.

20. JUUL Labs Exports, LLC, a limited liability company organized under the laws of Delaware.

21. JUUL Labs IHB FinCo Ltd., a limited liability company organized under the laws of England and Wales.

22. JUUL Labs IHB Limited, a limited liability company organized under the laws of England and Wales.

23. JUUL Labs India Private Limited, a private limited liability company organized under the laws of India.

24. JUUL Labs International Inc., a corporation organized under the laws of Delaware.

25. JUUL Labs Ireland Ltd., a limited liability company organized under the laws of Ireland.

26. JUUL Labs Italia S.R.L., a limited liability company organized under the laws of Italy.

27. JUUL Labs Japan Company Limited, a company organized under the laws of Japan.

28. JUUL Labs Korea LLC, a limited liability company organized under the laws of Korea.

29. JUUL Labs Netherlands B.V., a private limited liability company organized under the laws of The Netherlands.

30. JUUL Labs New Zealand Limited, a limited liability company organized under the laws of New Zealand.

31. JUUL Labs Poland, Sp. Z.o.o., a limited liability company organized under the laws of Poland.

32. JUUL Labs Portugal Unipessoal LDA, a private limited liability company organized under the laws of Portugal.

33. JUUL Labs RU Limited Liability Company, a limited liability company organized under the laws of Russia.

34. JUUL Labs Services, Sp. Z.o.o., a limited liability company organized under the laws of Poland.

35. JUUL Labs Singapore HoldCo Pte. Ltd, a limited liability company organized under the laws of Singapore.

36. JUUL Labs Spain S.L., a company organized under the laws of Spain.

37. JUUL Labs Switzerland GmbH, a limited liability company organized under the laws of Switzerland.

38. JUUL Labs UK Holdco Limited (DMCC Branch), a limited liability company organized under the laws of the United Arab Emirates.

39. JUUL Labs UK HoldCo Limited, a limited liability company organized under the laws of England and Wales.

40. JUUL Labs UK Ltd., a limited liability company organized under the laws of England and Wales.

41. JUUL Labs Ukraine, a limited liability company organized under the laws of Ukraine.

42. JUUL Labs Virginia, LLC, a limited liability company organized under the laws of Virginia.

43. JUUL Pasadena Labs, Inc., a corporation organized under the laws of Delaware.

44. Main Mission LLC, a limited liability company organized under the laws of Delaware.

45. Main Mission Mezz LLC, a limited liability company organized under the laws of Delaware.

46. Pax Labs, Inc., a corporation organized under the laws of Delaware.

47. Representative Office of JUUL Labs Singapore Holdco Pte. Ltd.

48. Shenzhen Wei'ai Tech Co., Ltd., a limited liability company organized under the laws of China.

49. Vapor Investment Partners LLC, a limited liability company organized under the laws of Delaware.

50. VMR CZ Sro, a company organized under the laws of Czech Republic.

51. VMR (HK) Holdings LTD, a limited liability company organized under the laws of Hong Kong.

52. VMR Products B.V., a company organized under the laws of The Netherlands.

53. VMR Products LLC, a limited liability company organized under the laws of Florida.

54. VMR Products Shenzhen Ltd., a limited liability company organized under the laws of China.

55. YMR Products, Inc., a corporation organized under the laws of Delaware.

56. VMR Strategic LLC, a limited liability company organized under the laws of Delaware.

57. Zhonghe Hengtong VMR (Shenzhen) Technology, Ltd., a limited liability company organized under the laws of China.