

**DOCKETED**

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## SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (Agreement) is entered into between the California Energy Commission (CEC), with its principal office at 1516 Ninth Street, Sacramento, California 95814, and GoPlus Corp (GoPlus), with a place of business at 11250 Poplar Avenue, Fontana, California 92337, (collectively referred to as the “Parties”).

### I. RECITALS

(1) CEC’s Appliance Efficiency Regulations at California Code of Regulations, Title 20, Article 4, sections 1601-1609 (Appliance Efficiency Regulations),<sup>1</sup> set forth the requirements to sell or offer for sale regulated appliances in California. The pertinent requirements include:

- Testing: The appliance is tested as required in section 1603, using the applicable test method set forth in section 1604.
- Efficiency: The appliance meets the required efficiency standards set forth in sections 1605.2 or 1605.3.
- Marking: The appliance is correctly marked and labeled as required under section 1607.
- Certification: The appliance is certified to CEC and appears in CEC’s most recent Modernized Appliance Efficiency Database System (MAEDbS) as required under section 1606.

(2) CEC’s enforcement authority includes the removal of non-complying appliances from MAEDbS, as set forth in section 1608, and the issuance of administrative civil penalties under section 1609.

(3) GoPlus sells battery chargers, portable air conditioners, evaporative coolers, dehumidifiers, residential exhaust fans, portable electric spas, plumbing fittings, clothes washers, clothes dryers, refrigerators, refrigerator freezers, miscellaneous refrigeration products, cooking products, food service equipment, and water dispensers under the GoPlus and Costway brands, that it sells or offers for sale in California, either directly or through retailers or distributors.

(4) GoPlus and Costway brand appliances are subject to the testing, efficiency, marking, and certification requirements as described in paragraph I(1) above.

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<sup>1</sup> All references are to California Code of Regulations, Title 20, Article 4, unless otherwise specified.

(5) From July 2015 to June 2019, GoPlus sold or offered for sale through retailers or distributors battery chargers, portable air conditioners, evaporative coolers, dehumidifiers, residential exhaust fans, portable electric spas, plumbing fittings, clothes washers, clothes dryers, refrigerators, refrigerator freezers, miscellaneous refrigeration products, cooking products, food service equipment, and water dispensers in California, that did not meet applicable requirements of the state's Appliance Efficiency Regulations. Go-Plus unknowingly failed to comply with the following provisions: for all above-listed appliance types, the models sold were not listed in MAEDbS as required in section 1606, and for plumbing fittings, the models sold did not meet the efficiency standards set forth in section 1605.3(h) when tested using the appropriate test method as described in section 1604(h), and were not marked as required in section 1607.

(6) Based on the above Recitals, CEC, through adjudication, could impose penalties for each violation alleged, obtain injunctive relief to prohibit GoPlus from continuing to sell or offer for sale, non-compliant referenced appliances in California, and take any other enforcement action as allowed by law.

(7) Section 1609(b)(3) and California Public Resources Code section 25402.11(a)(2) identify the following factors CEC shall consider when determining the amount of an administrative civil penalty:

- The nature and seriousness of the violation.
- The persistence of the violation, meaning a responsible person's history of past violations of the Appliance Efficiency Regulations over the previous seven years.
- The number of violations arising from the course of conduct that is subject of the enforcement proceeding.
- The length of time over which the violation occurred.
- The willfulness of the persons responsible for the violation.
- The harm to consumers and to the state that resulted from the amount of energy wasted due to the violation.
- The number of persons responsible for the violation.
- The efforts of the persons responsible for the violation to correct the violation prior to initiation of an enforcement action by CEC.
- The cooperation, by the persons responsible for the violation, with CEC during its investigation.
- The assets, liabilities, and net worth of the persons responsible for the violation. This information will be considered to reduce the administrative civil penalty amount, should a responsible person or persons elect to provide asset, liability, and net worth documentation to the Executive Director to demonstrate that a reduction in a penalty amount is necessary to avoid an undue burden.

(8) Penalties must be set at levels sufficient to deter violations. In developing this Agreement CEC considered the facts of the case and applied the above factors to determine an appropriate settlement. Further, in this case GoPlus cooperated with CEC in the investigation by promptly testing, certifying, and marking the units; notifying retailers and removing the non-compliant units from the California market; and by providing to CEC sales data of non-compliant units. The efforts by GoPlus saved CEC time and resources in investigating the violations and minimized the impacts on the competitive business environment, and energy consumption and the environment in California, from the non-compliant units.

(9) GoPlus is willing to enter into this Agreement solely for the purpose of settlement and resolution of this matter with CEC. CEC accepts this Agreement in termination of this matter. Accordingly, the Parties agree to resolve this matter completely by means of this Agreement, without the need for adjudication.

## **II. TERMS AND RELEASE**

In consideration of the Recitals listed above which are incorporated into this section by reference, and the mutual agreements set forth below, CEC and GoPlus agree as follows:

(1) This Agreement covers the GoPlus products referenced by appliance category and model number in Attachment A.

(2) For selling or offering for sale in California, appliances identified in paragraph I(5), whose model numbers are identified in Attachment A that did not meet the efficiency standards prescribed by section 1605.3(h), were not certified to MAEDbS as required by section 1606, and were not marked per section 1607, and, in consideration of the factors listed in paragraph I(7) and I(8) above, GoPlus shall pay as an administrative civil penalty the total sum of \$450,000.00 by electronic transfer to CEC by May 15, 2021. Banking information and instructions necessary to complete the electronic transfer shall be provided by CEC.

(3) GoPlus also agrees to take each of the following actions for any and all regulated appliances it will sell or offer for sale in California:

- a. Test all basic models, utilizing the applicable test method, to ensure conformance with the Appliance Efficiency Regulations.
- b. Certify all basic models in MAEDbS, and ensure listings are kept current and up to date.
- c. Use a new model number for any of the basic models described in Attachment A that have been redesigned to meet efficiency standards.
- d. Add the required marking to the unit.

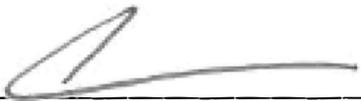
- (4) This Agreement shall apply to and be binding upon GoPlus and its principals, officers, directors, receivers, trustees, employees, successors and assignees, subsidiary and parent corporations, and upon CEC and any successor agency that may have responsibility for and jurisdiction over the subject matter of this Agreement.
- (5) In consideration of the payment specified above, CEC hereby releases GoPlus and its parent corporation, principals, directors, officers, agents, employees, shareholders, subsidiaries, predecessors, and successors from any and all claims, known or unknown to CEC, for violations of section 1608 (efficiency, marking, certification), relating to the time frame and appliances identified in paragraph I(5), whose model numbers are identified in Attachment A.
- (6) This Agreement constitutes the entire agreement and understanding between CEC and GoPlus concerning the claims and settlement in this Agreement, and this Agreement fully supersedes and replaces any and all prior negotiations and agreement of any kind or nature, whether written or oral, between CEC and GoPlus concerning these claims.
- (7) No agreement to modify, amend, extend, supersede, terminate, or discharge this Agreement, or any portion thereof, shall be valid or enforceable unless it is in writing and signed by all Parties to this Agreement.
- (8) GoPlus further agrees that if the subject matter of this Agreement comes before CEC in an administrative adjudication, neither any member of CEC, nor the Executive Director, shall be disqualified because of prior consideration of this Agreement.
- (9) Each Party to this Agreement has reviewed the Agreement independently, has had the opportunity to consult counsel, is fully informed of the terms and effect of this Agreement, and has not relied in any way on any inducement, representation, or advice of any other Party in deciding to enter into this Agreement.
- (10) This Agreement shall be interpreted and enforced in accordance with the laws of the State of California, without regard to California's choice of law rules. Any litigation arising out of or related to this Agreement shall be filed in the Superior Court of California, County of Sacramento.
- (11) Each provision of this Agreement is severable, and in the event that any provision of this Agreement is held to be invalid or unenforceable, the remainder of this Agreement remains in full force and effect.

(12) The failure of any Party to enforce any provision of this Agreement shall not be construed as a waiver of any such provision, nor prevent such Party thereafter from enforcing such provision or any other provision of this Agreement.

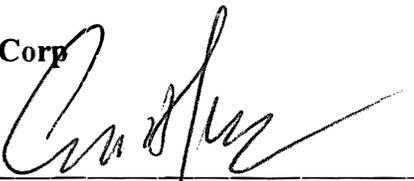
(13) This Agreement is deemed to have been drafted equally by the Parties; it will not be interpreted for or against either Party on the ground that said Party drafted it.

(14) This Agreement is effective upon signature by a representative of GoPlus with authority to bind the company, and signature by the Executive Director of CEC. The Parties agree that fax or scanned signatures and multiple signature pages are acceptable for purposes of executing this Agreement, which may be signed in counterparts.

**California Energy Commission**

By:   
Name: Drew Bohan  
Title: Executive Director  
Date: 5/19/2021

**GoPlus Corp**

By:   
Name: Eric Hsu  
Title: Controller  
Date: 5/7/2021

**Attachment A**

**Small Battery Chargers and Small Battery Charger Systems**

GoPlus	TY324114RE	GoPlus	TY324155RE	GoPlus	SP0563
GoPlus	TY223078	GoPlus	TY565273	Costway	EP21695
GoPlus	TY567903	GoPlus	TY565275	Costway	EP24371
GoPlus	TY570699	GoPlus	TY576011	Costway	TY578578NY
GoPlus	TY572900	GoPlus	TY324105	Costway	SP36889US
GoPlus	TY572901	GoPlus	TY558750	Costway	ET1364US
GoPlus	TY570684	GoPlus	EP23741	GoPlus	SP36264
GoPlus	TY568215	GoPlus	EP23742	GoPlus	EP24188GR
GoPlus	TY324109	GoPlus	EP24028US	GoPlus	ET1326
GoPlus	TY557898	GoPlus	MU70002WH	GoPlus	SP36951SL
GoPlus	TY324110	GoPlus	SP35523	Costway	HW60323BK
GoPlus	TY575830	GoPlus	TY579535BK	GoPlus	TY576033RE
GoPlus	TY563824	GoPlus	TY578492	GoPlus	ET1324
GoPlus	TY325118	GoPlus	MU70002BK	GoPlus	GT3440
Costway	TY324141	GoPlus	GT3433US	GoPlus	TY579379BL
GoPlus	TY326368	GoPlus	MU70003WH	GoPlus	MU70001USBK
GoPlus	TY325126	GoPlus	TY576045BK	GoPlus	TY565879
GoPlus	TY325127	GoPlus	TY314665RE	Costway	EP20460
GoPlus	TY324103	Costway	TY579535WH	GoPlus	TY576033WH
GoPlus	TY325128	GoPlus	ET1335	Costway	TY578579
GoPlus	TY576016	GoPlus	TY578693BK	GoPlus	EP24505
GoPlus	TY576037	GoPlus	ET1330	GoPlus	EP24506US
GoPlus	TY576017, TY576018	GoPlus	SP36951YE	GoPlus	TY579326WH
GoPlus	TY325048	GoPlus	TY517901RE	Costway	TY578578BK
GoPlus	TY576029	GoPlus	TY306586BK	GoPlus	ET1366US
Costway	TY561994	Costway	EP24065	GoPlus	EP24395
GoPlus	TY325116	GoPlus	MU70003BK	GoPlus	ET1372US
Costway	TY561996	GoPlus	TY547565	GoPlus	ET1363US
GoPlus	TY568214	GoPlus	EP23770US	GoPlus	TY576046BK
GoPlus	TY584625	GoPlus	TY578572GN	GoPlus	TY529016WH
GoPlus	TY325957	GoPlus	MU70001USWH	Costway	EP23888
GoPlus	TY311749	GoPlus	TY547566	GoPlus	TY576046WH
GoPlus	TY311750	GoPlus	TY578572YE	GoPlus	TY578674
GoPlus	TY513690	Costway	EP23974US	Costway	TY578675
GoPlus	TY324102	GoPlus	SP36951BK	Costway	EP23997
GoPlus	TY324104	GoPlus	EP24188BK	Costway	EP24519US

GoPlus	TY324106	GoPlus	HW56672WH	Costway	EP23889US
GoPlus	TY207615	GoPlus	TY579380	GoPlus	TY576045WH
GoPlus	TY313139	GoPlus	ET1275US-A	GoPlus	ET1275US
GoPlus	TY557897	GoPlus	TY556346	GoPlus	SP35208
GoPlus	TY324143	GoPlus	TY578693WH	GoPlus	EP24410
GoPlus	TY324119	GoPlus	TY576047	GoPlus	OP3627
GoPlus	TY543684	Costway	HW60323WH	Costway	HW60322BK
GoPlus	TY564944	GoPlus	ET1359	Costway	HW60322WH

**Portable Air Conditioner and Evaporative Coolers**

Costway	EP23666	GoPlus	EP23667	GoPlus	EP23430
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**Dehumidifiers**

Costway	EP23518	GoPlus	EPEP23520	Costway	EP23470US
GoPlus	EP23519	Costway	TCL30E		

**Residential Exhaust Fans**

Costway	EP23443	Costway	EP23444	Costway	EP23445
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**Portable Electric Spas**

GoPlus	OP3244BK	GoPlus	OP3245BK	GoPlus	OP3458BE
GoPlus	OP3244WH	GoPlus	OP3245WH	GoPlus	OP3458CF
GoPlus	OP3465BE	GoPlus	OP3826	GoPlus	OP3656GR
GoPlus	OP3465CF	GoPlus	OP3827		

**Plumbing Fittings (Showerheads - Panels)**

GoPlus	BA7215	GoPlus	BA7200	GoPlus	BA7214
GoPlus	BA7232	GoPlus	BA7205	GoPlus	BA7211
GoPlus	BA7233	GoPlus	BA7206	GoPlus	BA7212
GoPlus	BA7018	GoPlus	BA7208	GoPlus	BA7235
GoPlus	BA7196	GoPlus	BA7203	GoPlus	BA7231
GoPlus	BA7198	GoPlus	BA7204	GoPlus	BA7234
GoPlus	BA7209				

**Clothes Washers**

GoPlus	EP23863	GoPlus	EP22757	GoPlus	EP22761
Costway	EP23575	GoPlus	EP23578	Costway	EP23614
GoPlus	EP23873	GoPlus	EP23577	Costway	EP22758

**Clothes Dryers**

Costway	EP23598	Costway	EP23735
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**Cooking Products and Food Service Equipment**

Costway	EP23618	Costway	EP23853WH
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**Refrigerators, Refrigerator-Freezers, Misc. Refrigeration Products**

Costway	EP22672BK	Costway	EP23752	Costway	EP23825
Costway	EP22672WH	GoPlus	EP22592	GoPlus	EP23826
Costway	EP22756	Costway	EP23342	Costway	EP23603
Costway	EP22680	GoPlus	EP23499	Costway	EP23611
Costway	EP22752BK	GoPlus	EP23522US	Costway	EP23796
Costway	EP22753	Costway	EP23707	GoPlus	EP20178RE
Costway	EP23231	GoPlus	EP23708	GoPlus	EP20178WH
Costway	EP23232	Costway	EP23709	GoPlus	HW54591
Costway	EP23751	GoPlus	EP23822	GoPlus	HW54592
GoPlus	HW54593				

**Water Dispensers**

Costway	EP22900	GoPlus	EP23358	GoPlus	KC39990
Costway	EP22901	GoPlus	EP22276		