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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 715 P Street, Sacramento, California 95814, and Shop Now USA LLC (Shop Now), with a place of business at 7500 NW 25th Street, Doral, Florida, 33122, 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),[1] 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) Shop Now manufactures and sells several models of NSX Gaming brand desktop computers that it sells or offers for sale in California, either directly or through retailers or distributors.

(4) Shop Now desktop computers are subject to the testing, efficiency, marking, and certification requirements for this appliance class as described in paragraph I(1) above.

(5) From August 2021 to February 2026, Shop Now sold or offered for sale in California through retailers or distributors desktop computers that were not listed in MAEDbS as required in section 1606, did not meet the efficiency standards set forth in section 1605.3(v)(5) when tested using the appropriate test method as described in section 1604(4), and were not marked as required in section 1607.

(6) Based on the above Recitals, CEC, through administrative adjudication, could impose penalties for each violation alleged, obtain injunctive relief to prohibit Shop Now from continuing to sell or offer for sale, non-compliant desktop computers in California, and take any other enforcement action as

[1] All references are to California Code of Regulations, Title 20, Article 4, unless otherwise specified.

allowed by law.

(7) California Public Resources Code section 25402.11(a)(2) identifies the following factors CEC shall consider when determining the amount of an administrative civil penalty:

- The nature and seriousness of the violation.
- The number of violations.
- The persistence of the violation.
- The length of time over which the violation occurred.
- The willfulness of the violation.
- The violator's assets, liabilities, and net worth.
- The harm to consumers and to the state that resulted from the amount of energy wasted due to the violation.

(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 Shop Now cooperated with CEC in the investigation by notifying retailers and removing the non-compliant units from the California market. The efforts by Shop Now saved CEC time and resources in investigating the violations and minimized the impacts on the competitive business environment, energy consumption, and the environment in California, from the non-compliant units. Also, Shop Now demonstrated, by providing financial information, that a higher penalty would cause it financial hardship. This documentation is confidential and CEC does not retain it in the regular course of business.

(9) Shop Now 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 administrative 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 Shop Now agree as follows:

(1) This Agreement covers the following Shop Now desktop computer models and item numbers listed in the attachment.

(2) For selling or offering for sale in California, desktop computers identified in paragraph I(5), whose model numbers are identified in the attachment, that did not meet the energy efficiency standards prescribed by section 1605.3(v)(5), 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, Shop Now shall pay as an administrative civil penalty the total sum of $20,000.00. Payment shall be made by electronic transfer to the California Energy Commission, in 4 monthly payments of $5,000.00 each, as shown below:

Payment Number	Due Date	Amount
1	December 1, 2026	$5,000.00
2	January 1, 2026	$5,000.00
3	February 1, 2027	$5,000.00
4	March 1, 2027	$5,000.00

Effect of untimely payment: If any payment is more than 15 days late, the entire remaining balance becomes immediately due and payable. In addition, if CEC takes action to enforce this Agreement, Shop Now shall pay all costs of investigating and prosecuting the action, including expert fees, reasonable attorney's fees, and costs.

It is agreed that if Shop Now, including its subsidiary or parent company, at any time becomes insolvent, or makes an assignment for the benefit of creditors or similar action adversely involving Shop Now, its subsidiary, or parent company, or a proceeding or petition under any bankruptcy, reorganization, arrangement of debt, insolvency, readjustment of debt, or receivership law or statute is filed by or against Shop Now, its subsidiary, or parent company, or a trustee in bankruptcy, custodian, receiver or agent is appointed or authorized to take charge of any of Shop Now's, its subsidiary's, or parent company's properties, or if any deposit account or other property of Shop Now's, its subsidiary, or parent company be attempted to be obtained or held by writ of execution, garnishment, attachment, condemnation, levy, forfeiture or other legal process, or Shop Now, its subsidiary, or parent company takes any action to authorize any of the foregoing, the entire remaining balance becomes immediately due and payable without notice or demand.

(3) Shop Now 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 II(1) that have been redesigned to meet energy efficiency standards.
d. Add the required marking to the unit.

(4) This Agreement shall apply to and be binding upon Shop Now 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 Shop Now and its parent corporation, principals, directors, officers, agents, employees, shareholders, subsidiaries, predecessors, and successors from any and all claims 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 the attachment.

(6) This Agreement constitutes the entire agreement and understanding between CEC and Shop Now 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 Shop Now 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) Shop Now 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 Shop Now 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: 11/05/2026

Shop Now USA LLC

By: _____
Name: EDUARDO BICERINE
Title: MANAGER
Date: 10/21/2026

Attachment

Desktop Computers:

PGR7VAS4W-01	PGR7VNS*W-06	8500G MSI	9SIAN6WK3G7765
PGR7V*S4W-03	PGR5VNS4W-16	PGR5VNS4W-01	9SIAN6WK628895
PGR5VAS4W-01	PGR5VAS4W-09	9SIAN6WJWT8913	9SIAN6WK911227
PGR5V*S4W-02	PGR5VNS*W-04	9SIAN6WJWU4227	9SIAN6WK9J4405
PGR5VNS4W-07	PGR7VAS4W-01	9SIAN6WJX13059	9SIC2K2KM24440
PGR5VNS4W-14	PGR5VNS4W-16	9SIAN6WJYF7317	9SIAN6WK363350
MD Ryzen 5500, RTX 3050 6 Gb, 16GB RAM DDR4, SSD 512GB NVME M.2, W11			