

September 2, 2016

The Honorable Thomas J. Miller  
Attorney General of Iowa  
Hoover State Office Building  
1305 E. Walnut Street  
Des Moines, Iowa 50319

Dear Mr. Miller,

Respondent Wal-Mart Stores, Inc. ("Walmart") provides this Letter Agreement ("Agreement") in order to resolve concerns of the Iowa Attorney General relating to the following statement on the labels of certain of Walmart's Spring Valley dietary supplements: "Verified by an independent, certified laboratory" (the "verification statement"). The Attorney General believes that the content and placement of the verification statement may have misled consumers by suggesting that numerous representations on the label had been verified by such a laboratory, when they had not - including, for example, representations regarding the presence, absence, or amounts of certain ingredients or substances.

Walmart intended and believes that the verification statement applies only to the general quality guaranty language "Quality Guaranteed Spring Valley products are produced under strict quality guidelines. If you are unhappy with this product, we'll replace it or refund your money. For questions or comments call 1-866-251-1662" and, because of its proximity to the quality guaranty and no other statements, could not reasonably be interpreted by consumers to extend to other statements on the product packaging. Further, Walmart began to remove this statement from the Spring Valley products as early as September 2014, and understands that no complaints regarding the verification statement have been made to the Attorney General's office.

In order to resolve this dispute, Walmart agrees to the terms below. This Agreement is not an admission of liability by Walmart, and Walmart expressly denies liability or wrongdoing. The Effective Date of this Agreement is the date of the last signature below.

Walmart agrees:

1. for all labels of Spring Valley dietary supplements printed by Walmart suppliers after August 30, 2016 to either (i) remove the verification statement, or (ii) revise the verification statement to clarify the specific claims that it is intended to cover;
2. to follow its existing refund policy to provide refunds for products containing the verification statement, which includes providing a refund upon the request of any

bottle with the verification statement shall be refunded in cash for total refund amounts less than \$25 and on a gift card for total refund amounts greater than \$25;

3. to pay \$100,000.00 to the Attorney General on or before the Effective Date, to be applied in the Attorney General's discretion to making refunds to lowans who would otherwise qualify for a refund from Walmart under the preceding paragraph, but who are unable to produce a receipt or bottle; after ninety (90) days, the portion not returned to consumers shall be deposited into the fund created by Iowa Code § 714.16A and used by the Attorney General for consumer fraud investigation and enforcement as provided in that section;
4. to refrain from any use or transfer for marketing purposes of the names of lowans who received a refund pursuant to this Agreement for the purchase of a dietary supplement upon which the verification statement appeared and which name was not previously known to Walmart, but nothing in this paragraph shall prevent Walmart from engaging in its regular marketing activities to customers;
5. to respond fully and promptly to reasonable requests from the Attorney General for information or materials relating to the activities that gave rise to the above-referenced concerns of the Attorney General, or compliance with this Agreement;
6. that any future violation of this Agreement that is not cured by Walmart within 30 days of written notice of the violation by the Attorney General shall constitute a violation of Iowa Code § 714.16, and that any such Agreement violation if proved by a preponderance of evidence may give rise to civil penalties and other remedies as set forth in Iowa Code § 714.16 and/or other applicable laws provided however, that it shall be a complete defense to any such proceeding by the Attorney General for Walmart to establish by a preponderance that each violation at issue was isolated, inadvertent, and occurred despite good faith implementation of measures reasonably designed to prevent such violations; and
7. This Agreement and all obligations associated with it expire on the third anniversary of the Effective Date, with the exception of the obligations associated with paragraph 1 above, which do not expire.

The Attorney General releases Respondent Walmart from any liability under the Iowa Consumer Fraud Act, Iowa Code § 714.16 ("CFA"), for violation(s) of the CFA through the use of the verification statement and also releases any third party manufacturer of Walmart's dietary supplement products from any such liability for its participation in the use of the verification statement.