

COMPLIANCE CERTIFICATION STATEMENT

March 1, 2017

TO ALL EU DISTRIBUTORS OF NICOPURE LABS LLC PRODUCTS

Esteemed business partners,

As you well know, November 20 was the deadline for submission of premarket notifications for vaping products under the 2014 Tobacco Products Directive (TPD). These submissions were filed through an online EU portal for all products on the market as of May 20, 2016. Non-compliant products manufactured and imported before November 20, 2016 can still be sold through in most jurisdictions until May 20, 2017.¹

Because the TPD requires a notification, but not an approval, we do not expect confirmations from individual member states ascertaining compliance with TPD. Such confirmation is not provided for in the respective legislation and will likely not be issued by any EU member state. Some EU member states might eventually elect to publish a list of notified vaping products, however, please do not expect such list, as it is not required. We believe that the best approach to provide you the necessary comfort that you are selling a compliant product is for manufacturers to issue a compliance certification letter such as this one, confirming compliance with TPD requirements. Partnering with well established, reliable business allies who take active compliance steps is vital for the sustainability of our respective businesses.

We therefore issue this compliance certification to provide you assurance that:

- 1) the Nicopure Labs LLC products from this point forward are compliant with TPD specifications (notably bottle size and labeling), and
- 2) the products we currently manufacture and export to the European Union have already been notified through the online EU notification portal before the November 20, 2016 deadline and are therefore compliant.

Your collaboration is vital in ensuring that we receive prompt information in connection with any enforcement by local authorities in your respective country. Therefore, we ask you to inform us promptly of any correspondence or inquiry by local authorities, under the TPD-implementing legislation, that regards Nicopure Labs LLC products. We also expect to hear from you about any enforcement that may impact our competitors, as we can derive valuable learnings from each local authority's actions in connection with this new legislation.

As with all new laws, local enforcement authorities may have a specific view on implementation of the TPD. You, as residents of the respective jurisdiction, will have the necessary local market intelligence to monitor developments in this area. We look forward to working together ensuring that we share any relevant local information as such information may emerge in the future.

We continue to treasure our business collaboration with you and look forward to growth and prosperity in the months and years to come.

Best regards,



Jeffrey Stamler
Chief Executive Officer

*This deadline may be different in individual EU countries. Please verify with your local authorities or with your legal advisor to ensure compliance with the sell-through date. Nicopure Labs LLC does not assume any responsibility for non-TPD products in the market that may still be at retail past the legal deadlines.