

STATE OF MINNESOTA DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Other Civil  
(Consumer Protection)

Court File No. \_\_\_\_\_

In the Matter of Valvoline LLC and  
Valvoline Instant Oil Change Franchising, Inc.

**ASSURANCE OF  
DISCONTINUANCE/VOLUNTARY  
COMPLIANCE**

This Assurance of Discontinuance/Voluntary Compliance (“Assurance”) is entered into between Valvoline LLC, Valvoline Instant Oil Change Franchising, Inc., and VGP Holdings LLC (collectively “Valvoline”)<sup>1</sup> and the Attorneys General of the States of Colorado, Illinois, Maryland, Massachusetts, Minnesota, New York, and the Commonwealth of Pennsylvania (hereinafter referred to collectively as the “Attorneys General” or “Settling States”) to resolve the investigation by the Attorneys General into Valvoline’s use of non-compete agreements (as described below) without trial or adjudication on any issue of fact or law.

In consideration of their mutual agreements to the terms of this Assurance, and other consideration described herein, the sufficiency of which is hereby acknowledged, the Parties hereby enter this Assurance and agree as follows:

**PARTIES**

1. The Attorneys General are charged with enforcement of, among other things, their respective state’s consumer protection and antitrust laws, and other related statutes and regulations.

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<sup>1</sup> For clarity, on March 1, 2023, Valvoline Inc. completed the sale of its Global Products business to Aramco Overseas Company B. V. via the sale of VGP Holdings LLC (organized May 27, 2022).

2. The State of Minnesota, by its Attorney General, Keith Ellison (“Minnesota”), is authorized under Minnesota Statutes chapter 8; the Uniform Deceptive Trade Practices Act, Minnesota Statutes sections 325D.43-.48; and has common law authority, including *parens patriae* authority, to enforce Minnesota’s laws, to vindicate the State’s sovereign and quasi-sovereign interests, and to remediate all harm arising out of violations of Minnesota’s laws.

3. Philip J. Weiser is the duly elected Attorney General for the State of Colorado (the “Colorado Attorney General”).

4. The State of Illinois, by its Attorney General, Kwame Raoul (“Illinois”) has statutory and common law authority, including *parens patriae* authority and authority under 15 ILCS 205 *et seq.* and 820 ILCS 90/30, to enforce Illinois’ laws, to vindicate the State’s sovereign and quasi-sovereign interests, and to remediate all harm arising out of Illinois’ laws.

5. The State of Maryland by its Attorney General, Anthony G. Brown (“Maryland”) has statutory authority to enforce the provisions of Md. Com. Law Code Ann. §§11-201 *et seq.* (“the Maryland Antitrust Act”) and to vindicate Maryland’s sovereign and quasi-sovereign interests and to remediate all harm arising out of violations of Maryland laws. Under §11-206, the Attorney General is authorized to accept an Assurance of Discontinuance of an act or practice which he considers to be a violation of the Maryland Antitrust Act, from any person whom he considers to have engaged in the act or practice.

6. The State of Massachusetts, by its Attorney General, Andrea Joy Campbell (“Massachusetts”), is authorized under Massachusetts General Laws chapter 149, section 2 to enforce provisions of the chapter, including the Massachusetts Noncompetition Agreement Act; and has common law authority, including *parens patriae* authority to enforce Massachusetts’s

laws, to vindicate the State’s sovereign and quasi-sovereign interests, and to remediate all harm arising out of violations of Massachusetts laws.

7. The State of New York, by its Attorney General, Letitia James (“New York”) has statutory and common law authority, including *parens patriae* authority and authority under New York Executive Law 63(12), to enforce New York’s laws, to vindicate the State’s sovereign and quasi-sovereign interests, and to remediate all harm arising out of violations of New York laws.

8. In the Commonwealth of Pennsylvania, the Office of Attorney General has been granted the authority to enforce federal and state law, including Section 16 of the Clayton Act, the Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. §§ 201-4 and 201-4.1, and the Commonwealth Attorneys Act, 71 P.S. § 732-204(c), to pursue injunctive and equitable relief to prevent and remedy the harms caused by anticompetitive conduct and unfair and deceptive acts and practices.

9. Valvoline LLC is a Delaware limited liability company with its principal executive office address at 100 Valvoline Way, Suite 100, Lexington, KY 40509. Valvoline Instant Oil Change Franchising, Inc., is a Delaware corporation with its principal executive office address at 100 Valvoline Way, Suite 100, Lexington, KY 40509. VGP Holdings LLC is a Delaware limited liability company with its principal executive office at 100 Valvoline Way, Suite 200, Lexington, KY 40509. Valvoline offers on demand instant oil change services in the Settling States through company-owned retail locations as well as franchised retail locations.

### **DEFINITIONS**

For the purposes of this Assurance, the following definitions shall apply:

10. “**Employment Agreement**” means any contract governing terms of employment or post-employment between Valvoline and any employee identified in paragraph 23 below, and all modifications of such agreements throughout the employment relationship.

11. “**Effective Date**” shall mean the date on which this Assurance is signed.

12. “**Non-competition Provision**” shall mean any clause in any contract between Valvoline and any employee that restricts, by time, distance or location, an employee’s ability to work for another company after completing employment with Valvoline.

13. “**Non-solicitation Provision**” shall mean any clause in any contract between Valvoline and any employee that restricts, by time, distance or location, an employee’s ability to solicit, divert, or take away customer or customer leads from Valvoline, or hire, attempt to hire, or solicit for employment another Valvoline employee, after the employee completed employment with Valvoline.

14. “**Valvoline**” shall mean Valvoline LLC or Valvoline Instant Oil Change Franchising, Inc. or VGP Holdings LLC and their predecessors or successors in interest, assigns, parent corporations, holding companies, subdivisions, controlled subsidiaries, affiliated entities, officers, directors, trustee, partners, managers, agents acting within the scope of their agency, and employees.

#### **APPLICATION**

15. The provisions of this Assurance apply to and are binding upon Valvoline and its predecessors or successors in interest, parent corporations, holding companies, subdivisions, subsidiaries, affiliated entities, officers, directors, trustees, partners, agents, servants, employees, and contract workers, or other entities through which Valvoline may now or hereafter act with respect to the conduct alleged. For the sake of clarity, the Parties hereby acknowledge that no Valvoline franchisee is an “affiliated entity” of Valvoline.

16. The provisions of this Assurance shall apply to Valvoline in connection with Employment Agreements that Valvoline enters into with employees.

17. This Agreement shall have the same effect as an Assurance of Discontinuance, Assurance of Voluntary Compliance, or a Stipulated Judgment, and it may be filed in court pursuant to the respective laws of each Settling State.

### **ATTORNEYS GENERAL FINDINGS**

18. At all times relevant to this Assurance, Valvoline employed hourly instant oil change workers in each of the Attorneys General states and throughout the United States.

19. Until February 2021, Valvoline LLC utilized a non-competition provision that precluded all Valvoline employees from directly or indirectly, individually or as an officer, director, employee, shareholder, consultant, contractor, partner, joint venturer, agent, equity owner or in any capacity whatsoever during their employment with Valvoline, investing, working for or engaging in the automotive lubricants and chemicals or quick lube business for one year after the termination of their employment relationship with Valvoline. The prohibition was in effect within 100 miles of the employee's primary worksite or territory. The non-competition provision was included in the standard employee agreement that all Valvoline LLC employees were required to enter into a condition of their employment with Valvoline LLC. The employee agreement also prohibited employees from soliciting, hiring, attempting to hire, or contact or solicit with respect to hiring any Valvoline LLC employee ("non-solicitation of employee provision") or soliciting, diverting, or taking away any Valvoline customers or customer leads with whom the employee had a direct or indirect contact or business relationship ("non-solicitation of customer provision") or for one year after termination of their employment.

20. After February 2021, Valvoline LLC ceased putting the non-competition provision into its employment agreements with store-level employees at its Quick Lube stores ("Quick Lube

Store Level Employees”), who make up most of Valvoline LLC’s workforce, and decided it would not enforce these provisions with respect to Quick Lube Store Level Employees. After July 2021, Valvoline LLC eliminated the non-compete provision for additional categories of employees, including all hourly employees, and decided it would not enforce these provisions with respect to these additional categories of employees. Valvoline LLC also eliminated the non-solicitation of employee provision for the same employees, including all hourly employees, and decided it would not enforce those provisions with respect to these employees. Valvoline has not sought to enforce a Non-competition Provision or Non-solicitation Provision against any of the employees identified in Paragraph 23 since at least July 2021.

21. The Attorneys General find the relief and agreements contained in this Assurance appropriate and in the public interest. Therefore, the Attorneys General are willing to accept this agreement in lieu of commencing statutory proceedings for violations of state laws based on the conduct described herein.

22. The Attorneys General allege that this historic course of conduct may constitute a violation of the Settling States’ relevant laws related to competition, non-competition, or non-solicitation provisions. The Attorneys General further allege that these methods, acts, or practices may constitute unfair methods of competition and/or unfair or deceptive acts or practices in the conduct of trade or commerce in violation of the Settling States’ consumer protection laws and may violate other laws in some or all of the Settling States governing the free exercise of the right to contract for employment. Valvoline denies that it has violated any state law.

### **INJUNCTION**

23. As of the Effective Date of this Assurance, Valvoline LLC will continue to not include Non-competition Provisions in any of its future Employment Agreements or other

contracts with hourly employees or with employees in Colorado who are not highly compensated workers pursuant to C.R.S. § 8-2-113 or with employees in Illinois covered by 820 ILCS 90/10(a).

24. As of the Effective Date of this Assurance, Valvoline LLC will continue to not enforce Non-competition Provisions in any of Valvoline's existing Employment Agreements with hourly employees or with employees in Colorado who are not highly compensated workers pursuant to C.R.S. § 8-2-113 or with employees in Illinois covered by 820 ILCS 90/10(a).

25. Within fifteen (15) days of the Effective Date of this Assurance, Valvoline LLC will provide conspicuous written notification by sending a letter or email to the last known physical or email address to all relevant current employees affected by the change referred to in paragraph 24 that it will not enforce Non-competition Provisions with them. The written notification will be substantially in the form attached hereto as Exhibit A.

26. Within fifteen (15) days of the Effective Date of this Assurance, Valvoline LLC will provide conspicuous written notification to all former employees who left employment with Valvoline LLC within one year of the Effective Date who will be affected by the change, that it will no longer enforce the Non-competition Provisions as provided in paragraph 24. Valvoline LLC will accomplish this written notification by sending a letter or email, substantially in the form attached hereto as Exhibit A, to the former employees' last known physical or email address.

27. Within fifteen (15) days of the Effective Date of this Assurance, Valvoline LLC will provide notice to all of its franchisees in the United States with a letter from Valvoline LLC enclosing the Assurance. The letter is attached as Exhibit B.

28. Within forty-five (45) days of the Effective Date of this Assurance, Valvoline will certify to the Attorneys General that it has completed each notification specified in paragraphs 25

through 27. Valvoline's certification will include providing exemplar copies of each version of the written notification used to accomplish the notification described in paragraphs 25-26.

29. Within twenty-one (21) days of the Effective Date of this Assurance, Valvoline will alter its Non-solicitation Provision to correspond to the language identified and agreed to by Valvoline in the form attached hereto as Exhibit C. Valvoline will not apply any Non-solicitation Provisions to employees in Illinois covered by 820 ILCS 90/10(b). The Illinois Attorney General does not express views as to the enforceability of Exhibit C under 820 ILCS 90/15.

30. Valvoline will inform the Attorneys General in writing if it intends to reinstitute a Non-competition Provision or a Non-solicitation Provision with respect to employees identified in paragraph 23 within five (5) years of the execution of this Assurance.

31. Valvoline shall fulfill the terms of this Assurance. Valvoline shall not effect any change in its form of doing business as a method or means of attempting to avoid the requirements of this Assurance.

#### **STAYED CIVIL PENALTY**

32. Valvoline shall pay a stayed civil penalty of \$500,000 to the Attorney General of any Settling State upon application to a court and a showing by the Attorney General that Valvoline has materially violated any of the terms of this Assurance in that Settling State. Upon such application, the court shall decide whether the civil penalty shall be imposed, upon a motion by the Attorney General, and after an evidentiary hearing, if the court deems such hearing necessary. The release in paragraph 57 does not prevent the Attorneys General from moving for, or collecting, the stayed civil penalty described in this paragraph. This paragraph shall be effective for eight years from the date of the Effective Date.



## **DISPUTE RESOLUTION**

33. For the purposes of resolving disputes with respect to Valvoline's compliance with this Assurance, should any of the signatory Attorneys General have a reasonable basis to believe that Valvoline has engaged in a practice that violates a provision of this Assurance subsequent to the Assurance's Effective Date, then such Attorney General shall notify Valvoline in writing, identify the provision(s) of this Assurance that the practice appears to violate, and give Valvoline fifteen (15) business days to respond to the notification.

34. Upon receipt of written notice from any of the Attorneys General, Valvoline shall provide a good-faith written response to the Attorney General notification, containing either a statement explaining why Valvoline believes it is in compliance with the Assurance or a detailed explanation of how the alleged violation occurred and statement explaining how and when Valvoline intends to remedy the alleged violation.

35. Except as set forth in paragraph 36 below, an Attorney General may not take any action during the fifteen (15)-business day response period. Nothing shall prevent an Attorney General from agreeing in writing to provide Valvoline with additional time beyond the fifteen (15) business days to respond to the notice.

36. Nothing in this Assurance shall be interpreted to limit an Attorney General's Civil Investigative Demand or investigative subpoena authority.

37. In any action to enforce the terms of this Assurance by any of the Attorneys General, this Assurance shall be governed by and interpreted in accordance with the respective laws of the state of the Attorney General that is seeking to enforce the Assurance. Valvoline consents to the jurisdiction of the courts of the Settling States for the purpose of an action brought by one or more of the Attorneys General to enforce or interpret this Assurance.

## GENERAL PROVISIONS

38. Valvoline shall not cause or encourage third parties, nor knowingly permit third parties acting as Valvoline's agent or under its control or direction, to engage in practices from which Valvoline is prohibited by this Assurance.

39. This Assurance represents the full and complete terms of the settlement entered into by the Parties hereto. In any action undertaken by the Parties, the Parties agree that neither prior draft versions of this Assurance nor prior versions of any of its terms may be introduced in any court proceeding for any purpose whatsoever.

40. All Parties participated in the drafting of this Assurance.

41. No modification of the terms of this Assurance shall be valid or binding unless made in writing and signed and agreed to by all of the Parties.

42. This Assurance may be executed in counterparts, and a facsimile, electronic, or .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature.

43. Any notice that is made by any of the Parties to another party shall be provided via Electronic and Overnight Mail to the persons identified below at the addresses listed below, unless a different contact person or address is specified in writing by the party changing such contact person or address.

For Defendant:

David Higbee  
A&O Shearman  
401 9th Street, NW  
Washington, DC 20004  
david.higbee@aoshearman.com

For Minnesota:

Assistant Attorney General Lindsey Lee  
Minnesota Attorney General's Office  
445 Minnesota Street, Suite 1200  
St. Paul, MN 55101-2130  
lindsey.lee@ag.state.mn.us

For Colorado:

Arthur Biller  
Assistant Attorney General  
Antitrust Unit  
Consumer Protection Section  
Colorado Department of Law  
1300 Broadway, 7<sup>th</sup> Floor  
Denver, CO 80203  
Arthur.Biller@coag.gov

For Illinois:

Alvar Ayala  
Chief, Workplace Rights Bureau  
Illinois Office of the Attorney General  
115 S. LaSalle St., 20th Floor  
Chicago, IL 60603  
Alvar.ayala@ilag.gov

For Maryland:

Schonette J. Walker  
Assistant Attorney General  
Chief, Antitrust Division  
Maryland Office of the Attorney General  
200 Saint Paul Place  
Baltimore, Maryland 21202  
swalker@oag.state.md.us

For Massachusetts:

Lauren Goldman Moran  
Chief, Fair Labor Division  
Office of the Attorney General  
One Ashburton Place  
Boston, Massachusetts 02108  
lauren.moran@mass.gov

For New York:

Assistant Attorney General Lawrence Reina  
New York Attorney General's Office  
28 Liberty Street, 15<sup>th</sup> Floor  
New York, NY 10005  
Lawrence.reina@ag.ny.gov

For Pennsylvania:

Elizabeth Schneider  
Chief Deputy Attorney General, Fair Labor Section  
Commonwealth of Pennsylvania Office of Attorney General  
1600 Arch Street, Suite 300  
Philadelphia, PA 19103  
eschneider@attorneygeneral.gov

44. Any failure by any party to this Assurance to insist upon the strict performance by any other party of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions of this Assurance, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Assurance.

45. If any clause, provision or section of this Assurance shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Assurance, and this Assurance shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.

46. Unless a term limit for compliance is otherwise specified within this Assurance, Valvoline's obligations under this Assurance are enduring. Nothing in this Assurance shall be construed as relieving Valvoline of the obligation to comply with all state and federal laws, regulations or rules, including any laws, regulations or rules adopted subsequent to the signing of this Assurance, nor shall any of the provisions of this Assurance be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

47. The Parties understand and agree that this Assurance shall not be construed as an approval of or sanction by the Attorneys General of Valvoline's business or employment practices, and Valvoline shall not represent otherwise. The Parties further understand and agree that any failure by the Attorneys General to take any action in response to any information submitted pursuant to the Assurance shall not be construed as an approval or sanction of any representation, act or practice indicated by such information, nor shall it preclude action thereon at a later date.

48. Valvoline shall deliver a copy of this Assurance to, or otherwise apprise, its executive management having decision-making authority with respect to the subject matter of this Assurance within fourteen (14) days of the Effective Date.

49. Valvoline shall not participate, directly or indirectly, in any activity or form a separate entity or corporation for the purpose of engaging in an act or practice in whole or in part that is prohibited in this Assurance or for any other purpose which would otherwise circumvent any part of this Assurance.

50. By agreeing to this Assurance and, if applicable, Order, Valvoline affirms and attests to the truthfulness, accuracy, and completeness of all of the information provided by it to the Attorneys General prior to entry of this Assurance. The Attorneys General's agreement to this Assurance is expressly premised upon the truthfulness, accuracy, and completeness of the information provided by Valvoline to the Attorneys General throughout the course of the inquiry into this matter, which information was relied upon by the Attorneys General in negotiating and agreeing to the terms and conditions of this Assurance. In the event it is later found that material representations by Valvoline were inaccurate or misleading, this Assurance is voidable by any one of the Attorneys General with respect to their State in their sole discretion.

51. The person signing this Assurance for Valvoline warrants that Valvoline has authorized the person to execute this Assurance and that he or she executes this Assurance in an official capacity that binds Valvoline and its successors.

52. No representation, inducement, promise, understanding, condition or warranty not set forth in this Assurance has been made or relied upon by Valvoline in agreeing to this Assurance.

53. The Ramsey County District Court shall retain jurisdiction of this matter for purposes of enforcing this Assurance as between Valvoline and the Minnesota Attorney General only. The Minnesota Attorney General may make such application as appropriate to enforce or interpret the provisions of this Assurance or, in the alternative, maintain any action within his legal authority for such other and further relief as he determines is proper and necessary for the enforcement of this Assurance. Valvoline and the Minnesota Attorney General agree that, in any action brought by the Minnesota Attorney General to enforce the terms of this Assurance, the Court shall have the authority to award equitable relief, including specific performance.

54. Nothing in this Assurance shall be construed to limit the power or authority of any of the Attorneys General except as expressly set forth herein.

55. Each party shall perform such further acts and execute and deliver such further documents as may reasonably be necessary to carry out this Assurance.

56. For those Attorneys General who must file Assurances with and seek approval from a court, Valvoline waives any further notice of submission or filing of this Assurance with the court, and the court may issue the Order below without further proceedings.

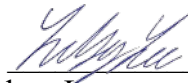
57. In consideration of the stipulated relief set forth in this Assurance and contingent upon the Court's entry of this Assurance (where applicable), the Attorneys General agree not to proceed with or institute any investigation or civil action or other proceeding under their respective

State laws, statutes, and regulations against Valvoline with respect to the conduct described in this Assurance, so long as Valvoline complies with the terms of this Assurance. In the event that the Attorneys General believe Valvoline has not complied with the terms of this Assurance, the remedy available to the relevant Attorneys General is set forth in Paragraph 32. For the avoidance of doubt, nothing in this Assurance limits any of the Attorneys General from seeking injunctive relief if Valvoline fails to comply with the terms of this Assurance. This Assurance is binding only upon the Settling States and Valvoline.

IN WITNESS WHEREOF, this Assurance is executed by the Parties hereto as of July 23, 2024.

**COUNSEL FOR THE ATTORNEYS  
GENERAL**

KEITH ELLISON  
Attorney General  
State of Minnesota

By:  \_\_\_\_\_  
Lindsey Lee  
Assistant Attorney General

PHILIP J. WEISER  
Attorney General  
State of Colorado

By: \_\_\_\_\_  
Arthur Biller  
Assistant Attorney General

State laws, statutes, and regulations against Valvoline with respect to the conduct described in this Assurance, so long as Valvoline complies with the terms of this Assurance. In the event that the Attorneys General believe Valvoline has not complied with the terms of this Assurance, the remedy available to the relevant Attorneys General is set forth in Paragraph 32. For the avoidance of doubt, nothing in this Assurance limits any of the Attorneys General from seeking injunctive relief if Valvoline fails to comply with the terms of this Assurance. This Assurance is binding only upon the Settling States and Valvoline.

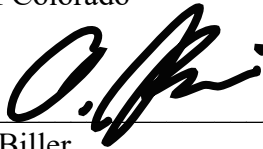
IN WITNESS WHEREOF, this Assurance is executed by the Parties hereto as of July 23, 2024.

**COUNSEL FOR THE ATTORNEYS  
GENERAL**

KEITH ELLISON  
Attorney General  
State of Minnesota

By: \_\_\_\_\_  
Lindsey Lee  
Assistant Attorney General

PHILIP J. WEISER  
Attorney General  
State of Colorado

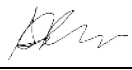
By:  \_\_\_\_\_  
Arthur Biller  
Assistant Attorney General



KWAME RAOUL  
Attorney General  
State of Illinois

By:   
Alvar Ayala  
Chief, Workplace Rights Bureau


ANTHONY G. BROWN  
Attorney General  
State of Maryland

By:   
Schonette J. Walker  
Assistant Attorney General

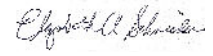
ANDREA JOY CAMPBELL  
Attorney General  
State of Massachusetts

By: \_\_\_\_\_  
Lauren Goldman Moran  
Chief, Fair Labor Division

LETITA JAMES  
Attorney General  
State of New York

By:   
Lawrence J. Reina  
Assistant Attorney General

MICHELLE HENRY  
Attorney General  
Commonwealth of Pennsylvania

By:   
Elizabeth Schneider  
Chief Deputy Attorney General

KWAME RAOUL  
Attorney General  
State of Illinois

By: \_\_\_\_\_  
Alvar Ayala  
Chief, Workplace Rights Bureau

ANTHONY G. BROWN  
Attorney General  
State of Maryland

By: \_\_\_\_\_  
Schonette J. Walker  
Assistant Attorney General

ANDREA JOY CAMPBELL  
Attorney General  
State of Massachusetts

By: \_\_\_\_\_  
Lauren Goldman Moran  
Chief, Fair Labor Division

LETITA JAMES  
Attorney General  
State of New York

By: \_\_\_\_\_  
Lawrence J. Reina  
Assistant Attorney General

MICHELLE HENRY  
Attorney General  
Commonwealth of Pennsylvania

By: \_\_\_\_\_  
Elizabeth Schneider  
Chief Deputy Attorney General

**VALVOLINE**

By: Julie M. O'Daniel  
Julie O'Daniel  
Position: Chief Legal Officer and Corporate  
Secretary, Valvoline Inc.  
Valvoline LLC

By: Julie M. O'Daniel  
Julie O'Daniel  
Position: Chief Legal Officer and Corporate  
Secretary, Valvoline Inc.  
Valvoline Instant Oil Change Franchising, Inc.

By: \_\_\_\_\_  
Laura Pentova  
Position: Chief Legal Officer, Valvoline Global  
Operations  
VGP Holdings LLC d/b/a Valvoline Global  
Operations

## VALVOLINE

By: \_\_\_\_\_  
Julie O'Daniel  
Position: Chief Legal Officer and Corporate  
Secretary, Valvoline Inc.  
Valvoline LLC

By: \_\_\_\_\_  
Julie O'Daniel  
Position: Chief Legal Officer and Corporate  
Secretary, Valvoline Inc.  
Valvoline Instant Oil Change Franchising, Inc.

*Laura I Pentova*  
By: [Laura I Pentova \(Jul 23, 2024 11:43 EDT\)](#)  
\_\_\_\_\_  
Laura Pentova  
Position: Chief Legal Officer, Valvoline Global  
Operations  
VGP Holdings LLC d/b/a Valvoline Global  
Operations

## EXHIBIT A

[Date]

[Employee Name and Address]

Re: Changes to your Employment Agreement

Dear [Employee Name],

As a valued team member of Valvoline, I am writing to inform you of a change with respect to the employment agreement you may have signed upon joining the company. That employment agreement may have contained a “non-compete clause” and/or a “non-solicitation of employees” clause.<sup>2</sup>

Valvoline has removed both the non-compete clause and non-solicitation clause from most future employment agreements. Further, Valvoline forever releases you from these clauses and will not enforce these going forward. Accordingly, to the extent you signed an agreement with one or both of the clauses, Valvoline will not prevent you from:

- seeking or accepting a job with any company or person—even if they compete with Valvoline, including any franchisee of Valvoline;
- running your own business—even if it competes with Valvoline, including any franchisee of Valvoline;
- investing in any business that competes with Valvoline, including any franchisee of Valvoline, and
- competing with Valvoline, including any franchisee of Valvoline, following your employment with Valvoline.

Further, a new rule enforced by the Federal Trade Commission (“FTC”) makes it unlawful for us to enforce a non-compete clause. This notice, and FTC’s new rule, do not affect any other terms or conditions of your employment, including your obligations to maintain Valvoline’s trade secrets. For more information about the FTC rule, visit [ftc.gov/noncompetes](http://ftc.gov/noncompetes). Complete and

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<sup>2</sup> For example, Article 6 of one version of the Valvoline employment agreement provided the employee would not “during my employment with Valvoline and for a period of one (1) year following the date of my termination, invest in, work for or engage in the automotive lubricants and chemicals or quick lube business, within 100 miles of my primary worksite or territory (a ‘Competing Business’).” This is a non-compete clause. It further provided the employee would not “in any capacity whatsoever, for a period of one (1) year following the date of my termination: (1) hire, attempt to hire, or contact or solicit with respect to hiring any employee of Valvoline.” This is a non-solicitation of employees clause.

accurate translations of the notice in certain languages other than English, including Spanish, Chinese, Arabic, Vietnamese, Tagalog, and Korean, are available at [ftc.gov/noncompetes](http://ftc.gov/noncompetes).

Valvoline recommends that you keep a copy of this notice for your records. If you have any questions about this change, or to request a copy of a new employment agreement, please contact [X].

Best wishes,

[Signature]

**EXHIBIT B**

[Franchisee Owner Name]

[Franchisee Address]

Dear [Owner Name],

We write to notify you of a recent agreement that Valvoline LLC, Valvoline Instant Oil Change Franchising, Inc., and VGP Holdings (collectively “Valvoline”) entered into with the States of Minnesota, Colorado, Illinois, Maryland, Massachusetts, New York, and Pennsylvania (“the States”) to address non-competition and non-solicitation provisions Valvoline previously used in its employment agreements that, in the view of the States, may violate the law and are unenforceable. Valvoline denies that it has violated any state law. The attached Assurance of Discontinuance documents the resolution of this matter between Valvoline and the States.

Further, a new rule enforced by the Federal Trade Commission (“FTC”) makes it unlawful for employers (including Valvoline) to enforce most non-compete clauses, and requires us to send notices to employees regarding the unenforceability of those provisions. For more information about the FTC rule, visit [ftc.gov/noncompetes](https://ftc.gov/noncompetes).

Valvoline ended its use of non-compete agreements for hourly employees in 2021, while maintaining limited non-compete provisions for senior employees who have confidential and sensitive company information where permitted by federal and state law. Valvoline made this change as a matter of good corporate practice and in recognition of evolving law in the area of non-competes.

We encourage you to review your employment practices with your own counsel and ensure that they comply with all applicable laws.

Sincerely,

[Valvoline]

## **EXHIBIT C**

I agree that I will not, directly or indirectly, individually or as an officer, director, employee, shareholder, consultant, contractor, partner, joint venture, agent, equity owner or in any capacity whatsoever, for a period of one (1) year following the date of my termination: (1) use Confidential Information to solicit, divert or take away any customers or customer leads of Valvoline with whom I had, whether directly or indirectly, contact or business relations during the employment period or about whom I possess Confidential Information; or (2) solicit, encourage, or influence any suppliers or vendors of Valvoline to cease doing business with Valvoline or change the terms and conditions upon which they conduct their business with Valvoline where I had, whether directly or indirectly, contact or business relations during the employment period with such vendors or suppliers, or about whom I possess Confidential Information. For clarity, nothing in this paragraph would prohibit me from using general solicitations or advertisements to solicit customers for a business that may compete with Valvoline or from responding to inquiries initiated by Valvoline's customers.



**ORDER**

Having reviewed the terms of the foregoing Assurance of Discontinuance, which is incorporated herein by reference, and which the Court finds reasonable and appropriate, it is SO ORDERED.

Date: \_\_\_\_\_

\_\_\_\_\_  
JUDGE OF DISTRICT COURT

THERE BEING NO CAUSE FOR FURTHER DELAY, LET JUDGMENT BE ENTERED IMMEDIATELY.