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 15 UNITED STATES OF AMERICA

16 **UNITED STATES DISTRICT COURT**
CENTRAL DISTRICT OF CALIFORNIA

17 UNITED STATES OF AMERICA,
 18 Plaintiff,
 19 vs.
 20 RAZER, INC., a Cayman Islands
 21 Corporation;
 22 RAZER (Asia-Pacific) Pte., Ltd., a
 23 Singapore Limited Liability Company;
 24 RAZER USA, Ltd., a Delaware
 25 Corporation;
 26 RAZER HEALTH Pte., Ltd., a Singapore
 27 Limited Liability Company; and
 28

) Case No.:
) **STIPULATED ORDER FOR**
) **PERMANENT INJUNCTION,**
) **MONETARY JUDGMENT CIVIL**
) **PENALTY JUDGMENT, AND**
) **OTHER RELIEF**

1 RAZER ONLINE, Pte., Ltd., a Singapore
2 Limited Liability Company,

3
4 Defendants.

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6
7 Plaintiff, the United States of America, acting upon notification and referral to
8 the Attorney General by the Federal Trade Commission (“FTC” or “Commission”)
9 filed its Complaint for Permanent Injunction, Monetary Judgment, Civil Penalty
10 Judgment, and Other Relief (“Complaint”) , pursuant to Sections 5(a)(1),
11 5(m)(1)(A), 12, 13(b), 16(a)(1), and 19 of the Federal Trade Commission Act (“FTC
12 Act”), 15 U.S.C. §§ 45(a)(1), 45(m)(1)(A), 52, 53(b), 56(a)(1), and 57b, and Section
13 1401 of the COVID-19 Consumer Protection Act of the 2021 Consolidated
14 Appropriations Act (“CCPA”), Pub. L. No. 116-260, 134 Stat. 1182, 3275-76 (2020).
15 Defendants have waived service of the summons and the Complaint. Plaintiff and
16 Defendants stipulate to the entry of this Stipulated Order for Permanent Injunction,
17 Monetary Judgment, Civil Penalty Judgment, and Other Relief (“Order”) to resolve
18 all matters in dispute in this action between them.

19 **THEREFORE, IT IS ORDERED** as follows:

20 **FINDINGS**

- 21 1. This Court has jurisdiction over this matter.
- 22 2. The Complaint charges that Defendants participated in deceptive acts or
23 practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, in the
24 dissemination of false advertisements in or affecting commerce for the purpose of
25 inducing, or which were likely to induce, the purchase of devices in violation of
26 Section 12 of the FTC Act, 15 U.S.C. § 52, in connection with the sale of a “wearable
27 air purifier” face mask called the Razer Zephyr (the “Razer Zephyr” or “Zephyr”).

1 3. The CCPA made it unlawful, for the duration of the novel coronavirus
2 (COVID-19) public health emergency, for any person, partnership, or corporation to
3 engage in a deceptive act or practice in or affecting commerce in violation of Section
4 5(a) of the FTC Act, 15 U.S.C. § 45(a), that is associated with the treatment, cure,
5 prevention, mitigation, or diagnosis of COVID-19. CCPA, § 1401(b)(1).

6 4. A violation of Section 1401(b)(1) of the CCPA is treated as a violation
7 of a rule defining an unfair or deceptive act or practice prescribed under Section
8 18(a)(1)(B) of the FTC Act, 15 U.S.C. § 57a(a)(1)(B). CCPA, § 1401(c)(1).

9 5. Defendants neither admit nor deny any of the allegations in the
10 Complaint, except as specifically stated in this Order. Only for purposes of this
11 action, Defendants admit the facts necessary to establish jurisdiction.

12 6. Defendants waive any claim that they may have under the Equal Access
13 to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through
14 the date of this Order, and agree to bear their own costs and attorney fees.

15 7. Defendants and Plaintiff waive all rights to appeal or otherwise
16 challenge or contest the validity of this Order.

17 **DEFINITIONS**

18 For the purpose of this Order, the following definitions apply:

19 A. **“Defendants”** means RAZER, INC., a Cayman Islands Corporation,
20 RAZER (Asia-Pacific) Pte., Ltd., a Singapore Limited Liability Company, RAZER
21 USA, Ltd., a Delaware Corporation, RAZER HEALTH Pte., Ltd., a Singapore
22 Limited Liability Company, RAZER ONLINE, Pte., Ltd., a Singapore Limited
23 Liability Company, individually or collectively or in any combination.

24 B. **“Personal Protective Equipment”** means protective clothing, helmets,
25 gloves, face shields, goggles, facemasks, respirators, or other equipment designed,
26 intended, or represented to protect the wearer from the spread of infection or illness,
27 including any accompanying accessories.

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1 C. “**Protective Goods and Services**” means any good or service designed,
2 intended, or represented to detect, treat, prevent, mitigate, or cure COVID-19 or any
3 other infection or disease, including, but not limited to, Personal Protective
4 Equipment, hand sanitizer, and thermometers.
5

6 **ORDER**

7 **I. BAN AGAINST COVID-19 PREVENTION OR TREATMENT CLAIMS**

8 **IT IS ORDERED** that Defendants, in connection with the manufacturing,
9 labeling, advertising, promotion, offering for sale, sale, or distribution of any product,
10 are permanently restrained and enjoined from making any express or implied
11 representation that such product prevents or reduces the likelihood of infection with,
12 or community transmission of, the SARS-CoV-2 virus, or otherwise cures, mitigates,
13 or treats COVID-19, unless the Food and Drug Administration has specifically
14 approved the representation.

15 **II. PROHIBITED REPRESENTATIONS CONCERNING**
16 **UNSUBSTANTIATED CLAIMS**

17 **IT IS FURTHER ORDERED** that Defendants, Defendants’ officers, agents,
18 employees, and attorneys, and all other persons in active concert or participation with
19 any of them, who receive actual notice of this Order, whether acting directly or
20 indirectly, in connection with the promoting or offering for sale of Protective Goods
21 and Services, are permanently restrained and enjoined from making any
22 representation, expressly or by implication, about the health benefits, performance,
23 efficacy, safety, or side effects of Protective Goods and Services, unless the
24 representation is non-misleading, including that, at the time such representation is
25 made, Defendants possess competent and reliable scientific evidence substantiating
26 that the representation is true. For purposes of this Provision, competent and reliable
27 scientific evidence shall consist of testing of the product that is sufficient in quality
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1 and quantity based on standards generally accepted by experts in the field of the
2 relevant good or service, when considered in light of the entire body of relevant
3 scientific evidence, to substantiate that the representation is true. Such testing must be
4 conducted by researchers qualified by training and experience to conduct such
5 testing.

6 **III. PROHIBITED MISREPRESENTATIONS, INCLUDING**
7 **GOVERNMENT-APPROVED CLAIMS**

8 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents,
9 employees, and attorneys, and all other persons in active concert or participation with
10 any of them, who receive actual notice of this Order, whether acting directly or
11 indirectly, in connection with the manufacturing, labeling, advertising, promotion,
12 offering for sale, sale, or distribution of any Protective Goods and Services, are
13 permanently restrained and enjoined from misrepresenting, in any manner, expressly
14 or by implication:

15 A. That any Protective Goods and Services are affiliated with, endorsed,
16 certified, cleared, authorized, approved by, registered, or otherwise connected to any
17 government entity, including through the use of government logos or trademarks;

18 B. That any Protective Goods and Services meet certification standards
19 established by any governmental entity when they have not been certified by that
20 governmental entity; and

21 C. Any other fact material to consumers concerning any Protective Goods
22 and Services such as: the total costs; any material restrictions, limitations, or
23 conditions; or any material aspect of its performance, efficacy, nature, or central
24 characteristics.

25 **IV. JUDGMENT FOR CIVIL PENALTY**

26 **IT IS FURTHER ORDERED** that:

27 A. Judgment in the amount of One-Hundred Thousand Dollars (\$100,000)

1 is entered in favor of Plaintiff against Defendants, jointly and severally, as a civil
2 penalty. Defendants are ordered to pay to Plaintiff, by making payment to the
3 Treasurer of the United States, One-Hundred Thousand Dollars (\$100,000). Such
4 payment must be made within 7 days of entry of this Order by electronic fund
5 transfer in accordance with instructions to be provided by a representative of Plaintiff
6 upon the Court's issuance of this Order.

7 **V. JUDGMENT FOR MONETARY RELIEF**

8 **IT IS FURTHER ORDERED** that:

9 A. Judgment in the total amount of One Million Seventy-One Thousand
10 Two-Hundred Fifty-Four Dollars and Thirty-Three Cents (\$1,071,254.33) is entered
11 in favor of Plaintiff against Defendants, jointly and severally, as monetary relief, in
12 the installments set forth below:

13 1. Defendants are ordered to pay to Plaintiff, by making payment to
14 the Treasurer of the United States, Five-Hundred Seventy-One Thousand
15 Two-Hundred Fifty-Four Dollars and Thirty-Three Cents (\$571,254.33),
16 which, as Defendants stipulate, their undersigned counsel holds in
17 escrow for no purpose other than payment to Plaintiff. Such payment
18 must be made within 7 days of entry of this Order by electronic fund
19 transfer in accordance with instructions to be provided by a
20 representative of Plaintiff upon the Court's issuance of this Order.

21 2. Defendants are also ordered to pay to Plaintiff, by making
22 payment to the Treasurer of the United States, Five-Hundred Thousand
23 Dollars (\$500,000). Such payment must be made within 7 days of entry
24 of this Order by electronic fund transfer in accordance with instructions
25 to be provided by a representative of Plaintiff upon the Court's issuance
26 of this Order.

27 B. The United States shall send this monetary relief to the Commission to
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1 be deposited into a fund administered by the Commission or its designee to be used
2 for consumer relief, such as redress and any attendant expenses for the administration
3 of any redress fund. If a representative of the Commission decides that direct redress
4 to consumers is wholly or partially impracticable or money remains after such redress
5 is completed, the Commission may apply any remaining money for such related relief
6 (including consumer information remedies) as it determines to be reasonably related
7 to Defendants' practices alleged in the Complaint. Any money not used for relief is to
8 be deposited to the U.S. Treasury as an additional civil penalty. Defendants have no
9 right to challenge any actions the Commission or its representatives may take
10 pursuant to this Subsection.

11 **VI. ADDITIONAL MONETARY PROVISIONS**

12 **IT IS FURTHER ORDERED** that:

13 A. Defendants relinquish dominion and all legal and equitable right, title,
14 and interest in all assets transferred pursuant to this Order and may not seek the return
15 of any assets.

16 B. The facts alleged in the Complaint will be taken as true, without further
17 proof, in any subsequent civil litigation by Plaintiff or the Commission, including in a
18 proceeding to enforce its rights to any payment or monetary judgment pursuant to this
19 Order, such as a nondischargeability complaint in any bankruptcy case.

20 C. The facts alleged in the Complaint establish all elements necessary to
21 sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the
22 Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral
23 estoppel effect for such purposes.

24 D. Defendants acknowledge that their Taxpayer Identification Numbers
25 (Employer Identification Numbers), which Defendants must submit to the
26 Commission, may be used for collecting and reporting on any delinquent amount
27 arising out of this Order, in accordance with 31 U.S.C. § 7701.

1 **VII. CUSTOMER INFORMATION**

2 **IT IS FURTHER ORDERED** that Defendants, Defendants’ officers, agents,
3 employees, and attorneys, and all other persons in active concert or participation with
4 any of them, who receive actual notice of this Order, are permanently restrained and
5 enjoined from directly or indirectly:

6 A. failing to provide sufficient customer information to enable the
7 Commission to efficiently administer consumer redress. If a representative of the
8 Commission requests in writing any information related to redress, Defendants must
9 provide it, in the form prescribed by the Commission, within 14 days.

10 B. disclosing, using, or benefitting from customer information, including
11 the name, address, telephone number, email address, social security number, other
12 identifying information, or any data that enables access to a customer’s account
13 (including a credit card, bank account, or other financial account) that any Defendant
14 obtained prior to entry of this Order in connection with the sale of a “wearable air
15 purifier” face mask called the Razer Zephyr; and

16 C. failing to destroy such customer information in all forms in their
17 possession, custody, or control within 30 days after receipt of written direction to do
18 so from a representative of the Commission.

19 D. Provided, however, that customer information need not be disposed of,
20 and may be disclosed, to the extent requested by a government agency or required by
21 law, regulation, or court order.

22 **VIII. ORDER ACKNOWLEDGMENTS**

23 **IT IS FURTHER ORDERED** that Defendants obtain acknowledgments of
24 receipt of this Order:

25 A. Each Defendant, within 7 days of entry of this Order, must submit to the
26 Commission an acknowledgment of receipt of this Order sworn under penalty of
27 perjury;

1 B. For 5 years after entry of this Order, each Defendant must deliver a copy
2 of this Order to: (1) all principals, officers, directors, and corporate entity managers
3 and members; (2) all employees having managerial responsibilities for conduct
4 related to the subject matter of the Order and all agents and representatives who
5 participate in conduct related to the subject matter of the Order; and (3) any business
6 entity resulting from any change in structure as set forth in the Section titled
7 “Compliance Reporting.” Delivery must occur within 7 days of entry of this Order
8 for current personnel. For all others, delivery must occur before they assume their
9 responsibilities.

10 C. From each individual or entity to which a Defendant delivered a copy of
11 this Order, Defendant must obtain, within 30 days, a signed and dated
12 acknowledgment of receipt of this Order.

13 IX. COMPLIANCE REPORTING

14 **IT IS FURTHER ORDERED** that Defendants make timely submissions to
15 the Commission:

16 A. One year after entry of this Order, each Defendant must submit a
17 compliance report, sworn under penalty of perjury:

- 18 1. Each Defendant must: (a) identify the primary physical,
19 postal, and email address and telephone number, as designated points of
20 contact, which representatives of the Commission and Plaintiff may use
21 to communicate with Defendant; (b) identify all of Defendant’s
22 businesses by all of their names, telephone numbers, and physical,
23 postal, email, and Internet addresses; (c) describe the activities of each
24 business, including the goods and services offered, the means of
25 advertising, marketing, and sales, and the involvement of any other
26 Defendant; (d) describe in detail whether and how that Defendant is in
27 compliance with each Section of this Order, and (e) provide a copy of
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1 each Order Acknowledgment obtained pursuant to this Order, unless
2 previously submitted to the Commission.

3 B. For 5 years after entry of this Order, each Defendant must submit a
4 compliance notice, sworn under penalty of perjury, within 14 days of any change in
5 the following:

6 1. Defendant must report any change in: (a) any designated
7 point of contact; or (b) the structure of any Corporate Defendant or any
8 entity that Defendant has any ownership interest in or controls directly or
9 indirectly that may affect compliance obligations arising under this
10 Order, including: creation, merger, sale, or dissolution of the entity or
11 any subsidiary, parent, or affiliate that engages in any acts or practices
12 subject to this Order.

13 C. Each Defendant must submit to the Commission notice of the filing of
14 any bankruptcy petition, insolvency proceeding, or similar proceeding by or against
15 such Defendant within 14 days of its filing.

16 D. Any submission to the Commission required by this Order to be sworn
17 under penalty of perjury must be true and accurate and comply with 28 U.S.C. §
18 1746, such as by concluding: “I declare under penalty of perjury under the laws of the
19 United States of America that the foregoing is true and correct. Executed on: ” and
20 supplying the date, signatory’s full name, title (if applicable), and signature.

21 E. Unless otherwise directed by a Commission representative in writing, all
22 submissions to the Commission pursuant to this Order must be emailed to
23 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:
24 Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade
25 Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject
26 line must begin: *FTC v. Razer, Inc.*

27 **X. RECORDKEEPING**

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1 C. The Commission and Plaintiff may use all other lawful means, including
2 posing, through its representatives as consumers, suppliers, or other individuals or
3 entities, to Defendants or any individual or entity affiliated with Defendants, without
4 the necessity of identification or prior notice. Nothing in this Order limits the
5 Commission’s lawful use of compulsory process, pursuant to Sections 9 and 20 of the
6 FTC Act, 15 U.S.C. §§ 49, 57b-1.

7 **XII. RETENTION OF JURISDICTION**

8 **IT IS FURTHER ORDERED** that this Court retains jurisdiction of this
9 matter for purposes of construction, modification, and enforcement of this Order.

10 **SO ORDERED** this _____ day of _____, 2024.

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12 _____
13 UNITED STATES DISTRICT JUDGE
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1 **SO STIPULATED AND AGREED:**
2 **FOR PLAINTIFF:**
3 **THE UNITED STATES OF AMERICA**

4 BRIAN M. BOYNTON
5 Principal Deputy Assistant Attorney General, Civil Division

6 ARUN G. RAO
7 Deputy Assistant Attorney General

8 AMANDA N. LISKAMM
9 Director, Consumer Protection Branch

10 LISA K. HSIAO
11 Senior Deputy Director
12 Consumer Protection Branch

13 ZACHARY A. DIETERT
14 Assistant Director
15 Consumer Protection Branch

16 /s/ Sean Z. Saper
17 SEAN Z. SAPER
18 Trial Attorney

Date: April 26, 2024

19 Consumer Protection Branch
20 U.S. Department of Justice
21 450 5th St. NW, Suite 6400-South
22 Washington, DC 20001
23 Telephone: 202-742-7116
24 Email: sean.z.saper@usdoj.gov

1 **FEDERAL TRADE COMMISSION**

2 
3 _____

Date: March 21, 2024

4 Vikram Jagadish
5 Jordan X. Navarrette
6 Attorneys
7 Federal Trade Commission
8 One Bowling Green
9 Suite 318
10 New York, New York 10004
11 Phone number: (212) 607-2834
12 Fax Number: (212) 607-2832
13 Email: vjagadish@ftc.gov
14 Email: jnavarrette@ftc.gov

11 **FOR DEFENDANTS:**

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13 
14 _____
15 RAZER, INC.

Date: 31 JAN 2024

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17 _____
18 RAZER (ASIA PACIFIC) PTE., LTD.

Date: 31 JAN 2024

19 
20 _____
21 RAZER USA, LTD.

Date: 31 JAN 2024

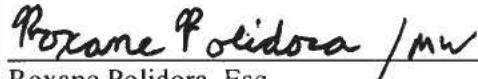
22 
23 _____
24 RAZER HEALTH PTE., LTD.

Date: 31 JAN 2024

25 
26 _____
27 RAZER ONLINE PTE., LTD.

Date: 31 JAN 2024

22 **COUNSEL FOR DEFENDANTS:**

23 
24 _____
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26 Pillsbury, Winthrop, Shaw & Pittman, LLP
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28 Office Tel: (415) 983-1976
roxane.polidora@pillsburylaw.com

Date: Feb. 6, 2024