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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 Xidax, LLC (Xidax), with a place of business at 145 W 7200 S, Suite A, Midvale, Utah 84047-3722, 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) Xidax manufactures several models of Xidax brand desktop computers that it sells or offers for sale in California, either directly or through retailers or distributors.

(4) Xidax 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 September 2021 to September 2025, Xidax sold or offered for sale in California through retailers or distributors desktop computers, that were not listed in MAEDbS as required in section 1606, 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 Xidax from continuing to sell or offer for sale, non-compliant desktop computers in California, and take any other enforcement action as allowed

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

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 Xidax cooperated with CEC in the investigation by certifying, and marking the units; notifying retailers and removing the non-compliant units from the California market; and by providing to CEC sales data of non-compliant units. The efforts by Xidax saved CEC time and resources in investigating the violations and minimized the impacts on the competitive business environment in California, from the non-compliant units. Also, Xidax demonstrated through documentation that the agreed penalty amount is appropriate in light of Xidax's assets, liabilities, and net worth, and that a higher penalty would impose an undue financial burden. This documentation is confidential and CEC does not retain it in the regular course of business.

(9) Xidax is willing to enter into this Agreement solely for the purpose of settlement and resolution of this matter with CEC and should not be construed as an admission of wrongdoing by Xidax. 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 Xidax agree as follows:

(1) This Agreement covers the Xidax desktop computer models listed in the attachment.

(2) For selling or offering for sale in California, computers identified in paragraph I(5), whose model numbers are identified in the attachment, that 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, Xidax shall pay as an administrative civil penalty the total sum of \$30,000.00. Payment shall be made by electronic transfer payable to the California Energy Commission, in three monthly payments of \$10,000.00 each, as shown below:

Payment Number	Due Date	Amount
1	August 1, 2026	\$10,000.00
2	September 1, 2026	\$10,000.00
3	October 1, 2026	\$10,000.00

Banking information and instructions necessary to complete the electronic transfer shall be provided by CEC.

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, Xidax shall pay all costs of investigating and prosecuting the action, including expert fees, reasonable attorney's fees, and costs.

It is agreed that if Xidax, 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 Xidax, 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 Xidax, its subsidiary, or parent company, or a trustee in bankruptcy, custodian, receiver or agent is appointed or authorized to take charge of any of Xidax's, its subsidiary's, or parent company's properties, or if any deposit account or other property of Xidax'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 Xidax, 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) Xidax also agrees to take each of the following actions for any and all regulated appliances it will sell or offer for sale in California, pursuant to the Appliance Efficiency Regulations:

- 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. Add the required marking to the unit.

(4) This Agreement shall apply to and be binding upon Xidax and its principals, officers, directors,

receivers, trustees, employees, successors and assignees, subsidiary and parent entities, 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 Xidax 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 Xidax 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 Xidax 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) Xidax 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 Xidax 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: 07/20/26

Xidax, LLC

By: 
Name: Dan Young
Title: Chief Executive Officer
Date: 7-15-2026

Attachment

Models

4080 STRIX SUPER LIMITED EDITION SHADOW	BSD S6 DESKTOP	BSD SMT8
BSD WORKSTATION DESKTOP	BSD X10 DESKTOP	BSD X2 DESKTOP
BSD X6 DESKTOP	HYPERDRIVE X-10 LIMITED EDITION	R2R DARK RTX 3080
R2R DARK RX7900XT	R2R DIABLO IV RTX 4070 AZMODAN	R2R DIABLO IV RTX 4070 INARIUS
R2R i9 13900k w/ RTX 4090	R2R MSI x XIDAX	R2R PRIME
R2R ROG STRIX GEFORCE RTX 4080	R2R RTX 3060 MSI x XIDAX	R2R RTX 3060Ti
R2R RTX 3060Ti MSI x XIDAX V2	R2R RTX 3070	R2R RTX 4070
R2R RTX 4070Ti	R2R RTX 4080	R2R RX 6600 PRIME
R2R XIDAX RTX 4090	R2R YELLOW JACKET LIMITED	RCI S6 DESKTOP
RTX 4070 DARK	RTX 4070 LIGHT	W-4
W-6	W-8	X-10
X-2	X-2 8700G	X-2 ARC B580 + I5-14400F
X-2 i5 14400F + RTX 5050 8GB ONAMI BLACK	X-2 R5 7600 + RTX 5050 8GB + 16GB + 2TB ONAMI WHITE	X-2 R5 7600 + RTX 5060Ti XEN LCD WHITE
X-2 R5 7600 + RTX 5070 XEN WHITE	X-2 RTX 4060	X-2 RTX 4060 MSI
X-2 RTX 4060 V2	X-2 RTX 4060 V3	X-2 RTX 4060 VF
X-2 RTX 4060Ti MSI	X-2 RTX 4060Ti MSI PRO	X-2 RTX 4060Ti PRO
X-2 RTX 4060Ti PRO V2	X-2 RTX 4060Ti PRO VF	X-2 RX 7600
X-2 RX 7600 V2	X-4	X-5
X-6	X-6 7800X3D + RTX 5060 8GB ONAMI WHITE	X-6 9800X3D + RTX 4080 SUPER ONAMI
X-6 9800X3D + RTX 4080 SUPER ONAMI V2	X-6 9800X3D + RTX 5090 ONAMI BLACK	X-6 i7 14700KF + RTX 5060 8GB ONAMI WHITE
X-6 i7 14700KF + RTX 5070	X-6 NVIDIA STUDIO EDITION	X-6 R7 7800X3D + 4070 SUPER

X-6 R7 7800X3D + 5070Ti	X-6 R7 7800X3D + RTX 5050 + 16GB + 2TB XEN	X-6 R7 7800X3D + RTX 5070
X-6 R7 9700X + 4070 SUPER	X-6 R7 9800X3D + 5070Ti ONAMI WHITE	X-6 R7 9800X3D + RTX 5070 WHITE XEN
X-6 ROG Strix RTX 4080	X-6 RTX 3070	X-6 RTX 4060TI ONAMI BLACK
X-6 RTX 4070	X-6 RTX 4070 DARK	X-6 RTX 4070 SUPER DARK
X-6 RTX 4070 SUPER DARK V2	X-6 RTX 4070 SUPER ONAMI WHITE	X-6 RTX 4070Ti
X-6 RTX 4070Ti i9 SUPER VF	X-6 RTX 4070Ti ROG STRIX	X-6 RTX 4070Ti SUPER
X-6 RTX 4070Ti SUPER ONAMI BLACK	X-6 RTX 4070Ti SUPER V2	X-6 RTX 4070Ti SUPER VF
X-6 RTX 4080 SUPER	X-6 RTX 4080 SUPER EXPERT	X-6 RTX 4080 SUPER EXPERT V2
X-6 RTX 4080 SUPER MSI	X-6 RTX 4080 SUPER VF	X-6 RTX 5060TI + i7 14700KF ONAMI WHITE
X-6 RTX 5080 + I9 14900KF ONAMI BLACK	X-6 RTX 5080 + R7 7800X3D ONAMI BLACK	X-6 RTX 5080 + R7 9800X3D ONAMI WHITE
X-6 RTX 5080 + R9 9900X3D ONAMI BLACK	X-6 RTX 5080 + R9 9950X3D ONAMI BLACK	X-6 RTX 5080 + U7 265KF ONAMI BLACK
X-6 RTX 5090 + i9 14900KF ONAMI BLACK	X-6 RTX 5090 + U9 285K ONAMI BLACK	X-6 RX 7700X + 7800 XT
X-6 RX 7800 XT	X-6 RX 7800X3D + 4070 SUPER	X-6 RX 7800X3D + 4070 SUPER V2
X-6 RX 7900 XTX LIMITED	X-6 RX 9060XT + R7 7800X3D ONAMI BLACK	X-6 RX 9060XT+ R7 9800X3D ONAMI WHITE
X-6 RX 9070XT + i9 14900KF ONAMI WHITE	X-6 RX 9070XT + R7 7800X3D XEN WHITE	X-6 RX 9070XT + R7 9800X3D
X-6 RX 9070XT + R7 9800X3D NE	X-6 RX 9070XT + R7 9800X3D XDX	X-6 RX 9070XT + R7 9900X3D XEN LCD Black
X-6 RX 9070XT+ R7 9800X3D ONAMI BLACK	X-6 WOOD BOI LIGHT - LIMITED EDITION	X-6i
X-8	X-8 THREADRIPPER PRO	XIDAX CUSTOM COMPUTER BUILD
XIDAX CUSTOM CORPORATE BUILD	XIDAX i7 12700 RX6800XT NEO AIR	XIDAX i9 12900K RTX3080TI GAMMA DARK

XIDAX x ROG x EVA-02 PC LIMITED EDITION	XIDAX-AMD- ADVANTAGE	XIDAX-AMD- ADVANTAGE-X-6
XM-10	XM-10 INTEL	XM-5
XM-5 INTEL	XM-6	XM-6 INTEL
XMT-3 INTEL	XMT-7	XMT-8
XMT-8 INTEL		