

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

UNITED STATES OF AMERICA,

Plaintiff,

v.

BYTEDANCE LTD., BYTEDANCE
INC., TIKTOK INC., TIKTOK LTD.,
TIKTOK PTE. LTD., AND TIKTOK
U.S. DATA SECURITY INC.,

Defendants.

No. 2:24-cv-06535

**SETTLEMENT AGREEMENT AND
RELEASE**

This Settlement Agreement and Release (the “Settlement Agreement”), dated as of August 19, 2026 (the “Effective Date”), is entered into by and between the United States Department of Justice (the “United States”), on the one hand, and Defendants ByteDance Ltd., a Cayman Islands company, ByteDance, Inc., a Delaware corporation, TikTok Ltd., a Cayman Islands company, TikTok Inc., a California corporation, TikTok Pte. Ltd., a Singapore company, and TikTok USDS Joint Venture LLC, a Delaware entity formerly known as TikTok U.S. Data Security, Inc. (collectively, “Defendants”), on the other hand. The United States and Defendants shall be collectively referred to herein as the “Parties” and individually as a “Party.”

RECITALS

WHEREAS, on February 27, 2019, the United States filed a complaint against Musical.ly and Musical.ly, Inc., alleging violations of the Children’s Online Privacy Protection Act of 1998, 15 U.S.C. § 6501, *et seq.* (“COPPA”), the Children’s Online Privacy Protection Rule, 16 C.F.R. pt. 312 (the “COPPA Rule”), and Section 5 of the Federal Trade Commission (“FTC”) Act, 15 U.S.C. § 45. *See United States v. Musical.ly, et al.*, No. 2:19-cv-01439-ODW-RAO (C.D. Cal. Feb. 27, 2019) (Dkt. No. 1) (the “2019 Action”);

WHEREAS, on March 27, 2019, the Court in the 2019 Action entered a Stipulated Order for Civil Penalties, Permanent Injunction, and Other Relief against Musical.ly and Musical.ly, Inc. *See United States v. Musical.ly, et al.*, No. 2:19-cv-01439-ODW-RAO (C.D. Cal. Mar. 27, 2019) (Dkt. No. 10) (the “2019 Stipulated Order”);

WHEREAS, in April 2019 Musical.ly was renamed TikTok Ltd., and in May 2019 Musical.ly Inc. was renamed TikTok Inc.;

WHEREAS, on August 2, 2024, the United States filed a complaint against Defendants in the Central District of California, Case No. 2:24-cv-06535 (the “2024 Action”), alleging violations of the 2019 Stipulated Order, COPPA, the COPPA Rule, and the FTC Act Section 5, 15 U.S.C. § 45(a);

WHEREAS, on October 7, 2024, Defendants filed an answer in the 2024 Action wherein they denied the material allegations of the complaint and asserted various defenses;

WHEREAS, on December 19, 2025, TikTok U.S. Data Security Inc. filed certificates of conversion and formation with the Delaware Secretary of State, reflecting that it had converted to a limited liability company titled TikTok USDS Joint Venture LLC;

WHEREAS, the United States has determined that the 2019 Stipulated Order was directed at the legacy operations of a predecessor application and company (Musical.ly), and that significant and material changes in factual conditions render

the continued prospective enforcement of the 2019 Stipulated Order inequitable, unnecessary, and no longer in the public interest;

WHEREAS, the United States has determined and the Parties agree that the comprehensive resolution of the 2024 Action and the 2019 Stipulated Order on the terms set forth herein satisfies the remedial objectives of the United States, serves the public interest, and supersedes the 2019 Stipulated Order; and

WHEREAS, the Parties, as more fully set forth below and without any admission of fault, wrongdoing, concession, or liability by or against any Party hereto, wish to fully and finally resolve all claims asserted in the 2024 Action and to fully and finally dissolve and vacate the 2019 Stipulated Order.

NOW THEREFORE, in consideration of the mutual promises, agreements, understandings, and benefits provided for herein, the Parties agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are true and correct and incorporated into the terms of this Settlement Agreement.
2. **No Admission of Liability.** This Settlement Agreement is intended to be in compromise and settlement of disputed claims within the provisions of Rule 408 of the Federal Rules of Evidence and California Evidence Code §§ 1152 and 1154, and neither Party shall offer or use the Settlement Agreement in any proceeding against the other Party for any purpose except as necessary for its enforcement. Nothing herein shall constitute or be asserted as construing any admission of fault, wrongdoing, concession, or liability by or against any Party hereto.
3. **Vacatur of Consent Decree.** Within thirty (30) business days after full and complete execution of this Settlement Agreement by all Parties, the United States shall file a motion to vacate the 2019 Stipulated Order pursuant to Federal Rule of Civil Procedure 60(b) (the "Motion to Vacate"). A court order fully granting the Motion to Vacate and vacating the 2019 Stipulated Order is referred to herein as the "Vacatur Order." The United States shall present the necessary arguments and evidence to justify the granting of the Motion to Vacate and to obtain the Court's entry of the Vacatur Order.
4. **Dismissal with Prejudice.** Within two (2) business days after the payment described in Paragraph 5(a) below, the Parties shall file a joint stipulation of dismissal with prejudice of the 2024 Action, signed by all Parties, pursuant to Federal Rule of Civil Procedure 41(a)(1)(A)(ii), fully and finally terminating the 2024 Action, with the Parties each to bear their own fees and costs.

5. **Settlement Amount.** Defendants shall wire up to Four Hundred Million dollars (\$400,000,000) to the Treasurer of the United States. This payment shall be made in two installments, as detailed below, via wire transfer and in accordance with instructions to be provided by a representative of Plaintiff.

a. **First Installment.** The first installment of Three Hundred Million Dollars (\$300,000,000) shall be made within fourteen (14) days after full and complete execution of this Settlement Agreement by all Parties.

b. **Second Installment.** The second installment of One Hundred Million Dollars (\$100,000,000) shall be made within fourteen (14) days after, and is contingent upon, the entry of the Vacatur Order.

c. In the event of any default in payment, the entire unpaid amount, together with interest, as computed pursuant to 28 U.S.C. § 1961 from the date of default to the date of payment, shall immediately become due and payable. Defendants relinquish dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to this provision and may not seek the return of any assets. Defendants acknowledge that their Taxpayer Identification Numbers, which Defendants must submit to Plaintiff, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

d. The Parties acknowledge and agree that the Settlement Payment is the result of a compromise of disputed claims and is in full and final satisfaction and discharge of all Released Claims as defined and set forth more fully below and in exchange for the obligations set forth in Paragraphs 3 and 4 above and in this Paragraph.

6. **Release of Defendants.** Contingent on discharge of the obligations set forth in Paragraph 5(a) above, and except for the specific obligations created herein, the United States agrees to a release of Defendants and each of their respective representatives, successors, assigns, executors, officers, directors, employees, agents, and all individuals or entities acting by, through, under, or in concert with any of them, from any and all claims, through the Effective Date, arising out of or relating to the facts, circumstances, allegations, and claims that were raised in the 2019 Action, the 2019 Stipulated Order, or the 2024 Action, and also any and all claims arising out of or relating to COPPA, the COPPA Rule, and the FTC Act Section 5, 15 U.S.C. § 45(a). Notwithstanding the foregoing, this release and Paragraph 7 below also extends to any and all of Defendants' parent, sister, or related companies, affiliates, and subsidiaries, including, but not limited to, TT Commerce & Global Services LLC and BD TikTok USA LLC (collectively, along with the released claims identified in the foregoing paragraph, the "Released Claims").

7. **Release of Unknown Claims.** The United States acknowledges there is a risk that subsequent to the execution of this Settlement Agreement it will discover facts or discover, incur or suffer claims which were unknown or unsuspected at the time this Settlement Agreement was executed, and which, if known by it on the date this Settlement Agreement is being executed, may have materially affected its decision to execute this Settlement Agreement. The United States acknowledges and agrees that by reason of this Settlement Agreement, with respect to the Released Claims, it is assuming the risk of such unknown facts and such unknown and unsuspected claims, and intends and agrees that this Settlement Agreement applies thereto, notwithstanding the discovery or existence of any additional or different claims, defenses, or facts relevant thereto, and it will not seek to reopen the Settlement Agreement. The United States acknowledges its awareness of, and hereby waives the provisions of, Section 1542 of the Civil Code of the State of California (or any similar law of any other relevant jurisdiction) with respect to the Released Claims, which reads as follows:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

8. **Notices.** Any notices required under this Settlement Agreement shall be sent by overnight delivery to:

For Defendants:

General Counsel
ByteDance
5800 Bristol Parkway
Culver City, California 90230

With a copy to:

Daniel M. Petrocelli
Matthew Powers
Drew E. Breuder
O'Melveny & Myers, LLP
1999 Avenue of the Stars, Suite 800
Los Angeles, CA 90067

For the United States:

Lisa K. Hsiao
Acting Director, Enforcement & Affirmative Litigation Branch
Enforcement & Affirmative Litigation Branch
Civil Division, U.S. Department of Justice
450 5th Street, NW, Suite 6400-South
Washington, DC 20001

9. **Representation and Warranty.** Stanley E. Woodward, Jr., in his capacity as attorney for the U.S. Department of Justice, represents and warrants in such capacity that he is fully authorized to enter into this Settlement Agreement on behalf of the United States.

10. **Miscellaneous Provisions.**

a. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

b. This Settlement Agreement sets forth the entire agreement between the Parties and, upon full and complete execution, supersedes all prior oral or written agreements, negotiations, discussions, or understandings. The terms of this Settlement Agreement may not be altered, amended, waived, or modified, except by a further written agreement signed by all Parties. No waiver of any breach of any term or provision of this Settlement Agreement shall be construed to be, nor shall be, a waiver of any other breach of this Settlement Agreement. No waiver shall be binding unless in writing and signed by the Party waiving the breach.

c. This Settlement Agreement may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement, provided each signing Party shall have received a copy of the signature page signed by every other Party. Copies of this Settlement Agreement, including facsimile copies, may be used in lieu of the originals for all purposes. If a Party to this Settlement Agreement signs this Settlement Agreement and then transmits an electronic copy of the signature page to any other Party to this Settlement Agreement, the Party who receives such transmission may rely upon that electronic copy as a signed original of this Settlement Agreement.

d. The Parties have each cooperated in the drafting and preparation of the Settlement Agreement. Thus, the language of all parts of this Settlement

Agreement shall in all cases be construed as a whole, according to its fair meaning and not strictly for or against any Party as the drafter thereof.

e. Section headings in this Settlement Agreement are included for convenience of reference only and shall not constitute a part of this Settlement Agreement for any purpose.

f. The Parties represent and declare that in executing this Settlement Agreement, they rely solely upon their own judgment, belief and knowledge, and on the advice and recommendations of their own counsel, concerning the nature, extent, and duration of their rights and claims and that they have not been influenced to any extent whatsoever in executing the same by any representations or statements covering any matters made by any of the Parties hereto or by any person representing them or any of them. The Parties acknowledge that no Party or any of their representatives has made any promise, representation, or warranty whatsoever, written or oral, as an inducement to enter into this Settlement Agreement, except as expressly set forth in this Settlement Agreement.

g. The Parties further represent and warrant that they have carefully read and considered all aspects of this Settlement Agreement and know and understand all the contents thereof, and that they signed this Settlement Agreement freely and voluntarily, without duress or coercion of any kind, having had the opportunity to consult with counsel throughout this process.

h. Each Party has made such investigation of the facts pertaining to this settlement and this Settlement Agreement and of all matters pertaining thereto as it deems necessary.

i. The representations, warranties and covenants contained in this Settlement Agreement are deemed to and shall survive the execution and delivery of this Settlement Agreement.

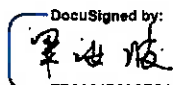
IN WITNESS WHEREOF, the Parties have approved and executed this Settlement Agreement on the dates set forth opposite his, her or its respective signatures.

EXECUTED by the parties as follows:



Stanley E. Woodward, Jr.
U.S. Department of Justice

Dated: 08.19.26



ByteDance Ltd.

Dated: 8/21/2026 | 8:04:08 上午 PDT

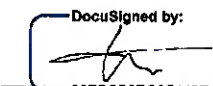
By: Rubo Liang
Its: Director



ByteDance, Inc.

Dated: 8/20/2026 | 6:26:33 PM PDT

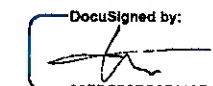
By: John Andrew Rogovin
Its: Director



TikTok Ltd.

Dated: 8/20/2026 | 6:13:43 PM PDT

By: Shou Zi Chew
Its: Chief Executive Officer



TikTok, Inc.

Dated: 8/20/2026 | 6:13:43 PM PDT

By: Shou Zi Chew
Its: Chief Executive Officer

签署人:

Jinmei Xiao

TikTok Pte. Ltd.

Dated: 8/20/2026 | 6:20:56 下午 PDT

By: Jinmei Xiao

Its: Director

Signed by:

Adam Presser

TikTok USDS Joint Venture LLC

Dated: 8/20/2026 | 12:49:09 PM PDT

By: Adam Presser

Its: Chief Executive Officer

