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10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF ORANGE**

12 Y.H., by and through her Guardian NATHAN) Case No. **30-2022-01257732-CU-BT-CXC**
13 HARRIS, individually and on behalf of)
14 similarly situated individuals,) Assigned to: **Assigned for All Purposes**
15) Department: **Judge Peter Wilson**
16 Plaintiff,) Complaint Filed: **CX-102**
17)
18 v.) **COMPLAINT – CLASS ACTION JURY**
19) **TRIAL DEMANDED**
20 BLIZZARD ENTERTAINMENT, INC.,)
21 Delaware corporation,) **1. Declaratory Judgment on Minors’**
22) **Rights to Disaffirm**
23) **2. Violation of California Business and**
24) **Professions Code § 17200, et seq.**
25) **3. Unjust Enrichment**
26) **DEMAND FOR JURY TRIAL**
27)
28)

29 **CLASS ACTION COMPLAINT**

30 Plaintiff Y.H. a minor, by and through her Guardian Nathan Harris (collectively
31 “Plaintiff”), through their undersigned counsel, brings this Class Action Complaint against
32 Blizzard Entertainment, Inc. (“Blizzard” or “Defendant”), on behalf of herself and all others
33 similarly situated, and alleges the following upon personal knowledge as to their own actions, and
34 upon information and belief as to counsel’s investigations and all other matters.

NATURE OF THE CASE

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2 1. This is an action brought by Plaintiff on her own behalf and on behalf of others
3 similarly situated individuals for the unlawful, deceptive, and misleading trade practices engaged
4 in by Defendant, a provider of some of the most popular video games in the nation.

5 2. One of Defendant’s most popular games is Hearthstone,¹ a one-verse-one, turn
6 based, digital card game. which can be downloaded for free on different platforms such as personal
7 computers, laptops, and mobile devices. Users running Hearthstone on their devices connect
8 through the internet to Defendant’s servers that allow them to play with other users across the
9 country, and the world.

10 3. A critical aspect of Defendant’s Hearthstone game are virtual “Lootboxes” that
11 Defendant calls “Packs”. Defendant markets and sells these Packs for real-world currency to
12 players, including minors such as Plaintiff. The Packs are advertised as possibly containing
13 valuable cards that allow players to upgrade and/or advance their deck of cards. However, players
14 such as Plaintiff are not told in advance what is inside any particular Pack, and they are forced to
15 gamble on the chance of winning some valuable card.

16 4. In addition, Defendant’s in-game content, including its Packs, is non-refundable,
17 regardless of whether the purchases are made by a minor.

18 5. Defendant’s unfair, deceptive, and unlawful practices of allowing players,
19 including, minors, to pay real-world currency to gamble on winning in-game items, as well as
20 refusing to provide refunds to minors who made in-game purchases, deceive, mislead, and harm
21 consumers, especially minor children who comprise a large segment of Defendant’s player
22 population. Plaintiff and other consumers have been injured as a result of Defendant’s practices,
23 including, but not limited to, having suffered out-of-pocket loss.

24 6. Plaintiff brings this class action lawsuit on behalf of herself, and all others similarly
25 situated.

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¹ <https://playhearthstone.com/en-us/new-to-hearthstone/>.

COMMON FACTUAL ALLEGATIONS

I. Lootboxes

14. Broadly speaking, a Lootbox is a video game microtransaction in which the consumer purchases a reward containing one or more virtual items of differing value or rarity that is assigned at random.² Lootboxes are defined in the dictionary as “a box containing a prize of unknown value, especially one offered for sale to players as part of an online game.”³

15. Although Lootboxes are advertised and portrayed by video game providers as a vehicle that allows it users to quickly advance further in a game through purchases using real-world currency, the use of Lootboxes in videogames is overwhelmingly misleading and exploitive of consumers like Plaintiff.

16. Over the past decade Lootboxes have been the epicenter of a host issues that have caused lawsuits and law reform around world because of their addictive and predatory nature as Lootboxes are often used in free-to-play video games as the main source of valuable in-game content but players very rarely actually end up getting anything valuable when they purchase a Lootbox.⁴⁵⁶⁷ One of the most problematic issues with Lootboxes universally is that despite their use in games that are aimed at and/or played by minor children, Lootbox purchases are often non-refundable—as is the case with Defendant’s Hearthstone in-game purchases.⁸

²www.ftc.gov/system/files/documents/reports/staffperspectivepaperlootboxworkshop/loot_box_workshop_staff_perspective.pdf.

³www.collinsdictionary.com/us/dictionary/english/lootbox#:~:text=noun,part%20of%20an%20online%20game.

⁴ www.gamechangerslaw.com/blog/italian-antitrust-authoritys-recent-activision-blizzard-lootbox-decision.

⁵<https://screenrant.com/lootbox-gambling-microtransactions-illegal-japan-china-belgium-netherlands/>.

⁶www.revisor.mn.gov/bills/text.php?number=HF4460&version=0&session=ls90&session_year=2018&session_number=0.

⁷www.nprillinois.org/statehouse/2021-05-04/illinois-house-approves-adding-warnings-to-video-games-that-include-loot-boxes.

⁸www.blizzard.com/en-us/legal/58e4a812-afd0-4d47-b34d-d4fdf99e41cb/blizzard-refund-policy.

1 **II. Hearthstone Card Packs**

2 17. Hearthstone is a free to play and download video game in which players collect
3 and battle using virtual cards in a similar manner to physical card games such as Magic: The
4 Gathering and the Pokémon collectible card games.

5 18. In a game of Hearthstone, both players have a “Hero” that starts with 30 “health
6 points.” The goal of the game is to use cards to deplete the other player’s health points. Players
7 take turns attacking their opponent and defending their Hero by playing different Hearthstone
8 cards. The game ends when one player has zero health points, and the player with health points
9 remaining is declared the winner.

10 19. All Hearthstone cards are ranked in classes starting from Free, to Common, to Rare,
11 to Epic, to Legendary. Legendary cards are the most rare and in the majority of instances the most
12 powerful of cards found in Hearthstone.

13 20. Hearthstone cards can be acquired by users in two ways, by obtaining Hearthstone’s
14 in-game currency “gold,” and by purchasing with real-world currency from the Hearthstone online
15 shop. Hearthstone implements several different ways to earn in-game currency, called gold. The
16 most reliable way gold is earned is from winning games, every third game won rewards the player
17 with ten gold, up to a maximum of 100 gold per day. In addition, players will get a “daily quest”
18 each day they log in, with different objectives to achieve, such as requiring the player to win games
19 as a certain class. These daily quests range in the amount of gold awarded upon completion, with
20 most typically providing around 40 to 60 Gold.⁹

21 21. Hearthstone cards can only be purchased in Packs that contain 5 cards. A single
22 Pack can be purchased for 100 Gold for a Pack of 5 cards. Thus, for a user to obtain any new cards
23 without purchasing them with real-world currency they would have to win 30 games or complete
24 a daily quest and win approximately 15 games. However, regardless of what a player does, they
25 cannot earn more than approximately 160 Gold any given day and thus can at most purchase only
26 a single Pack a day.

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28 ⁹ <https://repository.law.uic.edu/cgi/viewcontent.cgi?article=2837&context=lawreview>.

22. Alternatively, Hearthstone card Packs can be purchased by real word currency as shown below in increments of 2 Packs for 2.99; 7 Packs for 9.99; 15 Packs for 19.99; 40 Packs for 49.99; and 60 Packs for 69.99. By making the cost per Pack significantly lower for larger purchasers, Hearthstone encourages players to spend more money thinking that they are getting a better deal even though they are ultimately purchasing virtual cards whose actual in-game value they do not know until *after* the purchase is made.



23. Critically, as with traditional Lootboxes, when a player purchases a Pack they are not told shown anything about the cards they will actually receive. As shown above, in the most recent “season” of Hearthstone players are at most only told that “At least 1 card [in the pack] will be Rare or better.”

24. In addition to severely limiting players’ ability to obtain cards through regular gameplay and encouraging purchases of larger amounts of Packs, Hearthstone is also designed to encourage constant and continuous microtransaction within the game by making powerful cards the rarest and hardest to obtain. Thus, in order to keep up, players must purchase large amounts of

1 Packs hoping that at least one of the Packs will contain an Epic or Legendary card. This leads to
2 an arms race amongst players, many of whom are children and young adults, where players must
3 continue gambling on Packs to be competitive.

4 25. Although it has not been confirmed by Defendant, data collected by Hearthstone
5 players indicates that Defendant has also implemented a “Pity Timer” on Hearthstone Packs.
6 Defendant has set odds for obtaining certain cards within any number of Pack purchases,¹⁰ however
7 those odds appear to be adjusted based on the number of Packs a player opens without receiving a
8 “legendary” item. For each Pack that is opened that does not contain a “legendary” item, Defendant
9 incrementally increases the odds of receiving a “legendary” item in the next Pack. This helps feed
10 into the players’ perception that purchasing “just one more” Pack will provide the player with their
11 desired cards instead of creating an equal opportunity to receive a “legendary” item with each Pack
12 purchase. At the same time, it allows Defendant to claim that it technically discloses the “odds” of
13 getting a certain card with any given Pack purchase.

14 26. In sum, players purchase card Packs hoping to receive powerful Cards that will
15 help them advance in the game. However, the Packs are mostly worthless, often filled with
16 valueless Cards that players already have or do not want. Had players known the actual odds
17 of receiving the epic and legendary cards they desired in any particular Pack that they
18 purchased, they would not have purchased the Packs.

19 **III. FACTS SPECIFIC TO PLAINTIFF Y.H.**

20 27. Plaintiff played Hearthstone from approximately 2019 to 2021 during which time
21 Plaintiff purchased many card Packs and Hearthstone expansion packs. Plaintiff’s purchases in
22 Hearthstone have totaled over \$300 during that time.

23 28. Plaintiff, a minor, was able to make the purchases through her father’s credit cards
24 and debit cards that were linked to her gaming account. Many of purchases made by Plaintiff were
25 without her Guardian’s permission to do so.

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28 ¹⁰ <https://us.battle.net/support/en/article/32545>.

1 29. Throughout her time playing Defendant’s Hearthstone game, Plaintiff Y.H. was
2 unaware of the odds of receiving any Epic or Legendary cards from any Pack that she had
3 purchased.

4 30. Plaintiff was also unaware that she had a right to disaffirm any purchases she made
5 from Defendant.

6 31. Plaintiff almost never received any valuable cards from the Packs she had
7 purchased during her time playing Hearthstone from her in-game purchases and would not have
8 made the amount of in-game purchases had she known the true odds of her being able to obtain
9 Epic or Legendary cards from the Packs for purchase, or that she would not allotted a refund.

10 32. Plaintiff no longer plays Hearthstone, and wishes that she had never made the
11 purchases that she did and that she obtain a full refund for them.

12 33. While Defendant’s terms and conditions require minors to obtain their parent’s
13 consent to create an account and play Hearthstone, Defendant failed to implement sufficient
14 mechanisms for parental consent controls to prevent minors from making unlimited purchases and
15 limiting in-game purchasers to players who are over 18.

16 34. Moreover, each time Defendant updates its Terms and Conditions, Defendant does
17 not require the minor-user to obtain their parent’s consent to any renewed or updated terms.

18 35. Minor Plaintiff Y.H. does not recollect seeing, reading, or agreeing to Defendant’s
19 Terms of Use prior to playing Hearthstone and her Guardian also did not see, read, or agree to the
20 terms.

21 36. As a result, minor Plaintiff made numerous in-game purchases that were labeled
22 non-refundable using her Guardian’s funds and which her Guardian did not receive any
23 notifications of until the charges were already made.

24 37. Had Defendant provided proper parental control and age verification features,
25 minor Plaintiff would not have been able to make any of the purchases that she did.

26 38. Furthermore, before hiring counsel in this action, Plaintiff Y.H. and her Guardian
27 were not aware of a minor’s right to disaffirm and get refunds on any and all in-game purchases
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1 without any restrictions. Had Defendant permitted Plaintiff to disaffirm her purchases, she would
2 have done so.

3 **CLASS ALLEGATIONS**

4 39. Plaintiff brings this action on her own behalf and on behalf of a Class and one
5 Subclass, pursuant to Cal. Code Civ. Proc. § 382, Cal. Civ. Code § 1781, and Cal. Bus. & Prof.
6 Code § 17203, defined as follows:

7 The Class:

8 All minors located within the United States who, during the applicable limitations
9 period, made a purchase of a Hearthstone card Pack using real-world currency.

10 The California Minor Subclass:

11 All minors located within the state of California who, during the applicable
12 limitations period, made a purchase of a Hearthstone card Pack using real-world
13 currency.

14 40. **Adequacy.** Plaintiff will fairly and adequately represent and protect the interests of
15 the other members of the Class and Subclass (collectively, the “Class”). Plaintiff has retained
16 counsel with substantial experience in prosecuting complex litigation and class actions. Plaintiff
17 and her counsel are committed to vigorously prosecuting this action on behalf of the other Class
18 and Subclass members, and have the financial resources to do so. Neither Plaintiff nor her counsel
19 have any interest adverse to those of the other members of the Class or Subclass.

20 41. **Predominance & Superiority.** Absent a class action, most Class and Subclass
21 members would find the cost of litigating their claims to be prohibitive and would have no effective
22 remedy. The class treatment of common questions of law and fact is superior to multiple individual
23 actions or piecemeal litigation in that it conserves the resources of the courts and the litigants, and
24 promotes consistency and efficiency of adjudication.

25 42. **Final Declaratory or Injunctive Relief.** Defendant has acted and failed to act on
26 grounds generally applicable to the Plaintiff and the Class and Subclass members, requiring the
27 Court’s imposition of uniform relief to ensure compatible standards of conduct toward the Class
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1 and Subclass members, and making injunctive or corresponding declaratory relief appropriate for
2 the Class and Subclass as a whole.

3 43. **Typicality.** The factual and legal basis of Defendant’s liability to Plaintiff and to
4 the other Class and Subclass members are the same, resulting in injury to the Plaintiff and to all of
5 the other members of the Class and Subclass. Plaintiff and the other members of the Class and
6 Subclass have suffered harm and damages as a result of Defendant’s unlawful and wrongful
7 conduct.

8 44. **Numerosity.** Upon information and belief, there are hundreds, if not thousands, of
9 Class and Subclass members such that joinder of all members is impracticable.

10 45. **Commonality.** There are many questions of law and fact common to the claims of
11 Plaintiff and the other members of the Class and Subclass, and those questions predominate over
12 any questions that may affect individual members of the Class and Subclass. Common questions
13 for the Class and Subclass include, but are not limited to, the following:

- 14 (a) Whether Defendant’s practice of not disclosing the contents of its card Packs was
15 deceptive to a reasonable consumer;
- 16 (b) Whether Defendant’s failure to provide a method for minors or their guardians to
17 disaffirm any purchases violated their consumer rights;
- 18 (c) Whether Plaintiff and the other Class and Subclass members were damaged by
19 Defendant’s conduct; and
- 20 (d) Whether Plaintiff and the other Class and Subclass members are entitled to
21 restitution or other relief.

22 **FIRST CAUSE OF ACTION**

23 **Declaratory Judgment on Minors’ Rights to Disaffirm**
24 **(On behalf of Plaintiff and the Class)**

25 46. Plaintiff hereby incorporates the above allegations by reference as though fully set
26 forth herein.

27 47. On information and belief, Defendant’s Hearthstone video game is marketed to
28 players of all ages, including minors.

1 48. Defendant enters into and accepts a contract with a minor when an in-game
2 purchase of a card Pack by the minor is confirmed, and thus accepted. There is consideration on
3 both sides as Defendant gives the consideration of virtual in-game content exchanged for
4 consideration of actual money from the minor.

5 49. Under California law, and equivalent law in states nationwide, minors have the right
6 to disaffirm contracts such as those at issue here. *See, e.g.*, Cal. Family Code § 6700.

7 50. Minors may disaffirm or a guardian may disaffirm a contract on behalf of a minor.
8 Through the filing of this lawsuit, Plaintiff disaffirms all in-game purchases she has made through
9 Hearthstone to-date and requests a refund.

10 51. Plaintiff further seeks injunctive relief on behalf of the Class for future and
11 prospective purchases of card Packs in Hearthstone to allow for refunds on all in-game purchases
12 without restrictions.

13 52. The contracts between Defendant and the members of the Class who are minors are
14 voidable - a fact that Defendant denies as evidenced by its denial of the Class's right to be refunded
15 in its Terms of Service.

16 53. Accordingly, there is an actual controversy between the parties, requiring a
17 declaratory judgment.

18 54. This claim for declaratory judgment is brought pursuant to Code of Civil Procedure
19 § 1060 seeking a determination by the Court that: (a) this action may proceed and be maintained
20 as a class action; (b) the sales contracts between Defendant and the Class members are voidable at
21 the option of those Class members or their guardians; (c) if Class members elect to void the
22 contracts, they will be entitled to restitution and interest thereon; (d) an award of reasonable
23 attorneys' fees and costs of suit to Plaintiffs and the Class is appropriate; and (e) such other and
24 further relief as is necessary and just may be appropriate as well.

SECOND CAUSE OF ACTION

**Unlawful and Unfair Business Practices in Violation of the California Unfair Competition Law (“UCL”), Cal. Bus. & Prof. Code §§ 17200, *et seq.*
(On behalf of Plaintiff and the Class)**

55. Plaintiff hereby incorporates the above allegations by reference as though fully set forth herein.

56. Plaintiff and Defendant are “persons” within the meaning of the UCL Cal. Bus. & Prof. Code § 17201.

57. California’s Unfair Competition Law, Business & Professions Code, § 17200, *et seq.* (“UCL”), prohibits deceptive acts and practices in the sale of consumer products and services, such as Defendant’s Hearthstone video game.

58. Defendant’s conduct as alleged herein occurred in the course of trade or commerce.

59. Defendant’s conduct is unlawful under the UCL because it is in violation of a minor’s absolute right to disaffirm contracts.

60. Defendant’s conduct described herein is “unfair” under the UCL because it violates public policy and is immoral, unethical, oppressive, unscrupulous, and/or substantially injurious to consumers, as Defendant fails to disclose the actual odds of obtaining any valuable “Epic” or “Legendary” card with any Pack purchase while unlawfully denying minors any refunds they seek for receiving worthless cards.

61. In addition, Defendant’s conduct constitutes a fraudulent business practice within the meaning of the UCL in that Defendant intentionally and knowingly omitted providing information that refunds are allowed for minors without any restrictions under applicable law, and by explicitly representing that no refunds whatsoever are permitted for any purchases of its Hearthstone card Packs.¹¹ Such representations and omissions misled Plaintiff and the other Class members and are likely to mislead the public.

62. Defendant was aware that minors are a significant portion of the population that plays Hearthstone and that they are not capable of entering into binding contracts including for

¹¹www.blizzard.com/en-us/legal/58e4a812-afd0-4d47-b34d-d4dfd99e41cb/blizzard-refund-policy.

1 purchases of such things as in-game content like card Packs such that Defendant should have
2 provided parental control features and provided for an unrestricted right for minors and their
3 guardians to seek refunds of any purchases made.

4 63. Defendant, in light of its explicit representation that in-game purchases were non-
5 refundable had a duty to make Plaintiff and the other members of the Class aware that they had an
6 unrestricted right to refund any purchases, but failed to do so.

7 64. Defendant did not implement any age verification or parental control features in its
8 Hearthstone video game that would have prevented Plaintiff and the other Class members from
9 making the purchases that they did, or would have otherwise allowed them or their guardians to
10 seek a refund for their purchases.

11 65. Nor has Defendant implemented any feature that provides insight as to what cards
12 a player will obtain when they make any given purchase of a card Pack.

13 66. Plaintiff and putative Class members relied on Defendant's omission in that they
14 were unaware that they could disaffirm their contract with Defendant and receive a refund and that
15 they had a very low likelihood of actually obtaining any valuable card from a card Pack purchase.

16 67. Defendant knew or should have known that its representations regarding the in-
17 game purchases were false, deceptive, and misleading.

18 68. Defendant's conduct described herein constitutes an unfair business practice
19 because it violates public policy and is immoral, unethical, oppressive, unscrupulous, and/or
20 substantially injurious to consumers.

21 69. As a direct and proximate cause of Defendant's deceptive and unfair trade
22 practices, Plaintiff and the other members of the Class, suffered actual damages, including
23 monetary losses.

24 70. Pursuant to Bus. & Prof. Code § 17203, Plaintiff seeks an injunction enjoining
25 Defendant from continuing to engage in the conduct described above as Defendant's wrongful
26 conduct is ongoing.

1. For an order certifying this action as a class action, defining the Class and Subclass as requested herein, appointing Plaintiff as class representative and her counsel as class counsel;
2. Declaring that the sales contracts between Defendant and Plaintiff and the Class members are voidable;
3. Awarding Plaintiff all economic, monetary, actual, consequential, compensatory, and punitive damages available at law;
4. Awarding Plaintiff's reasonable attorneys' fees, costs, and other litigation expenses;
5. Awarding pre- and post-judgment interest, as allowable by law;
6. For injunctive relief as the Court may deem proper; and
7. Awarding such further and other relief as the Court deems just and equitable.

JURY DEMAND

Plaintiff requests trial by jury of all claims that can be so tried.

DATED: May 3, 2022

Respectfully submitted,

Y.H., by and through her Guardian NATHAN HARRIS, individually and on behalf of similarly situated individuals

By: /s/ Eugene Y. Turin

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