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18 **UNITED STATES DISTRICT COURT**
19 **NORTHERN DISTRICT OF CALIFORNIA**

20 A.B., a minor, represented by her mother and
21 next friend, AUDREY BURTON, individually
22 and on behalf of all others similarly situated,

23 Plaintiff,

24 v.

25 ROBLOX CORPORATION,

26 Defendant.

Case No. 3:21-cv-05683

CLASS ACTION COMPLAINT

- (1) Violations of Cal. Bus. & Bus. Prof. Code § 17200, *et seq.*
- (2) Violations of Cal. Civ. Code. § 1750, *et seq.*
- (3) Breach of the Covenant of Good Faith and Fair Dealing

JURY TRIAL DEMANDED

1 Plaintiff A.B., a minor, represented by her mother and next friend, Audrey Burton
2 (“Plaintiff”), individually and on behalf of all others similarly situated, makes the following
3 allegations pursuant to the investigation of her counsel and based upon information and belief,
4 except as to allegations specifically pertaining to herself and her counsel, which are based on
5 personal knowledge, against defendant Roblox Corporation. (“Roblox” or “Defendant”).

6 **NATURE OF THE ACTION**

7 1. Roblox is an online, multiplayer virtual creation platform where users play games
8 that were created, along with its for-sale content, by other users. Roblox is predominantly used by
9 children and saw a huge surge in usage from children during the COVID-19 pandemic. According
10 to the company, as of April 2020, two-thirds of all children in the United States between ages 9
11 and 12 used Roblox, and Roblox was played by a third of all Americans under the age of 16.¹

12 2. Roblox is initially free to join and download. Users can then purchase “Robux”
13 which is the in-game currency that allows its users to make in-game purchases. Roblox’s revenue
14 is dependent upon user-created content, boasting more than 8 million developers and more than 2
15 million developers releasing monthly content from the Roblox Studio.² Users purchase content
16 from Roblox’s Avatar Shop, which is the user-to-user marketplace, to personalize their avatars and
17 gaming experience. Roblox takes a commission from the user-to-user transaction and generates
18 revenue from these sales.

19 3. Roblox has the ability and retains discretion to delete content from its users’
20 inventories, without notice, even after the items have been purchased. Roblox does not provide
21 refunds for the content it removes and retains the money it earns as commissions through those
22 sales.

23 4. This is the result of Roblox’s lax control policies and practices – both by allowing
24 potentially inappropriate or infringing products to be added to its Avatar Shop and sold to users,
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26 ¹ Olga Kharif, *Kids Flock to Roblox for Parties and Playdates During Lockdown*, BLOOMBERG
27 (April 15, 2020), <https://www.bloomberg.com/news/articles/2020-04-15/kids-flock-to-roblox-for-parties-and-playdates-during-lockdown> (last accessed July 2, 2021).

28 ² *About Us*, ROBLOX, <https://corp.roblox.com/>(last accessed July 2, 2021).

1 as well as a failure to have a refund policy in place so that users can be reimbursed for content lost
2 or deleted due to circumstances out of their control.

3 5. In essence, Roblox makes content available for purchase on the Roblox Avatar
4 Shop without adequately scrutinizing the content to ensure that it complies with Roblox’s policies.
5 If Roblox later determines that the content violates its policies (*e.g.*, includes a trademarked logo),
6 Roblox will delete the content. Rather than performing adequate oversight *before* content is
7 offered for sale in its marketplace, Roblox waits until items are purchased, collects commissions,
8 and *then* deletes the content. Roblox keeps its commissions and associated revenue, yet refuses to
9 refund its users for the deleted content.

10 6. This “sell without regard to users” approach unfairly benefits Roblox because it
11 allows Roblox to retain all monetary benefit after deleting content. Users, who are predominantly
12 children, are left with nothing. Users are then forced make new purchases to replace their items,
13 on which Roblox then collects additional commissions.

14 7. There is no question that Roblox users are harmed as a result of Roblox’s practice
15 of deleting content from its platform and refusing to refund its users for those purchases. In order
16 to substantially reduce the amount of content deleted from the Roblox platform after users
17 purchase the items and more robustly protect Roblox users, Plaintiff seeks injunctive relief,
18 requiring Roblox to:

- 19 (a) Implement changes to Roblox’s content moderation practices to require adequate oversight
20 *before* content is offered for sale on the Avatar Shop;
- 21 (b) Implement policies and practices to create additional oversight mechanisms for Roblox to
22 monitor developers who regularly create content that ultimately gets deleted (*i.e.*, extra
23 oversight over “repeat offenders”);
- 24 (c) Implement policies and practices to create additional oversight mechanisms to help prevent
25 content that Roblox deletes from the Avatar Shop to be re-introduced and offered for sale
26 again; and

1 (d) Implement a comprehensive refund program to provide users with prospective refunds for
2 content purchased in the Avatar Shop and deleted by Roblox (the “Proposed Injunctive
3 Relief”).

4 8. On June 2, 2021, Audrey Burton, acting on behalf of Plaintiff A.B. and all others
5 similarly situated, sent a pre-suit demand to Roblox to immediately address its unlawful and unfair
6 practice of deleting content purchased by users from its platform and failing to issue refunds for
7 that content. In her letter, Ms. Burton requested the Proposed Injunctive Relief as outlined above.

8 9. Plaintiff seeks declaratory and injunctive relief against Roblox on behalf of herself
9 and other similarly situated Roblox users by asserting claims for violations of California’s Unfair
10 Competition Law (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) (“UCL”); violations of California’s
11 Consumers Legal Remedies Act (Cal. Civ. Code § 1750 *et seq.*) (“CLRA”), and breach of the
12 covenant of good faith and fair dealing.

13 **PARTIES**

14 10. Plaintiff A.B. is a resident of the state of Virginia.

15 11. Plaintiff is a Roblox account holder who has used Roblox for the last two to three
16 years. She spent approximately 200 dollars to purchase items from Roblox’s store, Avatar Shop
17 and/or Game Shop only to then experience the deletion of many of the purchased items from her
18 inventory. Since opening her current account in September of 2020, approximately seven shirts
19 and fifteen pairs of pants have been deleted without refund. When Plaintiff purchased items, there
20 was an expectation that the items would remain in her inventory. She would not have purchased
21 the items had she known that they would later be deleted and she would not receive a refund for
22 the content.

23 12. Defendant Roblox Corporation is a Delaware Corporation with its principal place
24 of business located at 970 Park Place, San Mateo, California 94403. Roblox regularly conducts
25 business in this District and throughout the United States.

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1 **JURISDICTION, VENUE AND CHOICE OF LAW**

2 13. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C.
3 § 1332(d) because there are more than 100 Class members and the aggregate amount in
4 controversy exceeds \$5,000,000, exclusive of interest, fees, and costs, and at least one Class
5 member is a citizen of a state different from Roblox.

6 14. This Court has personal jurisdiction over Roblox because it transacts business in
7 this State, and because the tortious conduct alleged in this Complaint occurred in, was directed to,
8 and/or emanated from this State.

9 15. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because Defendant is
10 headquartered in this District, and a substantial part of the events and omissions giving rise to
11 Plaintiff's claims occurred in this District.

12 **FACTUAL ALLEGATIONS**

13 **A. Roblox's Online Platform**

14 16. Roblox is an online, multiplayer virtual creation platform that was founded in
15 2006.³ Roblox is a platform where users play games created by other users, known as developers.
16 The platform contains over 20 million games.⁴ Roblox is dependent upon user-created content,
17 boasting more than 8 million developers and more than 2 million developers releasing monthly
18 content from the Roblox Studio.⁵ Roblox has over 150 million monthly users,⁶ with more than
19 half of the users being children under the age of 16. In April 2020, Roblox stated that “two-thirds
20 of all U.S. kids between 9 and 12 years old use Roblox, and it's played by a third of all Americans
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23 ³ *Why is everyone talking about Roblox?*, POLYGON, (March 11, 2021),
24 <https://www.polygon.com/22326123/what-is-roblox-explainer-public-offering> (last accessed July
2, 2021).

25 ⁴ *Id.*

26 ⁵ *About Us*, ROBLOX, <https://corp.roblox.com/> (last accessed July 2, 2021).

27 ⁶ Sarah Perez, *Roblox jumps to over 150M monthly users, will pay out \$250M to developers in*
28 *2020*, TECHCRUNCH.com (Jul. 28, 2020, 10:23 AM),
[https://techcrunch.com/2020/07/28/roblox-jumps-to-over-150m-monthly-users-will-pay-out-
250m-to-developers-in-2020/](https://techcrunch.com/2020/07/28/roblox-jumps-to-over-150m-monthly-users-will-pay-out-250m-to-developers-in-2020/) (last accessed July 2, 2021).

1 under the age of 16.”⁷ Just three months later, Roblox reported to The Verge an increase from
2 two-thirds to “over half of US kids and teens under the age of 16 play the game[.]”⁸

3 17. The Roblox platform consists of the Roblox Client and the Roblox Studio. The
4 Roblox Client is the system that allows users to “explore millions of immersive 3D experiences”
5 with friends, via a customizable avatar.⁹ The Roblox Studio is the tool used by developers to
6 create, release, and operate the “immersive 3D experiences” within the Roblox Client.¹⁰

7 18. “Robux” is Roblox’s virtual, in-game currency that allows its users to make in-
8 game purchases.¹¹ Robux of various quantities are available for purchase through Roblox.com.
9 Users can purchase 400 Robux for \$4.99, 1,700 Robux for \$19.99, or 10,000 Robux for \$99.99.
10 Prices for content on the Avatar Shop vary, with “Premium” items ranging from 20 Robux to 5,000
11 Robux.¹² Users that create the content and sell it to other users receive the in-game currency in
12 return. Robux can then be converted into real-world currency through the Developer Exchange
13 Program, known as DevEx.

14 19. In addition to selling Robux in-game currency in exchange for real currency,
15 Roblox makes a 30% commission from every user-to-user transaction in the Avatar Shop.¹³

16 20. As such, Roblox benefits financially from every transaction made on its platform.
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18 ⁷ Taylor Lyles, *Over half of US kids are playing Roblox, and it’s about to host Fortnite-esque*
19 *virtual parties too*, THE VERGE (Jul. 21, 2020, 7:16pm),
20 [https://www.theverge.com/2020/7/21/21333431/roblox-over-half-of-us-kids-playing-virtual-](https://www.theverge.com/2020/7/21/21333431/roblox-over-half-of-us-kids-playing-virtual-parties-fortnite)
[parties-fortnite](https://www.theverge.com/2020/7/21/21333431/roblox-over-half-of-us-kids-playing-virtual-parties-fortnite) (last accessed July 2, 2021).

21 ⁸ *Id.* See also *Roblox: a parents’ guide*, PARENT INFO ([https://parentinfo.org/article/roblox-a-](https://parentinfo.org/article/roblox-a-parents-guide)
[parents-guide](https://parentinfo.org/article/roblox-a-parents-guide)) (last accessed July 2, 2021).

22 ⁹ *About Us*, ROBLOX, <https://corp.roblox.com/> (last accessed July 2, 2021).

23 ¹⁰ Roblox Support, *Roblox Studio*, ROBLOX, [https://en.help.roblox.com/hc/en-](https://en.help.roblox.com/hc/en-us/articles/203313860-Roblox-Studio)
[us/articles/203313860-Roblox-Studio](https://en.help.roblox.com/hc/en-us/articles/203313860-Roblox-Studio) (last accessed July 2, 2021).

24 ¹¹ “Roblox Privacy and Safety Checklist”, SWGfL.org.uk,
<https://swgfl.org.uk/assets/documents/roblox-checklist-new.pdf>.

25 ¹² Avatar Shop, ROBLOX, <https://www.roblox.com/catalog/?Category=1&SortType=5> (last
accessed July 2, 2021).

26 ¹³ *Unified Marketplace Fee for Dev Products and Game Passes*, DevForum.Roblox.com (Apr.
2020), [https://devforum.roblox.com/t/unified-marketplace-fee-for-dev-products-and-game-](https://devforum.roblox.com/t/unified-marketplace-fee-for-dev-products-and-game-passes/507109)
27 [passes/507109](https://devforum.roblox.com/t/unified-marketplace-fee-for-dev-products-and-game-passes/507109); see also *Upcoming Changes to Affiliate Fees & Catalog Item Configuration*
Options, DevForum.Roblox.com, [https://devforum.roblox.com/t/upcoming-changes-to-affiliate-](https://devforum.roblox.com/t/upcoming-changes-to-affiliate-fees-catalog-item-configuration-options/1066940)
28 [fees-catalog-item-configuration-options/1066940](https://devforum.roblox.com/t/upcoming-changes-to-affiliate-fees-catalog-item-configuration-options/1066940) (last accessed July 2, 2021).

1 **B. Roblox's Inadequate and Unfair Content-Control Practices**

2 21. The Avatar Shop, formerly known as the Catalog, is where users can purchase
3 content created by developers, such as virtual clothing and other items for their avatar, including
4 new heads, faces, gear, accessories, T-shirts, shirts, pants, bundles, and animation packs.

5 22. Reasonable consumers expect that items purchased from the Avatar Shop will
6 appear in their inventories and be available for use, forever.

7 23. However, users have discovered that Roblox deletes content from their inventories
8 without notice, and then refuses to provide refunds for that content. This is the result of Roblox's
9 lax control policies and practices over the placement and retention of content in its Avatar Shop.

10 24. Roblox makes content available for purchase on the Roblox Avatar Shop without
11 adequately scrutinizing the content to ensure that it complies with Roblox's policies. If Roblox
12 later determines that the content violates its policies (*e.g.*, includes a trademarked logo), Roblox
13 deletes the content. In other words, rather than performing adequate oversight *before* content is
14 offered for sale in its marketplace, Roblox waits until items are purchased, collects commissions,
15 and then deletes the content. Roblox then refuses to refund its users for the deleted content, as the
16 company does not have a refund policy in place so that users can be reimbursed for content lost or
17 deleted due to circumstances out of their control.

18 25. This business practice and approach unfairly benefits Roblox because it allows
19 Roblox to retain all monetary benefit after deleting content.

20 26. Users, who are predominantly children, who have been impacted by this practice,
21 are left without the purchased items, the money spent, or any means to recover either. Users are
22 then faced with the decision to either accept the loss of the items without reimbursement, or forced
23 make new purchases to replace their items. Roblox earns and keeps its commissions either way.

24 27. The internet is replete with consumer complaints relating to Roblox's unfair and
25 unlawful policy of refusing to refund users for content that it made available for sale but then later
26 deleted. Sample complaints have been reproduced below:

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- 1 • I literally bought shirts and pants and in like 5 days they got deleted. I feel
2 like roblox is removing copied clothing but mine wasn't copied so uh-. I feel
3 like roblox is doing the bad thing and should stop bc they ARENT EVEN
4 REFUNDING US. What do you think about this?¹⁴
- 5 • I came back to Roblox after a while to see a lotta stuff in my inventory that
6 I bought in the past be deleted off the catalog, without any form of
7 compensation (such as Robux back) at no fault of my own. Who else thinks
8 they should give back Robux to Players who bought now-deleted things off
9 the Catalog?¹⁵
- 10 • Company refuses to help recover account items worth hundreds of dollars.
11 This is a corporate plot intent on draining my wallet further with a brick
12 wall and a U-Turn sign every time I try to contact them. I am reaching out
13 to BBB because the corporation is sending scripted messages and
14 unprofessionally handling this. Having a bad community is not a reason to
15 have unhelpful responses to issues. The company policy says we can only
16 be recompensated once ever if anything happens to our account and states
17 that they expect our accounts to be safe, but I have experienced coercion
18 and blackmail and there was no way to solve this issue. I sought help, and I
19 got ignored. I wish for a response.¹⁶
- 20 • We should be able to get refunds for clothing we've bought that was
21 moderated and deleted later. Earlier today, i went to the customize avatar
22 page on roblox, and saw that one of the shirts i bought was deleted. So i
23 observed it, and it was indeed deleted (the reason why it was deleted was
24 that had been moderated, which it wasnt really that bad, since it was one of
25 those Lightning Blue Adidas shirts). So, i decided to remove it from my
26 inventory, but then after I did that, it got me thinking. When something you
27 own thats been created by users(UGC Accessories, Shirts, Pants, etc) that
28 has been deleted from the catalog, shouldn't you be given the prompt to get
a refund after it has been deleted?¹⁷
- You purchase items virtually with hard earned money and they steal the
items back so you have to repurchase them. This company rips off under
age children and deceives them. I sent them this email and they replied with
multiple auto responses. They don't care and don't want to come up with
resolutions. I know there are hundreds of parents wanting to file a class
action suit against them.¹⁸

¹⁴ *Yall why is roblox banning random shirts/pants*, ROBLOX FORUM (January 11, 2021) <https://robloxforum.com/threads/yall-why-is-roblox-banning-random-shirts-pants.62673/> (last accessed July 2, 2021).

¹⁵ *Players should be reimbursed for deleted items from Catalog...*, REDDIT https://www.reddit.com/r/roblox/comments/j30x8b/players_should_be_reimbursed_for_deleted_items/ (last accessed July 2, 2021).

¹⁶ *Roblox Corporation*, BETTER BUSINESS BUREAU <https://www.bbb.org/us/ca/san-mateo/profile/online-gaming/roblox-corporation-1116-316031/complaints> (last accessed July 2, 2021).

¹⁷ *Get a Refund if clothing item is Deleted*, DEVELOPER (March 2020) <https://devforum.roblox.com/t/get-a-refund-if-clothing-item-is-deleted/486384> (last accessed July 2, 2021).

¹⁸ *Roblox Corporation*, BETTER BUSINESS BUREAU <https://www.bbb.org/us/ca/san-mateo/profile/online-gaming/roblox-corporation-1116-316031/complaints> (last accessed July 2, 2021).

1 28. Consumers have also complained that it often appears that the deleted content is
2 unconnected to any type of policy violation and that Roblox removes content arbitrarily. For
3 example, one consumer wrote:

- 4 • That is complete BS. My daughter paid 84 Robux for pants and they were just
5 deleted. There was nothing inappropriate about them to get them deleted. There
6 should be a warning or refund system. Otherwise, they could just keep deleting
everything for no reason to force people to buy more things.¹⁹

7 **C. Roblox Benefits From Nonexistent Content-Control Measures**

8 29. Roblox benefits from its failure to implement content-control procedures to prevent
9 items, which must later be removed from its Avatar Shop, from being sold in the first instance.
10 Roblox generates revenue from the sale of each item sold in the Avatar Shop, whether or not it
11 ultimately gets deleted. As such, Roblox has no incentive to perform quality control to preclude
12 such content from being offered for sale.

13 30. Instead, Roblox waits until items are purchased, collects commissions, and *then*
14 deletes the problematic content.

15 31. As one user put it, “it’s basically the same as scamming (paying money for
16 something and getting nothing in return as promised).”²⁰

17 32. To make matters worse, users and developers are able to reintroduce into the
18 marketplace items that Roblox previously removed. As a result of Roblox’s inadequate control
19 practices, Roblox continues to collect commissions from new sales of content that it previously
20 removed for violating policies.

21 33. Roblox does not remove developers who repeatedly have content removed for
22 violations. These “repeat offender” developers continue to profit off of Roblox users, generate
23 income for Roblox, and suffer no repercussions.

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25 _____
26 ¹⁹ *Can you refund deleted items?*, REDDIT
https://www.reddit.com/r/roblox/comments/i0qenv/can_you_refund_deleted_items/ (last
accessed July 2, 2021).

27 ²⁰ *The Roblox Clothing Moderation*, ROBLOX FORUM (February 24, 2021),
28 <https://robloxforum.com/threads/the-roblox-clothing-moderation.66425/> (last accessed July 2,
2021).

1 34. Roblox users are harmed as a result of Roblox’s lack of policies and practices
2 associated with the process by which content is initially uploaded to the Avatar Shop.

3 35. Roblox benefits from its refusal to adopt any form of refund program to address the
4 out-of-pocket losses incurred by its users. Instead, Roblox keeps its commissions, and refuses to
5 refund its users for the deleted content.

6 36. Roblox must be held accountable and ordered to take affirmative actions to protect
7 its users through adequate oversight *before* content is offered for sale on the Avatar Shop. As such,
8 Plaintiff seeks the Proposed Injunctive Relief.

9 **CLASS ALLEGATIONS**

10 37. Plaintiff brings this action on behalf of herself and as a class action pursuant to
11 Federal Rules of Civil Procedure 23(a), 23(b)(2), and 23(c)(4) on behalf of the following proposed
12 Class:

13 All individuals who purchased content on the Roblox platform (the “Class”).

14 38. Specifically excluded from the Class are Roblox, its officers, directors, agents,
15 trustees, parents, children, corporations, trusts, representatives, employees, principals, servants,
16 partners, joint venturers or entities controlled by Roblox, and their heirs, successors, assigns, or
17 other persons or entities related to or affiliated with Roblox and/or its officers and/or directors, the
18 judge assigned to this action, and any member of the judge’s immediate family.

19 39. Plaintiff reserves the right to amend the Class definition above if further
20 investigation and/or discovery reveals that the Class should be expanded, narrowed, divided into
21 subclasses, or otherwise modified in any way.

22 40. This action may be certified as a class action under Federal Rules 23(a) because it
23 satisfies the numerosity, commonality, typicality, and adequacy requirements therein.

24 41. ***Numerosity.*** Class members are so numerous and geographically dispersed that
25 individual joinder of all Class members is impracticable. Plaintiff is informed and believes that
26 there are millions of Class members throughout the country, making joinder impracticable.

1 42. ***Common questions of law and fact.*** Common questions of law and fact exist as to
2 all members of the Class. The common factual and legal questions include, but are not limited to,
3 the following:

4 (a) Whether Roblox’s practice of deleting content purchased by users from its
5 platform and failing to issue refunds for that content is an unfair business practice
6 under the UCL;

7 (b) Whether Roblox’s practice of deleting content purchased by users from its
8 platform and failing to issue refunds for that content is an unlawful business
9 practice under the UCL;

10 (c) Whether Roblox practice of deleting content purchased by users from its
11 platform and failing to issue refunds for that content violates the CLRA;

12 (d) Whether Roblox adequately and effectively reviews content for policy
13 violations before content is offered for sale to its users;

14 (e) Whether Roblox breached its covenant of good faith and fair dealing with
15 Class members;

16 (f) Whether Roblox’s misconduct alleged herein caused harm to Class
17 members;

18 (g) Whether Roblox has the capability to implement changes to Roblox’s content
19 moderation practices to require adequate oversight *before* content is offered for sale on
20 the Avatar Shop;

21 (h) Whether Roblox has the capability to implement policies and practices to
22 create additional oversight mechanisms for Roblox to monitor developers who
23 regularly create content that ultimately gets deleted;

24 (i) Whether Roblox has the capability to implement policies and practices to
25 create additional oversight mechanisms to help prevent content that Roblox deletes
26 from the Avatar Shop to be re-introduced and offered for sale again;

1 (j) Whether Class members are entitled to injunctive relief, including, but not
2 limited to, the Proposed Injunctive Relief, to prevent future harm;

3 (k) Whether Class members are entitled to declaratory relief to prevent future
4 harm.

5 43. *Typicality.* Plaintiff’s claims are typical of the claims of the other Class members
6 in that the claims of Plaintiff and other Class members are reasonably co-extensive, and arise from
7 the same course of wrongful conduct.

8 44. *Adequacy of representation.* Plaintiff will fairly and adequately protect the
9 interests of the Class. Plaintiff has retained counsel highly experienced in complex consumer class
10 action litigation, and Plaintiff intends to vigorously prosecute this action. Further, Plaintiff has no
11 interests that are antagonistic to those of the other Class members.

12 45. The Class may be certified under 23(b)(2) because Roblox has acted or refused to
13 act on grounds generally applicable to the Class as a whole, thereby making appropriate final
14 declaratory and injunctive relief with respect to Class members as a whole.

15 46. Alternatively, at a minimum, particular common issues are appropriate for class
16 treatment under Rule 23(c)(4).

17 **COUNT I**

18 **Violations of California’s Unfair Competition Law**
19 **On Behalf of Plaintiff and the Class**
20 **Cal. Bus. & Prof. Code §§ 17200, et seq.**

21 47. Plaintiff re-alleges and incorporates by reference herein all of the allegations set
22 forth above.

23 48. In accordance with the liberal application and construction of the Unfair
24 Competition Law (“UCL”), application of the UCL to all Class members is appropriate, given that
25 Roblox’s headquarters is in San Mateo, California; Roblox’s conduct as described herein
26 originated from California; and the decisions regarding Roblox’s content moderation emanated
27 from California.

28 49. Roblox is a “person” as defined by Cal. Bus. & Prof. Code § 17201.

1 50. Roblox violated Cal. Bus. & Prof. Code § 17200 *et seq.* by engaging in unlawful
2 and unfair business acts and practices.

3 51. Roblox engaged in “unfair” business acts or practices by failing to adequately and
4 effectively review content for policy violations before the content could be purchased, and
5 thereafter deleting the content and refusing to issue refunds for the content purchased.

6 52. Roblox’s practices constitute unfair business practices in violation of the UCL
7 because, among other things, they are immoral, unethical, oppressive, unscrupulous, or
8 substantially injurious to consumers and/or any utility of such practices is outweighed by the harm
9 caused to consumers. Roblox’s practices violate the legislative policies of the underlying statutes
10 alleged herein: namely, protecting consumers and preventing persons from being injured. Roblox’s
11 practices caused substantial injury to Plaintiff and absent members of the Class and are not
12 outweighed by any benefits, and Plaintiff and absent members of the Class could not have
13 reasonably avoided their injuries.

14 53. Roblox also engaged in “unlawful” business acts or practices under the UCL. “By
15 proscribing any unlawful business practice, section 17200 borrows violations of other laws and
16 treats them as unlawful practices that the UCL makes independently actionable.” *Cel-Tech*
17 *Communications, Inc. v. Los Angeles Cellular Telephone Co.*, 20 Cal. 4th 163, 180 (1999)
18 (citations and internal quotation marks omitted).

19 54. Virtually any law or regulation – federal or state, statutory, or common law – can
20 serve as a predicate for an UCL “unlawful” violation. *Klein v. Chevron U.S.A., Inc.*, 202 Cal. App.
21 4th 1342, 1383 (2012).

22 55. Roblox engaged in unlawful business acts or practices by violating state law,
23 including the CLRA, Cal. Civ. Code § 1780 *et seq.*, and common law, as alleged herein.

24 56. As a direct and proximate result of Roblox’s unfair acts or business practices,
25 Plaintiff and Class members have suffered injury in fact and lost money or property.

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1 57. Plaintiff and Class members seek injunctive relief, declaratory relief; reasonable
2 attorneys' fees and costs under California Code of Civil Procedure § 1021.5; and other appropriate
3 equitable relief.

4 58. Specifically, Plaintiff and other Class members are entitled to injunctive relief
5 against Roblox under the UCL, including, without limitation, directing Roblox to:

6 59. Implement changes to Roblox's content moderation practices to require adequate
7 oversight *before* content is offered for sale on the Avatar Shop;

8 60. Implement policies and practices to create additional oversight mechanisms for
9 Roblox to monitor developers who regularly create content that ultimately gets deleted (i.e., extra
10 oversight over "repeat offenders");

11 61. Implement policies and practices to create additional oversight mechanisms to help
12 prevent content that Roblox deletes from the Avatar Shop to be re-introduced and offered for sale
13 again; and

14 62. Implement a comprehensive refund program to provide users with prospective
15 refunds for content purchased in the Avatar Shop and deleted by Roblox.

16 **COUNT II**

17 **Violations of California's Consumer Legal Remedies Act**
18 **(On Behalf of Plaintiff and the Class)**
Cal. Civ. Code. § 1750 et seq.

19 63. Plaintiff re-alleges and incorporates by reference herein all of the allegations set
20 forth above.

21 64. The Consumers Legal Remedies Act, Cal. Civ. Code § 1750 *et seq.* ("CLRA"), is
22 a comprehensive statutory scheme that is to be liberally construed to protect consumers against
23 unfair and deceptive business practices in connection with the conduct of businesses providing
24 goods, property or services to consumers primarily for personal, family, or household use.

25 65. In accordance with the liberal application and construction of the CLRA,
26 application of the CLRA to all Class members is appropriate, given that Roblox's headquarters is
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28

1 in San Mateo, California; Roblox’s conduct as described herein originated from California; and
2 the decisions regarding Roblox’s content moderation emanated from California.

3 66. Roblox is a “person” as defined by Cal. Civil Code §§ 1761(c) and 1770 and has
4 provided “goods” as defined by Civil Code §§ 1761(a) and 1770.

5 67. Plaintiff is a “consumer” under Cal. Civ. Code § 1761(d) and has suffered damage
6 as a result of the use or employment by Roblox of the methods, acts, or practices set forth below,
7 which are unlawful under Cal. Civ. Code § 1770(a).

8 68. Roblox’s acts and practices were intended to and did result in the sales of goods
9 and services to Plaintiff and Class members in violation of Cal. Civil Code § 1770, including:

10 (a) representing that the content in the Avatar Shop has been approved for
11 purchase (or failing to disclose that it has not), in violation of Cal. Civ. Code §§
12 1770(a)(2), (5), (7) and (16);

13 (b) Advertising the content in the Avatar Shop with the intent not to sell the
14 content as advertised, in violation of Cal. Civ. Code § 1770(a)(9); and

15 (c) Representing that a purchase from the Avatar Shop confers or involves
16 rights, remedies, or obligations that it does not have or involve, in violation of Cal.
17 Civ. Code § 1770(a)(14).

18 69. Roblox had a duty to disclose material facts to consumers, including but not limited
19 to, the fact that the content made available for sale in the Avatar Shop had not yet been moderated,
20 was at risk of being deleted at any point, and would not be eligible for a refund.

21 70. Roblox’s misrepresentations and omissions were material because consumers
22 would not have purchased the content from the Avatar Shop, or would have paid less for it, had
23 they been aware that the content could be deleted at any time and would not be eligible for a refund.

24 71. Plaintiff and absent Class members acted reasonably in relying on Roblox’s

25 72. misrepresentations and omissions, the truth of which they could not have
26 discovered with reasonable diligence.

1 73. As a direct and proximate result of Roblox’s violations of California Civil Code §
2 1770, Plaintiff and Class members have suffered and will continue to suffer injury, ascertainable
3 losses of money or property, and monetary and non-monetary damages, including from not
4 receiving the benefit of their bargain in purchasing content from the Avatar Shop.

5 74. Prior to the filing on this Complaint, on June 2, 2021, Audrey Burton, acting on
6 behalf of Plaintiff A.B. and all others similarly situated, sent a notice and demand letter to Roblox
7 advising Roblox that she demands injunctive relief in the form of changes to certain corporate
8 processes, practices, and policies. Ms. Burton specifically requested the Proposed Injunctive
9 Relief.

10 75. As a result of Roblox’s conduct as alleged herein, Plaintiff and Class members have
11 been damaged.

12 76. Plaintiff seeks injunctive relief under this Count and an order enjoining the acts and
13 practices alleged unlawful herein.

14 77. In addition to the injunctive remedies set forth above, Plaintiff also seeks an award
15 of attorneys’ fees and costs under California Code of Civil Procedure § 1021.5; and other
16 appropriate equitable relief.

17 **COUNT III**

18 **Breach of the Covenant of Good Faith and Fair Dealing**

19 78. Plaintiff re-alleges and incorporates by reference herein all of the allegations set
20 forth above.

21 79. Every contract is governed by the implied covenant of good faith and fair dealing
22 that prevents a contracting party from depriving other contracting parties from the expended
23 benefits accruing under the contract.

24 80. Plaintiff and other Class members purchased content from the Avatar Shop.

25 81. Roblox deleted content that Plaintiff and other Class members purchased from the
26 Avatar Shop without issuing refunds.

1 82. Roblox generates revenue from the sale of each item sold in the Avatar Shop,
2 whether or not it ultimately gets deleted.

3 83. Roblox fails to adequately perform oversight *before* content is offered for sale in
4 its marketplace. Rather, Roblox waits until items are purchased, collects commissions, and then
5 deletes the content without providing refunds, leaving its users, who are predominantly children,
6 with nothing.

7 84. Roblox engaged in conduct that frustrated and interfered with the rights of Plaintiff
8 and other Class members and these actions prevent Plaintiff and the Class from receiving the
9 benefits of their bargain.

10 85. As a direct and proximate result of Roblox's breach of the covenant of good faith
11 and fair dealing, Roblox caused harm to Class members. To redress such harm, Plaintiff seeks
12 injunctive relief under this Count and an order enjoining the acts and practices alleged unlawful
13 herein.

14 **PRAYER FOR RELIEF**

15 WHEREFORE, Plaintiff respectfully prays for a judgment in its favor and in favor of the
16 Class as follows:

17 A. Certifying this action as a class action, appointing Plaintiff as the Class
18 Representative, and appointing Plaintiff's undersigned counsel as Class Counsel, under
19 Rule 23 of the Federal Rules of Civil Procedure;

20 B. Awarding declaratory and injunctive relief;

21 C. Awarding Plaintiff and the Class attorneys' fees and costs (including,
22 without limitation, under Section 1021.5 of the California Code of Civil Procedure);

23 D. Awarding Plaintiff and the Class prejudgment and post-judgment interest;
24 and

25 E. Providing any and all further relief as the Court may deem just and proper.
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JURY DEMAND

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

DATED: July 23, 2021

Respectfully Submitted,

LEVI & KORSINSKY, LLP

By: /s/ Adam M. Apton

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CIVIL COVER SHEET

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

A.B., a minor, represented by her mother and next friend, AUDREY BURTON, individually and on behalf of all others similarly situated,

(b) County of Residence of First Listed Plaintiff BRISTOL CITY COUNTY, Virginia (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) Adam M. Apton; LEVI & KORSINSKY LLP 388 Market Street, Suite 1300; San Francisco, CA, 94111 Telephone: 415-373-1671; Facsimile: 212-363-7171

DEFENDANTS

ROBLOX CORPORATION

County of Residence of First Listed Defendant SAN MATEO COUNTY, California (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff 3 Federal Question (U.S. Government Not a Party) 2 U.S. Government Defendant X 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship and incorporation status. Includes rows for Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, Incorporated or Principal Place of Business In This State, and Incorporated and Principal Place of Business In Another State.

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Large table with columns for CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, HABEAS CORPUS, OTHER, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, and OTHER STATUTES. Each column contains a list of legal categories with checkboxes.

V. ORIGIN (Place an "X" in One Box Only)

- X 1 Original Proceeding 2 Removed from State Court 3 Remanded from Appellate Court 4 Reinstated or Reopened 5 Transferred from Another District (specify) 6 Multidistrict Litigation—Transfer 8 Multidistrict Litigation—Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C § 1332(d)

Brief description of cause:

Violations of Cal. Bus. & Bus. Prof. Code § 17200, et seq.; Violations of Cal. Civ. Code. § 1750, et seq.

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, Fed. R. Civ. P. DEMAND \$

CHECK YES only if demanded in complaint: JURY DEMAND: X Yes No

VIII. RELATED CASE(S), IF ANY (See instructions):

JUDGE Judge William H. Orrick

DOCKET NUMBER 3:21cv3943

IX. DIVISIONAL ASSIGNMENT (Civil Local Rule 3-2)

(Place an "X" in One Box Only) X SAN FRANCISCO/OAKLAND SAN JOSE EUREKA-MCKINLEYVILLE

DATE JULY 23, 2021

SIGNATURE OF ATTORNEY OF RECORD

/s/ Adam M. Apton

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS-CAND 44

Authority For Civil Cover Sheet. The JS-CAND 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I. a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the “defendant” is the location of the tract of land involved.)
- c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section “(see attachment).”
- II. Jurisdiction.** The basis of jurisdiction is set forth under Federal Rule of Civil Procedure 8(a), which requires that jurisdictions be shown in pleadings. Place an “X” in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
- (1) United States plaintiff. Jurisdiction based on 28 USC §§ 1345 and 1348. Suits by agencies and officers of the United States are included here.
 - (2) United States defendant. When the plaintiff is suing the United States, its officers or agencies, place an “X” in this box.
 - (3) Federal question. This refers to suits under 28 USC § 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 - (4) Diversity of citizenship. This refers to suits under 28 USC § 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS-CAND 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an “X” in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin.** Place an “X” in one of the six boxes.
- (1) Original Proceedings. Cases originating in the United States district courts.
 - (2) Removed from State Court. Proceedings initiated in state courts may be removed to the district courts under Title 28 USC § 1441. When the petition for removal is granted, check this box.
 - (3) Remanded from Appellate Court. Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 - (4) Reinstated or Reopened. Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 - (5) Transferred from Another District. For cases transferred under Title 28 USC § 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 - (6) Multidistrict Litigation Transfer. Check this box when a multidistrict case is transferred into the district under authority of Title 28 USC § 1407. When this box is checked, do not check (5) above.
 - (8) Multidistrict Litigation Direct File. Check this box when a multidistrict litigation case is filed in the same district as the Master MDL docket. Please note that there is no Origin Code 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC § 553. Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an “X” in this box if you are filing a class action under Federal Rule of Civil Procedure 23. Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction. Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS-CAND 44 is used to identify related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- IX. Divisional Assignment.** If the Nature of Suit is under Property Rights or Prisoner Petitions or the matter is a Securities Class Action, leave this section blank. For all other cases, identify the divisional venue according to Civil Local Rule 3-2: “the county in which a substantial part of the events or omissions which give rise to the claim occurred or in which a substantial part of the property that is the subject of the action is situated.”
- Date and Attorney Signature.** Date and sign the civil cover sheet.

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17 *Attorneys for Plaintiff and the Proposed Class*

18 **UNITED STATES DISTRICT COURT**
19 **NORTHERN DISTRICT OF CALIFORNIA**

20 A.B., a minor, represented by her mother and
21 next friend, AUDREY BURTON, individually
22 and on behalf of all others similarly situated,

23 Plaintiff,

24 v.

25 ROBLOX CORPORATION,

26 Defendant.

Case No. 3:21-cv-05683

**DECLARATION OF ADAM M. APTON
PURSUANT TO CALIFORNIA CIVIL
CODE § 1780(d)**

1 I, Adam M. Apton, hereby declare and state as follows:

2 1. I am a partner at the law firm of Levi & Korsinsky, LLP and I represent Plaintiff
3 A.B., a minor, represented by her mother and next friend, Audrey Burton, in the above-captioned
4 action. I am over the age of eighteen and am fully competent to make this declaration.

5 2. This declaration is made pursuant to California Civil Code § 1780(d) in support of
6 Plaintiff's Class Action Complaint, which alleges violations of the Consumer Legal Remedies Act
7 ("CLRA"), Cal. Civ. Code §§ 1750 et seq. This declaration is made based on my firm's research
8 of public information and upon my personal knowledge of the same.

9 3. I am informed and believe that venue is proper in this District based on the fact that,
10 on information and belief, Defendant Roblox Corporation ("Roblox") resides, has its principal
11 place of business, and/or transacts substantial business in this District.

12 I declare under penalty of perjury that the foregoing is true and correct.

13 Executed this 23rd day of July, 2021.

14 /s/ Adam M. Apton

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DECLARATION OF ADAM M. APTON