

1 ANNE ANDREWS (Bar No. 103280)
 aandrews@andrewsthornton.com
 2 SEAN T. HIGGINS (Bar No. 266888)
 shiggins@andrewsthornton.com
 3 ROBERT S. SIKO (Bar No. 312856)
 rsiko@andrewsthornton.com
 4 RYAN MCINTOSH (Bar No. 328042)
 rmcintosh@andrewsthornton.com
 5 **ANDREWS & THORNTON**
 6 4701 Von Karman Ave, Suite 300
 7 Newport Beach, California 92660
 Telephone: (949) 748-1000
 8 Facsimile: (949) 315-3540

ELECTRONICALLY FILED
 Superior Court of California,
 County of San Diego
10/02/2023 at 10:24:00 AM
 Clerk of the Superior Court
 By Shiela Retez, Deputy Clerk

9 ALEXANDRA WALSH (*Pro Hac Vice forthcoming*)
 awalsh@alexwalshlaw.com
 10 SAMUEL A. MARTIN (*Pro Hac Vice forthcoming*)
 smartin@alexwalshlaw.com
 11 **WALSH LAW PLLC**
 12 1050 Connecticut Ave NW, Suite 500
 Washington, DC 20036
 13 Telephone: (202) 780-3014
 14 Facsimile: (202) 780-3678

15 *Counsel for Plaintiffs*

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 17 **COUNTY OF SAN DIEGO**

19 KATHERINE MURPHY, MONIQUE
 20 PAYAN, DAMIEN UHL, and those
 similarly situated,

21 *Plaintiffs,*

22 v.

23 ROBLOX CORPORATION, a Delaware
 24 corporation,

25 *Defendant.*

Case No.: 37-2023-00033649-CU-BT-CTL

**FIRST AMENDED CLASS ACTION
 COMPLAINT FOR DAMAGES**

- (1) Intentional Misrepresentation
- (2) Negligent Misrepresentation
- (3) Unjust Enrichment
- (4) Violations of California’s Unfair Competition Law (Cal. Bus. & Prof. Code, §§ 17200 *et seq.*)
- (5) Violations of California’s False Advertising Law (Cal. Bus. & Prof. Code, §§ 17500 *et seq.*)
- (6) Violations of the California Consumer Legal Remedies Act (Cal. Civ. Code §§ 1750 *et seq.*)
- (7) Violations of State Consumer Protection Acts

JURY TRIAL DEMANDED

1 **FIRST AMENDED COMPLAINT FOR DAMAGES AND DEMAND FOR JURY TRIAL**

2 Plaintiffs KATHERINE MURPHY, MONIQUE PAYAN, DAMIEN UHL, and those
3 similarly situated, bring this First Amended Class Action Complaint and Demand (“FAC”) for Jury
4 Trial against Defendant Roblox Corporation (“Roblox”) to seek compensation for Defendant’s
5 deceptive advertising, unlawful and unfair business practices, and numerous misrepresentations,
6 thereby inducing Plaintiffs to spend money and thereby suffer loss of property on the Roblox
7 platform. Plaintiffs allege as follows upon personal knowledge as to themselves and their own acts
8 and experiences, and, as to all other matters, upon information and belief.

9 **I. NATURE OF ACTION**

10 1. Roblox has generated billions of dollars by failing to protect and exploiting its most
11 vulnerable users: children. To maximize users – and consequently, revenue – Roblox fails to warn
12 and misleads parents about the widespread inappropriate and harmful content children often
13 encounter in Defendant’s virtual world. Roblox specifically misleads parents about the efficacy of
14 its filtering technologies and its ability to make the site safe and appropriate for children. Roblox
15 voluntarily makes numerous false and misleading statements to induce parents to spend money on
16 the platform. These statements constitute unlawful and fraudulent business practices.

17 2. Defendant Roblox is one of the largest and fastest growing gaming platforms in the
18 world, designed to bring users together in a virtual universe, or “metaverse.” Developers create
19 games and experiences, which are then populated by user-created avatars. Users play games, explore
20 universes, and design their unique, in-game experiences to share with other players using
21 customizable, digital content offered on the platform. Before any user can obtain digital content,
22 they must first purchase “Robux”, the digital currency used only on the Roblox platform. Roblox
23 makes money when users purchase the digital currency with real-world currency and exchange it in
24 the virtual marketplace to obtain digital content made by developers for use in Roblox’s virtual
25 universe.

26 3. Roblox’s growth has outpaced that of the games industry as a whole by a wide
27
28

1 margin. Roblox largely credits this growth to its emphasis on user generated content.¹ Roblox
2 contends that it is at the cutting edge of supporting collaboration between users in creating games
3 and exploring those games.² In other words, Roblox has invested heavily in technology to break
4 down walls between users, allowing collaboration and communication between users on an
5 unprecedented level for a video game platform.

6 4. As of August 2020, Roblox hosted more than 164 million users each month.³ The
7 Roblox platform has shown rapid growth over time, with new users flooding the platform in recent
8 years. In SEC filings, Roblox reported its Daily Active Users (“DAUs”) as 12.0 million in 2018,
9 17.6 million in 2019, 32.6 million in 2020, and 45.5 million as of the end of 2021.^{4,5} This increased
10 user count has also resulted in massive profit growth for Defendant Roblox with revenue reported
11 to have more than doubled between 2020 and 2021 to more than \$1.91 billion.

12 5. As Defendant Roblox has enjoyed sustained and substantial growth of its platform,
13 it has increasingly attracted children. As of the end of 2021, at least 64% of Roblox’s users were
14 minors and 49% of its users were age 12 or younger.⁶ In April 2020, Roblox boasted that *two thirds*
15 *of American children between the ages of 9 and 12* played on its platform.⁷ Given the growing user
16 counts and consistent age demographics since 2020, it is likely this proportion has only grown in
17 the past two years.

18 6. But while the loyalty of millions of children has turned Roblox into a wild success
19 during a time when many other businesses have suffered, Roblox systematically exploits them.

21 ¹ VentureBeat, Matt Curtis, VP of Developer Relations at Roblox, *The Future of Gaming is User-*
22 *Generated Content*, YouTube (Apr. 28, 2020)

https://www.youtube.com/watch?v=8TOIwd_9VmY.

23 ² *Id.*

24 ³ Kellen Browning, *Where Has Your Tween Been During the Pandemic? On This Gaming Site*,
The New York Times (Updated Oct. 31, 2021)

<https://www.nytimes.com/2020/08/16/technology/roblox-tweens-videogame-coronavirus.html>.

25 ⁴ Roblox Corp., Registration Statement (Amendment No. 4 to Form S-1) (Feb. 22, 2021).

26 ⁵ Roblox Corp., Annual Report (Form 10-K) (Feb. 25, 2022).

27 ⁶ *Id.*

28 ⁷ Olga Kharif, *Kids Flock to Roblox for Parties and Playdates During Lockdown*, Bloomberg
(Apr. 15, 2020) <https://www.bloomberg.com/news/articles/2020-04-15/kids-flock-to-roblox-for-parties-and-playdates-during-lockdown>.

1 7. Roblox has received significant media attention about the risks of children being
2 exposed to harmful content on the platform. For instance, children encounter virtual strip clubs,
3 simulated sexual intercourse, masturbation, and use of sex toys.^{8, 9, 10} Similarly, adult users have
4 groomed, sexted, and otherwise exploited young users. For instance, one 8-year-old was induced to
5 send nude pictures of herself to a 48-year-old predator.^{11, 12}

6 8. More recently, Roblox was in the news when celebrity personality Kim Kardashian’s
7 son, Saint, discovered an experience on the site claiming to contain a sex tape featuring his mother.
8 The incident was captured on film in real time during the filming of The Kardashians television
9 series.¹³

10 9. Roblox itself has recognized the danger to children on its platform stating in its 2020
11 S-1 SEC filing that the “success of our business model is contingent upon our ability to provide a
12 safe online environment for children to experience, and if we are not able to continue to provide a
13 safe environment, our business will suffer dramatically.”¹⁴ The same filing adds:

14 Further, we have faced allegations that our platform has been used by criminal
15 offenders to identify and communicate with children and to possibly entice them to
16 interact off-platform, outside of the restrictions of our chat, content blockers, and
17 other on-platform safety measures. While we devote considerable resources to

18
19
20 ⁸ Nina Young, *Mum horrified after six-year-old stumbles onto explicit Roblox ‘sex room’*, Kidspot
21 (June 3, 2018, 4:19 PM) <https://www.kidspot.com.au/parenting/mum-horrified-after-six-year-old-stumbles-onto-explicit-roblox-sex-room/news-story/74f9543444462d24706a639dd8336834>.

22 ⁹ Kerry Breen, *Experts, users warn about explicit content on popular gaming platform Roblox*,
23 Today.com (Oct. 20, 2021, 6:13 AM) <https://www.today.com/parents/roblox-experts-users-warn-about-inappropriate-content-t235027>.

24 ¹⁰ James Crummel, *Roblox risks: hidden dangers in your child’s favorite games*, ABC27.COM
(Feb. 25, 2020, 10:54 AM), <https://bit.ly/3hNRvHQ>.

25 ¹¹ People Make Games (@PeopleMakeGames), *Roblox Pressured Us to Delete Our Video. So We
26 Dug Deeper*, YouTube (Dec. 13, 2021) <https://www.youtube.com/watch?v=vTMF6xEiAaY>.

27 ¹² Matt Durr, *Man used ‘Roblox’ video game to lure 8-year-old Michigan girl into sending nude
28 videos*, MLive.com (Sep. 24, 2020, 2:09 PM) <https://www.mlive.com/news/2020/09/man-used-roblox-video-game-to-lure-8-year-old-michigan-girl-into-sending-nude-videos.html>.

¹³ *The Kardashians: Burn Them All to the F*cking Ground* (Hulu Apr. 14, 2022)

¹⁴ Roblox Corp., Registration Statement (Amendment No. 4 to Form S-1) (Feb. 22, 2021).

1 prevent this from occurring, we are unable to prevent all such interactions from taking
2 place.¹⁵

3 10. Despite these warnings to its investors and regulators, Roblox does not warn its users
4 of the risks of criminal and predatory activity on its platform. In fact, it does the opposite. Roblox
5 makes numerous misrepresentations about the safety of its platform in order to convince parents that
6 the product is safe. And in doing so, Roblox has misled parents about how it protects their children
7 from inappropriate content and induced parents into allowing their children to spend parents' money
8 on the platform.

9 11. Besides misleading users about Roblox's ability to prevent and neutralize the dangers
10 on its platform, Roblox also exploits its young users, inducing them to spend vast sums of money
11 on the platform. For most users, this money comes from their parents either through a linked credit
12 or debit card or through 'Robux Digital Gift Cards' or gift codes.

13 12. Roblox has generated billions of dollars in revenue by taking a portion of all "Robux"
14 – Roblox's virtual currency – exchanged on the platform.

15 13. Robux are purchased with real world currency and can only be spent on the platform.
16 Users – again, mostly children – often cannot appreciate that Robux is real money.

17 14. Roblox takes further advantage of parents induced by its numerous representations
18 to spend money on the site by creating a socially driven marketplace of children for digital items
19 that alter game avatars' appearances. Roblox leverages rare items to create inequality within the
20 virtual space, fomenting jealousy and incentivizing inordinate spending to keep up with peers. The
21 financial impact of Roblox's misrepresentations are therefore multiplied as misled parents spend
22 more money on the site for their children to obtain trendy appearances and gain social standing
23 within their peer group.

24 **II. JURISDICTION AND VENUE**

25 15. This Court has personal jurisdiction over Roblox because Roblox is a Delaware
26 Corporation operating with its principal place of business in San Mateo County, California.

27 _____
28 ¹⁵ *Id.*

1 Furthermore, a substantial portion of the conduct giving rise to this action occurred in San Diego
2 County, California.

3 16. Venue is proper in this Court as this FAC seeks relief and damages arising and
4 resulting from the acts and omissions of Roblox that caused injuries to persons located in San Diego
5 County, California.

6 **III. PARTIES**

7 17. The Plaintiffs. Plaintiffs are parents who spent significant money on the Roblox
8 platform after relying on Roblox’s representations that the site was safe and appropriate for their
9 children.

10 18. Plaintiff Katherine Murphy is a resident of San Diego County, California, and parent
11 of a child who used the Roblox platform beginning in January 2021. Ms. Murphy spent money on
12 Roblox on the Roblox platform for her son’s benefit because she believed the platform was safe and
13 that Roblox’s technology prevented inappropriate contact with her child, as indicated by Roblox’s
14 misrepresentations.

15 19. Plaintiff Monique Payan is a resident of Los Angeles County, California and parent
16 of a child who used the Roblox platform beginning in 2019. Ms. Payan spent money on the Roblox
17 platform, including paying for a recurring monthly charge for Roblox, for her daughter’s benefit
18 because she believed the platform was safe and that Roblox’s technology prevented inappropriate
19 contact with her child, as indicated by Roblox’s misrepresentations.

20 20. Plaintiff Damien Uhl is a resident of Napa County, California and parent of three
21 children who used the Roblox platform beginning in around 2017. Mr. Uhl and his wife spent money
22 on the Roblox platform on at least a monthly basis to pay for Roblox, for his children’s benefit
23 because he believed the platform was safe and that Roblox’s technology prevented inappropriate
24 contact with his child, as indicated by Roblox’s misrepresentations.

25 21. The proposed class and subclasses (identified below) includes citizens of all states.

26 22. Defendant. Roblox Corporation¹⁶ is a corporation existing under the laws of
27

28 ¹⁶ To the extent that Roblox has been purchased by, merged into, or changed form, such that it is

1 Delaware with its principal place of business located at 970 Park Place, San Mateo, California
2 94403. Roblox operates as video game developer and regularly conducts and transacts business in
3 the state of California and throughout the United States.

4 **IV. FACTUAL ALLEGATIONS**

5 **a. *The Roblox Product***

6 23. Created in 2004, Roblox is an interactive “metaverse” that creates a “new category
7 of human interaction.” An average of 36.2 million people from around the world migrate to the
8 Roblox platform daily to interact in a 3D digital world that is entirely user generated, built by a
9 community of nearly 7 million developers. More than half of these users are under the age of 13,
10 and users average 2.6 hours on the site daily, more than twice as much time as users spend daily on
11 the popular social network TikTok.

12 24. The platform also fosters social interactions between its users and maximizes the
13 activities that users can enjoy together on the platform. Gameplay interactions, user hubs, direct
14 messaging and voice chat, and wearable cosmetic items all promote social interactions between
15 users. Roblox’s co-founder and CEO David Baszucki has explained his vision of Roblox is to bring
16 about as “the next phase of human interaction” which he alternately describes as a “a new category
17 human coexperience.”¹⁷

18 25. Roblox consists of two primary layers: the Roblox Client and the Roblox Studio. The
19 Roblox Client allows users to explore 3D digital worlds through the eyes of an avatar, which each
20 user customizes with clothing, gear, animations, simulated gestures, emotes, or other objects. The
21

22 _____
23 now owned and/or controlled by a successor-in-interest, Plaintiffs assert the claims herein against
24 such successor, and alleges that such successor is liable for the injuries and damages alleged
25 herein. Plaintiffs will seek leave to amend this FAC to identify any such successor, as well as the
26 basis upon which the successor has assumed Defendant Roblox’s liabilities, once such information
27 has been learned.

28 ¹⁷ David Baszucki, Cofounder and CEO of Roblox, *The CEO of Roblox on Scaling Community-Sourced Innovation*, Har. Bus. Rev., The Magazine, (Mar-Apr 2022) <https://hbr.org/2022/03/the-ceo-of-roblox-on-scaling-community-sourced-innovation#:~:text=David%20Baszucki%20is%20the%20cofounder%20and%20CEO%20of%20Roblox.>

1 Roblox Studio is a toolkit developers and creators use to build, publish, and operate 3D experiences
2 and content for the Roblox Client, including the aforementioned objects, which they sell in a user-
3 to-user marketplace known as the Avatar Shop. Most experiences on Roblox are created by
4 developer users.

5 26. Defendant earns money, in part, by “tokenizing” a platform-exclusive currency
6 called “Robux” that must be purchased using real-world currency before exchanging “Robux” for
7 digital content in the digital universe’s closed economy. “Robux” may be purchased in a single
8 transaction, or a user may subscribe to receive “Robux” on a recurring basis for a monthly premium
9 that is automatically deducted from a linked payment account with a credit card or electronic check.

10 27. Roblox also makes money on the sale of digital content for “Robux”. The company
11 takes a 30% commission from user-to-user exchanges of user generated content for “Robux”, as
12 well as by offering its own proprietary content for purchase with the in-game currency in the Avatar
13 Shop.

14 28. It is extremely easy to sign up for a user account on the Roblox platform and
15 Defendant Roblox makes the platform available through a variety of methods including mobile app
16 stores and direct downloads from their website.

17 29. Roblox will also store the payment information for a user so that it is easier to make
18 future purchases on the platform with the same payment account. If a child uses their parents
19 payment account to make a purchase, the parent may not be aware that future payments will
20 automatically be deducted.

21 30. To create an account, users need not verify their account with an associated email
22 address.

23 31. Although the Roblox Terms of Use state that children must have permission of their
24 parents before signing up for an account, nothing prevents children from creating their own accounts
25 on the platform.

26 32. If an account is left without a verification email, a pop-up will appear upon
27 attempting to log out warning the user that they risk their account being lost (along with any Robux
28 or cosmetics they may have) if they do not add a parent’s email address. Again, however, this is

1 optional.

2 33. After signing up, a child can play in any of hundreds of thousands of “experiences”
3 on the product, which are much like other video games.

4 34. Friends can quickly join each other’s unique “experiences”, chat over voice and text,
5 and trade items.

6 35. When a child creates an account, parental protections are off by default. As a result,
7 a user of any age can jump into nearly any “experience” on the platform – if a child made their own
8 account and listed their age as 13 or older, then any “experience” is available to them.

9 36. The only “experience” restrictions are those created by the developers of the
10 experiences themselves, which may require, for example, an account to be a certain number of days
11 old before joining or users be 13 and older. In practice, developers rarely use these restrictions, and
12 they are off by default.

13 37. A user can add any other user as a “friend,” regardless of age. Once friends, users
14 can message each other directly and invite each other to private servers or other experiences on the
15 platform. And after entering an experience, users can chat to any other user in the experience,
16 whether or not they are friends. The option to disable chat with strangers in experiences is off by
17 default.

18 38. And once kids start playing, they are often hooked. Roblox is a “habit-forming
19 platform” and “kids have a hard time limiting their use because they don’t have fully developed
20 frontal cortices.”¹⁸ As a result, children are “easily amenable to addictive games” like Roblox.¹⁹

21 39. The frontal lobes of the brain – particularly the prefrontal cortex – control higher
22 order cognitive functions. This region of the brain is central to planning and executive decision
23 making, including the evaluation of risk and reward. It also helps inhibit impulsive actions and
24

25 _____
26 ¹⁸ Amy Brill, *On Parenting: Is my child addicted to Roblox?*, The Washington Post Online, (May
27 24, 2021) <https://www.washingtonpost.com/lifestyle/2021/05/25/roblox-addiction-advice/>.

28 ¹⁹ Sapna M, *The Dark Side of the Online Game Roblox Most Parents are Unaware of*, Medium,
(June 16, 2021) <https://medium.com/illumination/the-dark-side-of-roblox-every-parent-should-know-93bf066b16c0>.

1 regulate emotional responses to social rewards.²⁰

2 40. The immersive nature of Roblox enhances its addictive potential. According to
3 Stanford professor Jeremy Bailson: “When compared to the non-immersive VR condition . . .
4 children in VR showed a significant deficit in inhibitory control.”²¹

5 41. The habit-forming nature of Roblox deepens the financial impact of Roblox’s
6 misrepresentations as parents who have been induced to spend money on the site end up spending
7 more over a long period of time.

8 ***b. Roblox’s Misrepresentations about the Platform’s Appropriateness for***
9 ***Children Induces Parents to Spend Money.***

10 42. Roblox advertises its product as “family friendly” despite rampant inappropriate and
11 predatory conduct.²²

12 43. Roblox avers in their Community Guidelines that “Roblox is a safe space for meeting
13 online friends, chatting, and collaborating on creative projects.”²³

14
15
16
17
18
19
20
21
22

23 ²⁰ Zara Abrams, *Why young brains are especially vulnerable to social media*, Am. Psych. Ass’n.
24 (Aug. 25, 2022) <https://www.apa.org/news/apa/2022/social-media-children-teens>.

25 ²¹ Adario Strange, *What parents need to know about the coming metaverse*, Quartz (Nov. 6, 2021)
<https://qz.com/2084953/how-parents-can-navigate-the-metaverse-for-their-children>.

26 ²² Kerry Breen, *Experts, users warn about explicit content on popular gaming platform Roblox*,
Today.com (Oct. 20, 2021) [https://www.today.com/parents/roblox-experts-users-warn-about-
inappropriate-content-t235027](https://www.today.com/parents/roblox-experts-users-warn-about-inappropriate-content-t235027).

27 ²³ Roblox Support: Legal Documents, Roblox Corporation, Community Standards (Updated June
28 20, 2023) <https://en.help.roblox.com/hc/en-us/articles/203313410-Roblox-Community-Standards>.

1 44. Specifically, Roblox tells parents: “If your child is under 13, we make it extremely
2 difficult for strangers on Roblox to contact them.”²⁴ That is untrue.



13 45. In fact, Roblox makes it extremely easy. Almost all safeguards to prevent strangers
14 from contacting and grooming children on Roblox are disabled by default. And once they are friends
15 with or in the same “experience” as a child, predators can easily contact them.

16 46. Roblox also says that “[a]n automated detection feature ensures that all players are
17 wearing appropriate attire within the avatar editor and avatar thumbnails” and that it uses “state-of
18 -the-art” technology to “prevent inappropriate content . . . from being visible on the platform.” As
19 shown above, wrong again.

20 47. The ease with which predators can groom children and share inappropriate content
21 has revealed the product’s dark underbelly and received significant media attention.²⁵

22 48. While Roblox claims it goes “above and beyond” to keep children safe, the
23 program’s systems allegedly designed to monitor lewd behavior often fail.

24 49. For instance, Roblox is infamous for “condo games” showing nude avatars engaging
25

26
27 ²⁴ Roblox Support: Safety, Roblox Corporation, Age Appropriate Design Code FAQs (Last
28 Visited July 7, 2023) <https://en.help.roblox.com/hc/en-us/articles/4406238486676-Age-Appropriate-Design-Code-FAQs>.

²⁵ See *ibid.* footnotes 10-14.

1 in forms of intercourse and using profane language. One journalist observed that one virtual condo
2 game “den showcased an array of sex toys. The private rooms upstairs were furnished only with
3 beds. The basement was a torch-lit sex dungeon.”²⁶

4 50. These “condo games” also enable online predators to groom children. For example,
5 adult players have tried to start separate, private conversations with underage players to solicit
6 sexualized photos.

7 51. And many condo operators shirk any responsibility. One said, “If horny little kids
8 get catfished by pedophiles on condos then sorry this is becoming natural selection.”²⁷

9 52. Roblox knows that this inappropriate and often illegal activity on its site threatens
10 profitability and survival.²⁸

11 53. Still, the company misleads parents about the safety of its product and the
12 effectiveness of its safety features because Roblox knows that maximizing the number of young
13 users is its key to profitability.

14 54. Roblox knows that what few measures it has put in place to discourage children from
15 engaging with inappropriate content are easily circumvented. Indeed, Roblox knows its platform is
16 so easy to join that new users can sign up in seconds without a verified email address. The vast
17 majority of “experiences” on the platform can be accessed by any new account; a child providing
18 their age as 13 or older can access all “experiences” on the platform without any age verification.

19 55. All of Roblox’s representations about parents’ ability to limit their child’s exposure
20 to inappropriate content on the platform are misleading because the parental controls are easily
21 circumvented when a child makes their own account. Of course, Roblox gift cards and digital gift
22 codes can be redeemed on any account meaning that children have a ready pathway to spend money
23 from their parents even on unmonitored accounts.

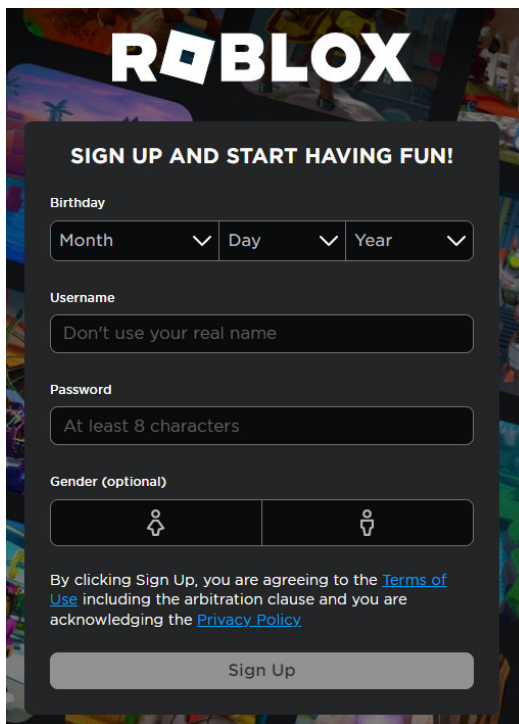
24
25

26 ²⁶ Burt Helm, *Sex, lies, and video games: Inside Roblox’s war on porn*, FASTCOMPANY (Aug.
19, 2021) <https://bit.ly/346tnIA>.

27 ²⁷ Burt Helm, *Sex, lies, and video games: Inside Roblox’s war on porn*, FASTCOMPANY (Aug.
19, 2021) <https://bit.ly/346tnIA>.

28 ²⁸ *Ibid.* footnote 15.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26



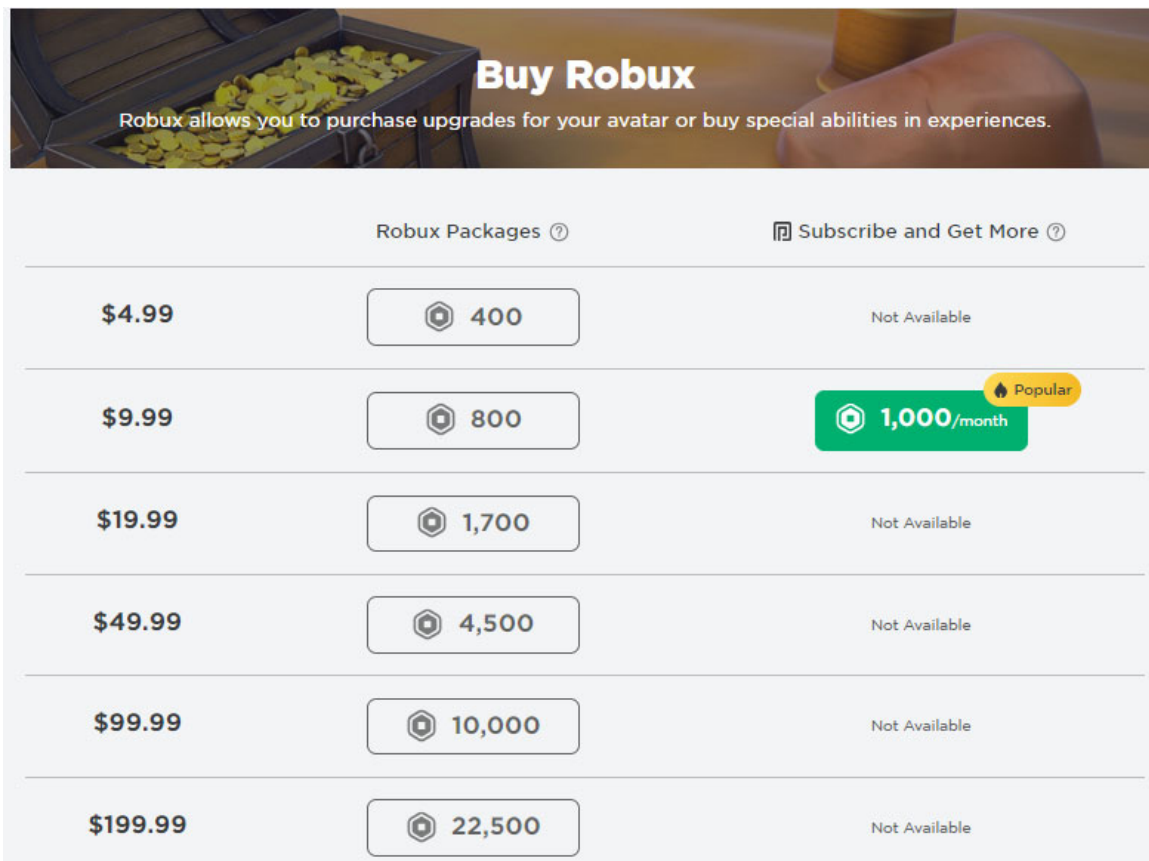
56. Ultimately, Roblox’s voluntary misrepresentations as to the safety and appropriateness of its platform have caused parents, including Plaintiffs, to spend money on the platform for the benefit of their children.

c. Mised Parents can Easily Spend Hundreds or Thousands on Worthless In-App Purchases on their Child’s Roblox Account.

57. To maximize the profits extracted from those young users, Roblox also misleads them to spend vast sums of money and lure into “casino-level” spending sprees without their parents’ knowledge.²⁹

²⁹ *Warning for Parents: Kids Spending thousands of dollars on “free” Roblox games*, ParentsTogether Foundation (June 21, 2021) <https://parents-together.org/warning-for-parents-kids-spending-thousands-of-dollars-on-free-roblox-game/>.

1 58. Many parents also do not realize that once in the game, players can buy in-app
 2 currency that can be used to purchase a vast range of items for their avatar from third-party apps.
 3 These vary widely in cost – from a sword for \$1 to a hat accessory costing \$600. For children, who
 4 often do not yet understand the value of money, navigating this in-app economy can be challenging.
 5 And by using Robux rather than a real-world currency, Defendant Roblox adds another layer of
 6 confusion for children.



7
8
9
10
11
12
13
14
15
16
17
18
19
20
21 59. All purchases and transactions on Roblox are carried out using Robux, which is
 22 Defendant’s primary source of revenue. Not only does Roblox sell Robux in-game currency for real
 23 money, but it also takes a 30% commission from every user-to-user transaction in the Avatar Shop.
 24 When Roblox is the seller of the cosmetic items, there is no other user to pay and Roblox pockets
 25 the entire amount.

26 60. When users purchase Robux, they cannot convert those Robux back into real-world
 27 currency. Even in the singular circumstance where Roblox makes it possible to convert Robux into
 28 real-world currency, it only applies to “Earned” Robux, subject to the terms and conditions of

1 Roblox’s DevEx program. Users can only spend their Robux on developer tools, promotions, or
2 other purchases on the platform.

3 61. Users can buy Robux with real currency – for instance, a user can purchase 400
4 Robux for \$4.99 or 10,000 Robux for \$99.99. Users receive additional promotional Robux if they
5 subscribe and buy Robux on a reoccurring, monthly basis.

6 62. The obfuscation of the actual purchase price of items on the Roblox platform can
7 lead to children and adolescents spending tremendous sums of money—more often than not given
8 to them by their parents through a linked credit/debit card or through a digital gift card—without
9 appreciating the cost of the items in real world dollars. This is of course the point from Roblox’s
10 perspective, and has led to incredible profits through their cosmetic marketplace.

11 63. One example is hair for avatars. “Beautiful Hair for Beautiful Space People” has sold
12 nearly 40,000 times, selling at a recent average price of 6,062 Robux. Even if using the most
13 generous purchase rate of Robux by spending \$199.99 at a time, this cosmetic item costs over \$32.

14 64. Astronomical prices of rare items in the Avatar Store coupled with social pressures
15 can quickly snowball, leading children to spend thousands of dollars. Specifically, Defendant
16 Roblox leverages rare items to create inequality within the virtual space, fomenting jealousy and
17 incentivizing inordinate spending to keep up with peers.

18 65. Roblox knows that children are particularly vulnerable to these social pressures and,
19 as a result, to spending money on the platform.

20
21
22
23
24
25
26
27
28

The screenshot shows a Roblox item listing for 'Beautiful Hair for Beautiful Space People' by Roblox. The item is a purple, spiky helmet. The listing includes a 'Buy' button for 6,429 Robux, a 'Price Chart' showing a recent average price of 6,062 Robux, and a 'Description' that reads: 'When Earth can't handle your beauty anymore, space is the only option.' The item is marked as 'LIMITED' and has 131.2K favorites. The price chart shows a recent average price of 6,062 Robux and a volume of 39,917 units sold. The original price is listed as N/A.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

66. “Everyone innately responds to social approval.”³⁰ “[B]ut some demographics, in particular teenagers, are more vulnerable to it than others.”³¹ Unlike adults, who “tend to have a fixed sense of self that relies less on feedback from peers,”³² adolescents are in a “period of personal and social identity formation” that “is now reliant on social media” platforms like Roblox.³³

67. And while Roblox says parents can switch off or restrict their children’s spending,

³⁰ Von Tristan Harris, *The Slot Machine in Your Pocket*, Spiegel Int’l (July 27, 2016) <https://www.spiegel.de/international/zeitgeist/smartphone-addiction-is-part-of-the-design-a-1104237.html>.

³¹ *Id.*

³² Zara Abrams, *Why young brains are especially vulnerable to social media*, Am. Psych. Ass’n (Aug. 25, 2022), <https://www.apa.org/news/apa/2022/social-media-children-teens>.

³³ Betül Keles et al., *A systematic review: the influence of social media on depression, anxiety and psychological distress in adolescents*, Int’l J. Adolescence & Youth (202) 25:1, 79-93 (Mar. 3, 2019) https://www.researchgate.net/publication/331947590_A_systematic_review_the_influence_of_social_media_on_depression_anxiety_and_psychological_distress_in_adolescents.

1 Roblox has misled even tech-savvy parents into believing they had prevented their children from
2 reckless spending. For example, parents often believe that children cannot make in-app purchases
3 because they have not linked a credit card to their child’s Roblox account. But because children can
4 make purchases through third-party operators, payments can be made through several platforms
5 where parents have provided payment details, such as PayPal, Google Pay, iTunes, Xbox, Microsoft,
6 Windows, Amazon, etc.³⁴

7 68. Not only does Roblox obscure the real price of in-app purchases on the front end and
8 make it hard for parents to monitor those purchases, its misrepresentations about the safety of its
9 product render those purchases worthless or worth less than bargained for.

10 69. Roblox users reasonably expect to be able to use items purchased through Roblox
11 forever. And those items can be used only in the Roblox virtual world. Thus, the value of those
12 items turns on the value and safety of Roblox. For example, if a parent buys their child a hat for his
13 Roblox avatar, believing that he can safely enjoy Roblox and that hat forever, discovering that
14 Roblox is incredibly unsafe substantially – if not completely – diminishes the hat’s value. Indeed,
15 after learning the truth about Roblox, the parent might never feel comfortable letting their child play
16 Roblox again, rendering the hat worthless.

17 70. Roblox’s marketplace operates unfairly, immorally and unscrupulously by taking
18 advantage of its own misleading statements to promote and capitalize upon spending by parents who
19 believe the platform to be appropriate for their children. It does so by preying on the psychological
20 vulnerabilities of children’s spending habits and punishes parents by creating demand for ever more
21 money being spent on the site.

22 ***d. Plaintiffs Have Seen Firsthand the Falsity of Roblox’s Misrepresentations After***
23 ***Spending Thousands of Dollars***

24 71. Plaintiff Katherine Murphy, a California resident, was introduced to Roblox while
25 setting up her 7-year-old son’s account in January of 2021. At the time of creating the account, Ms.

26 _____
27 ³⁴ *Warning for Parents: Kids Spending thousands of dollars on “free” Roblox games,*
28 ParentsTogether Foundation (June 21, 2021) <https://parents-together.org/warning-for-parents-kids-spending-thousands-of-dollars-on-free-roblox-game/>.

1 Murphy believed the representations Roblox made about the safety of the platform after reading
2 Roblox’s Community Guidelines, and Roblox advertisements.

3 72. Ms. Murphy has witnessed firsthand how drastically different the Roblox platform
4 is from the child-safe environment Roblox has represented it to be. Ms. Murphy has witnessed
5 multiple users send her child abusive and profane messages directly through the Roblox messaging
6 service. One user asked her son to perform virtual oral sex on his avatar in the game. Another user
7 asked her son to show them his genitals, and yet another called him “the N-word”.

8 73. Ms. Murphy has spent over \$4,000 on Roblox with the belief that the platform was
9 a safe environment for her child to learn, play, and develop his expressive creativity for 30 minutes
10 per day, on average. Ms. Murphy would not have spent any amount of money on the Roblox
11 platform if she had known it was an unsafe environment for her child to learn and play.

12 74. Plaintiff Monique Payan, a California resident, was introduced to Roblox by her 9-
13 year-old daughter who has been playing the game since 2019. Ms. Payan allowed her daughter to
14 continue playing the game with the belief that Roblox was a safe environment for her child after
15 reading Roblox’s Community Guidelines, and Roblox advertisements.

16 75. Ms. Payan learned Roblox was not the safe environment it held itself out to be after
17 monitoring her daughter’s account by linking it to her own. Ms. Payan encountered links sent
18 directly to her daughter’s account from multiple other users that redirected to external pornography
19 websites.

20 76. Ms. Payan has spent over \$500 on Roblox with the belief that the platform was a safe
21 environment for her child to learn, play, and develop her expressive creativity for 30 minutes per
22 day, on average. Ms. Murphy would not have spent any amount of money on the Roblox platform
23 if she had known it was an unsafe environment for her child to learn and play.

24 77. Plaintiff Damien Uhl, a California resident, was introduced to Roblox by his 12-year-
25 old daughter who has been playing the game since 2017. Mr. Uhl allowed all three of his children
26 to continue playing the game because he believed that Roblox was a safe environment for his
27 children after reading Roblox’s Community Guidelines and viewing their advertisements.

28 78. Mr. Uhl learned Roblox was not the safe environment it held itself out to be after his

1 daughter described a friend she had made on Roblox. Starting in or around Spring 2021, Mr. Uhl’s
2 daughter formed an online relationship with another Roblox user that held themselves out to be the
3 same age as Mr. Uhl’s daughter. In reality, his daughter’s online friend was a senior woman posing
4 as both a child and the fictitious child’s parent. Upon learning the true nature of his daughter’s
5 Roblox “friend” in or around June 2022, Mr. Uhl searched their Roblox chat history and discovered
6 that the woman was attempting to groom his daughter and persuade her into believing she was of a
7 particular sexual orientation, along with other messages of a sexual nature.

8 79. Mr. Uhl has spent \$3,000 to \$5,000 or more on Roblox with the belief that the
9 platform was a safe environment for his children to learn, play, and develop their expressive
10 creativity for 1-2 hours per day, on average. Mr. Uhl would not have spent any amount of money
11 on the Roblox platform if he had known it was an unsafe environment for his children to learn and
12 play.

13
14 **V. CLASS ACTION ALLEGATIONS**

15 80. Plaintiffs bring their claims individually and on behalf of the following class of:

- 16 a. Nationwide Class: all persons who purchased Defendant’s Robux currency
17 (“Product”) while living in the United States during the applicable statute of
18 limitations (the “Nationwide Class”).
- 19 b. California Subclass: all persons who, while living in the state of California,
20 purchased Defendant’s Product during the applicable statute of limitation (the
21 “California Subclass”); and
- 22 c. Consumer Protection Subclass: all persons who, while living in certain identified
23 states (the “Consumer Protection Subclass States”), purchased Defendant’s Product
24 during the applicable statute of limitations.
- 25 d. The Consumer Protection Subclass States are as follows: California, Connecticut,
26 Illinois, Maryland, Missouri, and New York.

27 81. The following people are excluded from the class and the subclasses: (1) any Judge
28 or Magistrate Judge presiding over this action and the members of their family; (2) Defendants,

1 Defendants’ subsidiaries, parents, successors, predecessors, and any entity in which the Defendants
2 or its parents have a controlling interest and their current employees, officers and directors; (3)
3 persons who properly execute and file a timely request for exclusion from the Class; (4) persons
4 whose claims in this matter have been finally adjudicated on the merits or otherwise released; (5)
5 Plaintiffs’ counsel and Defendants’ counsel, and their experts and consultants; and (6) the legal
6 representatives, successors, and assignees of any excluded persons.

7 ***i. Numerosity & Ascertainability***

8 82. The proposed class contains members so numerous that separate joinder of each
9 member of the class is impractical. Upon information and belief, there are millions of proposed class
10 members.

11 83. Members of the proposed class can be identified through public notice.

12 ***ii. Commonality***

13 84. There are questions of law and fact common to the proposed class. Common

14 85. questions of law and fact include, without limitation:

15 86. Whether Defendants misled reasonable customers;

16 87. Whether Defendants violated state consumer protection laws;

17 88. Whether Defendants were unjustly enriched;

18 89. Damages needed to reasonably compensate Plaintiffs and the proposed class.

19 ***iii. Typicality***

20 90. Plaintiffs’ claims are typical of the proposed class. Like the proposed class,
21 Plaintiffs purchased Robux to obtain digital content.

22 ***iv. Predominance and Superiority***

23 91. The prosecution of separate actions by individual members of the proposed class
24 would create a risk of inconsistent or varying adjudication with respect to individual members,
25 which would establish incompatible standards for the parties opposing the class. For example,
26 individual adjudication would create a risk that Defendants’ statements are found misleading for
27 some consumers, but not other similarly situated consumers.
28

1 92. Common questions of law and fact predominate over any questions affecting only
2 individual members of the proposed class. These common legal and factual questions arise from
3 central issues that do not vary from class member to class member, and which may be determined
4 without reference to the individual circumstances of any particular class member. For example, a
5 common core liability question is whether Roblox made misleading statements about whether its
6 platform prevents children's exposure to inappropriate content and inappropriate communications.

7 93. A class action is superior to all other available methods for the fair and efficient
8 adjudication of this litigation because individual litigation of each claim is impractical. It would be
9 unduly burdensome to separately litigate tens of thousands of individual claims.

10 **CAUSES OF ACTION:**

11 **FIRST CAUSE OF ACTION**

12 **INTENTIONAL MISREPRESENTATION**

13 **(on behalf of Plaintiffs and the Nationwide Class)**

14 94. Plaintiffs incorporate by reference and re-allege each and every allegation set forth
15 above in paragraphs 1 through 89 as though fully set forth herein.

16 95. Plaintiffs bring this count individually and for the Nationwide Class. In the alternative,
17 Plaintiffs bring this cause of action on behalf of themselves and the California Subclass.

18 96. Defendant’s false representations about the Roblox platform which were directed
19 toward the general public, including Plaintiffs, and which Plaintiffs heard or read and reasonably
20 relied on, resulted in economic injury as alleged herein.

- 21 97. Defendant represented to Plaintiffs and the general public that:
- 22 a. It was extremely difficult for children under 13 to be contacted by strangers on the
 - 23 Roblox platform;
 - 24 b. Technological safeguards on the Roblox platform prevent inappropriate (including
 - 25 sexually explicit) attire on Roblox avatars;
 - 26 c. Technological safeguards on the Roblox platform prevent inappropriate content
 - 27 from being visible to users;
 - 28 d. The Roblox platform was at all times “family friendly”;

1 e. The Roblox platform was at all times a “safe space for meeting online friends,
2 chatting, and collaborating on creative projects.”

3 98. Each of these representations was in fact false. Defendant made these
4 misrepresentations knowingly, recklessly, and without regard for their truth.

5 99. In making the representations and posting them on its website and community
6 resource webpages, including in sections directed towards concerned parents, Defendant intended
7 that Plaintiffs and the general public would rely on these representations.

8 100. Plaintiffs did in fact reasonably rely on the representations and, had Plaintiffs known
9 the representations were false, would not have spent any money on the Roblox platform.

10 101. Plaintiffs, in spending money on the Roblox platform for their child’s entertainment,
11 suffered economic harm.

12 102. Plaintiffs were deceived into believing that the representations about the platform
13 were true and, learning that they were false, have suffered economic loss which would not have
14 occurred but for the misrepresentations.

15 103. Plaintiffs’ reliance on Defendant’s misrepresentations was a substantial factor in
16 causing Plaintiffs’ economic losses.

17 104. Plaintiffs’ reliance on Defendant’s misrepresentations was a proximate and direct
18 cause of Plaintiffs’ economic losses.

19 105. Plaintiffs seek compensatory damages for the economic losses suffered as a result of
20 Defendant’s conduct.

21 **SECOND CAUSE OF ACTION**

22 **NEGLIGENT MISREPRESENTATION**

23 **(on behalf of Plaintiffs and the Nationwide Class)**

24 106. Plaintiffs incorporate by reference paragraphs 1 through 101 as if fully set forth
25 herein.

26 107. Plaintiffs bring this count individually and for the Nationwide Class. In the alternative,
27 Plaintiffs bring this cause of action on behalf of themselves and the California Subclass.
28

1 108. Defendant’s false representations about the Roblox platform which were directed
2 toward the general public, including Plaintiffs, and which Plaintiffs heard or read and reasonably
3 relied on, resulted in economic injury as alleged herein.

4 109. Defendant represented to Plaintiffs and the general public that:

- 5 a. It was extremely difficult for children under 13 to be contacted by strangers on the
6 Roblox platform;
- 7 b. Technological safeguards on the Roblox platform prevent inappropriate (including
8 sexually explicit) attire on Roblox avatars;
- 9 c. Technological safeguards on the Roblox platform prevent inappropriate content
10 from being visible to users;
- 11 d. The Roblox platform was at all times “family friendly”;
- 12 e. The Roblox platform was at all times a “safe space for meeting online friends,
13 chatting, and collaborating on creative projects”.

14 110. Each of these representations were in fact false. Defendant made these
15 representations with no reasonable grounds for believing that the representations were true when
16 Defendant made them.

17 111. In making the representations and posting them on its website and community
18 resource webpages, including in sections directed towards concerned parents, Defendant intended
19 that Plaintiffs and the general public would rely on these representations.

20 112. Plaintiffs did in fact reasonably rely on the representations and, had Plaintiffs known
21 the representations were false, would not have spent any money on the Roblox platform.

22 113. Plaintiffs, in spending money on the Roblox platform for their child’s entertainment,
23 suffered economic harm.

24 114. Plaintiffs were deceived into believing that the representations about the platform
25 were true and, learning that they were false, have suffered economic loss which would not have
26 occurred but for the misrepresentations.

27 115. Plaintiffs’ reliance on Defendant’s misrepresentations was a substantial factor in
28 causing Plaintiffs’ economic losses.

FOURTH CAUSE OF ACTION

VIOLATION OF CALIFORNIA’S UNFAIR COMPETITION LAW

(California Bus. & Prof. Code, §§ 17200 *et seq.*)

(on behalf of Plaintiffs and the California Subclass)

1
2
3
4
5 125. Plaintiffs incorporate by reference paragraphs 1 through 120 as if fully set forth
6 herein.

7 126. California’s Unfair Competition Law, Business and Professions Code § 17200, *et*
8 *seq.*, prohibits any “unlawful, unfair or fraudulent business act or practice” and any “unfair,
9 deceptive, untrue or misleading advertising.”

10 127. By the conduct described in detail above and incorporated herein, Defendant engaged
11 in unfair and deceptive acts in violation of California’s Unfair Competition Law.

12 128. Plaintiffs and those similarly situated were exposed to numerous representations
13 concerning the safeguards on the Roblox platform and the appropriateness of the platform for
14 children.

15 129. These representations were, in fact, untrue and misleading, and each had a likelihood
16 or tendency to deceive or confuse the public. Plaintiffs and those similarly situated were deceived
17 and confused, just as a reasonable consumer would have been deceived and confused.

18 130. Plaintiffs were induced by these representations to spend money on the Roblox
19 platform in reliance of the representations that the platform has effective safeguards, and that the
20 platform was at all times appropriate for children.

21 131. Had Plaintiffs known the representations were in fact false or misleading, Plaintiffs
22 would not have spent money on the platform.

23 132. Defendant engaged in wrongful conduct while at the same time obtaining, under false
24 pretenses, monetary gain from Plaintiffs that would not have been paid had Defendant not engaged
25 in unfair and deceptive conduct.

26 133. Defendant engaged in unfair methods of competition and deceptive acts or practices
27 that were proscribed by law, including the following:
28

- 1 a. In misrepresenting that it was extremely difficult for children under 13 to be
- 2 contacted by strangers on the Roblox platform;
- 3 b. In misrepresenting that technological safeguards on the Roblox platform prevent
- 4 inappropriate (including sexually explicit) attire on Roblox avatars;
- 5 c. In misrepresenting that technological safeguards on the Roblox platform prevent
- 6 inappropriate content from being visible to users;
- 7 d. In misrepresenting that the Roblox platform is at all times “family friendly”;
- 8 e. In misrepresenting that the Roblox platform is a “safe space for meeting online
- 9 friends, chatting, and collaborating on creative projects”;
- 10 f. In engaging in unfair, unconscionable, deceptive, or abusive conduct that creates a
- 11 likelihood of confusion or misunderstanding amongst reasonable consumers;
- 12 g. In engaging in unfair, immoral and unscrupulous conduct in designing a
- 13 marketplace which takes advantage of decision-making vulnerabilities in children
- 14 and adolescents and thereby exacerbates the impact of its misrepresentations.

15 134. Defendant intended for Plaintiffs to rely on their representations and advertisements
16 regarding the Roblox platform in order to achieve monetary gain from Plaintiffs.

17 135. Defendant has a statutory duty to refrain from unfair or deceptive acts or trade
18 practices in the design, development, and promotion of its Roblox platform.

19 136. Had Defendant not engaged in the deceptive conduct described above, Plaintiffs
20 would not have spent any money on the Roblox platform and would not have incurred financial
21 losses.

22 137. Defendant’s deceptive and fraudulent representations and material omissions to
23 Plaintiffs and other consumers constituted unfair and deceptive acts and trade practices in violation
24 of California’s Unfair Competition Law.

25 138. Defendant violated the laws that were enacted to protect consumers against unfair,
26 deceptive, fraudulent and unconscionable trade and business practices and false advertising, by
27 knowingly and falsely misrepresenting aspects of Defendant’s Roblox platform. The
28 misrepresentations were made in marketing and promotional materials which were intended, in part,

1 to induce consumers, such as Plaintiffs, to allow their children to use the Roblox platform and to
2 spend money on the platform.

3 139. The actions and omissions of Defendant alleged herein are uncured or incurable
4 deceptive acts under the statutes enacted in the states to protect consumers against unfair, deceptive,
5 fraudulent and unconscionable trade and business practices and false advertising.

6 140. As a direct and proximate result of Defendant's conduct, Plaintiffs, the putative class
7 members, and members of the general public (including without limitation persons admitted to
8 and/or residing in the facilities, and their family members and/or representatives) have been harmed
9 and continue to be harmed. Accordingly, Plaintiffs and the putative class members are entitled to
10 restitution.

11 141. Plaintiffs and class members were injured as a direct and proximate result of
12 Defendant's conduct because: (a) they would not have paid the purchase price for Roblox's Product
13 if they had known the real price or had known Roblox endangered their children; (b) they overpaid
14 for the Product because the Product was sold at a price premium due to misrepresentations about
15 the safety of Roblox; (c) they would not have bought anything from Roblox had they known the
16 Product endangered their children; or (d) they bought a Product that was, in fact, worthless.

17 142. Additionally, Plaintiffs seek an injunction requiring that Defendant immediately
18 cease acts of unlawful, unfair, and fraudulent business acts or practices as alleged herein, and to
19 enjoin Defendant from continuing to engage in any such acts or practices in the future. Plaintiffs
20 and the putative class members also seek reasonable attorneys' fees, costs and expenses, and all
21 other remedies permitted by law.

22 **FIFTH CAUSE OF ACTION**

23 **VIOLATION OF CALIFORNIA'S FALSE ADVERTISING LAW (FAL)**

24 **(California Bus. & Prof. Code, §§ 17500 *et seq.*)**

25 **(on behalf of Plaintiffs and the California Subclass)**

26 143. Plaintiffs incorporate by reference paragraphs 1 through 138 as if fully set forth
27 herein.

28

1 144. Plaintiffs bring this cause of action on behalf of herself and members of the
2 California Subclass.

3 145. California’s False Advertising Law, Business and Professions Code § 17500, *et seq.*,
4 provides that it is unlawful for “any person, firm, corporation or association, or any employee
5 thereof with intent directly or indirectly to dispose of real or personal property or to perform
6 services, professional or otherwise, or anything of any nature whatsoever or to induce the public to
7 enter into any obligation relating thereto, to make or disseminate or cause to be made or
8 disseminated before the public in this state, or to make or disseminate or cause to be made or
9 disseminated from this state before the public in any state, in any newspaper or other publication,
10 or any advertising device, or by public outcry or proclamation, or in any other manner or means
11 whatever, including over the Internet, any statement, concerning that real or personal property or
12 those services, professional or otherwise, or concerning any circumstance or matter of fact
13 connected with the proposed performance or disposition thereof, which is untrue or misleading, and
14 which is known, or which by the exercise of reasonable care should be known, to be untrue or
15 misleading, or for any person, firm, or corporation to so make or disseminate or cause to be so made
16 or disseminated any such statement as part of a plan or scheme with the intent not to sell that personal
17 property or those services, professional or otherwise, so advertised at the price stated therein, or as
18 so advertised.”

19 146. By the conduct described in detail above and incorporated herein, Defendant
20 disseminated false and misleading statements to the public through advertising devices with the
21 intent to induce consumers into purchasing the Product in violation of California’s False Advertising
22 Law.

23 147. As alleged more fully above, Defendant has falsely advertised its Product by
24 misleadingly representing:

- 25 a. It was extremely difficult for children under 13 to be contacted by strangers on the
26 Roblox platform;
- 27 b. Technological safeguards on the Roblox platform prevent inappropriate (including
28 sexually explicit) attire on Roblox avatars;

- 1 c. Technological safeguards on the Roblox platform prevent inappropriate content
- 2 from being visible to users;
- 3 d. The Roblox platform was at all times “family friendly”;
- 4 e. The Roblox platform was at all times a “safe space for meeting online friends,
- 5 chatting, and collaborating on creative projects.”

6 148. As alleged more fully above, Defendant’s representations and omissions were likely
7 to deceive, and did deceive, Plaintiffs and reasonable consumers. Defendant knew, or reasonably
8 should have known, that its representations and omissions were misleading.

9 149. As alleged in detail above, Defendant’s misrepresentations and omissions were
10 material. Thus, subclass-wide reliance can be inferred.

11 150. As alleged in detail above, Defendant’s representations and omissions were a
12 substantial factor and proximate cause in causing damages and losses to Plaintiffs and subclass
13 members.

14 151. Plaintiffs and class members were injured as a direct and proximate result of
15 Defendant’s conduct because: (a) they would not have paid the purchase price for Roblox’s Product
16 if they had known the real price or had known Roblox endangered their children; (b) they overpaid
17 for the Product because the Product were sold at a price premium due to misrepresentations about
18 the safety of Roblox; (c) they would not have bought anything from Roblox had they known the
19 Product endangered their children; or (d) they bought a Product that was, in fact, worthless.

20 **SIXTH CAUSE OF ACTION**

21 **VIOLATION OF THE CALIFORNIA CONSUMER LEGAL REMEDIES ACT (“CLRA”)**

22 **(California Civil Code §§ 1750 *et seq.*)**

23 **(on behalf of Plaintiffs and the California Subclass)**

24 152. Plaintiffs incorporate by reference paragraphs 1 through 147 as if fully set forth
25 herein.

26 153. Plaintiffs and the class members are “consumers” as defined in California Civil Code
27 § 1761(d).

28 154. Defendant is a “person” as defined under California Civil Code § 1761(c).

1 155. The sale of a digital currency for the acquisition and use of cosmetic items and other
2 in-platform items and in-platform services constitute “services” under California Civil Code §
3 1761(b), and the purchase of those items and services constitutes a “transaction” under California
4 Civil Code § 1761(e).

5 156. Defendant engaged in unfair and deceptive acts and practices which were intended
6 to result in and did in fact result in the sale of goods and/or services.

7 157. Defendant represented to Plaintiffs and the general public that:

- 8 a. It was extremely difficult for children under 13 to be contacted by strangers on the
9 Roblox platform;
- 10 b. Technological safeguards on the Roblox platform prevent inappropriate (including
11 sexually explicit) attire on Roblox avatars;
- 12 c. Technological safeguards on the Roblox platform prevent inappropriate content
13 from being visible to users;
- 14 d. The Roblox platform was at all times “family friendly”;
- 15 e. The Roblox platform was at all times a “safe space for meeting online friends,
16 chatting, and collaborating on creative projects”.

17 158. Each of these representations were false.

18 159. Defendant violated and continues to violate the California Consumer Legal
19 Remedies Act (California Civil Code §§ 1750 *et seq.*) in at least the following respect: in violation
20 of § 1770(a) Defendant’s statements about the Roblox platform were representations that the Roblox
21 platform had characteristics that it did not have. Defendant misrepresented, failed to disclose, and
22 concealed true characteristics of the Roblox platform. It did so knowingly and with the intent to
23 induce Plaintiffs and those similarly situated to spend money on the Roblox Product.

24 160. Plaintiffs and class members were injured as a direct and proximate result of
25 Defendant’s conduct because: (a) they would not have paid the purchase price for Roblox’s Product
26 if they had known the real price or had known Roblox endangered their children; (b) they overpaid
27 for the Product because the Product was sold at a price premium due to misrepresentations about
28

1 the safety of Roblox; (c) they would not have bought anything from Roblox had they known the
2 Product endangered their children; or (d) they bought a Product that was, in fact, worthless.

3 161. Defendant’s conduct was intentional, and the statements were known to be false at
4 the time they were made.

5 162. Accordingly, pursuant to California Civil Code § 1780(a)(2), Plaintiffs, on behalf of
6 themselves and all other members of the California Subclass, seek injunctive relief.

7 163. In accordance with Civil Code section 1782, Plaintiffs gave notice to Defendant of
8 the violations of the CLRA alleged in this FAC and demanded that the Defendant correct or
9 otherwise rectify the issues identified by Plaintiffs. Plaintiffs provided notice and demand in writing
10 by certified or registered mail, return receipt requested, to the Defendant’s principal place of
11 business. Such mailing was completed and received by Defendant 30 days or more prior to the filing
12 of this FAC.

13 164. Having provided the statutory notice, Plaintiffs now seek all relief to which they are
14 entitled under the CLRA, including monetary damages.

15 **SEVENTH CAUSE OF ACTION**

16 **VIOLATIONS OF STATE CONSUMER PROTECTION ACTS**

17 **(on behalf of Plaintiffs and the Multi-State Consumer Protection Subclass)**

18 165. Plaintiffs incorporate by reference paragraphs 1 through 159 as if fully set forth
19 herein.

<u>State</u>	<u>Statute</u>
California	Cal. Bus. & Prof. Code § 17200, and the following; <i>id.</i> §17500, and the following; Cal. Civ. Code §1750 and the following.
Connecticut	Conn. Gen Stat. Ann. § 42- 110, and the following.
Illinois	815 ILCS § 501/1, and the following.
Maryland	Md. Code Ann. Com. Law, § 13-301, and the following.
Missouri	Mo. Rev. Stat. § 407, and the following.

1 166. This count is brought on behalf of Plaintiffs and the Consumer Protection Subclass
2 for violations of the following state consumer protection statutes:

3 167. Each of these consumer protection statutes prohibits unfair, unconscionable, and/or
4 deceptive acts or practices in the course of trade or commerce or in connection with the sales of
5 goods or services to consumers.

6 168. The acts, practices, and misrepresentations by Defendants described above,
7 occurring in the course of conduct involving trade or commerce, constitute unfair methods of
8 competition and unfair or deceptive acts or practices within the meaning of each of the above
9 enumerated statutes.

10 169. As alleged above, Defendant’s conduct, including its misrepresentations about the
11 safety of Roblox, was a substantial factor in Plaintiffs’ decision to allow their children to play
12 Roblox and purchase the Product.

13 170. Plaintiffs and class members were injured as a direct and proximate result of
14 Defendant’s conduct because: (a) they would not have paid the purchase price for Roblox’s
15 Product if they had known the real price or had known the Roblox platform endangered their
16 children; (b) they overpaid for the Product because the Product was sold as a price premium due to
17 misrepresentations about the safety of Roblox; (c) they would not have bought anything from
18 Roblox had they known the Product endangered their children; or (d) they bought a Product that
19 was, in fact, worthless.

20 171. In this way, Plaintiffs and the members of the proposed Subclass have suffered an
21 ascertainable loss, in an amount to be determined at trial.

22 ///

23 ///

24 ///

25

26

27

28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demand judgment against Defendant for the above-referenced claims and causes of action, and as follows:

- 1. Compensatory damages in the form of past economic losses;
- 2. Restitution and disgorgement of profits wrongfully gained;
- 3. Pre-judgment interest;
- 4. Post-judgment interest;
- 5. Injunctive relief enjoining Defendant from:
 - a. continuing to make the false statements identified in this FAC;
 - b. continuing to falsely advertise; and
 - c. continuing to engage in unfair and unlawful business practices;
- 6. All available relief under the California Consumer Legal Remedies Act;
- 7. Awarding Plaintiffs’ reasonable attorneys’ fees;
- 8. Awarding Plaintiffs the costs of these proceedings; and
- 9. Such other and further relief as this Court deems just and proper.

DEMAND FOR A JURY TRIAL

Plaintiffs hereby demand a trial by jury on all claims so triable.

Date: October 2, 2023

ANDREWS & THORNTON



ROBERT S. SIKO
 ANNE ANDREWS
 SEAN T. HIGGINS
 RYAN MCINTOSH
 4701 Von Karman Ave., Suite 300
 Newport Beach, CA 92660
 Tel (949) 748-1000
 Fax (949) 315-3540
aa@andrewsthornton.com
shiggins@andrewsthornton.com
rsiko@andrewsthornton.com
rmcintosh@andrewsthornton.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

WALSH LAW PLLC
ALEXANDRA WALSH
SAMUEL A. MARTIN
1050 Connecticut Ave NW, Suite 500
Washington, DC 20036
Tel (202) 780-3014
Fax (202) 780-3678
awalsh@alexwalshlaw.com
smartin@alexwalshlaw.com

(Pro Hac Vice forthcoming)