21st JUDICIAL DISTRICT COURT, PARISH OF LIVINGSTON

STATE OF LOUISIANA

NO. 188950

DIVISION

SECTION

STATE OF LOUISIANA, by and through its ATTORNEY GENERAL LIZ MURRIE

VERSUS

ROBLOX CORPORATION

PETITION FOR INJUNCTIVE RELIEF, CIVIL PENALTIES
RESTITUTION, AND OTHER RELIEF

NOW INTO COURT, through undersigned counsel, comes Plaintiff, the State of Louisiana, by and through the Honorable Attorney General Liz Murrill, and respectfully submits the following Petition.

I. NATURE OF THE ACTION

- 1. This is an action brought by the State of Louisiana, through its Attorney General, to hold Defendant Roblox Corporation ("Defendant") accountable for the facilitation and distribution of child sexual abuse material ("CSAM") and for the sexual exploitation of Louisiana's minor children through Defendant's interactive online gaming service Roblox ("Roblox").
- 2. Roblox is one of the most popular interactive online gaming platforms, specifically among children. Defendant markets Roblox as the "#1 gaming site for kids and teens" as well as an educational experience for children. Defendant repeatedly assures parents, children, and the public at large that Roblox is safe for children. However, contrary to its assurances, Defendant fails to implement basic safety controls to protect child users and fails to provide notice of the dangers of Roblox.
- 3. For years, Defendant has knowingly enabled and facilitated the systemic sexual exploitation and abuse of children across the United States, including in Louisiana. Through willful disregard and deceptive practices, Defendant has permitted and perpetuated an online environment in which child predators thrive, directly contributing to the widespread victimization of minor children in Louisiana.
- 4. By way of example and to illustrate the urgency and necessity of this action on or about July 15, 2025, in Livingston Parish, Louisiana, law enforcement officers executed a

¹ Roblox, *What Is Roblox*, http://web.archive.org/web/20170227121323/https://www.roblox.com/ (archived Feb. 27, 2017).

search warrant at the residence of an individual suspected of possessing child sexual abuse material. At the time of the arrest, the suspect was actively using the online platform Roblox. Notably, the individual was in possession of and had employed voice-altering technology designed to mimic the voice of a young female, allegedly for the purpose of luring and sexually exploiting minor users of the platform.

- 5. Defendant's deliberate failure to implement effective safety measures to protect child users from well-documented predatory threats, along with its ongoing failure to warn parents and children of the foreseeable dangers posed by its platform, has directly facilitated the widespread sexual exploitation of minors and inflicted severe, lasting harm upon the children of Louisiana.
- 6. The Attorney General of Louisiana, as the chief legal officer of the State and entrusted with the solemn duty to safeguard its citizens from abusive, unlawful, and exploitative corporate conduct, brings this action to seek restitution and/or disgorgement of Defendant's illicit gains, the imposition of civil penalties, recovery of attorneys' fees and costs, injunctive relief, actual damages, and all other remedies, orders, and judgments authorized under Louisiana law.

I. PARTIES

- 7. This action is brought for and on behalf of the sovereign State of Louisiana, by and through its duly elected Attorney General, Liz Murrill. The Attorney General, as chief legal officer of the State, is statutorily authorized to initiate and prosecute any and all suits deemed necessary for the protection of the interests and rights of the State pursuant to La. R.S. §§ 13:5036, 49:257, 51:411, 51:1404, 51:1405, 51:1407 and related statutes and Louisiana law. Specifically, the Attorney General is authorized to initiate and prosecute suits to penalize conduct that constitutes unfair or deceptive trade practices.
- 8. Defendant Roblox Corporation ("Defendant") is a Delaware corporation with its principal place of business in San Mateo, California. Defendant designed, engineered, manufactured, tested, advertised, marketed, distributed, sold and/or otherwise placed into the stream of commerce Roblox. Defendant provides Roblox to all fifty states, including the state of Louisiana. Defendant ratified each and every act or omission alleged herein in proximately causing the injuries and damages alleged herein.

II. JURISDICTION AND VENUE

- 9. This Court has jurisdiction over the State's claims because they arise exclusively under Louisiana Law.
- 10. This Court has personal jurisdiction over Defendant pursuant to La. C.C.P. Art. 6, La. R.S. §§ 13:3201, 51:1407(A), 51:1418 and related statutes because Defendant engages in consumer transactions within the State of Louisiana, purposefully directs and/or directed its actions toward the State of Louisiana, and/or has the requisite minimum contacts within the State of Louisiana needed to permit this Court to exercise jurisdiction.
- Venue is proper in this judicial district pursuant to the La. C.C.P. Art. 42, La. R.S. 51:1407 and related statutes. Defendant is a foreign corporation with no principal place of business in Louisiana but provided Roblox throughout the State of Louisiana and has purposefully directed its activities and availed itself of the laws in the State of Louisiana. The events giving rise to the claims herein arose, in substantial part, through this State, including in this Parish.

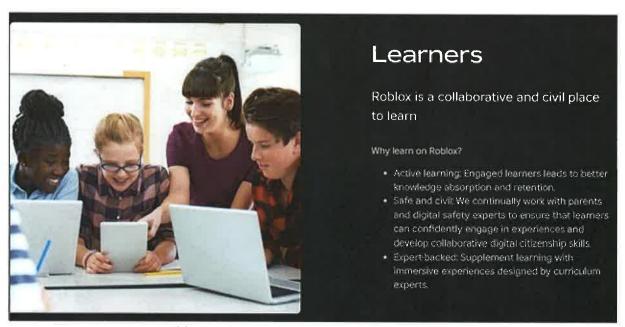
III. FACTUAL ALLEGATIONS

- 12. Launched in 2006, Roblox is an interactive online gaming platform that creates a new category of human interactions. Users can play myriad games on Roblox referred to as "experiences." There are currently more than 6.4 million² experiences within the Roblox ecosystem. Defendant has complete control over the platform hosting the experiences, including but not limited to, warnings associated with the experiences, age verification, age restrictions for each experience, policies and rules regarding inappropriate conduct, monitoring for inappropriate conduct, handling and facilitation of reports of complaints by users, etc.
- 13. Roblox is easily accessible, including to children as young as six years old. It is free to download and play and is available on gaming consoles, computers, tablets, and cellular devices. An account can easily be set up by a child in a matter of minutes without a parent.
- 14. Roblox is designed to be an interactive experience, allowing and encouraging users to communicate and interact with each other in real time. Gameplay interactions, user hubs, direct messaging, and voice chat all promote social interactions between and among users. Roblox's co-founder and CEO David Baszucki has explained that his vision is for Roblox to bring about "the next phase of human interaction," which he also has described as "a new category of human

² Roblox, *Home Page*, https://corp.roblox.com/ (last visited May 5, 2025).

coexperience."³ Defendant has similarly explained that it "operates a human co-experience platform . . . where users interact with each other to explore and develop immersive, user generated, 3D experiences."⁴

15. Defendant designed Roblox for young children. Defendant has marketed Roblox not only as the "#1 gaming site for kids and teens" but also as an educational experience for children. Defendant claims that it provides "new gateways into learning"—from "chemistry to physics to robotics and more, Roblox experiences bring concepts to life in ways that immerse learners and motivate exploration, play, and deep thinking." These offerings, according to Defendant, include "high-quality, standards-aligned, immersive educational experiences designed by curriculum experts."



Roblox webpage - "A New Era of Engaged Learning"

16. Roblox's popularity among children exploded during the pandemic when the it was flooded with millions of new users as children were confined to their homes. By September 2020, roughly 31.1 million people from around the world, more than half of them under 13, were on Roblox daily, making it the world's biggest recreational zone for kids.⁸

³ David Baszucki, Co-founder 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.

⁴ Roblox Corp., 10-Q (Quarterly Report) (Mar. 13, 2021).

⁵ Roblox, *What Is Roblox*, http://web.archive.org/web/20170227121323/https://www.roblox.com/ (archived Feb. 27, 2017).

⁶ Roblox, *A New Era of Engaged Learning*, https://corp.roblox.com/education (last visited May 5, 2025).

⁷ Id

⁸ Roblox Corp., SEC filings as of September 30, 2020, https://www.sec.gov/Archives/edgar/data/1315098/000119312520298230/d87104ds1.htm (last visited May 15, 2025).

- 17. That growth has continued unabated. In Roblox's 2024/2025 Annual Report, the company reports an average of 82.9 million daily active users, with 20% under 9 years of age; 20% from 9-12 years of age; 16% from 13-16 years of age; and 44% at 17 years of age or over.⁹
- 18. Today, Roblox is the most downloaded online game globally, and based on 2023 statistics, the average user spends 2.4 hours a day using Roblox.¹⁰
 - 19. As noted, individuals who wish to play Roblox must first create an account. It is extremely easy to "SIGN UP AND START HAVING FUN!" Users are only required to provide a birthdate, username, and password.
 - 20. Users of any age can create an account. There is no age minimum. Further, Defendant does not require users to verify their age upon sign-up. As such, users can easily represent that they are younger or older than their actual age, making it so, for example, that child predators can pose as children.



Roblox Sign-Up Screen

21. Although Defendant states that children are to have parental permission before signing up for an account, Defendant does not have any safety features in place to prevent children from creating their own accounts and playing on Roblox. Indeed, Defendant does nothing to confirm or document that parental permission has been given, no matter how young a child is. Nor does Defendant require a parent to confirm the age given when a child signs up to use Roblox.

⁹ The 2024 report and 2025 proxy statement will be available May 29, 2025. The report is currently available (https://s27.q4cdn.com/984876518/files/doc_financials/2024/ar/Roblox-2025-Proxy_2024-AR-1-1.pdf). The numbers here reflect the latest report.

¹⁰ BackLinko, *Roblox User and Growth Stats You Need to Know*, https://backlinko.com/roblox-users#average-daily-usage-on-roblox/ (last visited May 5, 2025).

- 22. Defendant has access to biometric age verification software that requires the user to take a photo of a government issued ID along with a real time selfie photo that is then verified through artificial intelligence. However, while Defendant utilizes this software for other purposes, Defendant intentionally does not utilize this feature when new accounts are created. As such, Defendant also still relies on self-reported birthdays for age verification, and Roblox is intentionally and/or recklessly designed to allow users to create accounts using fake birthdays, allowing adults to pose as children and allowing children to easily circumvent the more restrictive controls for account users under the age of 13.
- 23. After creating an account, all users are assigned a default player avatar—a character that represents the individual user within certain games.



Example Default Avatar on Roblox

24. Users can then play in any of the millions of "experiences" on Roblox which are much like video games. These games are sorted into different genres/categories, such as Sports, Role-Playing Games, Fighting, First Person Shooters, Fashion, Horror, Comedy, Military, and Naval. The games recommended to a user will vary based on the age the user entered when generating their account and Defendant's algorithm that recommends games to the user.



Examples of Games Available on Roblox

- 25. Prior to November 2024, when a child created an account, the default setting was for parental protections to be turned off. As a result, if a child made their own account and listed their age as 13 or older, then any "experience" was available to that child.
- 26. Further, until November 2024, Defendant's default setting for Roblox allowed adults to easily communicate with children. Adult strangers could "friend" and chat with a child of any age via direct (*i.e.*, private) message and invite a child to a private server or other "experiences" on the platform. And after entering an experience, users could chat with other users in the experience, whether or not they are friends. That is, the option to disable chat with strangers in experiences was turned off by default.
- 27. Now, under Roblox's default settings, adults cannot directly message children under 13, outside of "experiences." However, messaging can still be done from within the "experiences," as well as voice chatting. Further, children under 13 can still receive friend requests from within the "experiences." As such, despite these recent changes, Roblox continues to make children highly vulnerable to predators.
- 28. Defendant generates revenue, in part, by selling users a platform-exclusive currency called "Robux," which must be purchased using real-world currency before exchanging "Robux" or digital content in the closed digital economy. Robux can be purchased in a single transaction, or a user may subscribe to receive Robux on a recurring basis with a Roblox Premium membership. Defendant also offers Robux gift cards that anyone can purchase and send to any user.
- 29. Children frequently become obsessed with purchasing or otherwise obtaining Robux to buy items for their avatars and to spend in their favorite experiences on Roblox. In Defendant's Avatar Store, for example, the company sells "rare" items at astronomical prices, such as a type of hair for an avatar, which children seek to purchase to keep up with or outdo their peers on Roblox. As a result, children often tell others, including strangers, that they will do "Anything for Robux." 11
- 30. Defendant's success and continued growth has hinged on its constant assurances to parents that Roblox is safe for children. 12 Defendant has done so throughout its history and in

¹¹ Olivia Carville & Cecilia D'Anastasio, *Roblox's Pedophile Problem*, Bloomberg Businessweek (Jul. 23, 2024), https://www.bloomberg.com/features/2024-roblox-pedophile-problem/.

¹² 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-aboutinappropriate-content-t235027.

every forum possible—on its website, through public promises of its highest executives, in news articles, on podcasts, and on and on.

- 31. Over the years, Defendant has repeatedly represented that Roblox is safe for children and has misrepresented the safety controls it has in place. As early as 2007, Defendant's website assured parents that Roblox is an "online virtual playground . . . where kids of all ages can safely interact, create, have fun, and learn." ¹³
- 32. From 2008 to 2016, Defendant's website continued to promise parents, "We take every precaution possible to make sure kids are protected from inappropriate and offensive individuals as well as from indecent and distasteful content." ¹⁴



Screenshot from a Roblox Strip Club "Experience" 15

- 33. Defendant also assured parents that it has a zero-tolerance policy for "swearing and obscenities, messages and content of a sexual or violent nature, and any sort of aggressive or threatening communication," and "immediately suspended or permanently expelled" any offenders, which was not accurate.¹⁶.
- 34. Indeed, Defendant has consistently sought to paint Roblox as "family friendly" and safe for children of all ages. In 2017, Defendant began declaring that it "take[s] kids' safety and privacy very seriously" and "strive[s] to continually develop new and innovative

¹³ Roblox, Frequently Asked Questions (FAQs),

https://web.archive.org/web/20071105104643/http://www.roblox.com/Parents/FAQs.aspx (archived Nov. 5, 2007).

¹⁴ Roblox, Keeping Kids Safe,

https://web.archive.org/web/20080501101437/http://www.roblox.com/Parents/KeepingKidsSafe.aspx (archived May 1, 2008); see also Roblox, Information for Parents,

https://web.archive.org/web/20160131063648/http://corp.roblox.com/parents (archived Jan. 31, 2016).

¹⁵ The Times, *Nazi sex parties hosted on children's game Roblox* (Feb. 16, 2022), https://www.thetimes.com/life-style/sex-relationships/article/nazi-sex-parties-hosted-on-childrens-game-roblox-s9vktzxx0.

technologies that will protect the safety of our community while allowing players to imagine, create, and play together in a family- friendly environment."¹⁷

35. Defendant similarly has advertised Roblox as "a safe, moderated place to meet, play, chat, and collaborate on creative projects." ¹⁸

As the largest growing social platform for play, Roblox gives players a safe, moderated place to meet, play, chat, and collaborate on creative projects. If so inclined, they can even go on to learn how to build and code immersive experiences for others, all at their own pace.



Excerpt from Roblox Parent's Guide in 2017

36. Again in 2023, Defendant assured parents that it "continually develop[s] cutting-edge technologies to ensure that the Roblox platform remains a safe and fun space for players all over the world." Defendant claimed that the company was "dedicated to working together with parents and digital safety experts to promote a family-friendly environment that allows all players to imagine, create, and play online." Defendant emphasized that it is "committed to ensuring that Roblox is a safe and fun place for everyone." According to Defendant, it "goes above and beyond to foster an environment where people of any age can create, play, learn, and imagine safely. We've kept children's privacy and safety top-of-mind when designing our platform, especially through the implementation of advanced text filters that block inappropriate language or other unsafe content." 22

37. Defendant's website today contains similar assurances. It claims, "Safety is in our DNA: when Dave Baszucki and Erik Cassel launched Roblox in 2006, they spent a few hours each day with the community, helping to ensure that Roblox was a safe and welcoming

¹⁷ Roblox, Parents' Guide, https://web.archive.org/web/20170716032712/https://corp.roblox.com/parents/, (archived Jul. 16, 2017).

¹⁸ Id.

 $^{^{19}}$ Roblox, For Parents, https://web.archive.org/web/20230405060048/https://corporate.roblox.com/parents/ (archived Apr. 5, 2023).

²⁰ *Id*.

²¹ Roblox, *Roblox FAQ*, https://web.archive.org/web/20230328011957/https://corporate.roblox.com/faq/ (archived Mar. 28, 2023).

²² Roblox, *Roblox & User Data FAQ*, https://en.help.roblox.com/hc/en-us/articles/4406238486676-Roblox-User-Data-FAQ (last visited May 5, 2025).

environment. Safety was their top priority, and they made constant improvements in their moderation, both for content and for communication on the platform."²³

38. According to the current website, Defendant "won't allow language that is used to harass, discriminate, incite violence, threaten others, or used in a sexual context." It touts a "stringent safety system and policies," which includes its "expertly trained team with thousands of members dedicated to protecting our users and monitoring for inappropriate content"; its "safety review of every uploaded image, audio, and video file, using a combination of review by a large team of human moderators and machine detection before they become available on our platform"; and its chat filters for inappropriate content, which "are even stricter" for children under 13 and "include any potentially identifiable personal information, slang etc." 25



Screenshots from Roblox "Experiences" with Nazi and KKK Material²⁶

- 39. These misleading promises and assurances are not confined to Defendant's website. They are repeated in statements by the company's highest executives—including in direct response to concerns raised by parents.
- 40. For example, in 2009, a blogger wrote about blocking Defendant because he doubted its safety for his children. CEO David Baszucki responded to the blogger reassuring him that Defendant flags "obviously offensive content" and removes it, and if "something is marginal, but gets flagged as inappropriate," Roblox "investigate[s] immediately."²⁷

²³ Roblox, Safety Comes First on Roblox, https://corp.roblox.com/safety-civilityresources?section=news&article=safety-comes-first-on-roblox (last visited May 5, 2025).

²⁴ Roblox, *Safety Features: Chat, Privacy & Filtering*, https://en.help.roblox.com/hc/en-us/articles/203313120-Safety-Features-Chat-Privacy-Filtering (last visited May 5, 2025).

²⁵ Roblox, Safety & Civility at Roblox, https://en.help.roblox.com/hc/en-us/articles/4407444339348-Safety-Civility-at-Roblox (last visited Feb. 11, 2025).

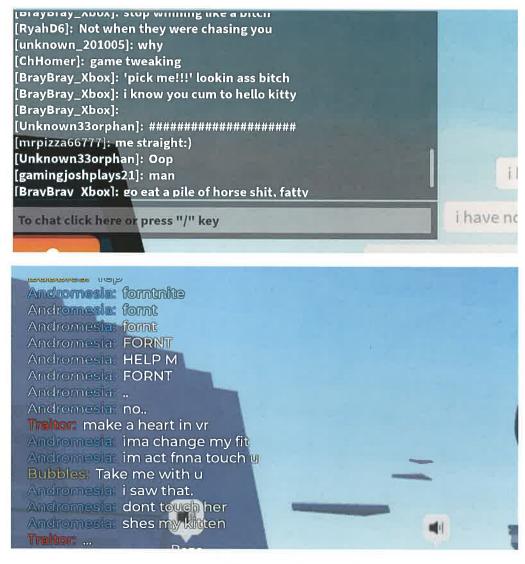
The Times, *Roblox safety failings leave children at risk, claim experts* (Apr. 6, 2025), https://www.thetimes.com/uk/law/article/roblox-kk-swastikas-childrens-safety-fx5n6tcl7.

²⁷ Eric Frenchman, *Revisiting Roblox*, Pardon My French (Oct. 5, 2009), https://pardonmyfrench.typepad.com/pardonmyfrench/2009/10/revisiting-roblox.html.



Screenshot from a Roblox Sex Simulation "Experience" 28

41. In a 2013 *Wired* interview, when asked whether a parent should be concerned about whom his child was chatting with in-game, Baszucki declared, "We take every precaution possible to make sure kids are protected from inappropriate and offensive individuals as well as from indecent and distasteful content," taking a sentence verbatim from Roblox's webpage for parents.²⁹



Examples of Roblox In-Gaming Chat

²⁸ National Center on Sexual Exploitation, *Roblox Isn't All Fun and Games* (Jun. 6, 2023), https://endsexualexploitation.org/articles/roblox-isnt-all-fun-and-games/.

²⁹ Tony Sims, *Interview with David Baszucki, Founder & CEO of Roblox*, Wired (Feb. 7, 2013), https://www.wired.com/2013/02/roblox/.

- 42. Tami Bhaumik, Defendant's current Vice President of Civility & Partnerships, has doubled down on these promises in statements to parenting magazines, news outlets, and podcasts—all aimed at persuading parents to let their children use Roblox. She also has contacted international online safety experts in an effort to sell Roblox's safety story.
- 43. As recently as 2024, Bhaumik told *Parents Magazine* that "[w]e have a responsibility to make sure our players can learn, create, and play safely. This continues to be our most important priority and that will never change."³⁰

Parents

In response to safety concerns, Roblox notes that the platform was designed for kids and teens from the beginning, and they're committed to making safety a priority. "We have a responsibility to make sure our players can learn, create, and play safely," notes Tami Bhaumik, Vice President of Civility & Partnerships at Roblox. "This continues to be our most important priority and that will never change."

- 44. Such statements by Bhaumik date back years. In 2018, Bhaumik told the *Washington Post* that Defendant "focus[es] on making sure that everything is done in a safe and appropriate way." That year, she also claimed to another newspaper that Defendant's "safety team reviews every uploaded image, video, and audio file used within our games to make sure they are safe and age appropriate." She also boasted that Defendant has "created extensive parental controls for our games and a detailed Roblox Parent's Guide that provides information to parents to help create a Roblox experience that's best for their child."
- 45. In 2019, while presenting on a "Digital Civility Panel," Bhaumik emphasized that "[w]e make sure there's a safe environment," citing Defendant's "tremendous reporting system" and "incredible moderation and CS team that reacts very, very quickly." On that same panel—and in contradiction to Defendant's representation that it had always taken "every precaution possible" to protect children, Bhaumik conceded that "digital civility did not exist at Roblox a year

³⁰ Maressa Brown, *Is Roblox Safe for Kids? Here's What the Experts Have to Say*, Parents Magazine (Apr. 29, 2024), https://www.parents.com/kids/safety/internet/is-roblox-safe-forkids/.

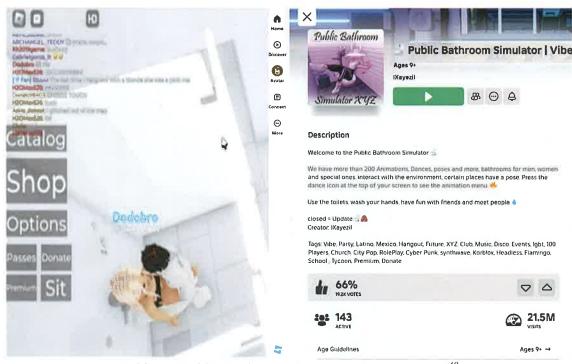
³¹ Hayley Tsukayama, *Roblox, an Online Kids Game, Explains How a Hack Allowed a Character's Virtual 'Rape'*, Wash. Post. (Jul. 17, 2018), https://www.washingtonpost.com/technology/2018/07/17/roblox-an-online-kids-game-explains-how-hack-allowed-characters-virtual-rape/.

Chris Pollard, Danger to Kids Police Warn that Children as Young as Five-Years-Old are Seeing Naked Lego-Type Characters Having Sex on Roblox App, The Sun (Jan. 29, 2018), https://www.thesun.co.uk/news/5445444/roblox-app-children-danger-sex-warning/.

³⁴ YouTube, Digital Civility Panel (Oct. 23, 2019), https://www.youtube.com/watch?v=XoUs1Js7WG0&list=PLcKphP00N1 kCLjvcOWdwbegJkNS L-CuL&index=6.

and a half ago and we established this and made it a movement within our company."³⁵ She added later, "It's still very early days for us. This whole digital civility focus for Roblox is still there, we're just still establishing it."³⁶

46. In a 2022 video interview about safety on Roblox, Bhaumik asserted that Defendant's "number one priority" is "to create a safe, civil, and inclusive community" and that "[s]afety and civility has always been baked into everything that we do."³⁷ That year, on a podcast, she also bragged about Defendant's purported safety protections, including "thousands of human moderators on the front lines" and "machine learning that is constantly taking a look at chat filters."³⁸ With these and other measures, she exclaimed, "[a]ny sort of bad actor that comes onto the platform is dealt with swiftly" and "[w]e remove any content that's reported to us within minutes."³⁹ However, these statements do not reflect reality.



Roblox's Public Bathroom Simulator "Experience" 40

47. In 2023, Matt Kaufman, formerly the Chief Systems Officer for Defendant, was appointed Chief Safety Officer, at which point he too began peddling Defendant's child safety narrative.

³⁵ *Id.*

³⁶ *Id.*

^{* 37} Video Interview with Tami Bhaumik, Roblox's VP of Digital Civility & Partnerships (2022), https://www.facebook.com/bedford.sheriff/videos/roblox-how-to-help-kids-use-itsafelyrobloxs-vp-of-digital-civility-partnerships/1338989609901259/.

³⁸ YouTube, Into the Metaverse, Podcast: EP.21: Tami Bhaumik (Roblox) - Building a Safe & Resilient Metaverse, https://www.youtube.com/watch?v=LT5_bBOYS9A.

³⁹ *Id.*

 $^{^{40}}$ Hindenburg Research, supra note 45.

- 48. In a 2024 blog post on Defendant's website, Kaufman asserted that "Roblox has spent almost two decades working to make the platform one of the safest online environments for our users, particularly the youngest users. Our guiding vision is to create the safest and most civil community in the world." According to Kaufman, "For users under 13, our filters block sharing of personal information and attempts to take conversations off Roblox, where safety standards and moderation are less stringent." A few months later, he added, "Safety is and always has been foundational to everything we do at Roblox."
- 49. In a later blog post, Kaufman touted Defendant's "track record of putting the safety of the youngest and most vulnerable people on our platform first."
- 50. Kaufman also recently told *NPR* that "any time anything happens to a child that puts them at risk is one too many." ⁴⁵
- 51. Defendant's public statements and promises that it has made over the years and continues to make to date are carefully crafted to paint the picture of a digital playground that is safe and appropriate for children. When parents, the press, or child advocates raise questions and concerns, the company's highest executives respond with comforting promises of safety that are empty, patently false, and do not reflect reality.
- 52. This campaign of reassurance masks the truth about Roblox. Far from creating a safe place for children, Defendant designed, built, and maintains Roblox that lacks safety features to protect children from predators and lacks warnings for parents and child users. The end result is that Defendant, through its failure to implement adequate safety features and its failure to provide notice of the danger, provides the perfect place for pedophiles.

⁴¹ Matt Kaufman, Chief Safety Officer, *Driving Civility and Safety for All Users*, Roblox (Jul. 22, 2024), https://corp.roblox.com/newsroom/2024/07/driving-civility-and-safety-for-all-users.

⁴³ Matt Kaufman, Chief Safety Officer, *Major Updates to Our Safety Systems and Parental Controls*, Roblox (Nov. 18, 2024), https://corp.roblox.com/newsroom/2024/11/major-updates-to-our-safety-systems-and-parental-controls.

⁴⁴ Matt Kaufman, Chief Safety Officer, *Scaling Safety and Civility on Roblox*, Roblox (Apr. 4, 2024), https://corp.roblox.com/newsroom/2024/04/scaling-safety-civility-roblox.

⁴⁵ Scott Tong & James Perkins Mastromarino, *Roblox Chief Safety Officer on New Safety Features, Past Cases of Child Abuse on the Platform*, WBUR (Nov. 18, 2024), https://www.wbur.org/hereandnow/2024/11/18/roblox-safety-features.



Screenshot from a Roblox "Experience" 46

Solor Section 1. Secti

17+ (Suitable for ages 17 and older)

13+ (Suitable for ages 13 and older)

9+ (Suitable for ages 9 and older)

All Ages (Suitable for everyone)



Age Restrictions Options and Experience Example

⁴⁶ James Clayton and Jasmin Dyer, *Roblox: The children's game with a sex problem* (Feb. 15, 2022), https://www.bbc.com/news/technology-60314572.

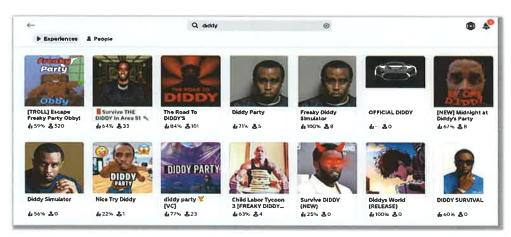
- 54. Because Roblox is deceptive by design, children are exposed to graphic sexual material and the existing safety features are woefully inadequate. For example, Roblox's chat filtering feature is designed to filter inappropriate content and personal information on accounts aged 12 and younger but is less restrictive for accounts aged 13 and above. However, these filters are easily bypassed by obscuring text with alphanumeric combinations (*e.g.*, "D1DDY P13NS"). Not only does this permit a workaround for explicit language, but it also allows players to circumvent filters to request and provide links to external chat services.
- 55. While the experiences on Roblox are created by developers, the tools used by these developers are ones that Defendant designs, controls, and makes available to these third parties. Defendant's tools, which include scripting capabilities, 3D modeling systems, and other software, supply the infrastructure needed to create content for Roblox. Defendant has control over the manner in which these tools are used and has the ability to place limitations and restrictions on them. Instead, however, over the years, Defendant has provided grossly insufficient safety controls and safeguards. The results are deplorable.
- 56. As early as 2010, Defendant had already devolved into hosting and promoting sexually explicit content. Defendant's scripting language, which allows developers to manipulate avatar activity and interactions any way they want, was deployed to create scenarios where avatars engaged in simulated sexual activity.⁴⁷
- 57. This simulated sexual activity pervades Roblox, as Defendant well knows. There have been numerous reports of children's avatars being raped by other users' avatars. For example, in 2018, a seven-year-old girl's avatar was violently raped by two male avatars *on a playground* in a Roblox experience, which was witnessed by the girl's mother.⁴⁸ In describing the aftermath of this traumatic experience, the girl's mother explained, "I never in my wildest dreams would've ever imagined that I would have to talk with my seven-year-old about rape."⁴⁹
- 58. Roblox also hosts a staggering number of experiences centered on simulated sexual activity. For instance, children can play in "condo games"— predatory digital environments, including houses, where users can remove their avatars' virtual clothing, revealing nudity, and

⁴⁷ See, e.g., YouTube, How to Do Roblox Sex Glitch, https://www.youtube.com/watch?v=Zz97Q1SQE_k; see also YouTube, Roblox Sex?, https://www.youtube.com/watch?v=hyqCHG6nUYI.

⁴⁸ Savannah Levins, *North Carolina Mom Outraged After Roblox Game Depicts Violent Acts, Including Rape*, WFMYNews2 (June 30, 2018), https://www.wfmynews2.com/article/news/local/2-wants-to-know/north-carolina-mom-outraged-after-roblox-game-depicts-violent-acts-including-rape/83-569498171.

engage in disturbing simulated sexual activities with other Roblox users.⁵⁰ They can also play games like "Public Bathroom Simulator Vibe," which allows access to users as young as nine years old and enables users to simulate sexual activity in virtual bathrooms, ⁵¹ as well as virtual strip clubs, where child avatars perform sexually explicit acts, like giving lap dances to patrons.⁵²

59. A recent investigative report also exposed a multitude of other exploitative experiences on Roblox that recklessly trivialize and gamify serious criminal conduct, including rape. The report confirmed that Defendant actively hosted over 600 "Diddy" games, with titles like "Survive Diddy," "Run from Diddy Simulator," and "Diddy Party," which appear to recreate reported incidents involving the music mogul Sean Combs, publicly known as "Diddy." Diddy was federally indicted and is underwent trial for sex trafficking of minors and other grievous criminal charges regarding allegations surrounding reports about "freak-off" parties—events which, according to testimony, multiple lawsuits and media reports, allegedly involved forced drug use, violent assaults, and the sex trafficking of minors, including victims as young as 10 years old.⁵³



Examples of Roblox Games Modeled after Diddy's Sex Trafficking Ventures

60. This report also revealed that Defendant was actively hosting more than 900 Roblox accounts displaying variations of convicted sex trafficker Jeffrey Epstein's name, such as "JeffEpsteinSupporter," whose account Defendant knowingly knew was interacting with children on its servers. Defendant also hosted on its severs games like "Escape to Epstein Island," which, again, is a title that directly references one of the locations where for years Jeffery Epstein

⁵⁰ EJ Dickson, *Inside the Underground Strip-Club Scene on Kid-Friendly Gaming Site Roblox*, Rolling Stone (Sep. 12, 2021), https://www.rollingstone.com/culture/culture-features/roblox-virtual-strip-clubs-condo-games-sex-1197237/.

⁵¹ Roblox: Inflated Key Metrics for Wall Street and a Pedophile Hellscape for Kids, Hindenburg Research (Oct. 8, 2024), https://hindenburgresearch.com/roblox/.

⁵² Dickson, *supra* note 47.

⁵³ Hindenburg Research, *supra* note 45.

⁵⁴ *Id*.

trafficked minors and other non-consenting individuals so he and others could sexually and physically abuse them. Defendant has knowingly and recklessly designed, hosted, and enabled an online platform marketed to children with rampant, sexually exploitative experiences.

- 61. As such, Roblox is deceptive and inadequately designed in myriad ways, including but not limited the lack of an actual age verification process, Defendant's failure to ensure age appropriate "experiences," Defendant's deceptive and inadequate monitoring, and Defendant's failure to warn parents and children of the dangers associated with Roblox, including but not limited to Roblox's sexploitation dangers.
- 62. Defendant is fully aware that grossly inappropriate, sexually explicit, and dangerous experiences pervade Roblox, and it allows them to continue to exist unchecked, despite the ability to control and/or eliminate them. Leaked internal Roblox documents reveal that Defendant not only actively monitored this type of content, but it also made decisions such as "[h]ow big of a 'bulge'" was acceptable, and, with the introduction of layered clothing for avatars (*i.e.*, allowing avatars to wear multiple layers of clothing), and whether players could be nude. ⁵⁵ By allowing this type of content to exist and be easily accessible, Defendant designed Roblox with a panoply of games simulating sexual activity, such as condo games and virtual strip clubs.
- 63. The effects of these games on children are devastating. Playing video games with explicit sexual content normalizes exploitative and predatory behavior, blurring the lines of what is acceptable in real life. This is particularly harmful for children, who are still developing their understanding of social norms and morality. When such behavior is depicted as humorous, exciting, or rewarded within a game, young players can internalize the idea that harassment or sexual exploitation is harmless or even acceptable. This environment makes children susceptible to being groomed by predators.
- 64. Studies support this connection. One study found that playing games with sexualized content was linked to increased rates of sexual harassment toward female targets, suggesting that such exposure desensitizes players to the real-world consequences of these actions. Another study showed that playing mature-rated games was associated with higher rates of risky sexual behavior years later, highlighting the long-term impact of exposure to sexualized or exploitative content. ⁵⁶

⁵⁵ Joseph Cox & Emanuel Maiberg, *Leaked Documents Reveal How Roblox Handles Grooming and Mass Shooting Simulators*, Vice (Aug. 1, 2022), https://www.vice.com/en/article/leaked-documents-how-roblox-moderates-content-mass-shootings-grooming/.

⁵⁶ Jay G. Hull, et al., *A Longitudinal Study of Risk-Glorifying Video Games and Behavior Deviance*, J. Pers. Soc. Psychol. 2014 August; 107(2): 300–325, doi:10.1037/a0036058.

- 65. The interactive nature of games amplifies this effect. Unlike passive media, video games require players to actively participate in behaviors, including those that simulate harassment or exploitation, reinforcing the perception that such actions are normal or desirable. This environment not only desensitizes children but also makes them more likely to replicate these actions in real-world interactions and susceptible to grooming techniques.
- 66. The dangerous content on Roblox is not limited to online games. The recent investigative report discussed above found that a basic search for "adult" in Roblox revealed a group with 3,334 members "openly trading child pornography and soliciting sexual acts from minors." And tracking these members unearthed additional Roblox groups engaged in the same criminal conduct, including one massive group with 103,000 members. Yet, Defendant failed to implement any age restrictions on these criminal groups or remove them entirely, deliberately leaving them accessible to all users. S9



Public Chat Wall for a Group Named "Adult Studios," Where Users Openly Solicited Child Sexual Abuse Material

67. Defendant is knowingly and/or recklessly hosting, enabling, and facilitating the creation and distribution of pornographic content. Roblox has been designed to facilitate the creation and distribution of pornographic content by providing tools and software designed to make virtual sex videos between avatars on Roblox. These videos are clearly marked with the rbxl file extension—Defendant's proprietary file format—establishing that this content was created within Roblox. Moreover, on XVideos, a porn website, Roblox users seek out other users to simulate sexual acts within seemingly innocuous games, like Brookhaven, which is one of Roblox's most popular experiences and is available to all users, regardless of age. 60

⁵⁷ Hindenburg Research, *supra* note 45.

⁵⁸ Id.

⁵⁹ Id.

⁶⁰ Id.

- 68. In sum, Roblox that Defendant designed, hosts, and enables contradicts its representations of providing a safe gaming service for minor children, demonstrating Defendant's blatant disregard for the safety of its youngest users, and revealing the company's prioritization of user engagement over its fundamental duty to protect young users.
- 69. For many years, Defendant, through Roblox, has knowingly and/or recklessly served as a conduit for child sexual predators seeking to find, groom, abuse, and exploit children. Roblox creates an environment where children are susceptible to being groomed by predators without any warnings or safeguards. Defendant, through Roblox, knowingly and/or recklessly invites predators to have unsupervised access to tens of millions of children and allows predators to freely move between inappropriate sexualized content and popular games to identify and target vulnerable children. Defendant's failure to implement adequate safeguards and failure to provide notice of the danger for children knowing predators are utilizing it demonstrates reckless indifference to the fundamental obligation not to create and foster an environment that places children at significant risk of sexual exploitation and abuse.
- 70. These systematic patterns of exploitation and abuse on Roblox follow a predictable and preventable sequence that Defendant has known about and facilitated for years: a predator misrepresents his or her age to other users on Roblox, cosplaying as a fellow child, methodically befriends the vulnerable young victim, and then strategically manipulates the child to move the conversation to other apps, such as Snapchat or Discord.



Demonstration of how easy it was for a 42-year-old account to find a child user on Roblox and get the child to move the conversation to Snapchat.

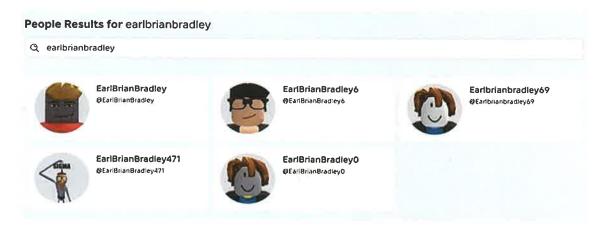
- 71. As the recent *Bloomberg Businessweek* article titled *Roblox's Pedophile Problem* put it, "These predators weren't just lurking outside the world's largest virtual playground. They were hanging from the jungle gym, using Roblox to lure kids into sending photographs or developing relationships with them that moved to other online platforms and, eventually, offline." This conduct by predators is being done opening on Roblox.
- 72. Roblox, in effect, serves as an initial access point to children for predators. Roblox creates the ideal grooming environment for predators. Media reports have repeatedly highlighted that Roblox "is being used as a first point of contact for predators." The children, due to their underdeveloped brains and the overly sexualized content on Roblox, are more trusting and naïve, and do not recognize the danger of providing their usernames on other sites, which Defendant is monitoring and provides no warning to children or their parents about these dangers.
- 73. Once on another app, predators escalate their exploitation and abuse by soliciting explicit material, like nude photos or videos of children doing sexually inappropriate acts, all of which constitute child pornography. And while the ultimate solicitation of explicit photos or other criminal acts may occur on other apps, Roblox serves as the critical facilitator that enables these predators to first identify, target, groom, and gain the trust of young victims through its inadequate safety measures and failure to provide notice of its lack of safety measures.
- 74. Defendant's deceptive gaming service and unregulated profit-driven virtual currency system exposes vulnerable children to sexual exploitation and abuse by predators who trade or extort Robux in exchange for explicit photos from children. Defendant knowingly and/or recklessly permits predators to offer children Robux often in exchange for these explicit photos or demand Robux to avoid publicly releasing previously provided explicit photos, directly tying Defendant's profits to the sexual exploitation of children and child sexual abuse material. Defendant's deceptive gaming service, manipulative reward systems, and social dynamics, is intentionally designed to exploit children's developmental vulnerabilities, creating psychological pressures that predators weaponize for extortion.
- 75. Despite full awareness that Robux is being used to facilitate the generation of unlawful child sexual abuse material, Defendant does not warn children or parents, and Defendant directly profits financially from the generation and distribution of child sexual abuse material.

⁶¹ Carville & D'Anastasio, supra note 10.

⁶² National Center on Sexual Exploitation, *The Dirty Dozen List '24: Roblox, A Mainstream Contributor to Sexual Exploitation*, https://endsexualexploitation.org/roblox/ (last updated Dec. 4, 2024).

- 76. Despite full awareness of how Roblox causes child exploitation, Defendant continues to profit from these tactics by collecting transaction fees on Robux exchanges. Its reckless indifference to the consequences of its deliberately engineered game highlights Defendant's prioritization of profit over the safety and well-being of its child users.
- 77. Defendant's deceptive conduct deliberately permits predators to threaten children with false claims about possessing and potentially releasing explicit photos, coercing young victims into complying with criminal demands. Defendant monitors all online interactions between users. Defendant's monitoring is inadequate, because it is designed to permit and not flag interactions involving blackmail, threats, demands, or exchanging photos or Robux between and/or among users.
- 78. As a result of Defendant's inadequate monitoring, predators openly engage in predatory grooming where these predators employ immediate blackmail tactics, and the predators make no attempt to ingratiate themselves with the children but instead threaten them from the outset. The predator will often threaten to post nude photos of others online but claim that the child victim is the person depicted unless the child complies with the predator's demands. This conduct is done openly on Roblox and is known to Defendant. Indeed, Defendant's monitoring software and human monitors are trained to not flag this conduct.
- 79. Regardless of how the initial grooming relationship begins on Roblox, the predators also often attempt to make in-person contact with the child with the intention of sexually assaulting the child. All conversations and interactions between the predator and the child on Roblox are done openly and monitored by Defendant's inadequate monitoring system. Through numerous well-documented and publicized cases, Defendant has long been aware of the systemic exploitation that Roblox enables and facilitates. For years, countless children have been sexually exploited and abused by predators they met on Roblox.
- 80. The dangerous progression from Roblox's online to real-world sexual violence reveals the devastating consequences of <u>Defendant's deceptive conduct</u>. Roblox is designed to allow predators easy access to children and to use Roblox to groom and lure children from virtual contact to physical meetings, leading to harassment, kidnapping, trafficking, violence, and sexual assault of minors, all instances of which these children suffer as a direct result of Defendant's actions and inactions.

- 81. Through numerous well-documented and publicized cases, Defendant has long been aware that Roblox has enabled and facilitated the systemic sexual exploitation and abuse of children. For years, countless children have been sexually exploited and abused by predators as a result of Defendant's deceptive conduct.
- 82. Many predators do not even hide their intentions, roaming Roblox with usernames like "@Igruum_minors," "@RavpeTinyK1dsJE," and "@EarlBrianBradley"—a reference to one of the most prolific pedophiles ever, who raped and molested hundreds of children. Defendant is aware of these usernames, but Roblox does not flag them or shut them down. Instead, Defendant permits these users to roam the virtual online world openly and interact with young, unsuspecting children without any warning or precautions.



Results from an Account Search for "earlbrianbradley"

- 83. Defendant's systematic endangerment of children has been publicly condemned by leading advocacy organizations. The National Center on Sexual Exploitation ("NCSE") has consistently named Roblox to its "Dirty Dozen" list—an annual campaign exposing companies that facilitate, enable, or profit from sexual exploitation. The NCSE blasts Roblox for "treat[ing] child protection like a game." According to the NCSE, "[u]ntil basic child protection standards are met, Roblox remains too high risk for kids."
- 84. Parent reviews of Roblox on sites like *Common Sense Media* also document disturbing incidents of naked avatars, sexting, simulated sexual assault, and adult predators.⁶⁵
- 85. The harm from this child abuse and exploitation extends beyond the initial victims. Through the inadequate safeguards and failure to provide notice of the danger to children,

⁶⁴ Id.

⁶³ Id.

⁶⁵ Common Sense Media, *Parent Reviews of Roblox*, https://www.commonsensemedia.org/website-reviews/roblox/user-reviews/adult (last visited Feb. 11, 2025).

Defendant has created an abusive ecosystem where former victims—children who were once exploited on Roblox—become teenage perpetrators who then prey upon younger users, making today's victims tomorrow's perpetrators. Indeed, researchers have repeatedly confirmed this victim-victimizer pipeline: when children are exposed to and victimized by sexual content, they are more likely to become desensitized teenagers and adults who then exploit younger users in the same ways. 66 In effect, Defendant contributes to this "raising of" predators who perpetuate the cycle of exploitation.

86. The magnitude of the harm caused by Defendant is devastating. Yet rather than warn parents, Defendant minimizes these dangers through repeated misleading public statements. Defendant's Chief Safety Officer, Matt Kaufman, attempting to deflect attention from serious safety failures, told NPR, "I think we're losing sight of the tens of millions of people where Roblox is an incredibly enriching part of their life."67 And while Kaufman publicly claims that "any time anything happens to a child that puts them at risk is one too many," 68 Defendant simultaneously admitted to investors that it was "unable to prevent all such [inappropriate] interactions from taking place."69 This calculated contradiction between public messaging and private admissions—telling parents that even one incident is unacceptable while simultaneously acknowledging to investors that abuse is inevitable—exposes Defendant's strategy of prioritizing public relations through hollow and misleading public statements over its fundamental duty to protect children.

87. The reason that Defendant is overrun with harmful content and predators is simple: Defendant prioritizes user growth, revenue, and profits over child safety. For years, Defendant has knowingly prioritized these numbers over the safety of children through the actions it has taken and decisions it has made to increase and monetize users regardless of the consequences.

88. From its inception, Defendant has focused on growth above all else, which has meant deliberately targeting, exploiting, and capitalizing on the underdeveloped child market, positioning

Between Being a Victim and Becoming a Perpetrator, British J. Psychiatry, 179, 6, 482-494 (Dec. 2001), https://doi.org/10.1192/bjp.179.6.482.

 $^{^{66}}$ James RP Ogloff, et al., Child Sexual Abuse and Subsequent Offending and Victimisation: A 45 Year Follow-Up Study, Trends & Issues in Crime & Criminal Justice, No. 440 (Jun. 2012), https://www.aic.gov.au/sites/default/files/2020-05/tandi440.pdf; M. Glasser, et al., Cycle of Child Sex Abuse: Links

⁶⁷ Scott Tong & James Perkins Mastromarino, Roblox Chief Safety Officer on New Safety Features, Past Cases of Child Abuse on the Platform, WBUR (Nov. 18, 2024), https://www.wbur.org/hereandnow/2024/11/18/robloxsafety-features. ⁶⁸ *Id.*

⁶⁹ Roblox Corp., S-1 (Securities Registration Statement) (Nov. 19, 2020).

itself as a place where kids can learn and play games in a safe environment. Recognizing that children have more free time, underdeveloped cognitive functioning, and diminished impulse control, Defendant has exploited their vulnerability to lure them to Roblox.

- 89. Defendant's business model allowed the company to attract significant venture capital funding from big-name investors like Kleiner Perkins and Andreessen Horowitz, putting enormous pressure on the company to prioritize growing and monetizing its users. To do so, Defendant made deliberate decisions to prioritize increasing user statistics at any cost, including putting children at risk. For example, while other gaming services verified the ages of children and restricted access if a child fell below a certain age, Defendant welcomed and encouraged children of any age, implementing no age-verification safeguards and making signing up for an account easy enough for a six-year-old to do, which allowed even the youngest and most vulnerable to join.
- 90. In 2021, riding the explosive growth in users generated by the pandemic and the pandemic-driven enthusiasm for technology stocks, Defendant went public at a valuation of \$41 billion, which brought new pressures. To satisfy the scrutiny and demands of public market investors, Defendant, like many unprofitable companies, prioritized rapid growth in revenue and user engagement metrics—like new user acquisition, daily active users, and average hours spent on the app—on the theory that profitability would follow once the business achieved sufficient scale and operating costs decreased as a percentage of revenue.
- 91. In pursuit of growth, Defendant deprioritized safety measures even further so that it could report strong numbers to Wall Street. For instance, Defendant executives rejected employee proposals for parental approval requirements that would protect children on the platform. Employees also reported feeling explicit pressure to avoid any changes that could reduce platform engagement, even when those changes would protect children from predators.⁷⁰
- 92. As one former Roblox employee explained, "You're supposed to make sure that your users are safe but then the downside is that, if you're limiting users' engagement, it's hurting our metrics. It's hurting the active users, the time spent on the platform, and in a lot of cases, the leadership doesn't want that." That same employee added, "You have to make a decision, right? You can keep your players safe, but then it would be less of them on the platform. Or you just

 $^{^{70}}$ Id. (square brackets in the original).

⁷¹ Id

let them do what they want to do. And then the numbers all look good and investors will be happy."⁷²

93. By limiting safety measures, Defendant not only increased its users but also reduced the company's safety expenses as a percentage of its revenue—a key metric for Wall Steet, which views trust and safety costs as detrimental to Defendant's stock performance. Barclays, for example, identified its "downside case" for Defendant's stock as "additional safety investments due to its younger demographic . . . becom[ing] a drag on [earnings] margins." Barclays also wrote that it viewed increased safety costs as a "negative" in Defendant's quarterly earnings.

94. During earnings calls for investors, Defendant frequently addresses questions from analysts about how trust and safety expenditures will evolve over time. Defendant's answers reveal that the company is hyper-focused on reducing its trust and safety expenses as a percentage of its revenue, showing that the company is not investing as much proportionally in trust and safety as the company continues to grow and attract millions of additional users.

95. For example, on Defendant's 2023 fourth quarter earnings call, an analyst praised the "really high level of efficiency" seen in the numbers for infrastructure and trust and safety expenditures and then asked how those figures would evolve over time. In response, Mike Guthrie, Defendant's CFO, emphasized the company's goal of reducing expenses, stating, "cost to serve is the metric that we use and it's the metric that the [infrastructure] team owns . . . they're working hard to drive that down ... like you said, it's about 11% now. Ultimately, with higher efficiency, more use of artificial intelligence, we see that as a high single-digit number over the next few years." He added, "we still think there's more to do there."

96. At other times, Guthrie has reassured investors stating, "look for trust and safety [costs] to scale below linear as we grow" and that Defendant was "quite happy with" trust and safety costs growing "at a lower rate than our bookings growth." 78

⁷² *Id*.

Ross Sandler, Trevor Young & Alex Hughes, *Back on Track Following the 1H Hiccup*, Barclays (Aug. 1, 2024).
 Roblox Corp., Q4 2023 Earnings Call (Feb. 7, 2024).

⁷⁵ *Id.* (emphasis added).

⁷⁶ Id

⁷⁷ Roblox Corp., Q4 2022 Earnings Call (Feb. 15, 2023).

⁷⁸ Roblox Corp., Q3 2022 Earnings Cal (Nov. 8, 2023).

97. Similarly, in the second quarter of 2024, CEO Baszucki highlighted that, "[i]mportantly, our infrastructure and trust and safety expenditures were 8% lower year-on-year."⁷⁹

98. Once public, Defendant also decided to try to attract more adult users to its app—which it had historically touted as the "#1 gaming site for kids and teens." With the market for underage users near saturation, Defendant shifted its growth strategy to attracting older users.

99. In its public offering filings, Defendant identified "age demographic expansion" as a key strategy, explaining that it planned to develop experiences and content that appealed to older users. 81 For Defendant, "aging up" had benefits beyond user growth—it was also more profitable. Older users offered a distinct financial advantage. While children spend more hours on Roblox, they do not "monetize" as well because they are more constrained in their ability to spend. In contrast, older users, who "have more direct control over their spend" and "monetize better," are far more lucrative—an outcome that Defendant said it predicted when it started to target older users. 82

100. Defendant's executives repeatedly emphasized their strategy of "aging up" Roblox to attract older users. At the company's inaugural conference with an investment bank in September 2021, Defendant's CFO, Michael Guthrie, noted that Defendant had achieved "very good penetration of nine-to twelve-year-olds," and was focused on adding users over the age of 13.83 One plan was to "improve the search algorithms such that older users were finding older content," or content tailored to their age-related demographic.84

101. And at its annual Developer Conference, CEO David Baszucki encouraged developers to create experiences for older audiences, explaining that Defendant was rolling out features designed to appeal to older users, including use of real names, screen capture and sharing capabilities, video calls, and relaxed chat moderation.⁸⁵ These decisions, while framed as growth strategies, reflected Defendant's willingness to compromise safety, creating new vulnerabilities and more dangerous circumstances for children in its pursuit of a more profitable, older user base.

⁷⁹ Roblox Corp., Q2 2024 Earnings Call (Aug. 1, 2024).

⁸⁰ Roblox, What Is Roblox, supra note 4.

⁸¹ Roblox Corp., S-1 (Securities Registration Statement) (Nov. 19, 2020).

⁸² Roblox Corp., Q2 2022 Earnings Call (Aug. 10, 2022).

Roblox at Goldman Sachs Communicopia Conference (Sep. 9, 2021), https://ir.roblox.com/events-and-presentations/events/event-details/2021/Goldman-Sachs-Communicopia/default.aspx.
84 Id.

⁸⁵ Roblox Developers Conference 2023 Keynote (Sep. 8, 2023), https://www.youtube.com/watch?v=CwLThCghzA4.

102. Defendant's executives consistently highlighted progress with the company's "aging up" strategy on every quarterly earnings call after this until the second quarter of 2023, when CEO Baszucki declared that Defendant had achieved its goal: "We're no longer talking about aging up. We are a platform for all ages." He also revealed that developers had started to "build specific 17- plus experiences." This progress was praised by Wall Street investment banks, who noted that aged-up experiences were a promising indicator of "potential sustainable growth tailwinds for Roblox," reinforcing the company's pivot toward maximizing profitability. 88

103. Despite Defendant's deliberate targeting of older users, it failed to implement any meaningful restrictions on contact between adult and child users or limit the mature content and experiences it solicited from developers to attract older audiences. When asked by an equity research analyst about aged-13-and-up experiences for older users, CEO Baszucki admitted, "I want to highlight, right now, we don't have any only 13-and-up experiences. We have 28% of the top 1,000 experiences having a majority of 13 plus [users], but those are still experiences that are open to all ages." Similarly, despite urging developers to build experiences intended for users aged 17 and older, Defendant did not implement any access limitations for younger users. Even investors recognized the connection between older users and the increased risks for children, questioning how Defendant planned to prevent inappropriate content from reaching younger users.

104. Not only did Defendant seek to increase adult users while knowing the risks that strategy posed to children, but it also sought to encourage relationships between users. At Defendant's 2023 Developers Conference, CEO Baszucki revealed Defendant's strategy to facilitate "real-life relationships" between users — *i.e.*, dating. While he deliberately avoided the word "dating," he then announced plans to build a gaming service to support it: "I'm not going to use the D word but subsequent[] real-life relationships is going to happen, okay? And we're going to build a platform to support that." "91"

105. By the next year, in 2024, Baszucki explicitly acknowledged this strategy. He first acknowledged that online dating is "edgy" but then mocked his own safety team's concerns about

⁸⁶ Roblox Corp., Q2 2023 Earnings Call (Aug. 9, 2023).

⁸⁷ Id.

⁸⁸ Benjamin Black, et al., *Bookings Back on Track*, Deutsche Bank (Nov. 4, 2024).

⁸⁹ Roblox Corp., Q3 2021 Earnings Call (Nov. 9, 2021) (emphasis added).

⁹⁰ Roblox Corp., Q4 2022 Earnings Call (Feb. 15, 2023).

⁹¹ Roblox Developers Conference 2023 Keynote (Sep. 8, 2023), https://www.youtube.com/watch?v=CwLThCghzA4.

the dangers — "the policy and safety told me [dating and real life relationships] isn't within our current policy right now" — to which the audience shared in laughter.⁹²

106. In short, for years, Defendant has deliberately sacrificed child protection—a longstanding issue for the company—in pursuit of growth and profit. This systematic subordination of child safety to business objectives reflects Defendant's continued choice to maximize its business goals while knowingly exposing children to preventable dangers on Roblox.

107. Defendant's pursuit of growth and profit over child safety is reflected in numerous actions it took or did not take and decisions it made related to the design and safety of Roblox. Had Defendant acted differently, the harm suffered by countless children would not have occurred.

108. Defendant designed Roblox so that anyone can easily communicate with children, creating a virtual world where predators can freely target and groom children. Until November 2024, adult strangers could "friend" and chat with children of any age via direct messages and chat with them in an experience through direct messages even if they were not friends. While Defendant offered some adjustable parental controls for users under the age of 13, these children could bypass those controls simply by creating an alternate account identifying as a 13+ year-old user. By designing Roblox this way, Defendant stripped parents of basic protective options to prevent adult strangers from communicating with their children.

109. This practice contrasts sharply with other gaming services like Nintendo, which use preprogrammed dialogue options to tightly control user interactions.⁹³ By adopting a similar approach, Defendant could have significantly reduced—if not eliminated—the grooming and child abuse facilitated by Roblox because predators would not have been able to solicit any personal information or send any coercive or sexually suggestive messages.

Defendant further endangered children by introducing voice calls in November 2023. Called "Roblox Connect," this virtual call feature allows users to have a conversation through their avatars in real time. Concerns were immediately raised about this feature. For example, one user emphasized, "This is a bad idea Roblox, and especially on your platform because this is where most predators are coming from, and it makes it way easier for predators to prey on children." 94

⁹² Roblox Developers Conference 2024 Keynote (Sep. 6, 2024), https://www.youtube.com/watch?v=HwbcWc2CwnM.

⁹³ Carville & D'Anastasio, *supra* note 10.

⁹⁴ Josh Taylor, *Roblox Under Fire After Adding Controversial Voice Call Feature*, Dexerto (Nov. 15, 2023), https://www.dexerto.com/roblox/roblox-under-fire-after-adding-controversial-voice-call-feature-2384564/.

111. As Defendant contemplated and rolled out Roblox Connect, it knew that this feature would drastically increase the risk to children on Roblox. That is because another company had implemented a similar feature with disastrous consequences. Omegle was a chat website that operated from 2009 to 2023. Omegle allowed users, including children, to engage in anonymous chats with strangers. In March 2010, Omegle introduced a video-chat feature. Despite efforts to monitor for mature and sexual content, the website became infamous for exposing minors to explicit material, predators, and exploitation. Omegle's failure to protect users led to numerous incidents, including criminal cases involving child sexual abuse material. In November 2023, the same month Defendant launched Roblox Connect, Omegle announced that it would cease operations. In shutting down, its founder highlighted the site's misuse: "[T]here can be no honest accounting of Omegle without acknowledging that some people misused it, including to commit unspeakably heinous crimes." And he thanked one survivor for "opening my eyes to the human cost of Omegle." Nevertheless, Defendant introduced voice calls the same month that Omegle shut down.

112. Defendant also refused to implement simple measures that would have protected children using Roblox. For example, despite having the ability to require basic identity verification, Defendant instead chose to allow users to create accounts without providing their name or email address — a policy that enables predators to easily create multiple anonymous accounts.

email addresses and obtain parental approval — a fundamental protection against predators — but refused to do so. This decision allowed the company to bypass certain protections that are mandated by federal law and designed to protect children. The Children's Online Privacy Protection Act ("COPPA") prohibits companies like Defendant from collecting, using, or disclosing the personal information of children under 13 without verifiable parental consent. COPPA was enacted because Congress recognized the heightened vulnerability of children on the internet. As the Federal Trade Commission ("FTC") noted the limited capacity of children to "understand fully the potentially serious safety and privacy implications" of sharing their personal information.⁹⁷

⁹⁵ Elizabeth Napolitano, *Omegle Shuts Down Online Chat Service Amid Legal Challenges*, CBS News (Nov. 9, 2023), https://www.cbsnews.com/news/omegle-shut-down-chat-service-legal-challenges-lawsuits/?ftag=YHFa5b931b.

⁹⁶ Joe Tidy, *Omegle: 'How I Got the Dangerous Chat Site Closed Down'*, BBC (Nov. 22, 2023), https://www.bbc.com/news/technology-67485561.

⁹⁷ Federal Trade Commission, Privacy Online: A Report to Congress (1998),

114. The FTC has outlined clear and acceptable methods for obtaining verifiable parental consent. These include: (a) providing a form for parents to sign and return; (b) requiring the use of a credit card or online payment that notifies parents of each transaction; (c) connecting parents to trained personnel via video conference; (d) offering a staffed toll-free number for parental verification; (e) asking knowledge-based questions to confirm identity; and (f) verifying a parent's photo-ID by comparing it to a second photo using facial recognition technology. 98

115. Yet instead of implementing safeguards to comply with COPPA, Defendant chose to bypass these protections altogether. Defendant intentionally avoids requesting a name or email address during sign-up to sidestep the requirement of verifiable parental consent. In fact, former employees revealed that Defendant considered requiring verifiable consent, but ultimately resisted its implementation out of fear that such requirements might drive users away. 99 Consequently, creating a Roblox account is alarmingly easy, requiring less than sixty seconds and no meaningful oversight — a choice that prioritizes growth over the safety of its youngest users. 100

116. Another easy-to-implement feature that would have improved safety is adding popup up safety notices within chats and games to warn users about their behavior or the dangerous behavior of others. But Defendant's executives also rejected this change. ¹⁰¹

117. Additionally, although Defendant knew that predators routinely operate dozens of Roblox accounts at the same time, the company chose not to implement basic blocking of digital identifiers — both the unique network addresses that track internet connections (Internet Protocol or IP addresses) and the permanent hardware identification numbers assigned to devices (Media Access Control or MAC addresses) that could prevent predators from creating multiple accounts.

118. Similarly, Defendant chose not to require adult users to verify phone numbers, which would create significant barriers to predators creating multiple accounts, despite knowing that this enables bad actors to easily create numerous anonymous accounts to target children.

119. Defendant also opted not to require users to verify their age by uploading a picture of either their or their parents' ID, a practice that many other applications employ. Doing so would have restricted the content available to young users and prevented predators from

https://www.ftc.gov/sites/default/files/documents/reports/privacy-online-report-congress/priv-23a.pdf.

⁹⁸ Federal Trade Commission, *Complying with COPPA: Frequently Asked Questions*, July 2020, https://www.ftc.gov/business-guidance/resources/complying-coppa-frequently-asked-questions.

⁹⁹ Hindenburg Research, *supra* note 45.

¹⁰⁰ Scott Tong & James Perkins Mastromarino, *Roblox Attempts to Bar Child Predators as Short Sellers Target the Popular Game Platform*, WBUR (Oct. 21, 2024), https://www.wbur.org/hereandnow/2024/10/21/roblox-child-predators-safety.

¹⁰¹ Carville & D'Anastasio, *supra* note 10.

easily mispresenting their age, which is often their approach in targeting and grooming children. As one father told the press after seeing other users solicit his avatar for sex, "There is nothing to stop adults going on there and pretending they're kids." 102

120. Despite these glaring failures, Defendant aggressively markets and promotes itself as an "industry leader" when it comes to child safety. Central to this self-serving narrative is its "accomplishments" of investing in artificial intelligence ("AI") and machine learning systems supposedly designed to scan and monitor all communications on the app and prevent the sharing of inappropriate content and personally identifiable information. 104

121. Yet this technology has proven grossly inadequate and insufficient to protect children. For example, Defendant's filters have inexplicable omissions. While Defendant blocks certain words, like "Snap" and "Snapchat," to supposedly prevent off-app communications, it allows workarounds such as the use of the ghost emoji (), which is widely recognized as a symbol for Snapchat, or alternative spellings, like "Snappy" or "apchat." Similarly, while the word "Discord" is blocked, users can bypass this filter by using the disc emoji () or typing variations, like "iscord" or "cord." That Defendant selectively blocks the words "Snap," "Snapchat," and "Discord" reveals that Defendant is fully aware of the dangers of off-product inappropriate communications yet chooses not to close these loopholes. And while Defendant prevents users from sharing phone numbers in numerical format, it does nothing to stop users from spelling out the numbers. 106

122. Defendant intentionally and/or knowingly has ineffective safeguards in place, allowing experiences that have been removed to be reuploaded almost immediately from a new account, perpetuating the cycle of explicit and harmful content. External groups have capitalized on Defendant's weak moderation by guiding predators to these reuploaded games, with Fast Company easily identifying 150 Discord groups dedicated to exploiting Defendant's lack of enforcement.¹⁰⁷

¹⁰² Carl Stroud, *Horrified Dad Found Sick Messages from Paedo Predator in His Eight-Year Old Son's Roblox iPad Game*, The Sun (Feb. 15, 2017), https://www.thesun.co.uk/news/2872376/horrified-dad-found-sick-messages-from-paedo-predator-in-his-eight-year-old-sons-roblox-ipad-game/.

¹⁰³ Roblox Corp., Q1 2021 Earnings Call (May 11, 2021).

¹⁰⁴ Roblox, Safety Features: Chat, Privacy & Filtering,

https://web.archive.org/web/20240714130904/https://en.help.roblox.com/hc/en-us/articles/203313120-Safety-Features-Chat-Privacy-Filtering (archived Jul. 14, 2024).

¹⁰⁵ Edwin Dorsey, *Problems at Roblox (RBLX) #5*, The Bear Cave (Oct. 17, 2024), https://thebearcave.substack.com/p/problems-at-roblox-rblx-5.

⁰⁶ Id

¹⁰⁷ Burt Helm, Sex, Lies and Video Games: Inside Roblox's War on Porn, Fast Company (Aug. 19, 2020), https://www.fastcompany.com/90539906/sex-lies-and-video-games-inside-roblox-war-on-porn.

employs a woefully inadequate number of human moderators to analyze and manage content on its platform. With only about 3,000 moderators, Defendant pales in comparison to platforms like TikTok, which, despite having only three times the number of users, employs more than ten times the number of moderators at 40,000.¹⁰⁸ Defendant attempts to justify this disparity by claiming "[y]ou really can't judge the quality of these moderation systems by the number of people." But the reality tells a different story. Defendant's moderators, many of them overseas contractors, report being overwhelmed by an unmanageable volume of child safety reports, making it impossible to address all concerns effectively and leaving countless safety issues unresolved.¹¹⁰

124. Even the safety data that Defendant touts is flawed and only underscores the growing dangers created by Roblox. For example, Defendant proudly points to its low percentage of reports to the National Center for Missing and Exploited Children ("NCMEC") — the leading U.S. nonprofit organization tasked with preventing child exploitation and assisting in the recovery of missing children. Defendant claims that it accounts for less than .04% of reports made to NCMEC. But this data is entirely self-reported and therefore depends on Defendant's deliberately ineffective content moderation and safety team. This self-reported data to NCMEC, flawed and limited as it is, also reveals a disturbing trend: Defendant's reports about suspected child sexual exploitation have surged over the years, from 675 reports in 2019 to 13,316 reports in 2023.¹¹¹

125. Defendant also boasts that just "0.0063% of [its] total content was flagged as violating" policies. 112 But Defendant itself controls the systems responsible for identifying and flagging violative content. 113 These lower percentages are thus a reflection not of safety but of Defendant's efforts to minimize the appearance of problems through its own inadequate reporting and enforcement mechanisms. By hiding behind self-serving metrics and refusing to

 $^{^{108}}$ Carville & D'Anastasio, supra note 10.

¹⁰⁹ Scott Tong & James Perkins Mastromarino, *Roblox Chief Safety Officer on New Safety Features, Past Cases of Child Abuse on the Platform*, WBUR (Nov. 18, 2024), https://www.wbur.org/hereandnow/2024/11/18/roblox-safety-features.

¹¹⁰ Carville & D'Anastasio, supra note 10.

¹¹¹ Scott Tong & James Perkins Mastromarino, *Roblox Attempts to Bar Child Predators as Short Sellers Target the Popular Game Platform*, WBUR (Oct. 21, 2024), https://www.wbur.org/hereandnow/2024/10/21/roblox-child-predators-safety.

112 Vikki Blake, *Roblox Reported Over 13,000 Incidents to the National Center for Missing and Exploited Children*

Vikki Blake, Roblox Reported Over 13,000 Incidents to the National Center for Missing and Exploited Children in 2023, GamesIndustry.biz (Jul. 23, 2024), https://www.gamesindustry.biz/roblox-reported-over-13000-incidents-to-the-national-center-for-missing-and-exploited-children-in-2023.

113

Id.

take meaningful action, Defendant has fostered an environment where children are subjected to irreparable harm while the company continues to reap financial rewards.

126. And the very existence of Defendant's trust and safety "data" on inappropriate communications to train its AI systems contradicts its claim that "one is too many" when it comes to the sexual exploitation of children. This data exists only because countless instances of abuse, exploitation, and predatory interactions have already occurred. Defendant's reliance on this data to train its AI systems exposes the reality that its so-called safety measures are not designed to prevent these atrocities. Instead of creating a secure environment where such harm never occurs and ensuring that such interactions never happen in the first place, Defendant uses the suffering and trauma of children as the foundation for its trust and safety systems. This cycle underscores the company's prioritization of optics over genuine protection, leaving its youngest users at the mercy of its neglect.

127. Defendant's own developers even admit that Roblox is unsafe for children.¹¹⁴ Online forum discussion posts are replete with developers writing that they would not allow their own children to use the platform, citing pervasive issues with Defendant's child safety policies. Many of these posts highlight the platform's systemic failures and suggest straightforward changes Defendant could implement to create a safer environment but has consistently ignored, for example:

- a. "Unfortunately, it is worse now due to Roblox's moderation being so abysmal and Roblox being a far more widespread platform. Creeps flock aplenty when before the creep:kid ratio was much much lower... Roblox has no interest in actually fixing the issues so long as the bad press doesn't end up viral." 115
- b. "No. Roblox is not safe for children. The amount of NSFW [Not Safe for Work] I see on this platform on a daily basis is unbelievable. I'm surprised COPPA [Children's Online Privacy Protection Rule] hasn't taken any action." ¹¹⁶
- c. "I believe they need to automatically rate these games for older audiences, if not, you know, removing them entirely. I could keep going on about this issue, but it's just beating a dead horse at this point." 117
- d. "Roblox got banned for bad moderation; Turkey banned it to 'protect children,' and they are not wrong. The amount of visits from 10 of these games is, in summary, 100 million+. I don't want to know how many of these children have seen nudity or even developed a p*rn addiction. But that is a big problem with Roblox doing almost nothing to prevent it." 118

¹¹⁴ Edwin Dorsey, *Problems at Roblox (RBLX) #5*, The Bear Cave (Oct. 17, 2024), https://thebearcave.substack.com/p/problems-at-roblox-rblx-5.

¹¹⁵ *Id.*

¹¹⁶ Id.

¹¹⁷ Id.

¹¹⁸ Id.

128. These statements, coming from individuals familiar with Defendant's operations, paint a picture of an environment rife with neglect, where harmful content flourishes, predators thrive, and Defendant repeatedly fails to act even in the face of widespread and urgent warnings.

129. Only after years of mounting pressure, Defendant recently announced changes to its child safety features. These changes were prompted not by the years of police reports and widespread media coverage but by a scathing report published by a well-known short seller accusing the platform of being a "pedophile hellscape for kids." Released on October 8, 2024, the report sparked public outrage, detailing many of the issues described above that Defendant had long ignored.

130. A little more than a month later, Defendant announced a series of alleged changes, including removing the ability to message others outside of experiences for under 13-year-old users; ¹²⁰ giving parents a separate dashboard where they can monitor a child's Roblox account; viewing the child's friend list; setting spending control; managing screen time; ¹²¹ preventing games from using chalkboard writings where people could get around the censoring of communications; ¹²² and implementing restrictions to stop under 13-year-old users from accessing new Roblox games that are awaiting maturity ratings. ¹²³

131. These changes could all have been implemented years ago. None of them involve any new or groundbreaking technology. Defendant only implemented these changes when its stock was threatened.

132. Further, these changes are little more than window dressing — too little, too late, and woefully inadequate. Most fundamentally, Defendant *still allows* adults to contact and message children. Defendant only banned user-to-user messaging for users under the age of 13 *outside of experiences*. Predators can still message children on public chats while playing games; indeed, Defendant has left child predators' blueprint for finding children on Roblox intact since predators have always found children by playing games they know that children will

¹¹⁹ Hindenburg Research, *supra* note 45.

¹²⁰ Roblox Tightens Messaging Rules for Under-13 Users Amid Abuse Concerns, Reuters (Nov. 18, 2024), https://www.reuters.com/technology/roblox-tightens-messaging-rules-under-13-users-amid-abuse-concerns-2024-11-18/.

¹²¹ Robert Booth, *Roblox to Give Parents More Control Over Children's Activity After Warnings Over Grooming*, The Guardian, (Nov. 18, 2024),

https://www.theguardian.com/technology/2024/nov/18/roblox-to-hand-parents-more-control-over-their-childrens-activity.

¹²² Id.

¹²³ *Id.*

frequent. 124 Defendant also failed to address core issues like Roblox's lack of age verification and refusal to require parental consent to make an account. Defendant did not commit to hiring more content moderators, nor did it implement any sort of identity check to prevent registered sex offenders from making accounts.

133. Further, just as Defendant rolled out these changes, it simultaneously introduced a new "Party" feature in an attempt to counteract any potential loss in user engagement. 125 Because Defendant knew that users often turned to other apps like Discord or Snapchat to communicate while playing games and because Defendant knew that its safety changes would reduce key user engagement metrics, it sought to capture that traffic (and revenue) and replace any loss of engagement with the Party feature. While the Party feature is currently only available for users aged 13 and older, such limitations are hollow without robust age verifications in place. And the fact that Defendant has stated that it is exploring making such a feature available to younger users demonstrates that, far from prioritizing safety, Defendant's real focus is protecting its bottom-line. 126

ostensibly independent online safety organizations to influence the narrative around these changes. For instance, Defendant has leveraged its ties to groups like the Family Online Safety Institute ("FOSI"). An online parenting magazine favorably quoted Stephen Balkam, FOSI's CEO, as endorsing Defendant's new features as a win for child safety. What the article omitted, however, is that Defendant's own Vice President of Civility and Partnerships, Tami Bhaumik, serves as FOSI's board chair — an obvious conflict of interest. This calculated relationship exposes how Defendant manipulates public perception by using seemingly independent safety organizations as mouthpieces to shape the narrative in its favor.

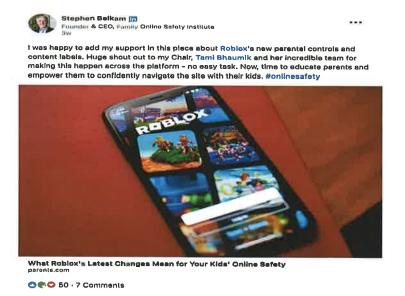
¹²⁴ In an interview with BBC News, a reporter confronted Baszucki with a series of experiences that her 11-year-old son was recommended. One of these included "Late Night Boys and Girls Club RP," which had a maturity rating of "mild." In this experience, players would still be permitted to message each other in the game. Zoe Kleinman, *Gaming Empire: The Roblox Story*, BBC News (March 17, 2025).

https://www.youtube.com/watch?v=LQztK0MCUAc.

125 Rebecca Ruiz, *Roblox's New Party Feature Makes Discord Obsolete*, Mashable (Dec. 2, 2024), https://mashable.com/article/roblox-party-discord.

¹²⁷ Anna Halkidis, *What Roblox's Latest Changes Mean for Your Kids' Online Safety*, Parents (Nov. 18, 2024), https://www.parents.com/roblox-new-parental-controls-8747405.

¹²⁸ FOSI Welcomes Roblox Vice President as New Board Chair, FOSI (Oct. 12, 2022), https://www.fosi.org/about-press/fosi-welcomes-roblox-vice-president-as-new-board-chair/.



Stephen Balkam's LinkedIn post revealing his connection to Roblox in a post praising Roblox's changes. 129

IV. <u>CAUSES OF ACTION</u>

<u>First Cause of Action:</u> <u>Violations of the Louisiana Unfair Trade Practices Act (LUTPA)</u> <u>La. R.S. §51:1401 et seq.</u>

- 135. Plaintiff realleges and incorporates by reference each and every allegation set forth above as though fully alleged herein.
- 136. Plaintiff, the State of Louisiana, on behalf of itself and its citizens, including minor children, seeks injunctive relief, damages, restitution, and other equitable relief such as disgorgement, fees, costs, and penalties against Defendant under the Louisiana Unfair Trade Practices Act, La. R.S. §51:1401, et seq. (LUTPA). Plaintiff maintains that Defendant's business practices described above regarding the inadequate safety controls and failure to provide notice of the risk of predators were and are deceptive, unfair, unscrupulous, oppressive, contrary to established public policy, and substantially injurious to the public, including minor children, and their parents in violation of La. R.S.51:1401 et seq., including but not limited to who used and made purchases on Roblox.
- 137. Citizens of Louisiana who purchased and/or allowed their minor children to make purchases on Roblox are "consumers" under LUTPA.
 - 138. The State of Louisiana is a "person" under LUTPA.
 - 139. Citizens of Louisiana engaged in "consumer transactions" under LUTPA.

¹²⁹ Stephen Balkam's Post, LinkedIn, https://www.linkedin.com/posts/stephenbalkam_what-robloxs-latest-changes-mean-for-your-activity-7264409332950220801-WCDF (last visited Jan. 6, 2025).

- 140. Defendant's repeated and continuing violations of LUTPA include, but are not limited to:
 - Developing and marketing Roblox that lacks safeguards and warning to protect children from predators, with the intention of increasing its usership and, in turn, in-game purchases;
 - Falsely and deceptively marketing and advertising Roblox by misrepresenting Roblox as safe for children when, in fact, it is not;
 - Directing conduct at minor children through Defendant's advertising and marketing; and
 - Omitting, concealing, and suppressing material facts in the advertising and marketing of Roblox as related to the risk of child predators.
- 141. Defendant's unfair acts and practices led consumers to falsely believe that Roblox is safe for children.
- 142. Defendant knew it was leaving this impression and knew it was false. Defendant developed and marketed Roblox that was and is dangerous for child users, because of the risk of predators, with the intention of increasing subscribership and in-game purchases in turn.
- 143. Defendant's continuing and systematic business practices meant to manipulate parents and minor children into believing Roblox was safe, including through material misrepresentations that are likely to mislead reasonable consumers and thus constitute deceptive acts or practices.
- 144. Defendant's continuing and systematic business practices meant to manipulate the public, including minor children, into using Roblox and making in-game purchases and are likely to cause substantial harm to consumers that is not outweighed by any countervailing benefit and which are unethical and against public policy and thus constitutes unfair acts or practices.
- 145. All actions described herein create potential for bodily and financial harm to consumers and further financial harm to the State through the cost of treatment and other public safety concerns related to child predators.
- 146. The practices alleged herein constitute a pattern of unfair and deceptive trade practices in violation of LSA-R.S. 51:1405.
- 147. Pursuant to LSA-R.S. 51:1407(A), the Attorney General has the right to seek injunctive relief to restrain Defendant's violations of the LUTPA.
- 148. Pursuant to LSA-R.S. 51:1407(B) and (C), the Attorney General has the right to seek civil penalties for each violation, including enhanced civil penalties for violations committed with the intent to deceive and for violations committed against disabled person.

- 149. Pursuant to LSA-R.S. 51:1408, the Attorney General may seek any relief necessary to compensate any aggrieved person for any loss resulting from Defendant's violations of the LUTPA, including restitution or equitable relief such as disgorgement.
- 150. As a direct and proximate result of these deceptive practices, the State of Louisiana and its citizens are entitled to preliminary and permanent injunctive relief, ordering Defendant to cease the conduct described herein, as well as mandatory injunctive relief to provide and/or pay for public service announcements, and the implementation of effective and actual safeguards in Roblox to protect children from child predators.
- 151. As a direct and proximate result of these deceptive practices, the State of Louisiana and its citizens have also been damaged and are entitled to recover actual damages, restitution, civil penalties and attorneys' fees to the extent permitted by law in an amount to be proven at trial.
- 152. Defendant's unfair trade practices as described herein are ongoing within Louisiana, and are likely to continue without an injunction.

Second Cause of Action: Negligence and Public Nuisance La. C.C. Arts. 2315 and 2316

- 153. Plaintiff realleges and incorporates by reference each and every allegation set forth above as though fully alleged herein.
- 154. Plaintiff maintains that Defendant's business practices described above regarding the inadequate safety controls and failure to provide notice of the risk of predators were and are negligent, and that through the course of its business practices Defendant has created a public nuisance that gives rise to a claim under the provisions of La. C.C. Arts. 2315 and 2316.
- 155. Defendant has a duty to the public that consumes its products, and its actions fall below the reasonable standard of care. Defendant's negligent actions include, but are not limited to:
 - Developing and marketing Roblox in a way that lacks safeguards and warning to protect children from predators, with the intention of increasing its usership and, in turn, in-game purchases;
 - Negligently marketing and advertising Roblox by misrepresenting Roblox as safe for children when, in fact, it is not;
 - Directing conduct at minor children through Defendant's advertising and marketing without reasonable measures in place to protect such a population of users;
 - Failing to take the reasonable corrective measures available to Roblox to verify ages and identities of users at any time, including following Defendant's knowledge of such abuse of the Roblox interface;

- Failing to hire more content moderators at any time, including following Defendant's knowledge of such abuse of the Roblox interface;
- Failing to prevent registered sex offenders from making accounts at any time, including following Defendant's knowledge of such abuse of the Roblox interface;
- Failing to require parental consent for minors to create an account;
- Failing to fully ban use- to-user messaging for users under the age of 13; and
- Failing to take any reasonable corrective measures whatsoever regarding the known abuse of the Roblox interface until its financial success was threatened through a stock short sale.
- 156. Through these actions, Defendant has created a public nuisance for which it is liable under La. C.C. Art. 2315 and 2316 by creating an abusive and unsafe environment for children: child predators, who have always targeted children by playing games they know that children will frequent, are incentivized to use Roblox due to its lack of safeguards and moderation.

Third Cause of Action: Unjust Enrichment

- 157. Plaintiff realleges and incorporates by reference each and every allegation set forth above as though fully alleged herein.
- 158. Alternatively, in the event the State of Louisiana has no remedy at law against Defendant, the State maintains this action under the principles of unjust enrichment, pursuant to La. Civil Code Article 2298.
- 159. Defendant knowingly sold or caused to be sold Roblox (*i.e.*, through the purchase of the in-game currency, Robux) to citizens of Louisiana in a manner that was unfair, unconscionable, and oppressive.
- 160. As a result of Defendant's wrongful conduct as alleged herein, Defendant has received certain funds to which it was not entitled.
 - 161. By its acts described in this Petition, Defendant
 - 162. has been unjustly enriched at the expense of the State of Louisiana and its citizens.
- 163. Defendant is bound to compensate the consumers of Louisiana to the extent that the Defendant has been unjustly enriched.

V. PRAYER FOR RELIEF

164. WHEREFORE, Plaintiff prays that, in due course, the Court issue a permanent injunctive order against Defendant, including any employees, agents, contractors, and those persons cooperating or participating with them, to restrain, enjoin, and prohibit Defendant from:

- A. Engaging in any activity in violation of LUTPA;
- B. Representing that Roblox has adequate safety features;
- C. Any other provisions that are found to be equitable after a trial on this matter.
- 165. Plaintiff further prays for relief as follows:
- A. In due course, the Court issue and Order that Defendant pay restitution to the State of Louisiana for all expenses reasonably related to its practices described herein through any manner deemed practicable by the Court.
- B. Plaintiff further prays that, in due course, the Court issue and Order requiring Defendant to reimburse the Office of Attorney General for all costs and expenses incurred in the investigation and prosecution of this action, including attorney's fees under LSA-R.S. 51:1408 and 1409.
- C. Plaintiff further prays for all additional civil penalties allowable under law.
- D. Plaintiff further prays for all additional damages allowable under law.
- E. Plaintiff further prays that this Court grant any further relief that it finds justice may require or is otherwise equitable.

JURY DEMAND

Plaintiff, the State of Louisiana, hereby demands a trial by jury on all claims so triable pursuant to La. C.C.P. Art. 1731 and related statutes.

Dated: 8/14/25

Respectfully submitted,

Liz Murrill

Attorney General of Louisiana

EMULA LIZ MUBRILL

ATTOKNEY GENERAL FOR THE STATE OF LOUISIANA

LOUISIANA DEPARTMENT OF JUSTICE

Michael Dupree (No. 26870)

Mike Guy (No. 25406)

John J. Kelley (No. 35506)

Mario Guadamud(No. 20458)

Ryan M. Nolan (No. 37244)

Public Protection Division

1885 North 3rd Street, 4th Floor

Baton Rouge, Louisiana 70802

Telephone: (225) 326-6400 Facsimile: (225) 326-6499

dupreem@ag.louisiana.gov

guym@ag.louisiana.gov

kelleyj@ag.louisiana.gov

guadamudm@ag.louisiana.gov

nolanry@ag.louisiana.gov

PLEASE SERVE VIA THE LOUISIANA LONG ARM STATUTE (LA. R.S. 13:3201-3207 $\it ET$ $\it SEQ.$):

ROBLOX CORPORATION 3150 S. Delaware St. San Mateo, CA 94403