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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF MONTEREY**

C.J., a minor, individually and on behalf of
all others similarly situated,

Plaintiff,

v.

COGNOSPHERE PTE. LTD.,

Defendant.

Case No. 23CV001405

CASE DEEMED COMPLEX

ASSIGNED FOR ALL PURPOSES TO
JUDGE THOMAS W. WILLS

**[PROPOSED] FINAL ORDER AND
JUDGMENT**

Date: January 26, 2024
Time: 8:30 a.m.
Dept.: 15

1 The Court has considered the Class Action Settlement Agreement and Release between
2 Plaintiff C.J. (“Plaintiff”) and Defendant Cognosphere, Pte. Ltd., (“Defendant” or “Cognosphere”),
3 dated May 1, 2023 (“Settlement Agreement”), the motion for an order finally approving the
4 Settlement Agreement, the record in this Action, the arguments and recommendations made by
5 counsel, and the requirements of the law. The Court finds and orders as follows:

6 **I. FINAL APPROVAL OF THE SETTLEMENT AGREEMENT**

7 1. The Settlement Agreement is approved under California Rules of Court Rule 3.769
8 and Code of Civil Procedure § 382. The Court finds that the Settlement Agreement and the
9 Settlement it incorporates appear fair, reasonable, and adequate, and its terms are within the range of
10 reasonableness. The Settlement Agreement was entered into at arm’s-length by experienced counsel
11 after extensive negotiations spanning months, including with the assistance of a third-party mediator.
12 The Court finds that the Settlement Agreement is not the result of collusion.

13 **II. DEFINED TERMS**

14 2. For the purposes of this Final Approval Order and Final Judgment (“Order”), the
15 Court adopts all defined terms as set forth in the Settlement Agreement.

16 **III. NO ADMISSIONS AND NO EVIDENCE**

17 3. This Order, the Settlement Agreement, the Settlement provided for therein, and any
18 proceedings taken pursuant thereto, are not, and should not in any event be offered, received, or
19 construed as evidence of, a presumption, concession, or an admission by any Party or any of the
20 Released Parties of wrongdoing, to establish a violation of any law or duty, an admission that any of
21 the practices at issue violate any laws or require any disclosures, any liability or non-liability, the
22 certifiability or non-certifiability of a litigation class in this case, or any misrepresentation or
23 omission in any statement or written document approved or made by any Party.

24 **IV. JURISDICTION**

25 4. For the purposes of the Settlement of the Action, the Court finds it has subject matter
26 and personal jurisdiction over the Parties, including all Settlement Class Members, and venue is
27 proper.
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1 **V. CLASS CERTIFICATION OF RULE 23(B)(2) CLASS FOR SETTLEMENT**

2 **PURPOSES ONLY**

3 5. The Court finds and concludes that, for the purposes of approving this Settlement
4 Agreement only, the proposed Settlement Class meets the requirements for certification under
5 California Code of Civil Procedure § 382: (a) the Settlement Class is so numerous that joinder of all
6 members is impracticable; (b) there are questions of law or fact common to the Settlement Class; (c)
7 the claims or defenses of the Settlement Class Representative are typical of the claims or defenses of
8 the Settlement Class; (d) Settlement Class Representative and Class Counsel will fairly and
9 adequately protect the interests of the Settlement Class because Settlement Class Representative have
10 no interests antagonistic to the Settlement Class, and have retained counsel who are experienced and
11 competent to prosecute this matter on behalf of the Settlement Class; and (e) the Defendant has acted
12 on grounds that apply generally to the Settlement Class, so that final injunctive relief is appropriate
13 respecting the Settlement Class as a whole.

14 6. The Settlement Agreement was the result of negotiations conducted by the Parties,
15 over the course of multiple months, including with the assistance of a neutral mediator. Settlement
16 Class Representative and Class Counsel maintain that the Action and the claims asserted therein are
17 meritorious and that the Settlement Class Representative and the Class would have prevailed at trial.
18 Defendant denies the material factual allegations and legal claims asserted by the Settlement Class
19 Representative in this Action, maintains that, other than for settlement purposes, a class would not be
20 certifiable under any Rule, and that the Settlement Class Representative and Class Members would
21 not prevail at trial. Notwithstanding the foregoing, the Parties have agreed to settle the Action
22 pursuant to the provisions of the Settlement Agreement, after considering, among other things: (a)
23 the benefits to the Settlement Class Representative and the Settlement Class under the terms of the
24 Settlement Agreement; (b) the uncertainty of being able to prevail at trial; (c) the uncertainty relating
25 to Defendant's defenses and the expense of additional motion practice in connection therewith;
26 (d) obstacles to establishing entitlement to class-wide relief; (e) the attendant risks of litigation,
27 especially in complex actions such as this, as well as the difficulties and delays inherent in such
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1 litigation and appeals; and (f) the desirability of consummating the Settlement promptly in order to
2 provide effective relief to the Settlement Class Representative and the Settlement Class.

3 7. The Court accordingly certifies, for settlement purposes only, a class consisting of all
4 persons in the United States of America who made a purchase in Genshin Impact while under the age
5 of 18. Excluded from the Settlement Class are (i) all Persons who are directors, officers, and agents
6 of Cognosphere or its subsidiaries and affiliated companies or are designated by Cognosphere as
7 employees of Cognosphere or its subsidiaries and affiliated companies; (ii) any entity in which
8 Cognosphere has a controlling interest; and (iii) the Court, the Court's immediate family, and Court
9 staff, as well as any appellate court to which this matter is ever assigned, and its immediate family
10 and staff.

11 **VI. NOTICE**

12 8. Direct notice of the settlement is not required here because the Settlement
13 Agreement only releases claims for injunctive and/or declaratory relief and does not release the
14 monetary or damages claims of the Class, and thus the settlement expressly preserves the individual
15 rights of Class Members to pursue monetary claims against Defendant. Nonetheless, pursuant to the
16 Settlement Agreement, documents pertaining to the Settlement, preliminary approval, and final
17 approval (including Plaintiffs' motion for attorneys' fees and incentive awards and any opposition or
18 reply papers thereto), were posted on Class Counsel's public website. Additionally, Defendant will
19 provide notice of the changes to the Genshin Impact terms of service to Class Members.
20 Specifically, notice that Genshin Impact has new terms of service will be pushed to users (via an in-
21 app notification) for their information and acknowledgement.

22 **VII. CLAIMS COVERED AND RELEASES**

23 9. This Order constitutes a full, final and binding resolution between the Class
24 Representative's Releasing Parties, on behalf of themselves and the Settlement Class Members, and
25 the Released Parties. This Release shall be applied to the maximum extent permitted by law.

26 10. Upon the Effective Date and by operation of this Order, the Settlement Class
27 Representative's Releasing Parties will fully, finally, and forever release, relinquish, and discharge
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1 any and all Settlement Class Representative’s Released Claims, including claims for monetary relief
2 and damages, known and unknown, as well as provide a waiver under California Civil Code Section
3 1542. Settlement Class Representative’s Releasing Parties are forever enjoined from taking any
4 action seeking any relief against the Released Parties based on any Settlement Class Representative’s
5 Released Claims.

6 11. Upon the Effective Date and by operation of this Order, the Releasing Parties will
7 fully, finally, and forever release, relinquish, and discharge the Settlement Class Members’ Released
8 Claims, as well as provide a waiver under California Civil Code Section 1542) including any and all
9 claims for injunctive and/or declaratory relief of any kind or character, at law or equity, known or
10 unknown, preliminary or final, under any other federal or state law or rule of procedure, up until and
11 including the Effective Date, that result from, arise out of, are based on, or relate in any way to the
12 practices and claims that were alleged in the Action, except that, notwithstanding the foregoing, the
13 Releasing Parties do not release claims for monetary relief or damages. The Releasing Parties are
14 forever enjoined from taking any action seeking injunctive and/or declaratory relief against the
15 Released Parties based on any Settlement Class Members’ Released Claims.

16 12. The Settlement Agreement and this Order shall be the exclusive remedy for any and
17 all Released Claims of the Settlement Class Representatives, Settlement Class Members, and
18 Cognosphere.

19 **VIII. INJUNCTIVE RELIEF**

20 13. Cognosphere will agree to include language in substantially the following form in its
21 Terms of Service applicable to U.S. players (currently at
22 <https://genshin.hoyoverse.com/en/company/terms>):

23 a. “You acknowledge and agree that you are not entitled to a refund for any Virtual
24 Currency, except as otherwise required by applicable law.”

25 14. Cognosphere will, in processing any direct requests for refunds of in-game purchases:

26 a. For platforms that process refund requests independently from Cognosphere (e.g.,
27 Apple App Store, Google Play Store, PlayStation Store), in its standard response
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1 redirecting users to those platforms, add language in substantially the following form:
2 “Please note that store refund policies may vary based on the location of user and the
3 age of user, including legal minority, at the time of purchase, as may be required by
4 applicable law,” provided, however, that Cognosphere may include other language as
5 well while redirecting users to those platforms.

- 6 b. For all other platforms , and refund requests for which Cognosphere elects to process
7 itself, in its standard response for U.S. users seeking a refund who indicate that a
8 minor was involved in the situation that led to the refund request, Cognosphere will
9 implement policies to determine whether the in-game purchase was made when the
10 user was a minor without parental consent, except as prohibited by local law.

11 15. Cognosphere will create a public-facing “help page” (or add to existing pages to the
12 extent relevant) referencing assistance with refunds for virtual money and/or virtual goods purchases:

- 13 a. Add specific links to platforms that process refund requests independently from
14 Cognosphere In-App/In-Game Purchase refund policies for reference;
15 b. Add language in substantially the following form: “Please note that store refund
16 policies may vary based on the location of user and the age of user, including legal
17 minority, at the time of purchase, as may be required by applicable law,” provided,
18 however, that Cognosphere may include other language as well while redirecting
19 users to those platforms so long as the additional language does not conflict with the
20 quoted required language in this Paragraph.

21 16. Cognosphere will link to these “help pages” on the website within its FAQ section.

22 17. For all refund requests processed by Cognosphere referenced in ¶ 5(b)(ii),
23 Cognosphere will implement a dedicated process to address refund requests to determine whether a
24 refund is appropriate, which may include, but are not limited to, the following considerations:

- 25 a. reasonable confirmation that the purchaser is a minor;
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- 1 b. The minor’s legal guardian agrees that Cognosphere may terminate the minor’s
2 account and will prohibit future gameplay by the minor and agrees to be financially
3 responsible for any future purchases by the minor;
4 c. Cognosphere may require identification of the minor and the minor’s legal guardian to
5 prevent the minor’s access to further gameplay;
6 d. Cognosphere is not required to provide refunds for purchases made on an adult’s
7 account. The personnel staffing this dedicated process will receive further training
8 regarding how to analyze and process such refund requests in accordance with
9 applicable law.

10 18. As part of the Settlement Agreement, Defendant will train its customer support (“CS”)
11 team to ask questions reasonably understandable to a consumer to (1) determine whether the minor is
12 based in the U.S. and (2) whether the minor is disaffirming the purchases made in the game as part of
13 the CS training process provided for in the Settlement. If it is determined that the minor is seeking to
14 disaffirm, Defendant’s CS team will work with Defendant’s compliance team to refund the caller and
15 shut down the minor’s account.

16 19. The parties will acknowledge that Cognosphere’s refund policies and practices with
17 respect to U.S. minors comply with the California Family Code Sections 6701(c) and 6710.

18 **IX. ATTORNEYS’ FEES AND EXPENSES AND INCENTIVE AWARDS**

19 20. The Court has also considered Plaintiff’s Motion for Attorneys’ Fees, Costs,
20 Expenses, and Incentive Award, as well as the supporting declarations, and adjudges that the
21 payment of attorneys’ fees, costs, and expenses in the amount of \$400,000 is reasonable under
22 California law. *In re Consumer Privacy Cases*, 175 Cal.App.4th 545, 551 (2009); *Wershba v. Apple*
23 *Computer*, 91 Cal.App.4th 224, 254-255 (2001); *Lealao v. Benefit Cal.*, 82 Cal.App.4th 19, 26-34
24 (2000); *Serrano v. Priest*, 20 Cal.3d 25, 34-48 (1977). This award includes Class Counsel’s
25 unreimbursed litigation expenses. Such payment shall be made pursuant to and in the manner
26 provided by the terms of the Settlement Agreement.

1 21. The Court has also considered Plaintiff’s Motion and supporting declarations for an
2 incentive award to the Class Representative, C.J. The Court adjudges that the payment of an
3 incentive award in the amount of \$1,000 to C.J. to compensate her for her efforts and commitment on
4 behalf of the Settlement Class, is fair, reasonable, and justified under the circumstances of this case.
5 Such payment shall be made pursuant to and in the manner provided by the terms of the Settlement
6 Agreement.

7 **X. AUTHORIZATION TO PARTIES TO IMPLEMENT AGREEMENT AND**
8 **MODIFICATIONS OF AGREEMENT**

9 22. By this Order, the Parties are hereby authorized to implement the terms of the
10 Settlement Agreement. After the date of entry of this Order, the Parties may by written agreement
11 effect such amendments, modifications, or expansions of the Settlement Agreement and its
12 implementing documents (including all exhibits thereto) without further approval by the Court if
13 such changes are consistent with terms of this Order and do not materially alter, reduce, or limit the
14 rights of Settlement Class Members under the Settlement Agreement.

15 **XI. TERMINATION**

16 23. In the event that the Settlement Agreement is terminated pursuant to the terms of the
17 Settlement Agreement, (a) the Settlement Agreement and this Order shall become void, shall have no
18 further force or effect, and shall not be used in any action or other proceedings for any purpose other
19 than as may be necessary to enforce the terms of the Settlement Agreement that survive termination;
20 (b) this matter will revert to the status that existed before execution of the Settlement Agreement; and
21 (c) no term or draft of the Settlement Agreement or any part of the Parties’ settlement discussions,
22 negotiations, or documentation (including any briefs filed in support of preliminary or final approval
23 of the Settlement) shall (i) be admissible into evidence for any purpose in any action or other
24 proceeding other than as may be necessary to enforce the terms of the Settlement Agreement that
25 survive termination, (ii) be deemed an admission or concession by any Party regarding the validity of
26 any Released Claim or the propriety of certifying any class against Cognosphere, or (iii) be deemed
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1 an admission or concession by any Party regarding the truth or falsity of any facts alleged in the
2 Action or the availability or lack of availability of any defense to the Released Claims.

3 **XII. RETENTION OF JURISDICTION**

4 24. The Court shall retain jurisdiction over any claim relating to the Settlement
5 Agreement (including all claims for enforcement of the Settlement Agreement and/or all claims
6 arising out of a breach of the Settlement Agreement) as well as any future claims by any Settlement
7 Class Member relating in any way to the Released Claims.

8 **XIII. FINAL JUDGMENT AND DISMISSAL WITH PREJUDICE**

9 25. By operation of this Order, this Action is hereby dismissed with prejudice.

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11 Dated: _____

THOMAS W. WILLS
Judge of the Superior Court