1	BURSOR & FISHER, P.A. L. Timothy Fisher (State Bar No. 191626) 1990 North California Blvd., Suite 940	ELECTRONICALLY FILED BY Superior Court of California, County of Monterey							
2	Walnut Creek, CA 94596	On 03/22/2024							
3 4	Telephone: (925) 300-4455 Facsimile: (925) 407-2700 E-mail: ltfisher@bursor.com	By Deputy: Conder, Perla							
5	Attorney for Plaintiff								
6									
7	SUPERIOR COURT OF THE STATE OF CALIFORNIA								
8	FOR THE COUNTY OF MONTEREY								
9	and the second second								
10	C.J., a minor, individually and on behalf of all	Case No. 23CV001405							
11	others similarly situated,	CASE DEEMED COMPLEX							
12	Plaintiff,	ASSIGNED FOR ALL PURPOSES TO							
13		JUDGE THOMAS W. WILLS							
14	COGNOSPHERE PTE. LTD.,	[BROPOSED] FINAL APPROVAL ORDER AND JUDGMENT							
15	Defendant.	March 22 Date: February 9, 2024							
16		Time: 8:30 a.m. Dept.: 15							
17		Action Filed: May 3, 2023							
18	a de la companya de l La companya de la comp	Trial Date: None Assigned							
19									
20									
20									
22									
23									
24									
25									
26									
27									
28									
		1 APPROVAL ORDER AND JUDGMENT							

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

7

I.

FINAL APPROVAL OF THE SETTLEMENT AGREEMENT

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

14

II.

DEFINED TERMS

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

17

28

III. NO ADMISSIONS AND NO EVIDENCE

This Order, the Settlement Agreement, the Settlement provided for therein, and 18 3. any proceedings taken pursuant thereto, are not, and should not in any event be offered, received, 19 or construed as evidence of, a presumption, concession, or an admission by any Party or any of 20 the Released Parties of wrongdoing, to establish a violation of any law or duty, an admission that 21 any of the practices at issue violate any laws or require any disclosures, any liability or non-22 23 liability, the certifiability or non-certifiability of a litigation class in this case, or any 24 misrepresentation or omission in any statement or written document approved or made by any 25 Party. 26 27

> [PROPOSED] FINAL APPROVAL ORDER AND JUDGMENT

IV.

V.

JURISDICTION

4. For the purposes of the Settlement of the Action, the Court finds it has subject
matter and personal jurisdiction over the Parties, including all Settlement Class Members, and
venue is proper.

5

CLASS CERTIFICATION OF CLASS FOR SETTLEMENT PURPOSES ONLY

6 5. The Court finds and concludes that, for the purposes of approving this Settlement 7 Agreement only, the proposed Settlement Class meets the requirements for certification under 8 California Code of Civil Procedure § 382: (a) the Settlement Class is so numerous that joinder of 9 all members is impracticable; (b) there are questions of law or fact common to the Settlement 10 Class; (c) the claims or defenses of the Settlement Class Representative are typical of the claims 11 or defenses of the Settlement Class; (d) Settlement Class Representative and Class Counsel will 12 fairly and adequately protect the interests of the Settlement Class because Settlement Class 13 Representative have no interests antagonistic to the Settlement Class, and have retained counsel 14 who are experienced and competent to prosecute this matter on behalf of the Settlement Class; 15 and (e) the Defendant has acted on grounds that apply generally to the Settlement Class, so that 16 final injunctive relief is appropriate respecting the Settlement Class as a whole.

17 6. The Settlement Agreement was the result of negotiations conducted by the Parties, 18 over the course of multiple months, including with the assistance of a neutral mediator. 19 Settlement Class Representative and Class Counsel maintain that the Action and the claims 20 asserted therein are meritorious and that the Settlement Class Representative and the Class would 21 have prevailed at trial. Defendant denies the material factual allegations and legal claims asserted 22 by the Settlement Class Representative in this Action, maintains that, other than for settlement 23 purposes, a class would not be certifiable under any Rule, and that the Settlement Class 24 Representative and Class Members would not prevail at trial. Notwithstanding the foregoing, the 25 Parties have agreed to settle the Action pursuant to the provisions of the Settlement Agreement, 26 after considering, among other things: (a) the benefits to the Settlement Class Representative and 27 the Settlement Class under the terms of the Settlement Agreement; (b) the uncertainty of being 28 able to prevail at trial; (c) the uncertainty relating to Defendant's defenses and the expense of

additional motion practice in connection therewith; (d) obstacles to establishing entitlement to
class-wide relief; (e) the attendant risks of litigation, especially in complex actions such as this, as
well as the difficulties and delays inherent in such litigation and appeals; and (f) the desirability
of consummating the Settlement promptly in order to provide effective relief to the Settlement
Class Representative and the Settlement Class.

6 7. The Court accordingly certifies, for settlement purposes only, a class consisting of 7 all persons in the United States of America who made a purchase in Genshin Impact while under 8 the age of 18. Excluded from the Settlement Class are (i) all Persons who are directors, officers, 9 and agents of Cognosphere or its subsidiaries and affiliated companies or are designated by 10 Cognosphere as employees of Cognosphere or its subsidiaries and affiliated companies; (ii) any 11 entity in which Cognosphere has a controlling interest; and (iii) the Court, the Court's immediate 12 family, and Court staff, as well as any appellate court to which this matter is ever assigned, and its 13 immediate family and staff.

14 VI. NOTICE

15 8. Direct notice of the settlement is not required here because the Settlement 16 Agreement only releases claims for injunctive and/or declaratory relief and does not release the 17 monetary or damages claims of the Class, and thus the settlement expressly preserves the 18 individual rights of Class Members to pursue monetary claims against Defendant. Nonetheless, 19 pursuant to the Settlement Agreement, documents pertaining to the Settlement, preliminary 20 approval, and final approval (including Plaintiffs' motion for attorneys' fees and incentive awards 21 and any opposition or reply papers thereto), were posted on Class Counsel's public website. 22 Additionally, Defendant will provide notice of the changes to the Genshin Impact terms of service 23 to Class Members. Specifically, notice that Genshin Impact has new terms of service will be 24 pushed to users (via an in-app notification) for their information and acknowledgement.

25

VII. <u>CLAIMS COVERED AND RELEASES</u>

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

1 Upon the Effective Date and by operation of this Order, the Settlement Class 10. 2 Representative's Releasing Parties will fully, finally, and forever release, relinquish, and discharge any and all Settlement Class Representative's Released Claims, including claims for 3 monetary relief and damages, known and unknown, as well as provide a waiver under California 4 5 Civil Code Section 1542. Settlement Class Representative's Releasing Parties are forever 6 enjoined from taking any action seeking any relief against the Released Parties based on any 7 Settlement Class Representative's Released Claims.

8 Upon the Effective Date and by operation of this Order, the Releasing Parties will 11. 9 fully, finally, and forever release, relinquish, and discharge the Settlement Class Members' 10 Released Claims, as well as provide a waiver under California Civil Code Section 1542, including 11 any and all claims for injunctive and/or declaratory relief of any kind or character, at law or 12 equity, known or unknown, preliminary or final, under any other federal or state law or rule of 13 procedure, up until and including the Effective Date, that result from, arise out of, are based on, 14 or relate in any way to the practices and claims that were alleged in the Action, except that, 15 notwithstanding the foregoing, the Releasing Parties do not release claims for monetary relief or 16 damages. The Releasing Parties are forever enjoined from taking any action seeking injunctive 17 and/or declaratory relief against the Released Parties based on any Settlement Class Members' 18 Released Claims.

19 The Settlement Agreement and this Order shall be the exclusive remedy for any 12. 20 and all Released Claims of the Settlement Class Representatives, Settlement Class Members, and 21 Cognosphere.

- 22

VIII. INJUNCTIVE RELIEF

23 Cognosphere will agree to include language in substantially the following form in 13. 24 its Terms of Service applicable to U.S. players (currently at

25 https://genshin.hoyoverse.com/en/company/terms):

26 27

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

1	14. Cognosphere will, in processing any direct requests for refunds of in-game					
2	purchases:					
3	a. For platforms that process refund requests independently from Cognosphere (e.g.,					
4	Apple App Store, Google Play Store, PlayStation Store), in its standard response					
5	redirecting users to those platforms, add language in substantially the following					
6	form: "Please note that store refund policies may vary based on the location of					
7	user and the age of user, including legal minority, at the time of purchase, as may					
8	be required by applicable law," provided, however, that Cognosphere may					
9	include other language as well while redirecting users to those platforms.					
10	b. For all other platforms, and refund requests for which Cognosphere elects to					
11	process itself, in its standard response for U.S. users seeking a refund who					
12	indicate that a minor was involved in the situation that led to the refund request,					
13	Cognosphere will implement policies to determine whether the in-game purchase					
14	was made when the user was a minor without parental consent, except as					
15	prohibited by local law.					
16	15. Cognosphere will create a public-facing "help page" (or add to existing pages to					
17	the extent relevant) referencing assistance with refunds for virtual money and/or virtual goods					
18	purchases:					
19	a. Add specific links to platforms that process refund requests independently from					
20	Cognosphere In-App/In-Game Purchase refund policies for reference;					
21	b. Add language in substantially the following form: "Please note that store refund					
22	policies may vary based on the location of user and the age of user, including					
23	legal minority, at the time of purchase, as may be required by applicable law,"					
24	provided, however, that Cognosphere may include other language as well while					
25	redirecting users to those platforms so long as the additional language does not					
26	conflict with the quoted required language in this Paragraph.					
27	16. Cognosphere will link to these "help pages" on the website within its FAQ section.					
28						
	6 [TROPOSED] FINAL APPROVAL ORDER AND JUDGMENT					

1	17. For all refund requests processed by Cognosphere referenced in \P 5(b)(ii),						
2	Cognosphere will implement a dedicated process to address refund requests to determine whether						
3	a refund is appropriate, which may include, but are not limited to, the following considerations:						
4	a. reasonable confirmation that the purchaser is a minor;						
5	b. The minor's legal guardian agrees that Cognosphere may terminate the minor's						
6	account and will prohibit future gameplay by the minor and agrees to be						
7	financially responsible for any future purchases by the minor;						
8	c. Cognosphere may require identification of the minor and the minor's legal						
9	guardian to prevent the minor's access to further gameplay;						
10	d. Cognosphere is not required to provide refunds for purchases made on an adult's						
11	account.						
12	18. As part of the Settlement Agreement, Defendant will train its customer support						
13	("CS") team to ask questions reasonably understandable to a consumer to (1) determine whether						
14	the minor is based in the U.S. and (2) whether the minor is disaffirming the purchases made in the						
15	game as part of the CS training process provided for in the Settlement. Specifically, Cognosphere						
16	will train its CS team to implement the following steps in addressing requests to disaffirm						
17	purchases by users:						
18	a. The CS team will determine whether the user is located in the United States via						
19	the user's IP Address or registration;						
20	b. The CS team will attempt to determine, through key words and self-identification,						
21	or by other legitimate and reasonable means, whether the user is a minor seeking						
22	to disaffirm their purchases;						
23	c. If needed, the CS team will confirm whether the purchases were made by a minor						
24	by asking for a form of identification (whether it be a school ID or other						
25	reasonable form of identification);						
26	d. The CS team will determine what platform the user used to make the purchases						
27	they seek to disaffirm; and						
28	e. If the purchases were made on platforms where Cognosphere is able to process						
	7 [PROPOSED] FINAL APPROVAL ORDER AND JUDGMENT						

1	the refunds (e.g., purchases made directly on Cognosphere's website) the CS					
2	team will process the requested refund directly. Alternatively, if the purchases the					
3	user seeks to disaffirm were made while the user played Genshin Impact on a					
4	third-party platform that processes refunds independently from Cognosphere					
5	(e.g., PlayStation Store, the Google Play Store, and the Apple App Store), the CS					
6	team will direct the user to the appropriate platform and, pursuant to paragraph					
7	14(a) of the Settlement Agreement, the CS team will notify the user that "Store					
8	refund policies may vary based on the location of user and the age of user,					
9	including legal minority, at the time of purchase, as may be required by					
10	applicable law."					
11	f. Where the CS team confirms that the user is a minor seeking to disaffirm their					
12	purchases, the CS team will further work with Cognosphere's compliance team to					
13	close the minor's account.					
14	19. The parties will acknowledge that Cognosphere's refund policies and practices					
15	with respect to U.S. minors comply with the California Family Code Sections 6701(c) and 6710.					
16	IX. ATTORNEYS' FEES AND EXPENSES AND INCENTIVE AWARDS					
17	20. The Court has also considered Plaintiff's Motion for Attorneys' Fees, Costs,					
18	Expenses, and Incentive Award, as well as the supporting declarations, and adjudges that the					
19	payment of attorneys' fees, costs, and expenses in the amount of \$400,000 is reasonable under					
20	California law. In re Consumer Privacy Cases, 175 Cal.App.4th 545, 551 (2009); Wershba v.					
21	Apple Computer, 91 Cal.App.4th 224, 254-255 (2001); Lealao v. Benefit Cal., 82 Cal.App.4th 19,					
22	26-34 (2000); Serrano v. Priest, 20 Cal.3d 25, 34-48 (1977). This award includes Class					
23	Counsel's unreimbursed litigation expenses. Such payment shall be made pursuant to and in the					
24	manner provided by the terms of the Settlement Agreement.					
25	21. The Court has also considered Plaintiff's Motion and supporting declarations for					
26	an incentive award to the Class Representative, C.J. The Court adjudges that the payment of an					
27	incentive award in the amount of \$1,000 to C.J. to compensate her for her efforts and					
28	commitment on behalf of the Settlement Class, is fair, reasonable, and justified under the					
	8 [PROPOSED] FINAL 8 APPROVAL ORDER AND JUDGMENT					

circumstances of this case. Such payment shall be made pursuant to and in the manner provided
 by the terms of the Settlement Agreement.

3 4

X. <u>AUTHORIZATION TO PARTIES TO IMPLEMENT AGREEMENT AND</u> <u>MODIFICATIONS OF AGREEMENT</u>

5 22. By this Order, the Parties are hereby authorized to implement the terms of the 6 Settlement Agreement. After the date of entry of this Order, the Parties may by written 7 agreement effect such amendments, modifications, or expansions of the Settlement Agreement 8 and its implementing documents (including all exhibits thereto) without further approval by the 9 Court if such changes are consistent with terms of this Order and do not materially alter, reduce, 10 or limit the rights of Settlement Class Members under the Settlement Agreement.

11

XI. <u>COMPLIANCE HEARING</u>

12 23. The Court sets a compliance hearing for Friday, August 9, 2024 at 8:30 a.m. The
13 Parties shall submit a compliance report with the Court on or before August 2, 2024.

14 XII.

I. <u>TERMINATION</u>

15 In the event that the Settlement Agreement is terminated pursuant to the terms of 24. 16 the Settlement Agreement, (a) the Settlement Agreement and this Order shall become void, shall 17 have no further force or effect, and shall not be used in any action or other proceedings for any 18 purpose other than as may be necessary to enforce the terms of the Settlement Agreement that 19 survive termination; (b) this matter will revert to the status that existed before execution of the Settlement Agreement; and (c) no term or draft of the Settlement Agreement or any part of the 20 21 Parties' settlement discussions, negotiations, or documentation (including any briefs filed in 22 support of preliminary or final approval of the Settlement) shall (i) be admissible into evidence for any purpose in any action or other proceeding other than as may be necessary to enforce the 23 24 terms of the Settlement Agreement that survive termination, (ii) be deemed an admission or 25 concession by any Party regarding the validity of any Released Claim or the propriety of 26 certifying any class against Cognosphere, or (iii) be deemed an admission or concession by any 27 Party regarding the truth or falsity of any facts alleged in the Action or the availability or lack of 28 availability of any defense to the Released Claims.

1000									
1	XIII.	RET	ENTIC	ON OF J	URISDIC	TION			
2	25. The Court shall retain jurisdiction over any claim relating to the Settlement								
3	Agreement (including all claims for enforcement of the Settlement Agreement and/or all claims								
4	arising out of a breach of the Settlement Agreement) as well as any future claims by any								
5	Settlement Class Member relating in any way to the Released Claims.								
6	XIV.	FINA	L JUI	DGMEN	T				
7	26. Pursuant to Rule of Court 3.767, judgment is hereby entered in accordance with								
8	the ter	ms of t	the Set	tlement A	greement.				
9	2								
10	Dated	Marc	ch 22,	2024			Bur	mbr. bills	
11		a	all and		-		THOMAS	W. WILLS	
12							Judge of u	he Superior Court	
13	4								
14									
15	2 8								
16		- 6							
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28	~								
						10	A	PPROVAL ORDER	NOPOSED] FINAL AND JUDGMENT

 $\|$