

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. _____-Civ

ANTONIO HERNANDEZ, Individually and)
on behalf of all others similarly situated,)
)
Plaintiff,)
)
v.)
)
INTERNET GAMING ENTERTAINMENT, LTD.,)
a foreign corporation, and)
)
IGE U.S. LLC.,)
a Delaware corporation,)
)
Defendants.)
)

Class Action Complaint

Plaintiff, ANTONIO HERNANDEZ, individually, and on behalf of all others similarly situated (“Mr. Hernandez”), by and through undersigned counsel, hereby sues Defendants, INTERNET GAMING ENTERTAINMENT, LTD. and IGE U.S. LLC. (collectively, “IGE” or “Defendants”), and alleges as follows:

I. Preliminary Statement

1. This case involves IGE’s calculated decision to reap substantial profits by knowingly interfering with and substantially impairing the intended use and enjoyment associated with consumer agreements between Blizzard Entertainment and subscribers to its virtual world called *World of Warcraft*® (“Subscribers”).

2. Specifically, over the past several years IGE has received tens of millions, if not hundreds of millions, of dollars by selling *World of Warcraft*® virtual property or currency

(commonly referred to as “gold”) generated by cheap labor in third world countries. The process of generating virtual assets and then selling them through eBay or other industry websites is known as “gold farming,” “real money trade” or “RMT.”

3. IGE’s gold farming activities not only substantially diminish the enjoyment and satisfaction consumers obtain by earning, through the expenditure of vast amounts of time and energy, virtual assets within *World of Warcraft*®, they also violate the express terms of agreements Subscribers enter into to participate in *World of Warcraft*®. Indeed, the express terms of Blizzard Entertainment’s agreements with its Subscribers for *World of Warcraft*® specifically prohibit the sale of any *World of Warcraft*® virtual assets or property.

4. Through this lawsuit, Mr. Hernandez, individually and on behalf of all other similarly situated consumers, seeks both money damages and to enjoin IGE’s gold farming activities.

II. Parties

5. Plaintiff, Mr. Hernandez, is presently, and at all times material hereto was a resident of Orlando, Florida. Blizzard Entertainment is a corporation that owns and operates a virtual world called *World of Warcraft*®. During the relevant time period, Mr. Hernandez: (1) was a paying subscriber to Blizzard Entertainment’s *World of Warcraft*®; (2) spent hundreds of hours online in *World of Warcraft*®; (3) spent in excess of fifty dollars purchasing *World of Warcraft*® software; (4) spent in excess of fifty dollars purchasing Blizzard Entertainment’s Burning Crusade expansion software; and (5) spent fifteen dollars per month in subscription fees to participate in *World of Warcraft*®.

6. Defendant, INTERNET GAMING ENTERTAINMENT, LTD., is a foreign corporation with its principal place of business in Hong Kong, China, with offices in Miami Beach, Florida and Beverly Hills, California. INTERNET GAMING ENTERTAINMENT, LTD. is a global company engaged in the business of generating and selling virtual assets.

7. Defendant, IGE U.S. LLC., is a Delaware corporation with its principal place of business at 105 N.W. 43rd Street, Boca Raton, Florida, 33431. IGE U.S. LLC. is a management service provider engaged in the business of generating and selling virtual assets. IGE U.S. LLC. is an affiliated company of Defendant, INTERNET GAMING ENTERTAINMENT, LTD.

III. Jurisdiction and Venue

8. This Court has subject matter jurisdiction pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. §§ 1332(a) and 1332(d), because the amount in controversy exceeds \$5 million exclusive of interest and costs, and more than two-thirds of the members of the putative Class are citizens of states different from that of Defendants.

9. This case has been filed in the Miami Division of this District because a substantial part of the acts or omissions giving rise to the claims in this action occurred in this judicial District, and Defendants may be found within this judicial District. Venue is proper pursuant to 28 U.S.C. § 1391. Indeed, one of Defendants' three primary offices is located at Euclid Avenue, Suite 222, Miami Beach, Florida, 33139.

10. Moreover, Defendants implemented their sales scheme and conspiracy in this District, as well as nationwide, through their Miami Beach office and Boca Raton office, and through their employees, agents, and others who reside and/or transact business in this District. Further, Defendants' scheme, as alleged herein, affected Class Members who reside or transact

business throughout the United States, including within this District. Further, Defendants have submitted themselves to the jurisdiction of this Court by committing a tortious act within this State and this judicial District.

IV. Facts

A. **Overview of Blizzard Entertainment's Virtual World Called *World of Warcraft*®**

11. Virtual Worlds, which are also referred to as “massively populated persistent worlds,” “synthetic worlds,” and “massively multiplayer online games,” are online computer generated environments that a large number of consumers can access simultaneously. During the last ten (10) years, virtual worlds have grown from a relatively obscure internet phenomena into a multi-billion dollar industry with over twenty (20) million consumers across the globe participating on a regular basis and more than 150 active virtual worlds in operation.

12. Similar to the predictions made in the 1990s about the growth of the World Wide Web, in 2007 experts predict virtual worlds will continue to grow dramatically in the near future. One prominent research group recently projected that “80 percent of active internet users (and Fortune 500 enterprises)” will participate in virtual worlds by the end of 2011.

13. In order to participate in a virtual world, like *World of Warcraft*®, a consumer must purchase the virtual world software, sign up for an account, select a username and password and then begin paying a monthly subscription fee to the provider. These consumers are referred to as “Subscribers.”

14. In addition to the items above, in order to become a *World of Warcraft*® subscriber, a consumer must agree to be bound by the terms of Blizzard Entertainment's End

User License Agreement (“EULA”) and Terms of Use Agreement (“ToU”), copies of which are attached hereto as Exhibits “A” and “B.”

15. Once the consumer completes the process above, he or she selects an “avatar,” which is the 3-D body or “character” that represents the consumer in the virtual world. The consumer controls their avatar through their keyboard to interact with the environment. Through their avatar, consumers can move throughout the virtual world, communicate with other players, and engage in a host of activities depending on the design of the particular virtual world.

16. An important aspect of virtual worlds is the social interaction between participants. Communities of subscribers typically develop inside a virtual world, with subscribers forming complex social relationships with each other and larger groups.

17. Virtual worlds also have their own economies which generally include the buying and selling of virtual goods through the use of in-game virtual currency.

18. Central to the design and operation of all major virtual worlds like *World of Warcraft*® is a property system that has all the familiar real world features, such as exclusive ownership, persistence of rights and a currency system to support trade. As in the real world, property or resources are limited and scarce in virtual worlds.

19. The currency in *World of Warcraft*® is the virtual gold coin simply referred to as “gold.” With this gold, a Subscriber can purchase almost anything he or she needs, including skills, food, water, transportation, clothing and equipment. A Subscriber earns gold by performing tasks or by collecting or making goods that are then sold to other subscribers or virtual vendors.

20. A virtual auction house inside *World of Warcraft*® is used by Subscribers to buy and sell items. This virtual auction house works much the same as eBay. To sell an item, a

Subscriber sets a minimum bid and posts the item on an auction board that can be viewed by all Subscribers. Once a specified time period expires, the highest bidder wins the item and pays for it with gold. Once payment is received through *World of Warcraft's*® internal e-mail system, the item is likewise sent to the winner's in-world mail box.

21. As with real world economies, the cost of goods fluctuates based on: (1) supply and demand; and (2) the supply of *World of Warcraft*® gold.

22. While not necessarily the case in all virtual worlds, in order to ensure the integrity of *World of Warcraft's*® virtual world, Blizzard Entertainment's EULA and ToU expressly prohibit the sale of virtual assets for real money. This prohibition protects the integrity of *World of Warcraft*®, ensures that the competitive playing field within *World of Warcraft*® is level, and makes certain that the time, energy and effort expended by Subscribers is not diminished by others who use real money to purchase scarce and limited virtual resources.

23. Specifically, Blizzard Entertainment's ToU agreement with its Subscribers states that:

[Y]ou may not sell items for "real" money or otherwise exchange items for value outside of the [virtual world].

B. IGE's Illicit Gold Sales Scheme

24. Despite the fact that gold farming within *World of Warcraft*® is expressly prohibited by Blizzard Entertainment's EULA and ToU, Defendants engage in the business of selling *World of Warcraft*® gold for real money.

25. A typical transaction with Defendants for the sale and purchase of gold within *World of Warcraft*® works like this:

- a. The buyer visits Defendants' website, www.IGE.com. Then the buyer is directed to a page on Defendants' website where he or she selects the particular server (called a "realm" in *World of Warcraft*®) where the buyer's avatar is located.
- b. The buyer then selects the amount of gold they wish to buy; there is a fixed price in real dollars for various amounts of gold listed on the website. Buyers are given the option of purchasing as little as 50 gold, to as much as 11,000 gold per order. For example, on the *World of Warcraft's*® Durotan server, the current price of 11,000 *World of Warcraft*® gold is \$1,491.60 real dollars.
- c. Once the buyer selects the amount of gold he or she wishes to buy, he or she must select the method of payment. Defendants' website gives a few options; the buyer can pay by credit card or PayPal.
- d. After selecting the method of payment, and entering the appropriate payment information (i.e., name, address and credit card number), the buyer must type in the name of the avatar to whom the gold should be delivered. Once the buyer gives Defendants this information, the buyer is given a receipt and told that they will receive their gold within a few hours.
- e. Within the specified time period, Defendants deliver the newly purchased virtual gold to the buyer's avatar through *World of Warcraft's*® in-game mail system. To receive the gold, the buyer simply opens up the piece of

mail delivered from an avatar controlled by Defendants and opens the attached virtual envelope containing the gold.

26. Since Blizzard Entertainment released *World of Warcraft*® on November 27, 2004, Defendants have sold massive quantities of *World of Warcraft*® gold for millions of dollars.

27. Defendants engage in the illicit scheme of selling *World of Warcraft*® gold obtained through the efforts of hundreds of employees who work at the direction and control of IGE. These employees, individual and entities, are commonly referred to as gold farmers (“IGE gold farmers”). IGE gold farmers are often citizens of developing third world countries who spend up to 14 hours per day, or more, logged into *World of Warcraft*® collecting resources and *World of Warcraft*® gold. IGE gold farmers log into *World of Warcraft*® through accounts that are paid for, or controlled, directly or indirectly, by Defendants. At the direction of Defendants, IGE gold farmers then deliver gold through the *World of Warcraft*® mail system to Subscribers who have paid real money as described above. IGE gold farmers are co-conspirators with Defendants in this illicit sales scheme.

C. IGE’s Conspiracy

28. In addition to IGE’s direct sale of *World of Warcraft*® gold through its website, IGE has entered into agreements with other individuals or entities not directly employed by IGE (“Co-conspirators”), to:

- a. generate, or “farm” for, *World of Warcraft*® gold which IGE then sells to Subscribers for real money;

- b. promote and market the sale of *World of Warcraft*® gold owned or under the control of IGE through chat spam, virtual junk mail, pay per click campaigns, and search engine marketing;
- c. obtain labor to generate, or “farm” for, *World of Warcraft*® gold which IGE then sells to Subscribers for real money;
- d. distribute *World of Warcraft*® gold to Subscribers; and
- e. sell *World of Warcraft*® gold to Subscribers for real money.

29. All the aforementioned agreements were made in furtherance of a conspiracy to sell *World of Warcraft*® gold in direct violation of: (1) Blizzard Entertainment’s EULA; (2) Blizzard Entertainment’s ToU; (3) Florida Statutory provisions; (4) consumer protection statutes of the remaining 49 states, District of Columbia and Puerto Rico; and (5) other common law.

**D. Damages and Impact Caused by IGE’s
Illicit Sales Scheme and Conspiracy**

30. The volume of gold IGE sells in *World of Warcraft*® is so large that it causes substantial economic damages to Subscribers, above and beyond their purchase price and subscription fees, including:

- a. **Time.** IGE gold farmers strip out scarce and limited virtual world resources and materials. *World of Warcraft*® is designed to have limited resources and materials such as virtual metal ore, plants, leather and other items (“materials”). Subscribers harvest, or “farm” materials and sell them to earn virtual gold. Farming materials is one of the primary sources of revenue in the *World of Warcraft*® economy. IGE gold farmers systematically harvest these materials on a massive basis. The result is a

shortage of materials for Subscribers unwilling to buy gold from IGE, making it vastly more time consuming for such Subscribers to earn the gold they need to participate. This loss of time, conservatively, amounts to hundreds of thousands of hours of Subscriber time. The economic damages for this loss of time is in the millions of dollars.

- b. **Devaluation of Currency.** Because of IGE's infusion of gold, virtual currency being held by honest Subscribers is constantly devalued. The devaluation of this virtual currency has an economic value in real dollars as reflected on Defendants' website. This devaluation of Plaintiff and the Class's gold, which was caused by Defendants' sale of gold in *World of Warcraft*®, is conservatively, in the millions of dollars.

31. A virtual world like *World of Warcraft*® derives utility from the fact that it is a fantasy world. Subscribers pay to participate in *World of Warcraft*® to experience a fantasy. When Defendants engage in RMT, it destroys the enjoyment and fantasy Subscribers pay for. Some examples of the ways that the Subscriber experience is destroyed include, but is not limited to, the following:

- a. **Chat Spamming.** Defendants, through IGE gold farmers and other co-conspirators within their direct or indirect control, constantly "spam" advertisements for their illicit sales scheme. Subscribers routinely receive un-invited messages through the *World of Warcraft*® "chat" channel and mail system advertising the sale of gold for real dollars. During the last few months the amount of chat spam has increased substantially to the point where Subscribers often receive spam message advertising *World of*

Warcraft® gold five or six times every hour. This “chat spam” destroys the fantasy experience world that Subscribers paid for by purchasing the software and paying monthly subscription fees.

- b. **Junk Mail.** Defendants, through IGE gold farmers and other co-conspirators within their direct or indirect control, routinely send junk mail advertisements to Subscribers advertising the sale of gold for real dollars. This junk mail takes up space in the Subscribers mail boxes and requires Subscribers to waste time sorting through it. This junk mail interrupts and pollutes the experience of a fantasy Subscribers paid for by purchasing the software and paying monthly subscription fees.
- c. **Less Time for Content.** Subscribers, like Plaintiff, have a limited amount of time in a given week available to participate in *World of Warcraft*®. Because of the additional time required to collect materials and earn currency as the result of material shortages cause by IGE gold farmers, Subscribers have less time available for other content in the virtual world. The inability to experience other content because of the lack of time is a substantial interruption of the experience Subscribers paid for by purchasing the software and paying monthly subscription fees.
- d. **Arena PvP Team Rankings.** Honest Subscribers, like Plaintiff, who do not purchase gold from IGE are at a significant disadvantage in competitive Arena Player v. Player (“PvP”) contests. Typically, in PvP contests the Subscriber with comparatively more gold or assets is better prepared and equipped to compete. This competitive advantage has the

effect of causing honest Subscribers to have a lower rank, on average, in the Arena rankings than Defendants' clients. This also impairs the honest Subscribers' opportunity to qualify for Arena tournaments where Subscribers compete for real money prizes. This is a substantial impairment of the *World of Warcraft*® experience that Plaintiff and other honest Subscribers paid for by purchasing the software and paying monthly subscription fees.

- e. **Honest Subscribers Competitively Disadvantaged.** Honest Subscribers in *World of Warcraft*® who do not buy gold from Defendants are at a competitive disadvantage to Defendants' clients who buy gold. Honest Subscribers are held hostage by this dilemma: they must either continue to experience *World of Warcraft*® at an unfair competitive disadvantage or violate the EULA and the ToU by purchasing gold from the Defendants and risk losing their account. This dilemma and the resulting competitive disadvantage for Subscribers who do not buy gold from Defendants is a pollution and interruption of the fantasy Subscribers paid for by purchasing software and paying monthly subscription fees.

V. Class Action Allegations

32. Pursuant to Rule 23 of the *Federal Rules of Civil Procedure*, Plaintiff brings this action on behalf of himself and a Class, defined as follows:

All individuals in the United States and its territories who, for purposes other than resale, purchased Blizzard Entertainment's *World of Warcraft*® software and paid subscription fees at any time from November 27, 2004 until present.

Excluded from the Class are (a) Defendants and any entities in which any Defendant has a controlling interest, their legal representatives, officers, directors, assignees and successors; and (b) any co-conspirators, including any Subscribers who sold *World of Warcraft*® gold to IGE; and (c) Subscribers who purchased *World of Warcraft*® gold from Defendants for real money. Also excluded from the Class are any judges or justices to whom this action is assigned, as well as any relative of such judge(s) or justice(s) within the third degree of relationship, and the spouse of any such person.

33. Plaintiff contends that this suit is properly maintainable as a class action pursuant to Rules 23(b)(1), (b)(3), and (b)(3) of the *Federal Rules of Civil Procedure*.

A. Numerosity

34. The Class consists of numerous individuals and entities throughout the United States, making individual joinder impractical, in satisfaction of Rule 23(a)(1). Plaintiff is unable to provide an approximation of the number of potential class members, but notes that there are approximately 2 million subscribers to *World of Warcraft*® in North America. The disposition of the claims of the Class members in a single class action will provide substantial benefits to all parties and to the Court.

B. Typicality

35. The claims of the representative Plaintiff are typical of the claims of the Class, as required by Rule 23(a)(3), in that Mr. Hernandez, like all Class members, purchased Blizzard Entertainment's software and paid for subscription to *World of Warcraft*®. Like all Class Members, Mr. Hernandez has been damaged by Defendants' misconduct, in that, among other things, he lost the benefit that he paid for when he purchased Blizzard Entertainment's software and paid for his subscription to *World of Warcraft*®.

C. Common Questions of Law and Fact

36. The factual and legal basis of Defendants' illegal sales scheme is common to all members of the Class and represents a common thread of misconduct resulting in injury to Plaintiff and all members of the Class.

37. Questions of law and fact are common to Plaintiff and the Class abound in this case, and those questions predominate over any questions affecting individual Class members, within the meaning of Rule 23(a)(2) and (b)(3). These common questions of law and fact include, but are not limited to, the following:

- (a) Whether Defendants sold *World of Warcraft*® gold;
- (b) Whether Defendants engaged in a conspiracy with other to sell *World of Warcraft*® gold;
- (c) Whether Defendants engaged in an unfair and deceptive practice of selling *World of Warcraft*® gold as alleged herein;
- (d) Whether Defendants violated Florida's or any other state's consumer protection statute;
- (e) Whether Defendants' unfair and deceptive practices, or other violations of other state's consumer protection statutes, proximately caused damages to Plaintiff and members of the Class, including both money damages and irreparable harm for which there is no adequate remedy at law;
- (f) Whether Plaintiff and other members of the Class had a business relationship with Blizzard Entertainment through their subscriptions with Blizzard Entertainment ("Business Relationship");
- (g) Whether Defendants had knowledge of the Business Relationship;
- (h) Whether Defendants intentionally and unjustifiably interfered with the Business Relationship through their sales of *World of Warcraft*® gold, and conspiracy to sell *World of Warcraft*® gold, as alleged herein;
- (i) Whether Defendants' intentional and unjustifiable interference with the Business Relationship proximately caused damages to Plaintiff and members of the Class, including both money damages and irreparable harm with no adequate remedy at law;

- (j) Whether Defendants are liable under state conspiracy and/or state concert of action and/or state aiding and abetting/facilitating laws;
- (k) Whether Plaintiff and members of the Class are entitled to compensatory damages, and, if so, the nature of such damages;
- (l) Whether Plaintiff and members of the Class are entitled to punitive damages, treble damages or exemplary damages and, if so, the nature of such damages;
- (m) Whether Plaintiff and the Class are entitled equitable relief including an injunction; and
- (n) Whether Plaintiff and members of the Class are entitled to an award of reasonable attorneys' fees, prejudgment interest, post-judgment interest and cost of suit.

D. Adequacy

38. Plaintiff will fairly and adequately represent and protect the interest of the Class, as required by Rule 23(a)(4). Plaintiff has retained counsel with substantial experience and expertise. Plaintiff and his counsel are committed to the vigorous prosecution of this action on behalf of the Class and have the financial resources to do so. Neither Plaintiff nor counsel has any interest adverse to those of the Class.

E. Superiority

39. A class action is superior to other available methods for the fair and efficient adjudication of the controversy under Rule 23(b)(3). Absent a class action, most members of the Class likely would find the cost of litigating their claims to be prohibitive, and will have no effective remedy at law. The class treatment of common questions of law and fact is also superior to multiple individual actions or piecemeal litigation in that it conserves resources of the courts and the litigants, and promotes consistency and efficiency of adjudication.

40. The prosecution of separate actions by or against individual members of the Class would create a risk of inconsistent or varying adjudications with respect to individual members of the Class. The adjudications would establish incompatible standards of conduct for the Defendants which would, as a practical matter, be dispositive of the interests of the other class members not parties to the adjudications or would substantially impair or impede their ability to protect their interests.

41. Defendants also have acted or refused to act on grounds generally applicable to all members of the Class, thereby making appropriate declaratory relief with respect to the Class as a whole.

VI. Causes of Action

CLAIM I

Violation of Florida's Deceptive And Unfair Trade Practices Act

42. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.

43. Plaintiff brings this claim based upon Florida's Deceptive and Unfair Trade Practices Act (the "Act") found in Chapter 501 of the Florida Statutes.

44. **Plaintiff and the Class are Consumers Under the Act.** Plaintiff and members of the Class are "consumer[s]" and/or "interested part[ies] or persons" within the meaning of §501.203(6), (7), *Florida Statutes* (2006).

45. **Trade or Commerce.** In distributing, marketing and selling *World of Warcraft*® gold through eBay and its website for real money, Defendants are engaging in "trade or commerce" within the meaning of §501.203(8), *Florida Statutes* (2006).

46. **Willful Violation.** Defendants' conduct as set forth herein was "willful" and constitutes a "violation" under the Act. See §501.2075, *Florida Statutes* (2006); and §501.203(3), *Florida Statutes* (2006).

47. **Unfair Acts or Practices.** As defined by §501.204, Defendants' conduct is unlawful as it constitutes, "unfair methods of competition," "unconscionable acts or practices," and/or "unfair or deceptive acts or practices in the conduct of any trade or commerce." See §501.204, *Florida Statutes* (2006).

48. **Equitable Relief.** Plaintiff, individually and as representative of members of the Class, seeks the entry of declaratory judgment enjoining Defendants' unlawful conduct and mandating corrective measures pursuant to Florida Statute Section 501.211, *Florida Statutes* (2006).

49. **Money Damages.** Plaintiff, individually and as representative of the members of the Class, further requests this Court require Defendants to repay monies acquired by the distribution, marketing and sale of *World of Warcraft*® gold during the time Defendants were engaging in unlawful conduct, and statutory damages as prescribed by Section 501.211(2) and 501.2075, *Florida Statutes* (2006).

WHEREFORE, Plaintiff, on behalf of himself and the Class, respectfully seeks the relief set forth below.

CLAIM II
Violation of Consumer Protection Statutes
Of Remaining 49 States, District of Columbia and Puerto Rico

50. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.

51. **Plaintiff and the Class are Consumers Under the Other State Statutes.**

Plaintiff and the Class are individual consumers who purchased and paid for Blizzard Entertainment's *World of Warcraft*® software and paid subscription fees during the relevant time period. All 49 of the remaining states (a separate Count having been pled above for the Plaintiff's state of residence, Florida), the District of Columbia and Puerto Rico have enacted statutes to protect consumers against unfair, unconscionable, deceptive or fraudulent business practices, unfair competition and false advertising. Most states allow consumers a private right of action under these statutes.

52. **Unfair Acts or Practices.** IGE violated Blizzard Entertainment's EULA and ToU through the sale and conspiracy to sell *World of Warcraft*® gold. This conduct has been to the substantial detriment of Plaintiff and the Class. This conduct constitutes unlawful, unfair, unconscionable, deceptive and fraudulent business practices within the meaning of consumer protection statutes of the remaining 49 states, the District of Columbia and Puerto Rico.

53. **Damages.** Defendants directly and proximately caused Plaintiff and the Class to suffer damages by, as described above, impairing the benefit that Plaintiff and the Class have paid for, and impairing Plaintiff and the Class's ability as paying subscribers to participate in *World of Warcraft*®. As a direct and proximate result of Defendants' conduct, Plaintiff and the Class have suffered damages in an amount to be determined at trial, and are entitled to compensatory damages, treble damages, injunctive relief, attorneys' fees and costs of suit, and any other damages provided under these statutes.

WHEREFORE, Plaintiff, on behalf of himself and the Class, respectfully seek the relief set forth below.

CLAIM III
Unfair Trade Practices Acts Conspiracy

54. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.

55. **Conspiracy Between Two or More Parties.** Beginning at least as early as November 27, 2004, and continuing thereafter through the present time, Defendants, its gold farmers, and co-conspirators, as described above, engaged in a continuing conspiracy and/or concerted action to violate federal and state consumer protection laws by selling, and conspiring to sell, *World of Warcraft*® gold in violation of said statutes and Blizzard Entertainment's EULA and ToU. In the absence of Defendants' conspiracy and/or concerted action, the benefits that Plaintiff and the Class have paid for would not have been impaired, nor would their ability to participate in *World of Warcraft*® have been affected.

56. **Unlawful Acts by Unlawful Means and Overt Acts.** Pursuant to their conspiracy and/or concerted action alleged herein, Defendants, its gold farmers, and co-conspirators engaged in numerous overt acts in furtherance of the conspiracy, encompassing a wide range of activities, the purpose and effect of which was to violate consumer protection statutes and Blizzard Entertainment's EULA and ToU agreements to the disadvantage of Plaintiff and the Class. These activities have been set forth in great detail above and throughout this Complaint, and have been incorporated by reference herein, including , but not limited to the sale and promotion of the sale of *World of Warcraft*® gold. These acts constitute unlawful, unfair, unconscionable, deceptive and fraudulent business practices within the meaning of Florida's Unfair and Deceptive Practices Act as alleged above, and the consumer protection statutes of the remaining 49 states, the District of Columbia and Puerto Rico.

57. **Damages.** Defendants' conspiracy and concerted actions have directly and proximately caused the damages to Plaintiff and the Class. As a direct and proximate result of Defendants' conspiracies and/or concerted actions perpetrated upon Plaintiff and the Class, Defendants are jointly and severally liable to Plaintiff and the Class for all damages Plaintiff and the Class have sustained, plus exemplary damages and, punitive damages, as well as the cost of suit and reasonable attorneys' fees.

WHEREFORE, Plaintiff, on behalf of himself and the Class, respectfully seeks the relief set forth below.

CLAIM IV
Breach of Third Party Beneficiary Contract

58. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.

59. **Valid contract.** Defendants and their co-conspirators entered into a valid contract with Blizzard Entertainment by creating *World of Warcraft*® accounts and agreeing to the EULA and the ToU.

60. **Plaintiff not a party.** Plaintiff is not a party to the contract between Defendants and Blizzard Entertainment.

61. **Plaintiff and Class are intended beneficiaries.** Defendants and Blizzard Entertainment intended that the contract directly benefits Plaintiff and the Class. Both the EULA and ToU prohibit real money trade and the sale of *World of Warcraft*® gold for the benefit of all subscribers like Plaintiff and the Class.

62. **The contract is breached.** Defendants' and their co-conspirators breached the contract with Blizzard Entertainment by selling and conspiring to sell *World of Warcraft*® gold.

63. **Damages.** Plaintiff and the Class have suffered damages, which were directly and proximately caused by Defendants' sale and conspiracy to sell *World of Warcraft*® gold for real money. Such damages include both money damages and irreparable harm with no adequate remedy at law.

WHEREFORE, Plaintiff, on behalf of himself and the Class, respectfully seeks the relief set forth below.

CLAIM V
Breach of Third-Party Beneficiary Conspiracy

64. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.

65. **Conspiracy between two or more parties.** Beginning at least as early as November 27, 2004, and continuing thereafter through the present time, Defendants, its gold farmers, and co-conspirators, as described above, engaged in a continuing conspiracy and/or concerted action to promote and sell *World of Warcraft*® gold for real money through eBay and its website.

66. **Unlawful acts by unlawful means and overt acts.** Pursuant to their conspiracy and/or concerted action alleged herein, Defendants and their co-conspirators engaged in a wide range of activities the purpose and effect of which was to violate Blizzard Entertainment's EULA and ToU to the disadvantage of Plaintiff and the Class. These activities have been set forth in great detail above and throughout this Complaint, and have been incorporated by reference herein, including, but not limited to the sale and promotion of the sale of *World of*

Warcraft® gold. These acts constitute a breach of third-party beneficiary contract with Blizzard Entertainment.

67. **Damages.** Defendants' conspiracy and concerted actions have directly and proximately caused Plaintiff's damages. As a direct and proximate result of Defendants' conspiracies and/or concerted actions perpetrated upon Plaintiff, Defendants are jointly and severally liable to Plaintiff for all damages Plaintiff and the Class have sustained, plus exemplary damages and, punitive damages, as well as the cost of suit and reasonable attorneys' fees. The conspiracy and concerted actions have also caused and proximately caused Plaintiff to suffer irreparable harm with no adequate remedy at law.

WHEREFORE, Plaintiff, on behalf of himself and the Class, respectfully seeks the relief set forth below.

CLAIM VI
Tortious Interference with Business Relationship

68. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.

69. **Business Relationship.** Plaintiff and members of the Class have a business relationship with Blizzard Entertainment. This relationship exists through Plaintiff's and the members of the Class' monthly subscriptions with Blizzard Entertainment to participate in *World of Warcraft*®, and through their EULA and the ToU.

70. **Knowledge of the Relationship.** Defendants had knowledge of Plaintiff's relationship with Blizzard Entertainment. IGE knows that millions of subscribers, including Plaintiff and members of the Class, subscribes to and participates in *World of Warcraft*®. IGE

also has knowledge and constructive knowledge that millions of subscribers, including Plaintiff and members of the Class, agreed to Blizzard Entertainment's EULA and the ToU.

71. **Intentional and Unjustifiable Interference.** Defendants intentionally and unjustifiably interfered with the relationship between Plaintiff and Blizzard Entertainment, by selling and conspiring to sell *World of Warcraft*® gold in violation of the EULA and ToU as more fully described above.

72. **Damages.** Defendant, IGE's interference with Plaintiff's and members of the Class' business relationship has caused and proximately cause him to suffer damages, including the money Plaintiff and the Class paid to purchase Blizzard Entertainment's software and for subscription fees. Such damages include both money damages and irreparable harm with no adequate remedy at law.

WHEREFORE, Plaintiff, on behalf of himself and the Class, respectfully seeks the relief set forth below.

CLAIM VII

Tortuous Interference with Business Relationship Conspiracy

73. Plaintiff incorporates by reference all preceding paragraphs as if fully set forth herein.

74. **Conspiracy between two or more parties.** Beginning at least as early as November 27, 2004, and continuing thereafter through the present time, Defendants, its gold farmers, and co-conspirators, as described above, engaged in a continuing conspiracy and/or concerted action to sell and promote the sale of *World of Warcraft*® gold for real money through eBay and its website.

75. **Unlawful acts by unlawful means and overt acts.** Pursuant to their conspiracy and/or concerted action alleged herein, Defendants, its gold farmers and co-conspirators engaged in a wide range of activities the purpose and effect of which was to violate Blizzard Entertainment's EULA and ToU to the disadvantage of Plaintiff and the Class. These activities have been set forth in great detail above and throughout this Complaint, and have been incorporated by reference herein, including, but not limited to the sale of *World of Warcraft*® gold. These acts constitute a tortious interference with Plaintiff's business relationship with Blizzard Entertainment.

76. **Damages.** Defendants' conspiracy and concerted actions have directly and proximately caused Plaintiff's damages. As a direct and proximate result of Defendants' conspiracies and/or concerted actions perpetrated upon Plaintiff, Defendants are jointly and severally liable to Plaintiff for all damages Plaintiff and the Class have sustained, plus exemplary damages and, punitive damages, as well as the cost of suit and reasonable attorneys' fees. The conspiracy and concerted actions have also caused and proximately caused Plaintiff to suffer irreparable harm with no adequate remedy at law.

WHEREFORE, Plaintiff, on behalf of himself and the Class, respectfully seeks the relief set forth below.

VIII. Demand for Relief

WHEREFORE, Plaintiff and the Class demand judgment against Defendants in each claim for relief, jointly and severally, and as follows:

78. Compensatory damages, treble damages, injunctive relief, and any other damages permitted by law, such amounts to be determined at trial, plus Plaintiff's costs in this suit and reasonable attorneys' fees;

79. Awarding Plaintiff and the Class other appropriate equitable relief, including, but not limited to, disgorgement of all profits obtained from their wrongful conduct and declaratory relief;

80. Awarding Plaintiff and the Class prejudgment and post-judgment interest at the maximum rate allowed by law;

81. Awarding Plaintiff and the Class their costs and expenses in this litigation, including expert fees, and reasonable attorneys' fees;

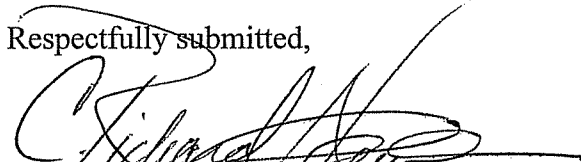
82. Awarding Plaintiff and the Class such other and further relief as may be just and proper under the circumstances.

IX. Demand for Jury Trial

Pursuant to *Federal Rules of Civil Procedure* 38(b), Plaintiff demands a trial by jury on all issues so triable.

Dated: May 30, 2007.

Respectfully submitted,



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