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	20	STATE OF NEVADA,	Case No.:	
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		Plaintiff,	COMPLAINT AND DEMAND FOR JURY	
	22	VS.	TRIAL	
	23			
	24	META PLATFORMS, INC. f/k/a FACEBOOK, INC.,	Exempt from Arbitration: Business Court Matter	
		Thelbook, five.,	Declaratory Relief Sought	
	25	Defendant.	Amount In Controversy Greater than \$50,000	
	26		Business Court Requested:	
	27		EDCR 1.61 – Enhanced Case Management	

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Plaintiff, the State of Nevada, by and through Aaron D. Ford, Attorney General, and the undersigned attorneys (the "State") brings this Complaint against Defendants Meta Platforms, Inc. ("Meta") and its social media platform¹, Facebook (collectively, Meta and Facebook are referred to herein as "Defendants") and alleges, upon information and belief, as follows:

INTRODUCTION

- 1. The State of Nevada, by and through Aaron D. Ford, Attorney General for the State of Nevada, and Ernest Figueroa, Consumer Advocate, files this Complaint on behalf of the State to eliminate the hazard to public health and safety caused by Defendants' social media platform Facebook, and to recover civil penalties and other relief arising out of Defendants' false, deceptive and unfair marketing and other unlawful conduct arising from the design and implementation of Facebook.
- 2. Meta (formerly Facebook, Inc.) is the parent company of some of the world's largest social media platforms, including the wildly popular platform Facebook. Worldwide, users number over 2.9 billion, meaning that over one third of the world's population utilizes this platform every month.² Because of its scale, Facebook is also wildly remunerative, with Meta generating billions of dollars in revenue from facilitating targeted advertising.
- 3. However, this revenue is only available as long as there is an audience on Facebook to view those highly-targeted advertisements. Thus, Meta is incentivized to keep as many of its users on the platform for as long as possible. But Meta has crossed a line from simply enticing its audience to taking steps to keep its audience *addicted* to the platform. Highly-skilled and highly-paid employees have invested years of research and analysis into designing and deploying features on Facebook that make it impossible not just to quit using the app, but simply to put our phones down to attend to the most basic functions of our daily lives.

¹ In general, the term "social media platform" refers to a website and/or app (often operating in conjunction, under the same name) that allows people to create, share, and exchange content (such as posts of text, photos, videos, etc.) with other users of the platform. Examples of popular social media platforms include Facebook, Instagram, Messenger, Snapchat, and TikTok.

² https://www.sec.gov/Archives/edgar/data/1326801/000132680122000018/fb-20211231.htm (last visited Jan. 27, 2024).

It demands our attention first thing in the morning and last thing at night, at the dinner table, while we're walking down the street, even when we are driving.

- 4. This addiction to social media—and its consequences—is increasingly being called out by stakeholders and advocates. One of the most succinct critiques can be found in the documentary film, *The Social Dilemma*, which addresses our addiction to posts, likes, pokes, chats, and all of the other prompts that Big Tech³ has deployed to keep us addicted to their apps. As an interviewee in the film notes: "*There are only two industries that call their customers*" *'users': illegal drugs and software.*"
- 5. And, much like an illegal drug, Facebook has been designed to be an addiction machine, targeting people under the age of 18 ("Young Users") and more insidiously children under the age of 13 ("Youngest Users") who, as Meta well knows, have developmentally limited capacity for self-control. Children are the most vulnerable to these intentionally addictive design elements. As one specialist in social media addiction notes, "[a]dolescence is second only to infancy when it comes to growth. Therefore, the impact of social media on a developing teen's mind and body can be huge." Social media platforms like Facebook, with design elements that intentionally keep children engaged for as long as possible—to the exclusion of all other activities—harm their users emotionally, developmentally, and physically. They lead to a condition known as "problematic internet use," which is associated with a range of harms,

³ "Big Tech" is a term commonly used to describe the largest global technology corporations—most typically, this group includes Meta, Alphabet (Google), Amazon, Apple, and Microsoft. However, more broadly, the term refers to the amalgam of large technology companies that create and maintain technologies and platforms that are intertwined with our daily lives.

⁴ The Social Dilemma. Directed by Jeff Orlowski-Yang; Produced by Exposure Labs, Argent Pictures. The Space Program; 2020. Netflix, https://www.netflix.com/watch/81254224 (last visited Jan. 27, 2024).

https://www.newportacademy.com/resources/mental-health/teens-social-media-addiction/ (last visited Jan. 27, 2024).

⁶ Wen Li, et al., Diagnostic Criteria for Problematic Internet Use among U.S. University Students: A Mixed-Methods Evaluation, PLOS ONE (Jan. 11, 2016), https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0145981 (last visited Jan. 27, 2024).

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including but not limited to exposure to predators and online bullies, age-inappropriate content, damage to children's self-esteem, and increased risk of eating disorders and even suicide.

- 6. As the U.S. Surgeon General recently explained, children's and parents' attempts to resist social media is an unfair fight: "You have some of the best designers and product developers in the world who have designed these products to make sure people are maximizing the amount of time they spend on these platforms. And if we tell a child, use the force of your willpower to control how much time you're spending, you're pitting a child against the world's greatest product designers."
- 7. Unlike other consumer products that have appealed to children for generations like candy or soda—with social media platforms there is no natural break point where the consumer has finished the unit of consumption. Instead, social media platforms are a bottomless pit where users can spend an infinite amount of their time. And Meta profits from each additional second a user spends on its platforms.
- 8. Meta has designed Facebook to exploit that dynamic by embedding within the platform an array of design features that maximize youth engagement, peppering them with reminders to "log on" and making it psychologically difficult to "log off." Specifically, Defendants rely on design elements to make Facebook addictive to all users, and to Young Users in particular ("Design Elements"). These Design Elements—Low-Friction Variable Rewards; Social Manipulation; Ephemeral Content; Push Notifications; and Harmful Filters (each defined below)—each serve as an obstacle to Young User's free decision-making.
- 9. Facebook's design and platform features have fueled the explosive increase in the amount of time that Young Users spend on these platforms. As and as anyone who has recently spent time with adolescents can attest—Meta has successfully induced Young Users to spend vast amounts of time on its social media platforms. Indeed, for many Young Users, social media platforms are viewed as an indispensable part of

⁷ Allison Gordon & Pamela Brown, Surgeon General says 13 is 'too early' to join social media, 2023), https://www.cnn.com/2023/01/29/health/surgeon-general-socialmedia/index.html (last visited Jan. 27, 2024).

their identity, a forum to share a carefully cultivated personality "highlight reel," and a place where they must constantly be "present"—whether they want to be or not.

10. All the while, Meta understands that Young Users' time spent on its social media platforms is not the product of free choice. As

—Young Users feel addicted to these platforms. They widely report difficulty controlling their time spent on the applications (also referred to as "app" or "apps"). And they frequently express that they would prefer to spend meaningfully less time on social media platforms but feel powerless to do so. Still, Meta has not introduced any product changes to meaningfully reduce its platforms' addictiveness.

- 11. The widespread compulsive use that Meta induced—and allowed to continue unabated—has come at a massive societal cost. In effect, Meta is conducting a potentially society-altering experiment on a generation of Young Users' developing brains. While this experiment's full impact may not be realized for decades, the early returns are alarming.
- 12. Researchers warn that compulsive use of social media platforms impose a wide range of harms, including increased levels of depression, anxiety, and attention deficit disorders; altered psychological and neurological development; and reduced sleep, to name a few. And that is to say nothing of the immense opportunity cost imposed when youth spend critical years glued to social media platforms, not engaged in the varied and profound experiences associated with growing up in the physical world.

⁸ At least one recent study involving children's use of Facebook, Instagram, and Snapchat "suggests that social media behaviors in early adolescence may be associated with changes in adolescents' neural development, specifically neural sensitivity to potential social feedback." Maria T. Maza, Kara A. Fox, Seh-Joo Kwon, et al., Association of Habitual Checking Behaviors on Social Media With Longitudinal Functional Brain Development, JAMA Pediatr. (Jan. 3, 2023), https://jamanetwork.com/journals/jamapediatrics/article-abstract/2799812 (last visited Jan. 27, 2024). These changes in adolescents' neural development may permanently alter their brains with unknown long-term impacts. *Id*.

	13.	In short, Meta's business strategy that purposefully addicts Young Users to its
social	media p	platforms has caused widespread and significant injury to Nevadans, and young
Nevad	lans in p	articular.

- 14. Meta also deceived and continues to deceive Nevada consumers—and, critically, parents—on a large scale. Here, Meta misled consumers, parents, and guardians by concealing the various and significant risks social media platforms present to its users, particularly Young Users. Meta further made multiple, affirmative misrepresentations and engaged in material omissions regarding the safety of its platforms, to the detriment of Nevadans.
- 15. First, Meta has long known that Facebook was harmful for users, and especially ruinous for young women. But Meta did not share that materially important information with consumers using their products. Instead, Meta's leadership
 - 16. In one particularly distressing episode, Zuckerberg

 harmful effects of this platform feature.
- 17. Second, Meta publicizes its "Community Standards Enforcement Reports," or CSER, to create the façade that its social media platforms are a safe platform where harmful content was rarely encountered. Specifically, these reports touted the low "prevalence" of Community Standards violations, which the Company used as evidence that its platforms are safe. But that is a false narrative that misleads consumers about the true extent of harmful experiences on Facebook.

18. To illustrate, in the third quarter 2021 Community Standards Enforcement
Report, Meta showcased the low "prevalence" of violating content, estimating for example that
"On Facebook, prevalence of bullying & harassment was at 0.11-0.12% in Q4, down from 0.14-
0.16% in Q3." That creates the impression that bullying and harassing content is extremely
rare on Facebook—11 or 12 in 10,000 pieces of content.
19. In reality,
20. While reasonable consumers could not have understood the difference between
Meta's reported "prevalence" metrics and the actual incidence of harm on Facebook, Meta's
continues to issue misleading
reports to this day.
21. The State obtained testimony from the
,
minimized or downplayed the harms users were
experiencing on Meta's platforms, he testified:
⁹ Guy Rosen, Community Standards Enforcement Report, Fourth Quarter 2021, Facebook (Mar. 1, 2021), https://about.fb.com/news/2022/03/community-standards-enforcement-report-
<u>q4-2021/</u> (last visited Jan. 27, 2024). 10 Instagram is one of Meta's other, principal social media platforms.
monagram is one of wreta s other, principal social media platforms.

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22. Third, Meta misled the public through false, affirmative statements about its commitment to well-being related products and features. As one example, it long touted its

as a demonstration of Meta's commitment to well-being. But when Meta learned that its

preferring to mislead its users (and parents) than suffer a public-relations hit for rolling back or fixing a purported "wellness" feature.

- 23. Fourth, Meta made material misrepresentations to develop trust among consumers, parents, and guardians that its social media platforms are a safe place for Young Users. In various public channels, Meta deceptively represented (1) that it does not prioritize increasing users' time on its platforms; (2) that it protects Young Users from harmful or inappropriate content on its platforms; (3) that it does not place a monetary value on Young Users' use of Meta platforms; (4) that it has not changed its internal data and research access policies in response to The Wall Street Journal's 2021 coverage of its internal research findings; and (5) that its platforms are not addictive.
- In sum, through its acts, omissions, and statements, Meta carefully created the 24. impression that its social media platforms were and are still a safe platform where users were unlikely to experience significant harm and where users' mental health was an important Company priority. That representation was material, false, and misleading.
- 25. Based on this misconduct, and as more fully described below, Nevada brings this action pursuant to the Nevada Deceptive Trade Practices Act, N.R.S. §§ 598.0903 through 598.0999 ("NDTPA"), and further brings claims of negligence, products liability, and unjust enrichment.
- 26. The State brings this action exclusively under the laws of the State of Nevada. No federal claims are being asserted, and to the extent that any claim or factual assertion set

forth herein may be construed to have stated any claim for relief arising under federal law, such claim is expressly and undeniably disavowed and disclaimed by the State.

27. Nor does the State bring this action on behalf of a class or any group of persons that can be construed as a class. The claims asserted herein are brought solely by the State and are wholly independent of any claims that individual Nevadans may have against Defendants. The Attorney General is authorized to bring an action—independently in the name of the State as well as in a *parens patriae* capacity on behalf of the persons residing in Nevada—to remedy violations of Nevada law.

PARTIES

- 28. The State of Nevada is a body politic created by the Constitution and laws of the State; as such, it is not a citizen of any state. This action is brought by the State in its sovereign capacity in order to protect the interests of the State of Nevada and its residents as parens patriae, by and through Aaron D. Ford, the Attorney General of the State of Nevada. Attorney General Ford is acting pursuant to his authority under, inter alia, NRS 228.310, 338.380, 228.390, and 598.0963(3).
- 29. Meta Platforms, Inc. ("Meta") is a Delaware corporation with a principal place of business in Menlo Park, California. From 2005 until October 28, 2021, Meta was known as Facebook, Inc. Meta is a multinational technology company that designs, distributes, and promotes multiple social media platforms, including Facebook.
- 30. All of the allegations described in this Complaint were part of, and in furtherance of, the unlawful conduct alleged herein, and were authorized, ordered and/or done by Defendants' officers, agents, employees, or other representatives while actively engaged in the management of Defendants' affairs within the course and scope of their duties and employment, and/or with Defendants' actual, apparent and/or ostensible authority.

JURISDICTION AND VENUE

31. Subject matter jurisdiction for this case is conferred upon this Court pursuant to, inter alia, Article 6, Section 6 of the Nevada Constitution.

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32. This Court has personal jurisdiction over Defendants because Defendants do business in Nevada and/or have the requisite minimum contacts with Nevada necessary to constitutionally permit the Court to exercise jurisdiction with such jurisdiction also within the contemplation of the Nevada "long arm" statute, NRS § 14.065. More specifically, and set forth in greater detail, *infra*, Meta enriches itself by selling advertisements targeted to Nevada. According to Meta's public advertising library, Meta regularly sells advertisements specific to Nevada, and it allows businesses to target specific cities in Nevada. All manner of Nevada entities advertise on Facebook to reach a Nevada audience and expand their business in Nevada.

33. The instant Complaint does not confer diversity jurisdiction upon the federal courts pursuant to 28 USC § 1332, as the State is not a citizen of any state and this action is not subject to the jurisdiction of the Class Action Fairness Act of 2005. 13 Likewise, federal question subject matter jurisdiction pursuant to 28 USC § 1331 is not invoked by the Complaint, as it sets forth herein exclusively viable state law claims against Defendants. Nowhere herein does Plaintiff plead, expressly or implicitly, any cause of action or request any remedy that arises under federal law. The issues presented in the allegations of this Complaint do not implicate any substantial federal issues and do not turn on the necessary interpretation of federal law. No federal issue is important to the federal system as a whole under the criteria set by the Supreme Court in Gunn v. Minton, 568 U.S. 251 (2013) (e.g., federal tax collection seizures, federal government bonds). Specifically, the causes of action asserted, and the remedies sought herein, are founded upon the positive statutory, common, and decisional laws of Nevada. Further, the assertion of federal jurisdiction over the claims made herein would improperly disturb the congressionally approved balance of federal and state responsibilities. Accordingly, any exercise of federal jurisdiction is without basis in law or fact.

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¹² https://www.facebook.com/business/help/1501907550136620 (last visited Jan. 27, 2024).

¹³ See, e.g., Postal Tel Cable Co. v. Alabama, 155 U.S. 482, 487, 15 S.Ct. 192, 194, 39 L.Ed. 231 (1894) ("A State is not a citizen. And, under the Judiciary Acts of the United States, it is well settled that a suit between a State and a citizen or a corporation of another State is not between citizens of different States....").

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- 34. In this Complaint, to the extent Plaintiff cites federal statutes and regulations. Plaintiff does so to state the duty owed under Nevada law, not to allege an independent federal cause of action and not to allege any substantial federal question under *Gunn v. Minton*. "A claim for negligence in Nevada requires that the plaintiff satisfy four elements: (1) an existing duty of care, (2) breach, (3) legal causation, and (4) damages." *Turner v. Mandalay Sports Entertainment, LLC*, 124 Nev. 213, 180 P.3d 1172 (2008). The element of duty is to be determined as a matter of law based on foreseeability of the injury. *Estate of Smith ex rel. Smith v. Mahoney's Silver Nugget, Inc.*, 127 Nev. 855, 265 P.3d 688, 689 (2011).
- 35. To be clear, to the extent Plaintiff cites federal statutes and federal regulations, it is for the sole purpose of stating the duty owed under Nevada law to the residents of Nevada. Thus, any attempted removal of this complaint based on a federal cause of action or substantial federal question is without merit.
- 36. Venue is proper in this Court pursuant to NRS § 598.0989(3) because Defendants' conduct alleged herein took place in Clark County, Nevada.

FACTS

I. FACEBOOK, GENERALLY.

37. Facebook is a social media platform that enables users to upload ("post") text, photos, videos and links to additional content on- and off-platform, and to interact with other users' comparable posts. Primarily, users engage with Facebook either via its website or its free-standing app, which users download to their smartphone or other mobile device. Facebook allows users to post content that can be edited (including with filters for visual posts like photo and video) and organized by hashtags and geographical tagging. Users can browse other users' posts by tag or location, view trending content, like posts, and follow other users to add their content to a personal feed.

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Fig. 1¹⁴

38. As noted above, Facebook attracts billions of monthly active users worldwide, and roughly 260 million users in the United States.¹⁵ A 2020 survey of American children ages 9–17 reported that 45% of the 9-12-year-old respondents and 28% of the 13-17-year-old respondents used Facebook at least once a day, with 66% and 60% of those respective cohorts reporting having used the platform at least once.¹⁶ More broadly, an August 2022 report from

https://www.fonearena.com/blog/330692/facebook-pages-dedicated-news-feed-easier-navigation.html (last visited Jan. 27, 2024).

¹⁵ <u>https://www.sec.gov/Archives/edgar/data/1326801/000132680122000018/fb-20211231.htm</u> (last visited Jan. 27, 2024).

¹⁶ Thorn, Responding to Online Threats: Minors' Perspectives on Disclosing, Reporting, and Blocking Findings from 2020 quantitative research among 9–17 year olds, (May 2021), https://info.thorn.org/hubfs/Research/Responding%20to%20Online%20Threats 2021-Full-Report.pdf?utm campaign=H2D%20report&utm source=website (last visited Jan. 27, 2024).

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the Pew Center states that "about six-in-ten teen Facebook users (57%) visit the platform daily."17

Meta Offers Its Platforms in Exchange for Consumers' Valuable A. Consideration that Enables Meta to Sell Advertising.

- 39. Like all social media platforms, Facebook does not charge money from its users for access. Instead, it monitors its users and surreptitiously collects data related to their online lives—including the way in which they use the product, the posts with which they interact, the friends they have, the places they go, the advertisements they view, and even what users do on other sites or apps. Defendants are consistently the target of regulatory actions, lawsuits, and news reports related to the vast troves of personal data they acquire on individuals, which they use (and misuse) to create detailed, individual profiles that in turn are employed to serve users targeted advertising.
- 40. As Zuckerberg has explained, "based on what pages people like, what they click on, and other signals, we create categories...and then charge advertisers to show ads to that category. Although advertising to specific groups existed well before the internet, online advertising allows much more precise targeting and therefore more-relevant ads."18
- 41. The practical effect of this arrangement—free access to the Facebook platform in exchange for personal data—is best expressed in the documentary *The Social Dilemma*, which quotes Google's former design ethicist, Tristan Harris: "if you're not paying for the product, then you are the product."¹⁹

¹⁷ Emily A. Vogels, et al., Teens, Social Media and Technology 2022, Pew Research Center 23 (Aug. 10, 2022), https://www.pewresearch.org/internet/2022/08/10/teens-social-media-andtechnology-2022/ (last visited Jan. 27, 2024). 24

¹⁸ Mark Zuckerberg, Understanding Facebook's Business Model, Mark Zuckerberg (January 24, 2019), https://about.fb.com/news/2019/01/understanding-facebooks-business-model/ (last visited Jan. $\overline{27,2024}$).

¹⁹ Abigail McCormick, Review: The Social Dilemma (Aug. 8, 2021), https://sauconpanther.org/ 2535/arts-and-entertainment/if-youre-not-paying-for-the-product-then-you-are-the-product/ (last visited Jan. 27, 2024).

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42. Because Meta views its users as its product, and because it can best monetize and collect information about its users while they are on its various platforms (including Facebook), Meta is incentivized to keep its users on the platforms as long as possible, and as often as possible. Via his current project, The Center for Humane Technology, Tristan Harris further explains this concept:

Our attention is a limited resource. There are only so many waking hours in the day, and therefore only so many things we can focus on. When we pay attention to one thing, we're not paying attention to something else.

This fact of life has been deeply complicated by technology. With more information and more choices at our fingertips than ever before, there are unprecedented demands on our attention.

This feeling of constant distraction is fueled by tech companies that rely on capturing your attention to make money, normally by selling it to advertisers.

Each app is caught in a race for your attention, competing not just against other apps, but also against your friends, your family, your hobbies, and even your sleep.

[S]ocial media companies don't sell software, they sell influence. They collect in-depth data about how to influence your decisions, then sell that influence to the highest bidder. The more time they can get you to spend scrolling and clicking, the more data they can collect and the more ads they can sell.²⁰

43. Defendants acknowledge this fact in their most recent Form 10-K, warning that decreased use of the Facebook platform—resulting in fewer opportunities to profile users and serve targeted advertising—is fatal to its business model: "The size of our user base and our users' level of engagement across our products are critical to our success. Our financial performance has been and will continue to be significantly determined by our success in adding, retaining, and engaging active users of our products that deliver ad impressions, particularly for

²⁰ Center for Humane Technology, *The Attention Economy – Why do tech companies fight for* our attention? (Aug. 17, 2021), https://www.humanetech.com/youth/the-attention-economy (last visited Jan. 27, 2024).

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Facebook[.]"21 Further, Defendants acknowledge that "advertising revenue can also be adversely affected by," inter alia, "decreases in user engagement, including time spent on our products" and "our inability to continue to increase user access to and engagement with our products."22

- 44. Competition for users' attention is fierce, and social media platforms—like Defendants'—are purposely designed to addict their users. Defendants have both in-house and external research initiatives designed to document and improve engagement reporting and have projects that use neuromarketing and virtual reality techniques to measure effectiveness.²³ The mobilization of all these resources indicates that the Facebook platform is built not for user experience, but for maximization of profit.
- 45. And this maximization of profit is achieved through addiction. As set forth below, Defendants employ sophisticated principles first identified by psychologists and other academics, which they manifest through intentional design elements that exploit those psychological principles.
- 46. These design elements are not subjective—instead they are part and parcel of Facebook's code. They operate consistently, and universally, across the platform, for all users, including the vulnerable children who Defendants know—to a certainty—are using Facebook.
 - 47. Worse still, Defendants'

and continues to add features to keep children hooked.

²¹ https://www.sec.gov/Archives/edgar/data/1326801/000132680122000018/fb-20211231.htm (last visited Jan. 27, 2024).

²² *Id*.

²³ See, e.g., Meta Careers, Shape the Future of Marketing with the Marketing Science Team, Meta (Sept. 19, 2018), https://www.metacareers.com/life/come-build-with-the-facebook- marketing-science-team/ (last visited Jan. 27, 2024); How Virtual Reality Facilitates Social Meta, https://www.facebook.com/business/news/insights/how-virtual-realityfacilitates-social-connection (last visited Jan. 27, 2024).

B. Account Creation for Facebook.

- 48. To fully access Facebook, consumers must create an account. As part of the account-creation process, consumers enter into a contract with Meta. By entering into these contracts, users agree to comply with Facebook's Terms of Service.²⁴
- 49. As noted above, although users can establish accounts on Facebook without paying a fee, Defendants do not provide their products for free—rather, they charge users by collecting their data and time, which Meta then converts into advertising dollars.
- 50. In exchange for the right to use Facebook, consumers agree to a host of terms that power Meta's advertising business. For example, this is confirmed by Facebook's Terms of Service:

We don't charge you to use Facebook or the other products and services covered by these Terms, unless we state otherwise. Instead, businesses and organizations, and other persons pay us to show you ads for their products and services. By using our Products, you agree that we can show you ads that we think may be relevant to you and your interests. We use your personal data to help determine which personalized ads to show you.²⁵

51. Consumers also pay for Facebook by agreeing to give Meta access to vast reams of data arising out of their platform use. In order to create an account, consumers also must agree to Meta's Privacy Policy. And pursuant to that Privacy Policy, each consumer must agree that Meta may collect a host of data, ranging from information about the consumer's activity on Facebook (such as the content they like and accounts they follow); the messages the consumer sends and receives; the content the consumer provides through Facebook's camera feature and the consumer's camera roll; the ways the consumer interacts with ads, the time the user spends interacting with various pieces of content; the hardware and software the consumer is using, the GPS, Bluetooth signals, nearby Wi-Fi access points, beacons and cell towers; and many other categories of data.

²⁴ Facebook Terms of Service, https://www.facebook.com/legal/terms (last visited Jan. 27, 2024).

²⁵ *Id*.

52. Meta also represents itself as a common enterprise. Meta's financial disclosures
describe Facebook, Instagram, Messenger, and WhatsApp, as Meta's "'family' of products,'
and report revenue and expenses for the entire "family" together.26 Meta's supplemental terms
for its "Meta Platforms Technologies Products" is similarly styled as an agreement between
Meta Platforms, Inc. and the user. ²⁷ Meta Platforms Technologies Products are defined to
include its VR-related products, such as its Meta Quest and Oculus virtual reality headsets, and
Meta Horizon Worlds, its virtual reality social media platform. ²⁸ Meta Platforms also reports
its revenue from its VR business segment in its financial disclosures. ²⁹

- 53. Consumers' payment in the form of time, attention, and data enables Meta to sell highly targeted, data-informed advertising opportunities, which is the foundation of Meta's business.
 - C. Meta Prioritizes Acquiring Young Users and Maximizing Their Time Spent on its Platforms.
- 54. In Meta's business model, not all consumers are created equal. Young Users are Meta's prized demographic.
- 55. Accordingly, Meta has pursued increasing Young Users' time spent on its platforms as one of the Company's most important goals.
 - 56. For instance, as of November

^{22 | 26} Meta Platforms, Inc. Form 10-Q, 1, 4, 33, (Q2 2023), https://archive.ph/MSvSt (last visited Jan. 27, 2024).

²⁷ Supplemental Meta Platforms Technologies Terms of Service, https://www.meta.com/legal/supplemental-terms-of-service (last visited Jan. 27, 2024).

Meta Platforms Technologies Products Definition, https://www.meta.com/legal/meta-platforms-technologies-products (last visited Jan. 27, 2024).

²⁹ Meta Platforms, Inc. Form 10-Q, 31, (Q1 2023), https://archive.ph/T6xDK (last visited Jan. 27, 2024).

57.	This strategy was
58.	Meta pursues Young Users because Meta's advertising customers value that
audience. Amo	ong other reasons, Meta's advertising partners want to reach Young Users because
they: (1) are	more likely to be influenced by advertisements, (2) may become lifelong
customers, and	(3) set trends that the rest of society emulates.
59.	Advertisers pay Meta a premium to serve advertisements to Young Users. And
many advertise	ers are willing to pay Meta for the opportunity to reach Young Users in specific
geographic ma	rkets, such as those in Nevada.
60.	Meta is motivated to increase Young Users' time spent on its platforms not only
because it is a	meaningful stream of advertising business, but also, because the data that Meta
collects from t	hat use is itself highly valuable to the Company.
61.	Meta has worked to maximize Young Users'
Meta does this	both because Young Users are a prized demographic, and because loss of Young
Users on its pla	atform threatens Meta's bottom line. As noted in the company's most recent Form
10-K filing:	
for, out for, out their us other p other p engage	lieve that some users, particularly younger users, are aware of and y engaging with other products and services similar to, or as a substitute r products and services, and we believe that some users have reduced se of and engagement with our products and services in favor of these roducts and services. In the event that users increasingly engage with products and services, we may experience a decline in use and ment in key user demographics or more broadly, in which case our se would likely be harmed. ³²
62.	In short, Meta has many strong short-term and long-term financial incentives to ime that Young Users spend on its platforms, including Facebook. And as

 $[\]frac{32}{https://www.sec.gov/Archives/edgar/data/1326801/000132680122000018/fb-20211231.htm}$ (last visited Jan. 27, 2024).

described in further detail below, Meta has chased that goal with incredible success, capturing a mind-boggling amount of time and attention from a generation of Young Users.

- 63. This approach has been profitable. Meta reported earning \$116.6 billion in revenue in 2022, with \$23.2 billion in net income, making Meta one of the largest companies in the United States by revenue and income.
- 64. A significant portion of these earnings come from the Young Users on Meta's platforms. A recent study estimated the revenue derived from Young Users across the world's largest social media platforms, including Facebook, and concluded that there were roughly 9,900,000 U.S.-based Young Users (ages 0-17 years) on the platform as of 2022.³³ Roughly \$500 million in Facebook's ad revenue came from that cohort in the same year, while almost \$5 billion in ad revenue on Instagram was attributable to U.S.-based Young Users.³⁴ Upon information and belief, a portion of these income-generating Young Users reside in Nevada.
- 65. And because of his ownership stake in Meta, Zuckerberg is one of the wealthiest people in the world. In addition to financial success, Zuckerberg's role as Meta's CEO and Founder has made him a public figure able to exert significant influence not only over the Company, but also over society at large. In a private email exchange with

Company, but also over society at large. In a private email exchange with

³³ Raffoul A, Ward ZJ, Santoso M, Kavanaugh JR, Austin S Bryn (2023) *Social media platforms generate billions of dollars in revenue from U.S. youth: Findings from a simulated revenue model.* PLoS ONE 18(12): e0295337, https://doi.org/10.1371/journal.pone.0295337 (last visited Jan. 27, 2024); *id.* at Table 1.

³⁴ *Id*. at Fig. 1.

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D. Social Media Use—and Ensuing Exposure to Harms—is Especially **Prevalent Among Young Users of Color.**

- 66. Research shows that a higher percentage of children of color in America use social media platforms—including Facebook—than their white counterparts.
- 67. A recent study by Pew, entitled Teens, Social Media and Technology 2023, reveals that Black and Hispanic teenagers between ages 13 and 17 spend more time on social media platforms than their white counterparts.³⁶
- 68. According to that study, 55% of Hispanic teenagers and 54% of Black teenagers report generally being online "almost constantly," compared with 38% of their white teenage counterparts.
- 69. That study indicated that while only 2% of white children between the ages of 13 and 17 report being "almost constantly" on Facebook, the number doubles to 4% for Black children and further climbs to 5% for Hispanic children between the ages of 13 and 17.
- 70. Another study similarly found that Black and Hispanic children, ages 8 to 12, also use social media platforms more than their white counterparts.³⁷
- 71. Researchers have found that due to lower income levels, Black and Hispanic teenagers are less likely to have broadband access or computers at home, causing disproportionate reliance on smartphones and corresponding use of social media platforms.
- 72. Thus, while 95% of children between the ages of 13 and 17 have access to a smartphone at home, having access to a home computer remains less common for those in lower-income households.
- Experts believe that internet usage among teenagers may be displacing other 73. activities, including sports participation, in-person socializing, and reading, among other things.

³⁶ Pew Research Center, Teens, Social Media and Technology 2023 (Dec. 11, 2023), https://www.pewresearch.org/internet/2023/12/11/teens-social-media-and-technology-2023/ (last visited Jan. 27, 2024).

³⁷ Rideout, V., Peebles, A., Mann, S., & Robb, M. B. (2022), The Common Sense Census: Media Use by Tweens and Teens, 2021, https://www.commonsensemedia.org/sites/default/ files/research/report/8-18-census-integrated-report-final-web 0.pdf (last visited Jan. 27, 2024).

	74.	With respect to reading, the 2023 Scholastic Kids & Family Reading Report
found	that the	average amount of reading across all racial groups is in decline and continues to
trend (downwa	rd as children transition to their teenage years. ³⁸

- 75. The *Scholastic* study found that while 46% of kids between the ages of 6 and 8 report reading for pleasure, only 18% of children between the ages of 12 and 17 report the same.
- 76. These statistics raise the concern that the disparities in internet and social media platforms use may, in turn, intensify overall declines and existing differences in reading across racial groups.



Meta has never shared this materially significant information with the public or with consumers of its products.

78. As of the 2020 Census, Nevada's Black community constitutes roughly 12.1% of the State's population, and the Hispanic community constitutes 28.7% of the State's population.⁴⁰

³⁸ Scholastic, *Kids & Family Reading ReportTM*, https://www.scholastic.com/content/corphome/kids-and-family-reading-report/reading-lives.html (last visited Jan. 27, 2024).

https://www.census.gov/library/stories/state-by-state/nevada-population-change-between-census-decade.html (last visited Jan. 27, 2024).

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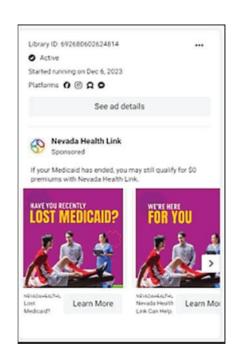
E. Meta Directs Its Business Towards Nevada.

- 79. Notably, Meta allows advertisers to target Young Users based on their age and location,⁴¹ and Facebook is popular among Young Users in Nevada.
- 80. While there is a dearth of publicly available granular data on Facebook usage by age and State, a 2012 resource shows that 12% of all Facebook users in Nevada are between the ages of 13 and 17.⁴²
- 81. And of course, Meta enriches itself by selling advertisements targeted to Nevada. According to Meta's public advertising library, Meta regularly sells advertisements specific to Nevada, and it allows businesses to target specific cities in Nevada. All manner of Nevada entities advertise on Facebook to reach a Nevada audience and expand their business in Nevada. Some examples include:⁴⁴

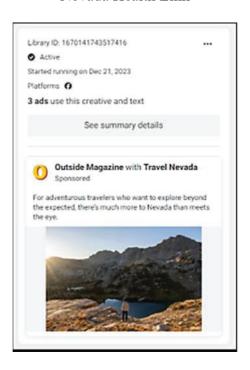
https://web.archive.org/web/20141119085350/http://innovationsimple.com/wp-content/uploads/2012/07/Facebook-Age-Distribution-in-Nevada.jpg (last visited Jan. 27, 2024).

⁴³ Designated market areas for ad targeting, Facebook, https://www.facebook.com/business/help/1501907550136620 (last visited Jan. 27, 2024).

⁴⁴ Each of the following examples comes from a natural language search of Meta's "Ad Library" tool, when enables users to "[s]earch all the ads currently running across Meta technologies," https://www.facebook.com/ads/library/?active_status=all&ad_type=political_and_issue_ads&country=US&media_type=all_(last visited Jan. 27, 2024).



Nevada Health Link



Outside Magazine, with Travel Nevada

KEMP JONES, LLP 3800 Howard Hughes Parkway, 17th FL. Las Vegas, Nevada 89169 (702) 385-6000 • Fax (702) 385-6001 kjc@kempjones.com Library ID: 188163499959955 ...

Active

Started running on Jan 3, 2024

Platforms () ©

Categories (*)

2 ads use this creative and text

See summary details

Northern Nevada Honda Dealers

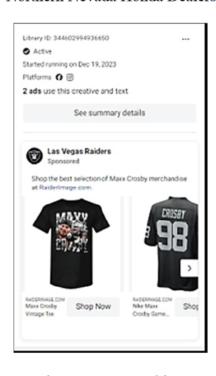
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Northern Nevada Honda Dealers



The Las Vegas Raiders

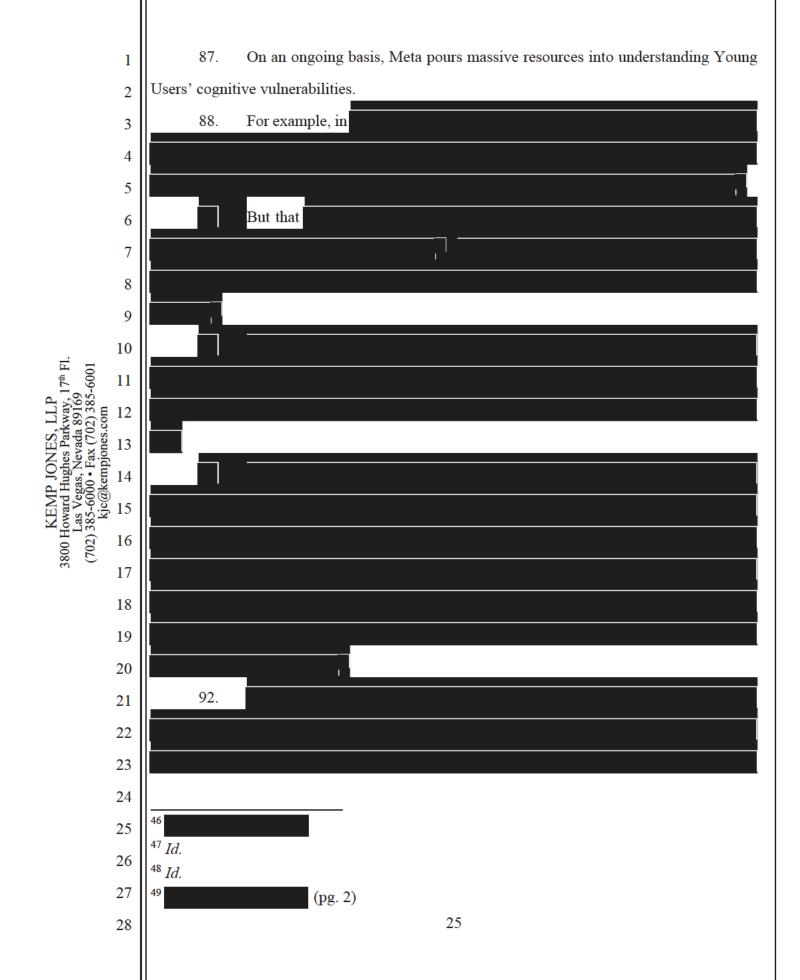
82. In sum, Meta not only makes its social media platforms available in Nevada, it also—at a minimum—promotes its brand in Nevada, touts its investments in Nevada,

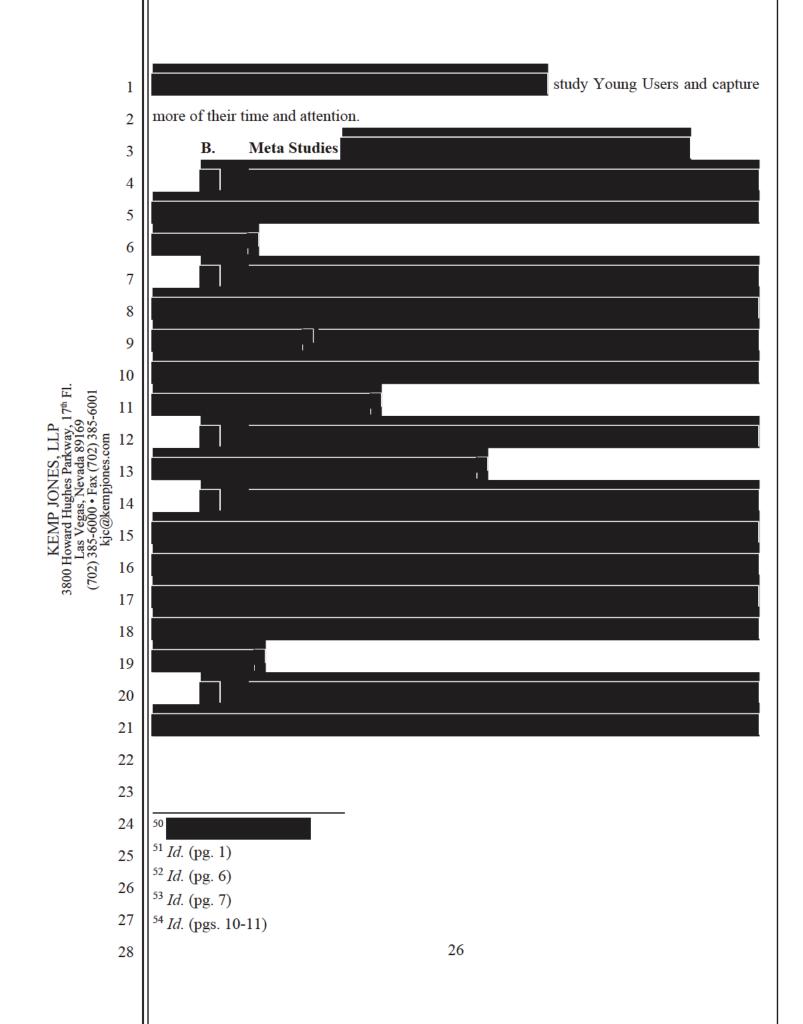
advertisements to Nevada entities so that they can expand their businesses in Nevada. And by virtue of Meta's business model, Meta has entered into (at least) hundreds of thousands of contracts with consumers in Nevada and sold the opportunity to serve ads specifically to those Nevada consumers.

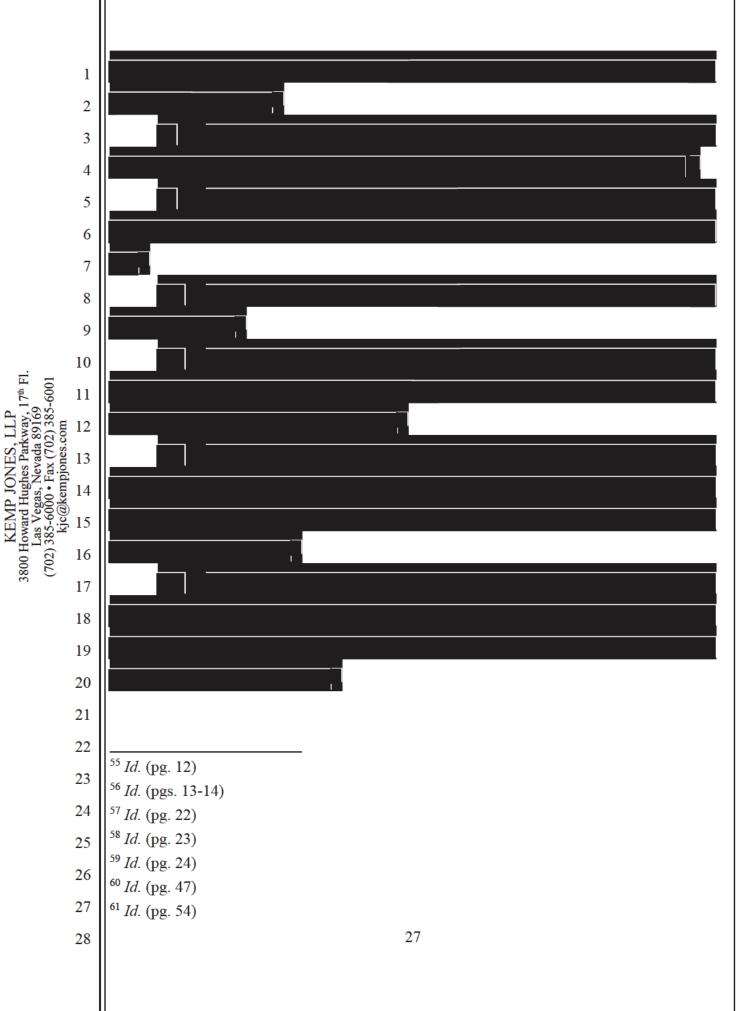
- II. META UTILIZES MULTIPLE DESIGN PRACTICES PURPOSELY INTENDED TO HOOK YOUNG USERS AND KEEP THEM ON ITS PLATFORMS IN PERPETUITY.
 - A. By Meta's Design, its Platforms Induce Compulsive Use Among Young Users.
- 83. For generations, companies have marketed products to Young Users from bikes to Barbies to baseball cards. Unquestionably, products like those appealed to a young audience, and their creators marketed them accordingly and achieved success.
- 83. Meta could have followed a similar course. It might have offered a version of its platforms that was simply appealing, but not addictive.
- 84. Instead, Meta intentionally designed its platforms to exploit known vulnerabilities in Young Users' neurological development, making its platforms profoundly difficult—and in some cases impossible—for children and teens to resist.
 - 85. As Meta's founding president, Sean Parker, explained in 2018:

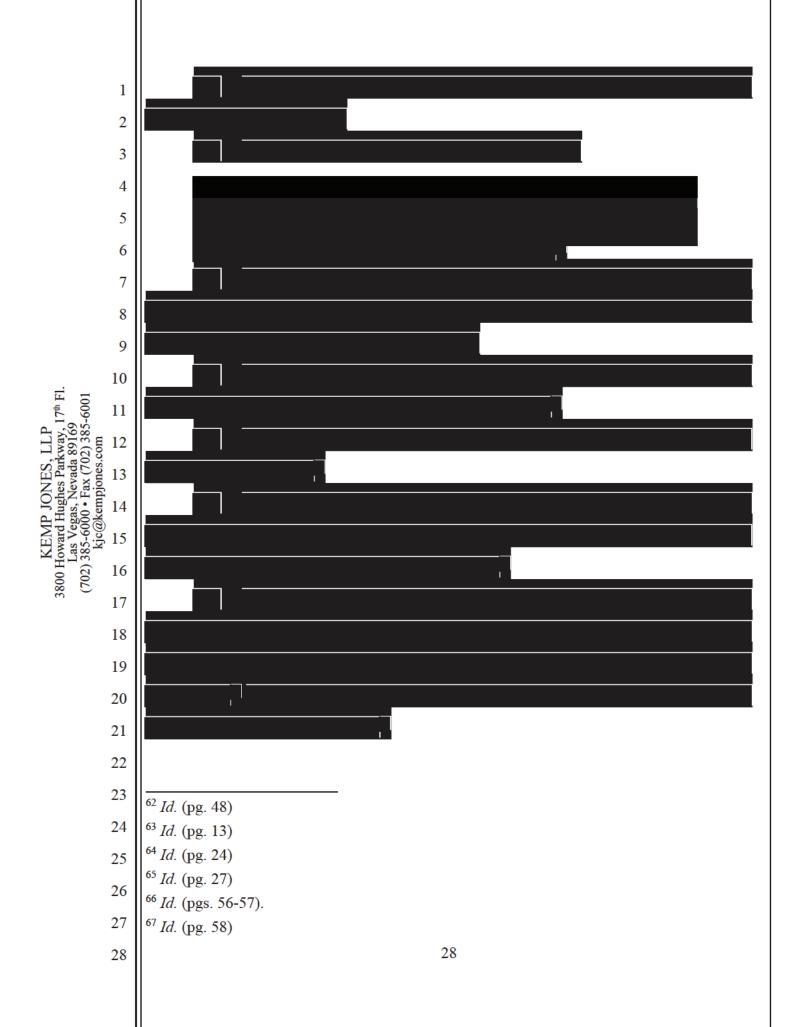
The thought process that went into building these applications, Facebook being the first of them ... was all about: 'How do we consume as much of your time and conscious attention as possible?' That means that we need to sort of give you a little dopamine hit every once in a while, because someone liked or commented on a photo or a post or whatever. And that's going to get you to contribute more content and that's going to get you ... more likes and comments. It's a social-validation feedback loop ... exactly the kind of thing that a hacker like myself would come up with, because you're exploiting a vulnerability in human psychology. The inventors, creators—me, [Meta founder] Mark [Zuckerberg], [Instagram founder] Kevin Systrom on Instagram, all of these people—understood this consciously. And we did it anyway.⁴⁵

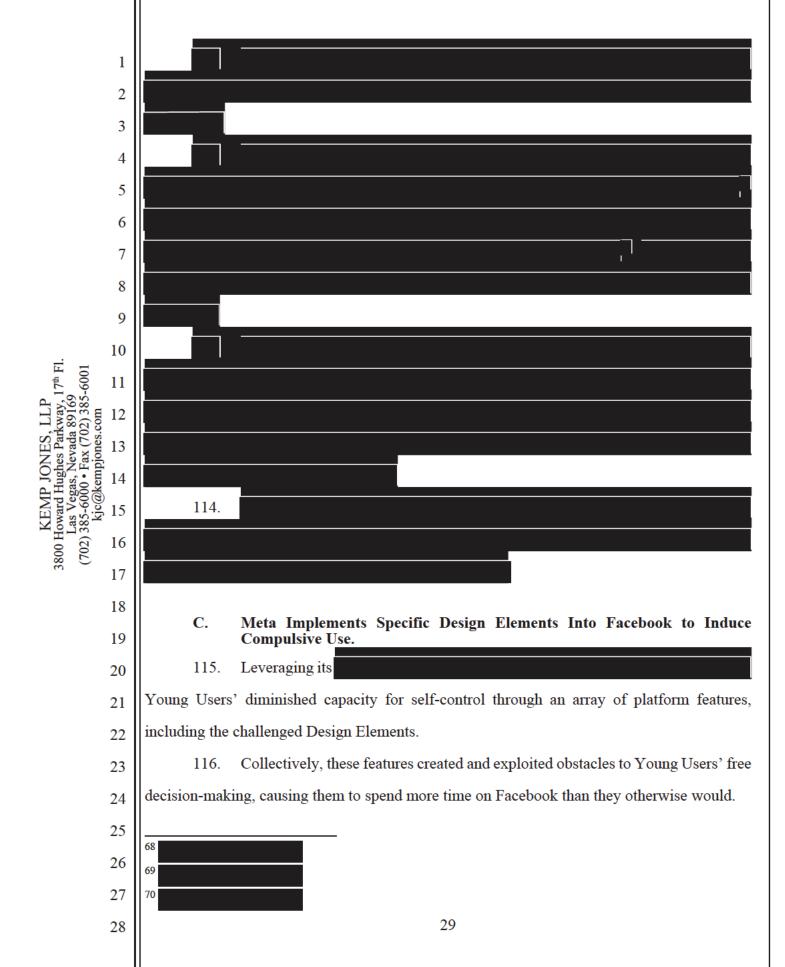
⁴⁵ Alex Hern, 'Never get high on your own supply' – why social media bosses don't use social media, The Guardian (January 23, 2018), <a href="https://www.theguardian.com/media/2018/jan/23/never-get-high-on-your-own-supply-why-social-media-bosses-dont-use-social-media-bosses-dont-use-social-media-wisited Jan. 27, 2024). Emphasis in this Complaint is added unless otherwise noted.











117. Several categories of engagement-optimizing design features are especially pernicious: Low-Friction Variable Rewards; Social Manipulation; Ephemeral Content; Push Notifications; and Harmful Filters. The State discusses each, in turn.

1. Low-Friction Variable Rewards: Endless Scroll, Autoplay, and Reels

118. The "Low-Friction Variable Reward" design element (also called the "Hook Model"⁷¹) is a powerful cognitive manipulation principle, first identified by the psychologist B.F. Skinner in the early 20th Century.⁷² It is premised on the observation that when test subjects—both humans and other animals—are rewarded unpredictably for a given action, they will engage in the action for a longer period of time than if the reward is predictable.⁷³ In his testing, Skinner observed that lab mice responded voraciously to random rewards. The mice would press a lever and sometimes they would get a small treat, other times a large treat, and other times nothing at all. Unlike the mice that received the same treat every time, the mice that received variable rewards seemed to press the lever compulsively.

119. At a chemical level, this is because the brain generates more dopamine in response to an uncertain reward than in response to an expected and reliable one.⁷⁴ The tendency of variable rewards to drive compulsive behavior is sometimes referred to as the "Vegas Effect," and is the primary mechanism at work in slot machines, keeping players sitting

⁷¹ Bart Krawczyk, *What is the hook model? How to build habit-forming products*, Log Rocket Frontend Analytics (Dec. 2, 2022), https://blog.logrocket.com/product-management/what-is-

⁷² B. F. Skinner, *Two Types of Conditioned Reflex: A Reply to Konorski and Miller*, 16 J. Gen. Psychology, 272-279 (1937), https://doi.org/10.1080/00221309.1937.9917951 (last visited Jan.

⁷³ Laura MacPherson, A Deep Dive into Variable Designs and How to Use Them, DesignLi

(Nov. 8, 2018), https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them/ (last visited Jan. 27, 2024); Mike Brooks, https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them/ (last visited Jan. 27, 2024); Mike Brooks, https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them/ (last visited Jan. 27, 2024); Mike Brooks, https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them/ (last visited Jan. 27, 2024); Mike Brooks, https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them/ (last visited Jan. 27, 2024); Mike Brooks, https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://designli.co/blog/a-deep-dive-on-variable-rewards-and-how-to-use-them-">https://deep-dive-on-variable-rewards-and-how-to-use-them-">https://deep-dive-on-variable-rewards-and-how-to-use-them-">https://deep-dive-on-variable-rewards-and-how-

Today (Jan. 4, 2019), https://www.psychologytoday.com/us/blog/tech-happy-life/201901/the-

the-hook-model-how-to-build-habit-forming-products/ (last visited Jan. 27, 2024).

vegas-effect-our-screens (last visited Jan. 27, 2024).

27, 2024).

⁷⁴ Anna Hartford & Dan J. Stein, *Attentional Harms and Digital Inequalities*, 9 JMIR Mental Health 2, 3 (Feb. 11, 2022), https://pubmed.ncbi.nlm.nih.gov/35147504/ (last visited Jan. 27, 2024) ("At the level of our neural reward system, an uncertain reward generates a more significant dopamine response than those generated by a reliable reward.").

in front of machines for hours on end (machines that, due to their limited mental development, Young Users and Youngest Users are of course forbidden from using or interacting with).⁷⁵

120. Defendants are aware not only of the value of variable rewards for driving users' online time and maximizing profits, but also the risks associated with these types of rewards.

For example,

(emphasis added).

Fig. 2

i. <u>Endless Scroll</u>

121. One example of variable rewards design feature is the infinite or endless scroll mechanism with variable content that is deployed across social media platforms. When a platform uses endless scroll, a user is continuously fed more pieces of content, with no endpoint, as they scroll down a feed or page. When platforms load content into streams viewed by endless

⁷⁵ Mike Brooks, *The "Vegas Effect" of Our Screens*, Psychol. Today (Jan. 4, 2019), https://www.psychologytoday.com/us/blog/tech-happy-life/201901/the-vegas-effect-our-screens (last visited Jan. 27, 2024).

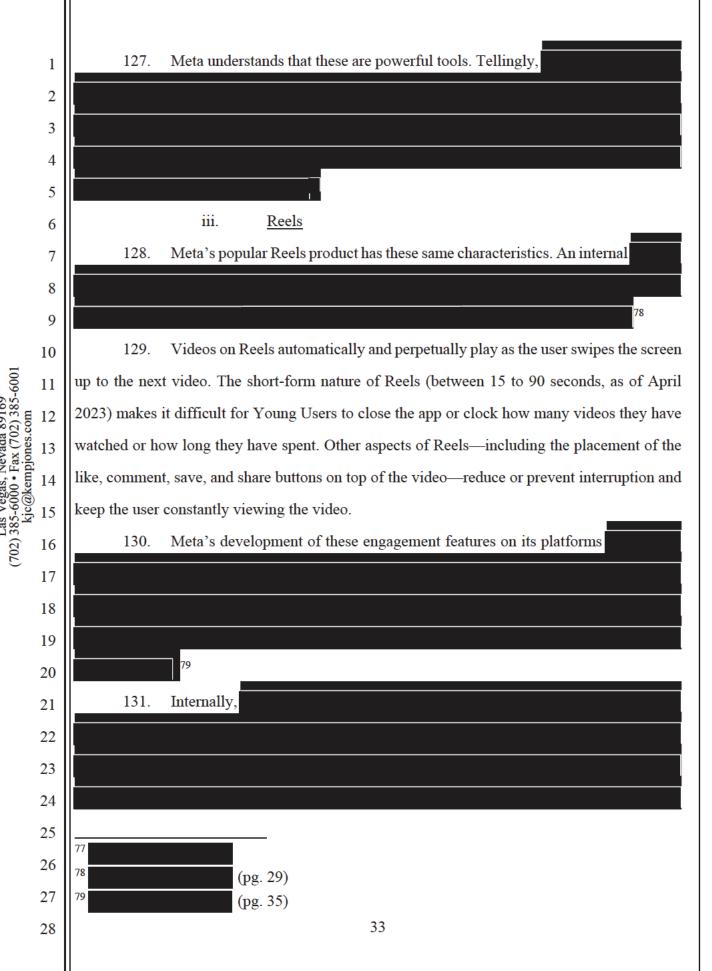
scroll, a user can never predict what will come next or how interesting it will be. The user is rewarded at unpredictable intervals and levels with pieces of content they find funny, entertaining, or otherwise interesting.⁷⁶

- 122. Critically, the action required by the user is "low-friction" that is to say, there is little commitment required of the user beyond simply scrolling through the app. This enables the user to engage in the pursuit of the next "rewarding" piece of content in perpetuity.
- 123. Facebook employs the endless scroll, supplying minor users with unpredictable variable rewards by strategically and intermittently surfacing content that the respective platforms predict users will want to see. But Meta is not just making a "lucky" guess about the type of content that children- and others- would wish to engage. Rather its predictions are incredibly precise and "effective" as they are made because Facebook siphons private and personal user data to create individualized user "profiles"—including of children who uses the apps.

ii. Autoplay

- 124. Another form of navigation manipulation called "Autoplay," is similar to endless scrolling, and is especially prevalent on social media platforms, like Facebook, that provide video content for users. Simply put, video playback begins without any prompting from the user.
- 125. Meta deploys the Autoplay feature to keep Young Users on Facebook, automatically and continuously playing video content in their Feed and elsewhere and encouraging Young Users to remain on the platform *ad infinitum*.
- 126. Autoplay takes a way a user's sense of control, increasing the chances of bingewatch or going down a "rabbit hole." Moreover, because there is no longer any user choice in the interaction (Facebook chooses what videos will be played next), there is an increased risk of children being exposed to inappropriate, harmful content.

⁷⁶ GCFGlobal.org, *Digital Media Literacy: Why We Can't Stop Scrolling*, https://edu.gcfglobal.org/en/digital-media-literacy/why-we-cant-stop-scrolling/1/ (last visited Jan. 27, 2024).



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Social Manipulation

2.

Defendants utilize social manipulation to keep children addicted to their platforms. At its most basic form, this design practice leverages a child's desire for social relationships in order to encourage more time spent on the platform and more engagement with the platform (which in turn leads to more opportunities for Defendants to monetize the child users).

Children are particularly vulnerable to social manipulation techniques. Younger 133. adolescents have specific developmental needs for social connectedness and are particularly attuned to social validation. 81 This can "lead to greater relinquishing of security in certain arenas to gain social validation and belonging, for example, disclosing publicly to participate in online communities and accrue large amounts of likes, comments, and followers."82 One pair of researchers investigating the phenomena write:

[T]o tweens and teens, the kind of "rewards" social media promise are even more meaningful. Teens are primed to crave and value social validation, which is part of how they make sense of where they fit into their social worlds. Their biological sensitivity to social feedback makes them more susceptible to the pull of social media, which is at the ready with a promise of 24/7 access to likes and praising comments. Capacities for self-regulation and impulse control are also a work in progress during the teen years, which adds to the challenge of pulling away.83

⁸¹ Nicholas D. Santer, et al., Early Adolescents' Perspectives on Digital Privacy, Algorithmic 23 Rights and Protections for Children (2021) at 6, 30.

⁸² Id. at 6 (citing J.C. Yau & S. M. Reich, "It's Just a Lot of Work": Adolescents' Self-Presentation Norms and Practices on Facebook and Instagram, 29 J. Res. on Adolescence 196, 196-209 (2019)).

⁸³ Emily Weinstein & Carrie James, Behind Their Screens: What Teens Are Facing (And Adults Are Missing), MIT Press, at 33 (2022) (citing Lucy Foulkes and Sarah-Jayne Blakemore, Is There Heightened Sensitive to Social Reward in Adolescence?, 40 Current Opinion Neurobiology 81 (2016)).

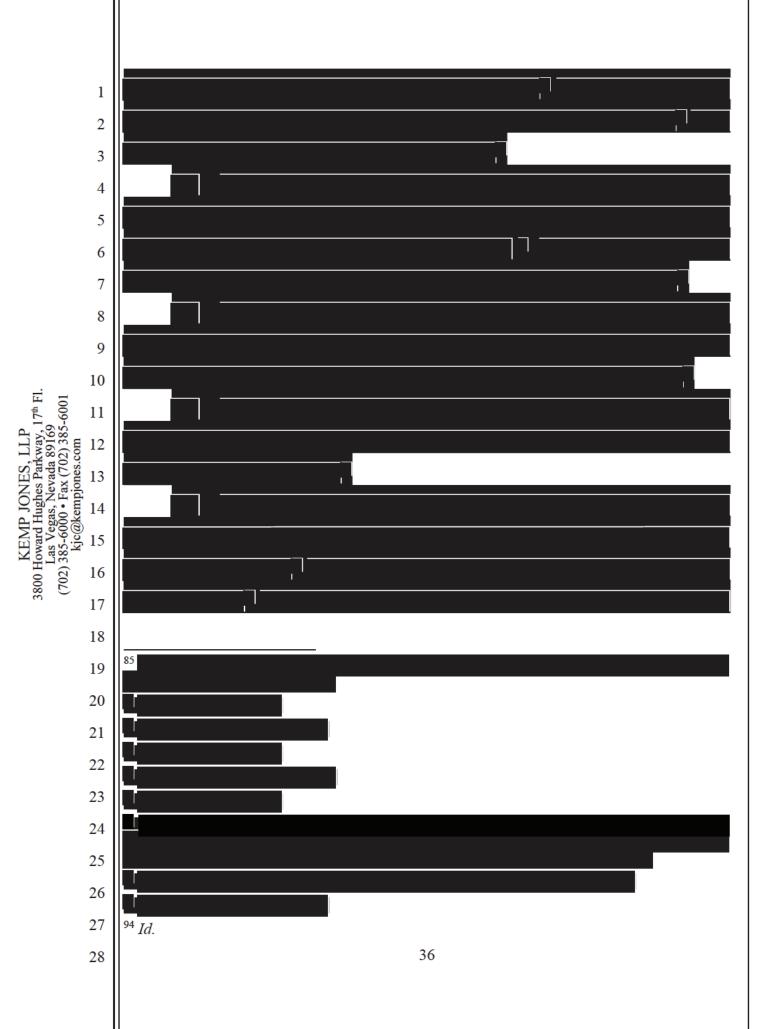
134. Many social manipulation design features induce anxiety in children that they or their content may not be as popular as that of their peers. In the words of a Massachusetts high school student who spoke with Common Sense Media, "[I]f you get a lot of likes, then 'Yay,' you look relevant, but then if you don't get a lot of likes and/or views, it can completely crush one's confidence. Especially knowing that you're not the only one who's able to see it." Not only are children spotting and seeing posts, but now they are obsessing over the popularity of their posts and those of others. These factors all converge to create a feedback loop: because children crave this social reinforcement, they seek it out, but ultimately children are unequipped with the tools to protect themselves against the allure of "rewards" that these manipulative social media designs purportedly promise.

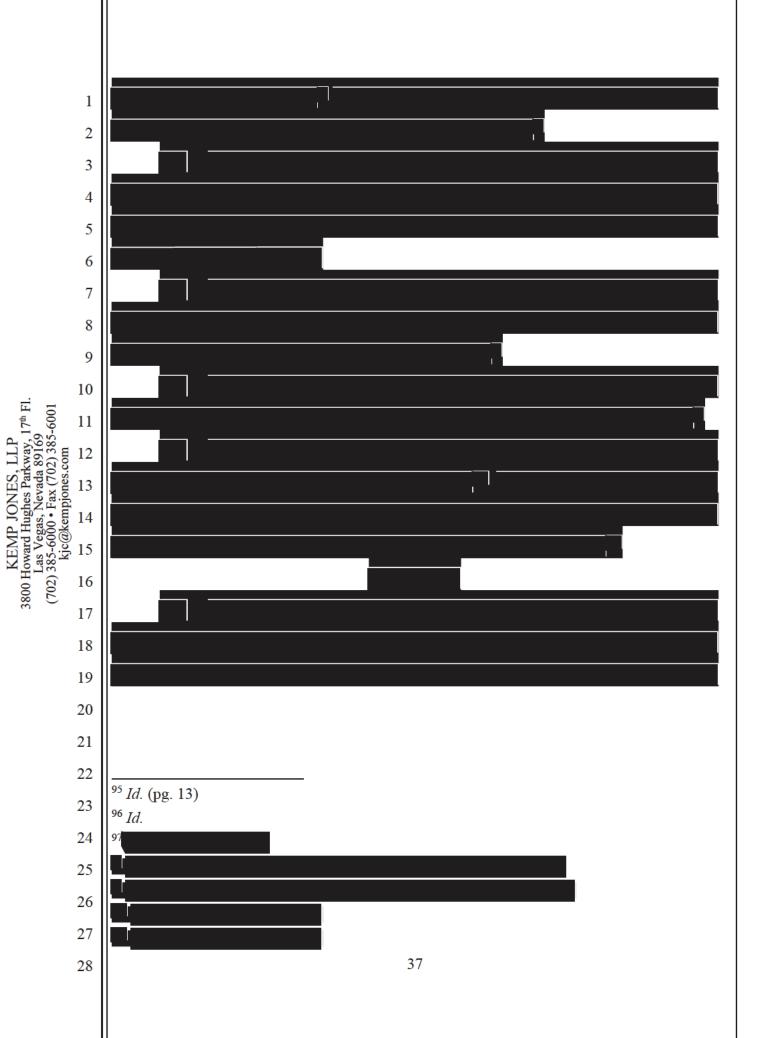
i. Quantified Popularity of a Minor's Account or Content

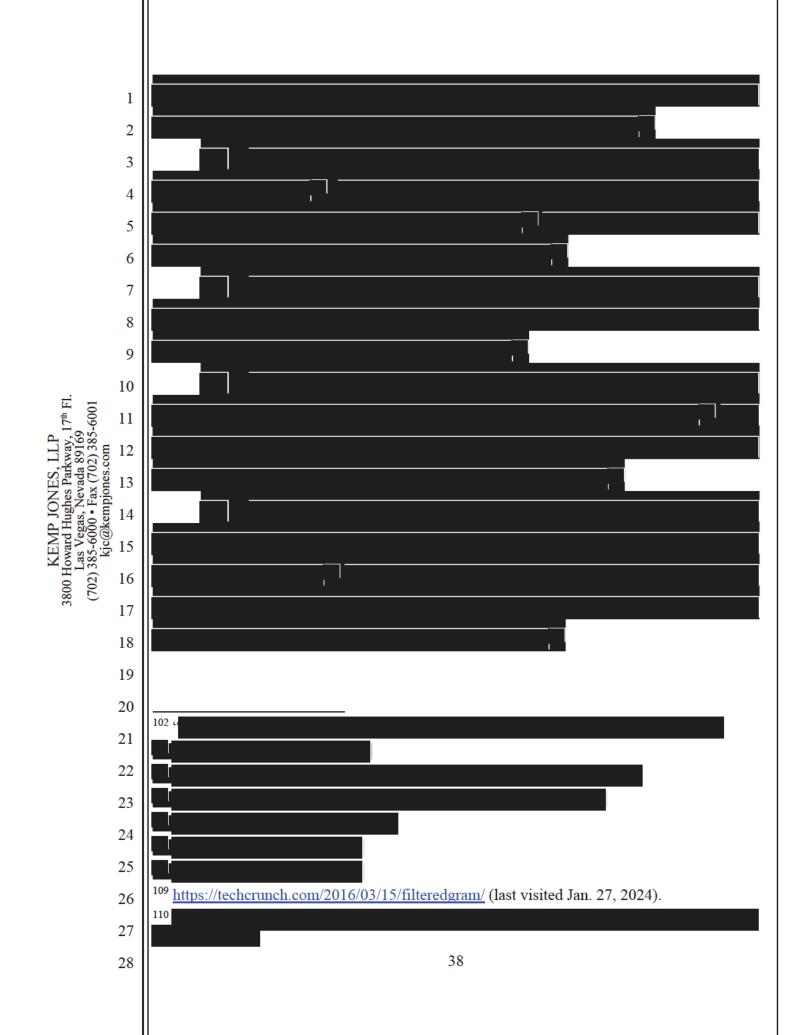
135. This design element "gamifies" a user's popularity by displaying (publicly, privately, or both) the number of friends or connections a user has, the number of interactions their content has received, and sometimes also the names or usernames of specific other users who have interacted with the user or their content. Metrics that may be displayed include views, likes, dislikes, reactions, and comments received on content.

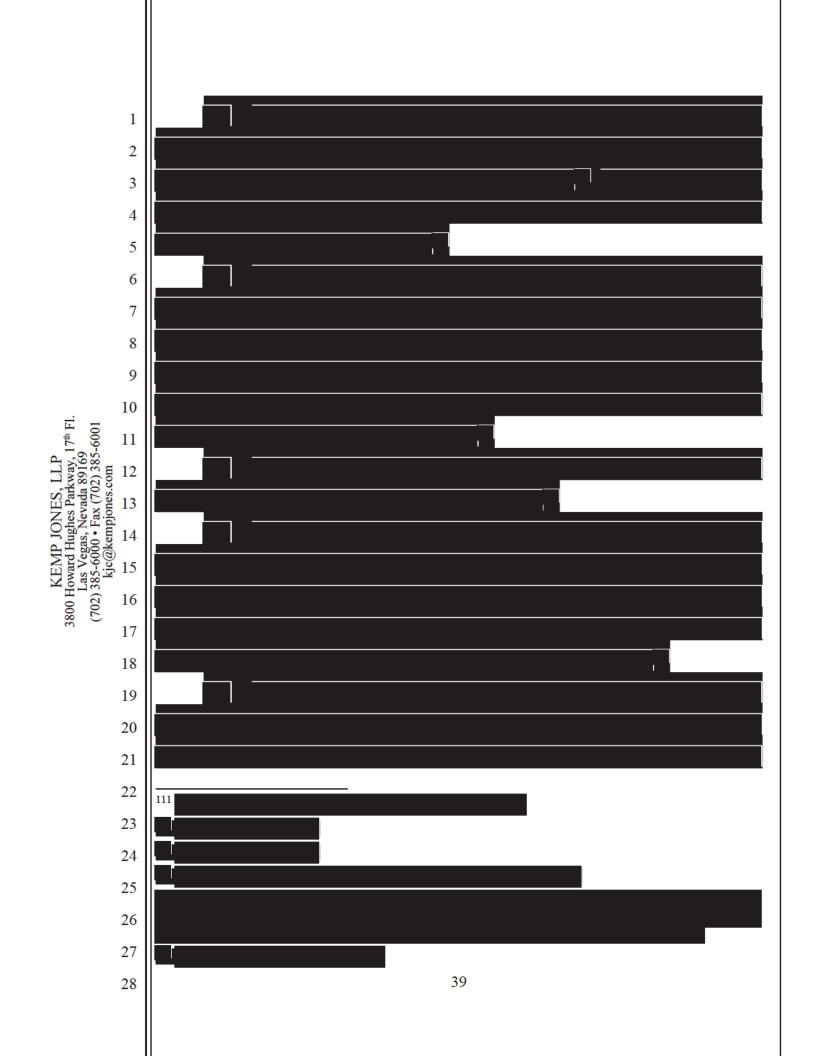
136.	These tallies act as quantified proof of popularity and exploit children's natural
tendency to p	ursue social relevance.
	If children's posts get Likes, they feel validated, but the fewer Likes they
get, the worse	they feel.

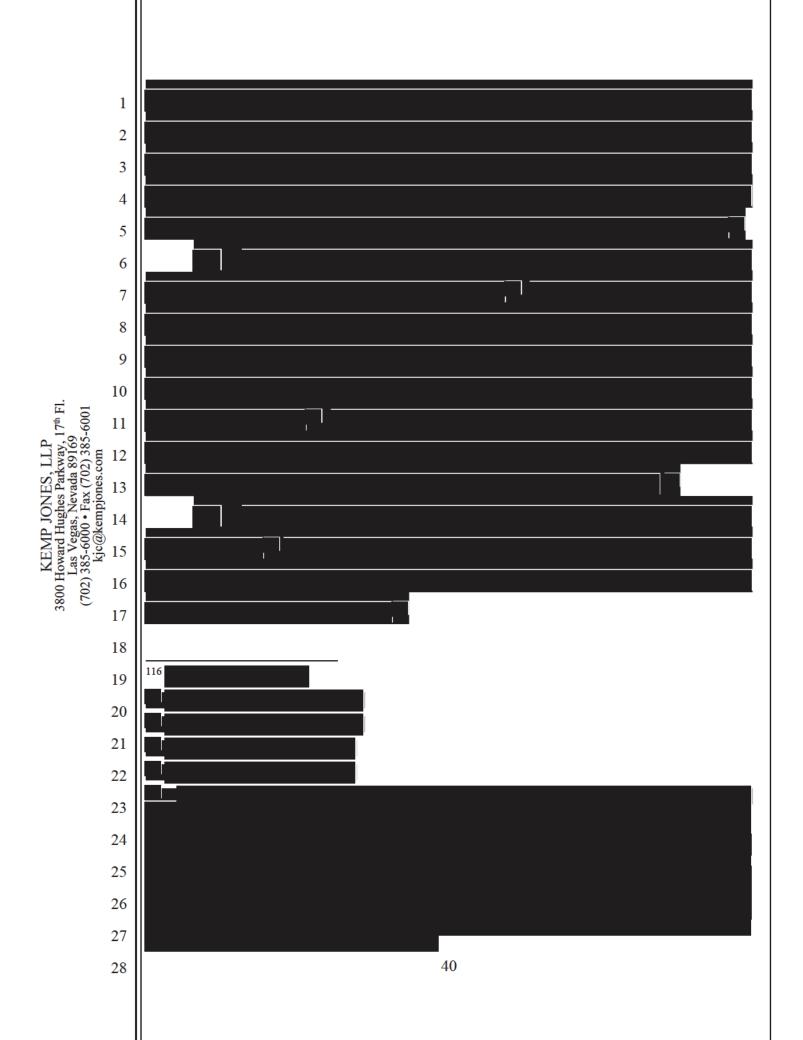
⁸⁴ Katie Joseff, *Social Media Is Doing More Harm than Good*, Common Sense Media (Dec. 17, 2021), https://www.commonsensemedia.org/kids-action/articles/social-media-is-doing-more-harm-than-good (last visited Jan. 27, 2024).

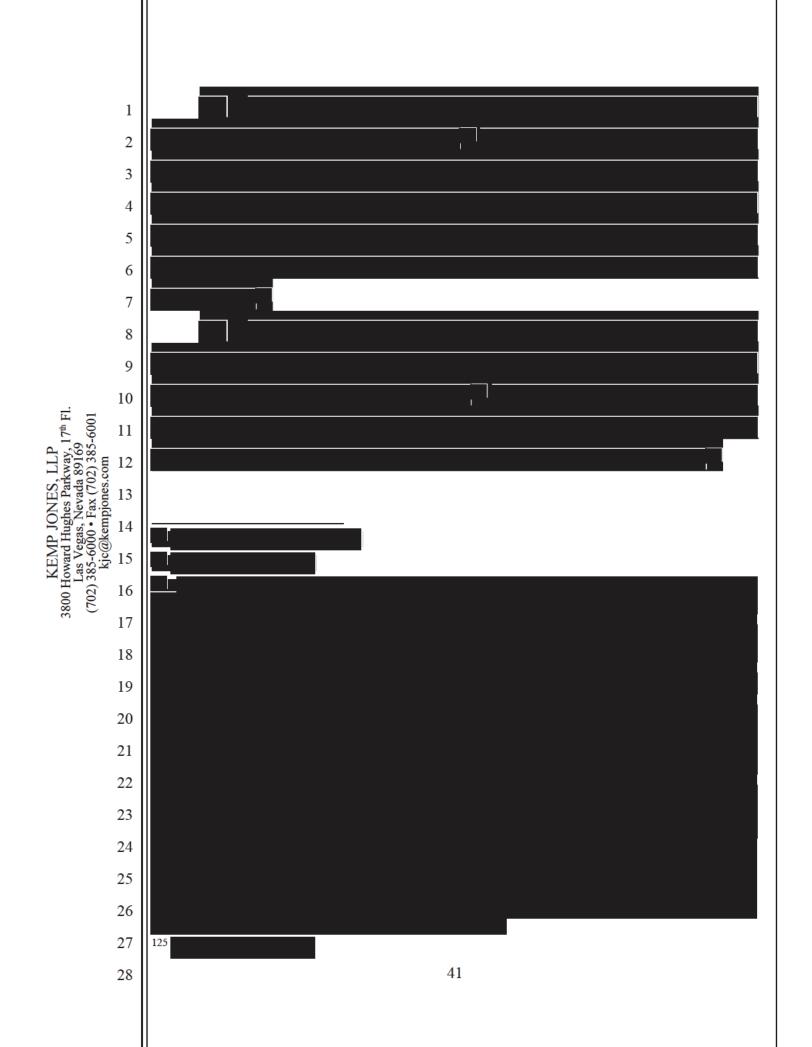


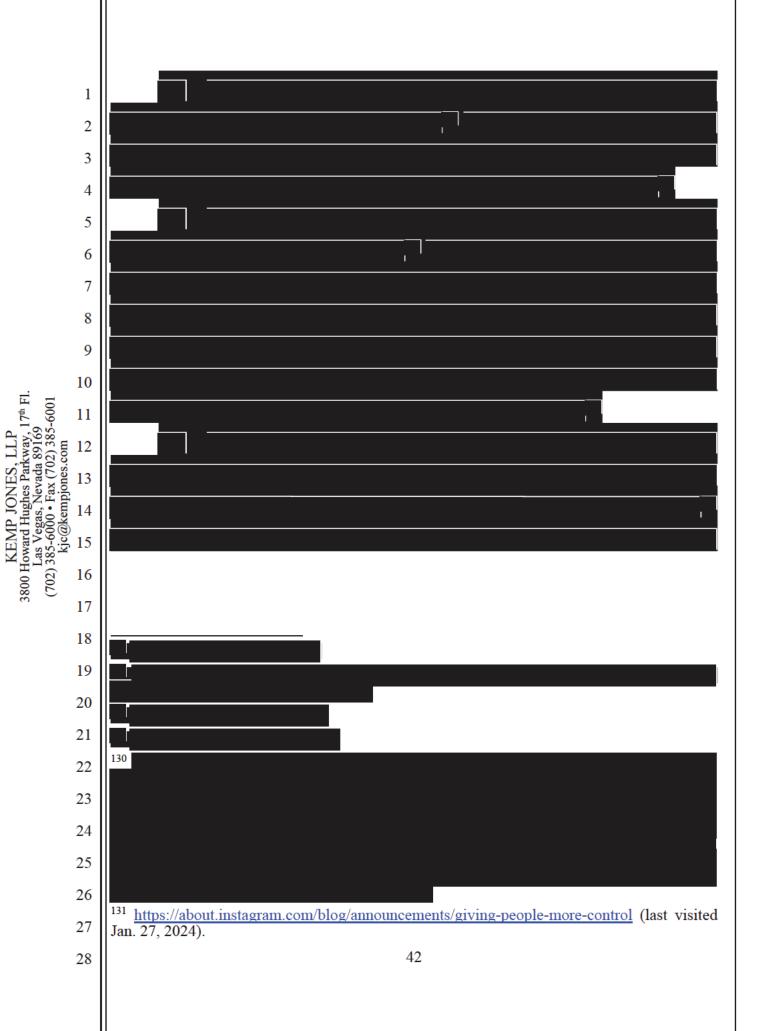


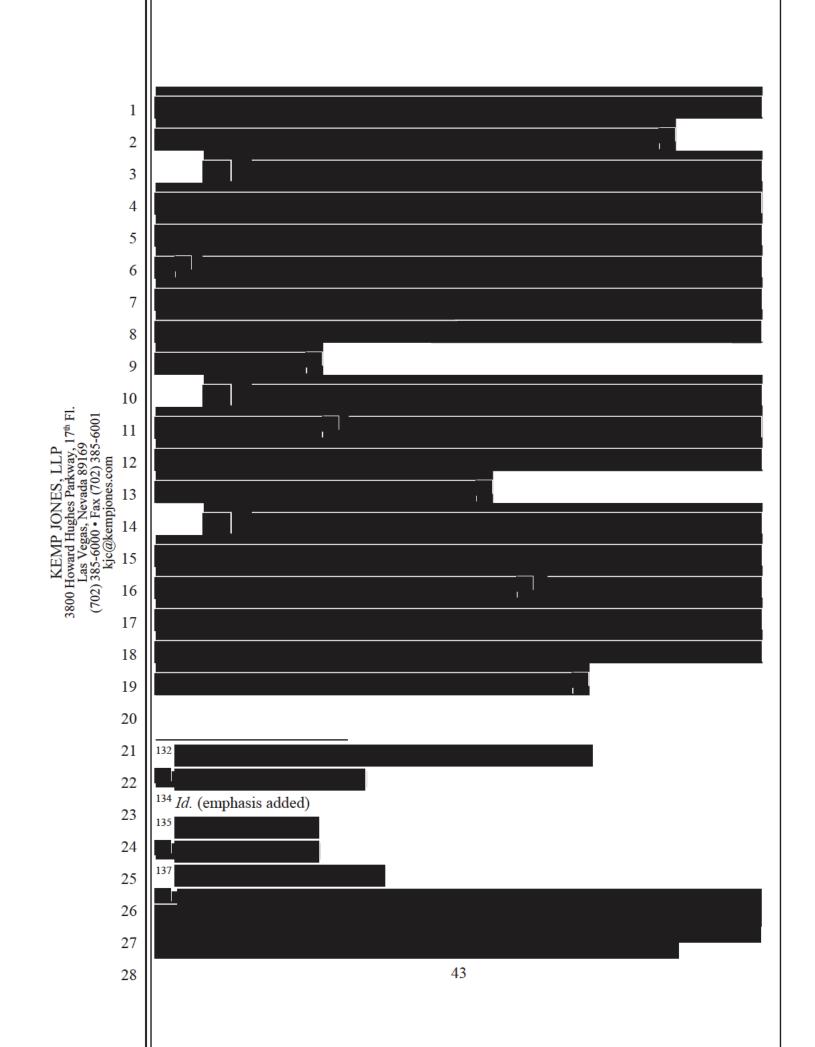












3. Ephemeral Content

166. As research shows and Meta knows, Young Users are developmentally wired such that the fear of missing out ("FOMO") is a "repeatedly identified driver of smartphone and social media use[.]" Meta induces constant engagement by making certain content ephemeral. This dovetails with a psychological concept identified by B.F. Skinner as "avoidance," meaning that an individual performs a behavior to avoid a negative outcome. ¹⁴⁰

167. Facebook utilizes avoidance as a design element by creating ephemeral posts, called "Stories," which disappear 24 hours after being originally posted. Another example is "Live," which gives users the ability to livestream videos to followers or the public. When an account "goes Live," the Facebook sends out a notification alerting users that a given account has started a live video, encouraging the users to watch until the video ends.

168. An

169. Because of the impermanence of Stories and Live, users are incentivized to check their Facebook feeds more often, and for longer periods, so as not to miss out on any posts that may soon vanish. A recent analysis correlated use of Stories with addiction:

Laura Marciano, Anne-Linda Camerini, Rosalba Morese, *The Developing Brain in the Digital Era: A Scoping Review of Structural and Functional Correlates of Screen Time in Adolescence*, Front. Psychol., Vol. 12 (Aug. 27, 2021) https://www.frontiersin.org/articles/10.3389/fpsyg.2021.671817/full (last visited Jan. 27, 2024).

¹⁴⁰ GameQuitters, Are Video Games Designed to Be Addictive?, https://gamequitters.com/are-video-games-addictive/ (last visited Jan. 27, 2024).

https://www.facebook.com/formedia/tools/facebook-live (last visited Jan. 27, 2024).

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[U]ser engagement with Instagram Stories has a significant positive impact on psychological dependency, denoted by cognitive preoccupation and compulsive use of Instagram Stories. The literature has shown that a high level of engagement plays a predictive role in addictive use of Internet activities, and the findings of this study indicate that users who are highly engaged with Instagram Stories tend to become dependent on it. As users obtain a variety of gratifications from using Instagram Stories, they are likely to become more reliant on it, potentially leading to excessive use. ...[Further] it is clear that negative feelings exert an even stronger influence than pleasant feelings on the development of psychological dependency in the current context. On the one hand, the positive feelings that users experience from using Instagram Stories may reinforce their addictive patterns of its usage. On the other hand, because users may also experience negative emotions as a result of engaging in social interactions and self- and identity-related activities using Instagram Stories (e.g., unsuccessful self-promotion, missed opportunities, social comparison), they may become more dependent on the platform to help regulate and alter such mood states with the hope of bringing their affect back to optimal levels. However, this is alarming, as recent studies conducted by Facebook show that frequent use of Instagram could lead to detrimental effects on young users' mental health. 143

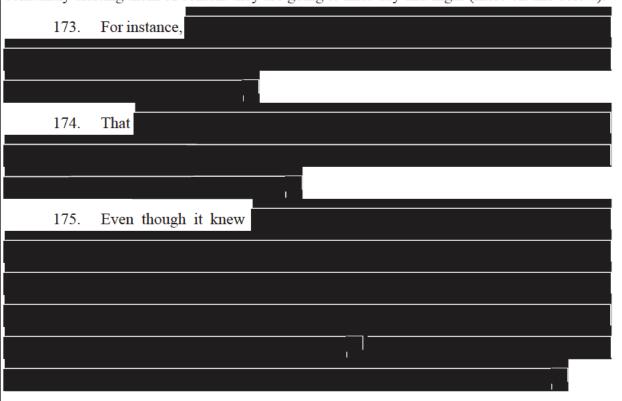
170. Unlike content delivery systems that permit a user to view existing posts on a schedule convenient for the user, ephemeral content is only available on a temporary basis—incentivizing users to engage with the ephemeral content immediately.



172. Meta could make Live and Stories available for viewing days or weeks after they are created, allowing Young Users to take meaningful breaks from its platforms (for instance, during the school week or while on vacation) without missing content. Instead, Meta deploys ephemeral content features because it knows Young Users' fear of missing out on content will

¹⁴³ Jia-Dai (Evelyn) Lu, Jhih-Syuan (Elaine) Lin, *Exploring uses and gratifications and psychological outcomes of engagement with Instagram Stories*, Computers in Human Behavior Reports, Vol. 6 (May 2022), 100198, https://www.sciencedirect.com/science/article/pii/S245195882200032X (last visited Jan. 27, 2024) (internal citations omitted).

keep them glued to its platforms. In addition, this ephemeral nature of its content gives Facebook a pretext to send endless streams of push notifications to its users' smartphones, constantly alerting them of content they are going to miss day and night (more on this below).



4. Push Notifications: Audio, Visual, and Haptic Alerts

176. Meta causes Young Users to increase their time spent on its platforms by inundating them with notifications when they are off Facebook, in an effort to entice them to stop whatever else they are doing and return to engaging with social media. By default, Facebook peppers users (including Young Users) with frequent alerts or notifications intended to cause users to open the application.

(pg. 3)

146 *Id.* (pg. 25)

147

(pg. 32)

148 *Id.*

	177.	These	include	haptic	alerts,	banner	notifications,	sound	notifications	s, badge
notific	cations (persiste	ntly disp	played 1	red ind	ication o	of the number	of ever	nts that have	not yet
been v	viewed b	y the us	er), and	e-mail	notifica	ations.14	9			

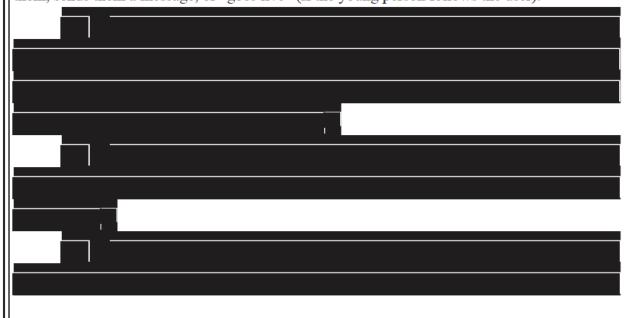
178. These alerts are disruptive for all users but are especially harmful for minor children, who are particularly vulnerable to distraction and psychological manipulation. independent academics have observed that

Although not as intense as [sic] hit of cocaine, positive social stimuli will similarly result in a release of dopamine, reinforcing whatever behavior preceded it . . . Every notification, whether it's a text message, a "like" on

these notifications impact the brain in similar ways as narcotic stimulants:

Instagram, or a Facebook notification, has the potential to be a positive social stimulus and dopamine influx. 150

Preying on that vulnerability, by default Meta notifies Young Users when another user follows them, likes their content, comments on their content, "tags" them, mentions them, sends them a message, or "goes live" (if the young person follows the user).



¹⁴⁹ https://www.facebook.com/help/530847210446227 (last visited Jan. 27, 2024).

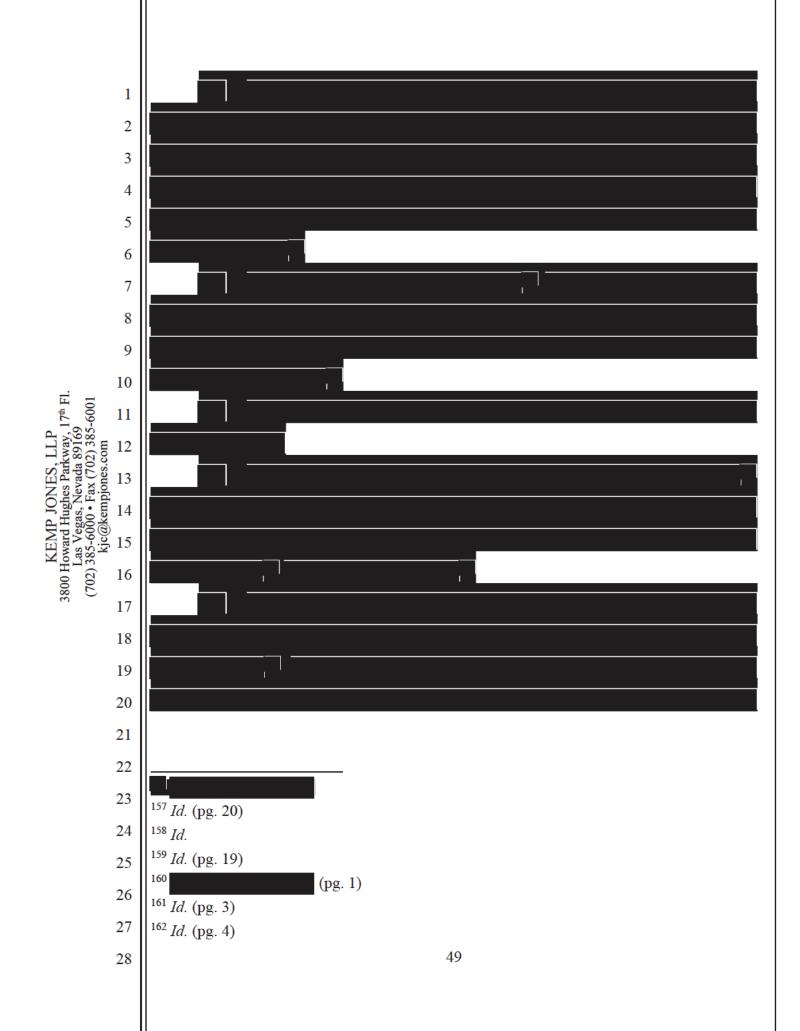
https://sitn.hms.harvard.edu/flash/2018/dopamine-smartphones-battle-time/ (last visited Jan. 27, 2024).

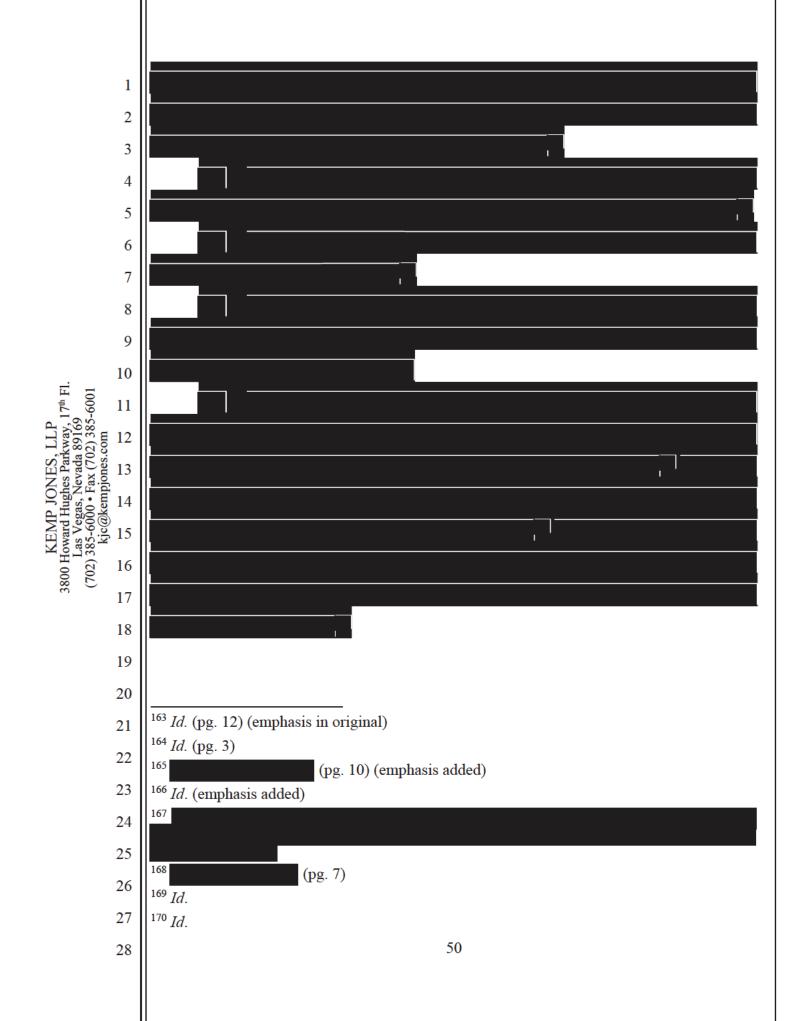
5. Harmful Filters

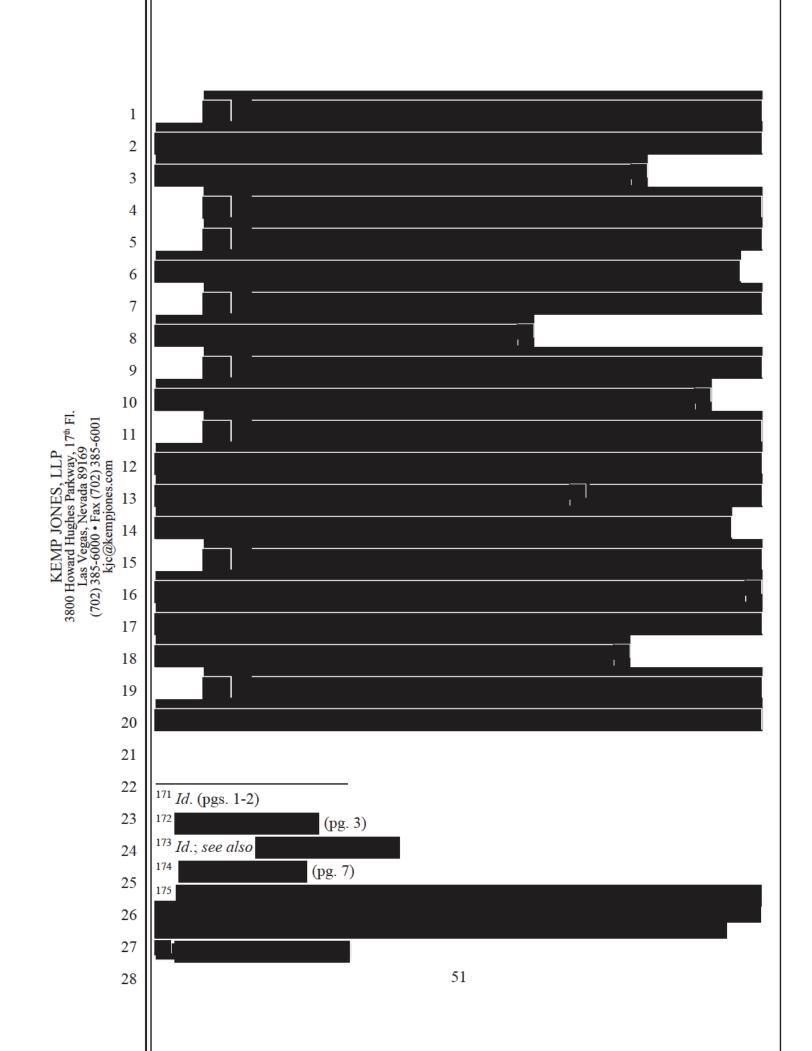
183. On September 30, 2021 while testifying before Congress, Meta executive Antigone Davis denied that Meta contains features that promote eating disorders, stating: "[w]e do not direct people towards content that promotes eating disorders. That actually violates our policies, and we remove that content when we become aware of it. We actually use AI to find content like that and remove it."

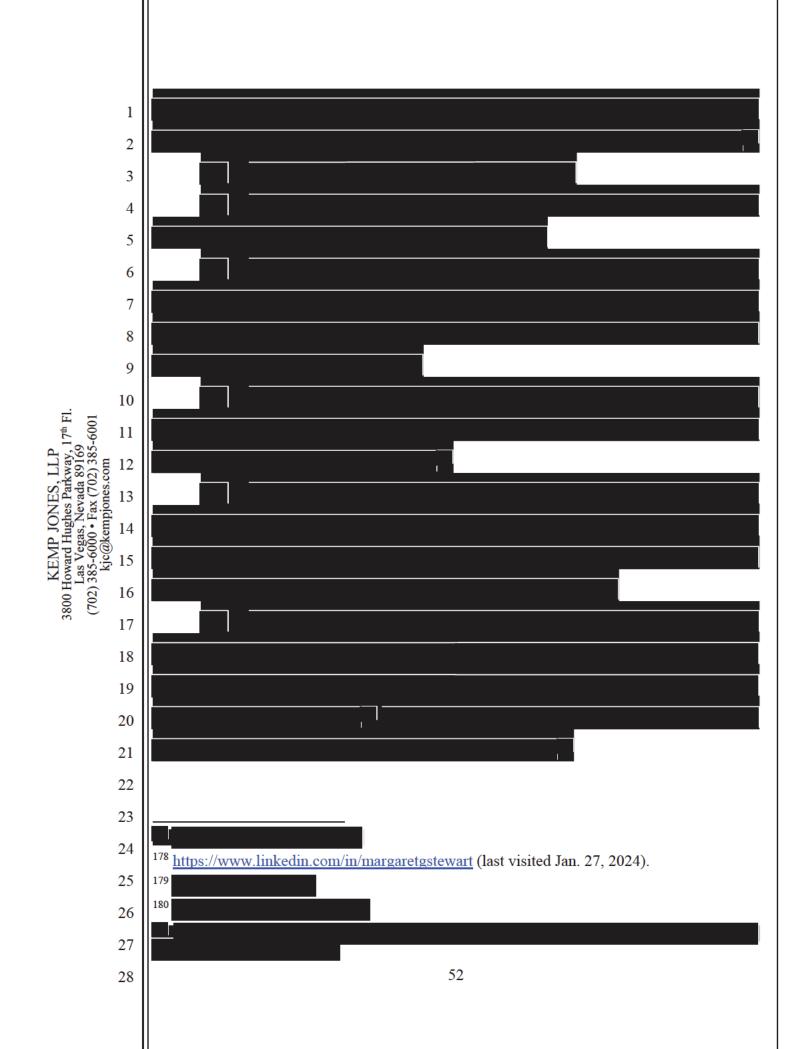
184. She also testified that for teen girls struggling with "loneliness, anxiety, sadness, and eating disorders," they "were more likely to say that Instagram was affirmatively helping them, not making it worse," and that Meta "work[s] with experts to help inform our product and policies" around eating disorders. Meta publishes this same statement in a section devoted to "[e]ating disorders" and "negative body image" in its "parent and guardian's guide to Instagram," which it makes available on its website.

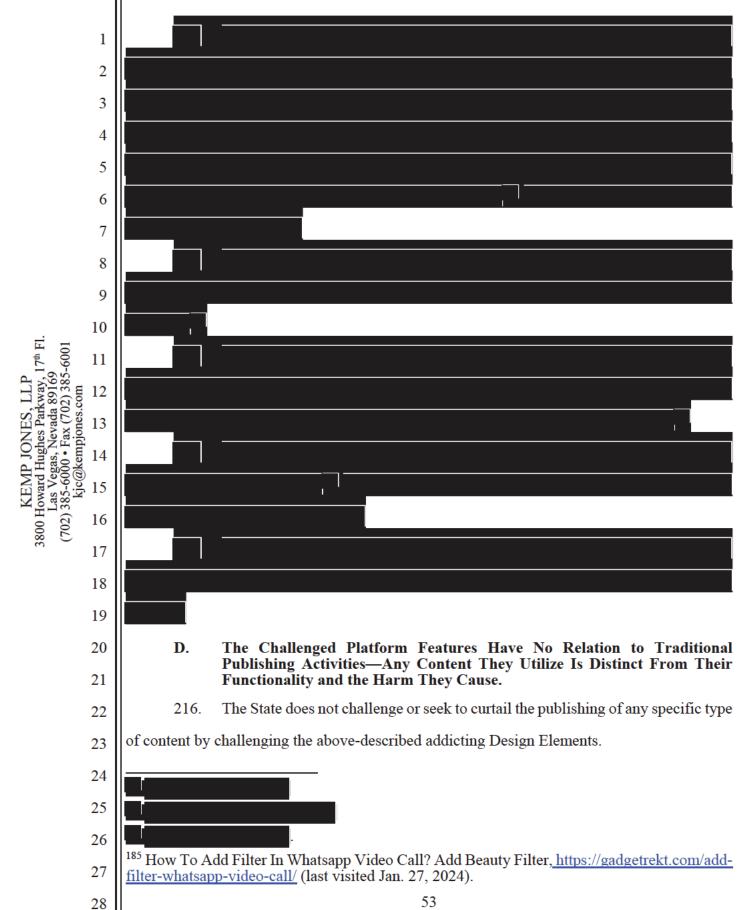










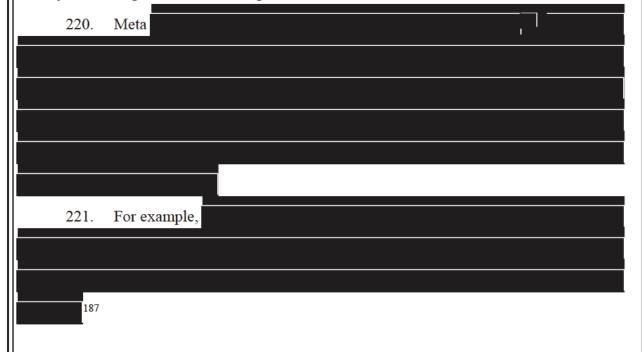


217. Notably, these Design Elements-Low-Friction Variable Rewards;	Social
Manipulation; Ephemeral Content; Push Notifications; and Harmful Filters—are not te	thered
to any specific third-party content. Indeed, the substance of any content incorporated in	nto or
used by the Design Elements is immaterial. Instead, the Design Elements themselves creates	ate the
risk and harm of addiction, which is separate and apart from other harms caused by the pla	tform.

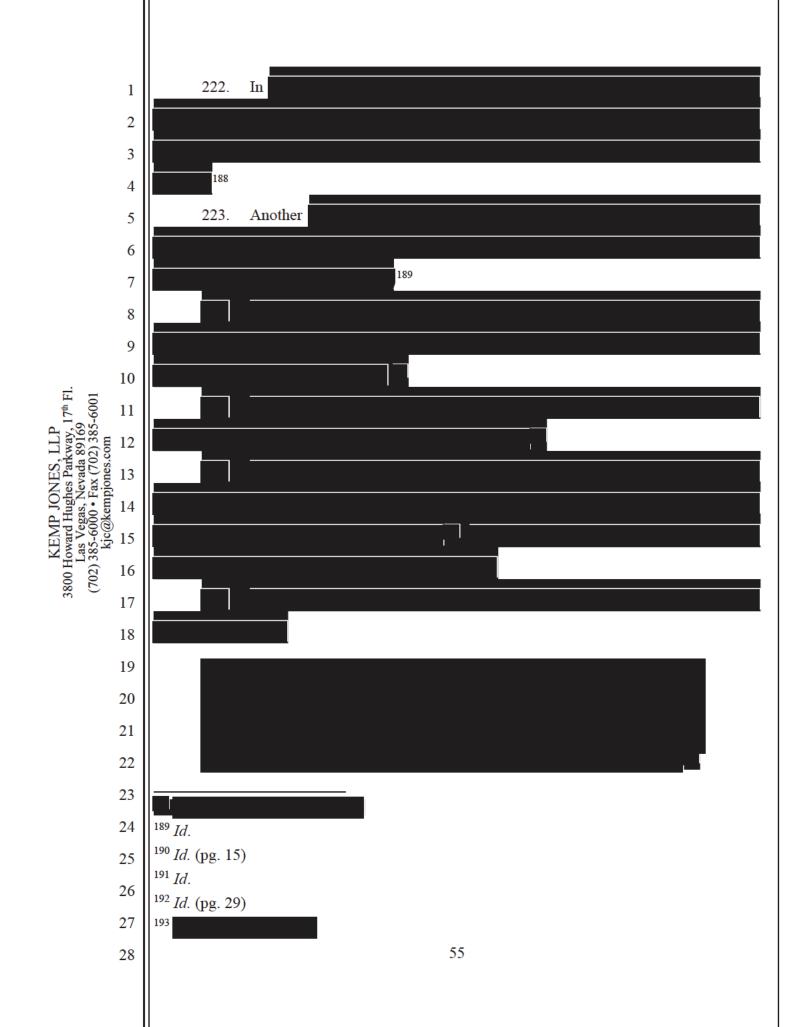
218. Regardless of the substance of *any* content on Facebook—either first- or third-party—the purpose of the Design Elements is to extract additional time and attention from young users whose developing brains were not equipped to resist those manipulative tactics.

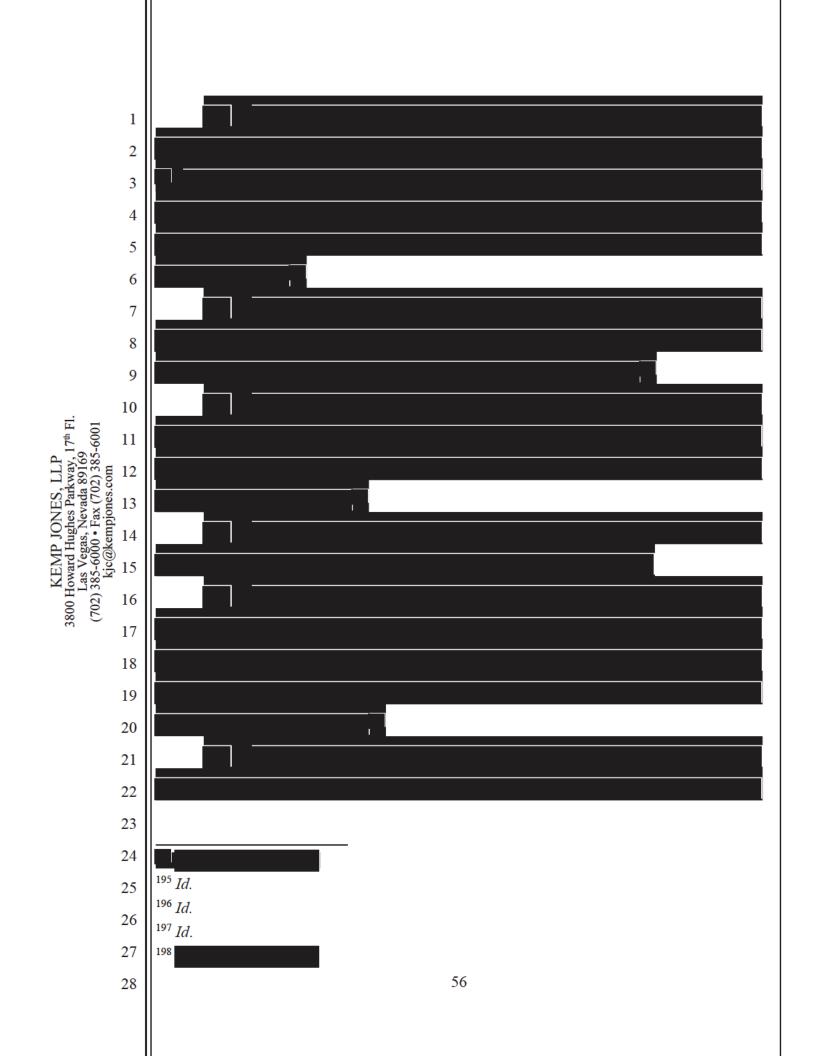


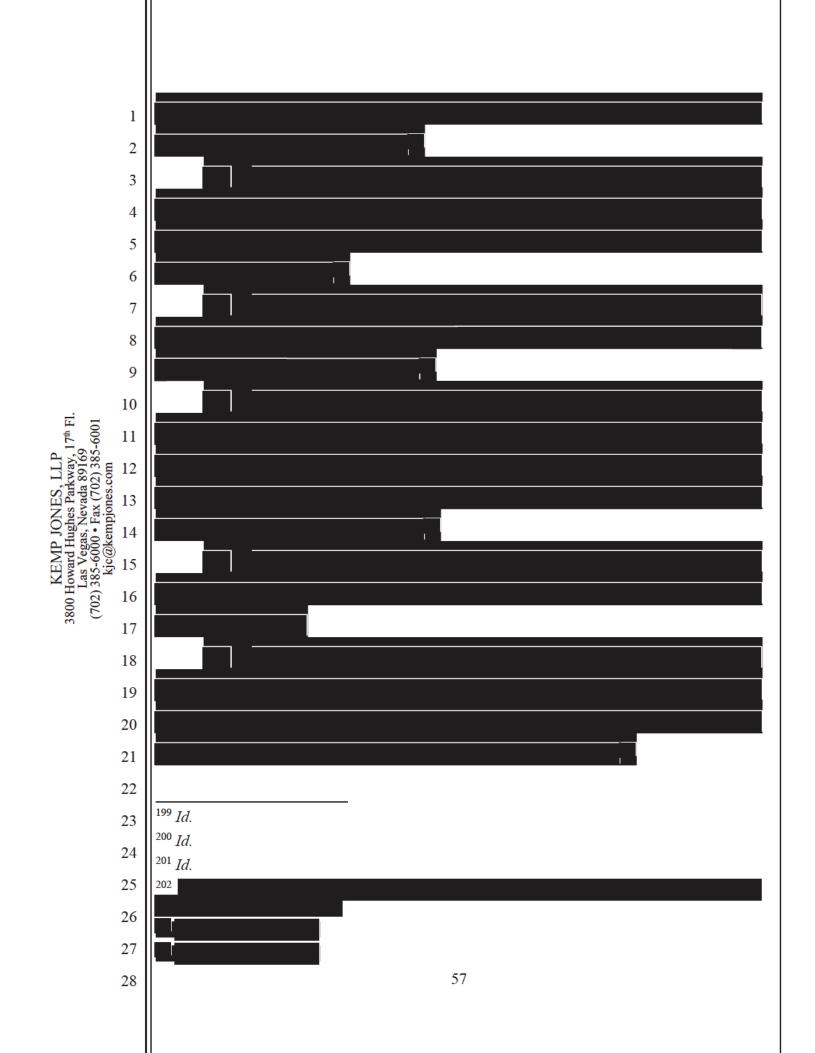
219. Because of Meta's design choices, its platforms—including Facebook—have already hooked a generation of Young Users.



lass Under Nevada law, "knowingly means that the defendant is aware that the facts exist that constitute the act or omission." *Poole v. Nev. Auto Dealership Invs., LLC*, 2019 Nev. App. LEXIS 4, *2. Similarly, "a 'knowing[]' act or omission under the NDTPA does not require that the defendant intend to deceive with the act or omission, or even know of the prohibition against the act or omission, but simply that the defendant is aware that the facts exist that constitute the act or omission." *Id.* at *8 (alteration original).







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A. Meta Harms Young Users by Inducing Compulsive Use.

- Defendants have substantially injured Young Users by designing their platforms, 240. including Facebook, to induce compulsive and excessive use, which interferes with important developmental processes and behaviors.
- These injuries include Young Users' lack of sleep and related health outcomes, 241. diminished in-person socialization skills, reduced attention, increased hyperactivity, selfcontrol challenges and interruption of various brain development processes.

Mental Health Harms

- 242. Maximizing children's time and activities online is linked with worse psychological well-being in children in concrete and serious ways that cannot be ignored in the context of the current youth mental health crisis. Defendants have caused Young Users to experience mental health harms, such as increased levels of depression and anxiety. In addition, Defendants have caused Young Users to have diminished social capacity and other developmental skills by virtue of the "opportunity cost" associated with devoting significant time to social media, rather than partaking in other developmentally important, in-person life experiences.
- The United States Surgeon General's May 2023 Advisory, titled "Social Media 243. and Youth Mental Health" (the "Advisory"), describes some of the harms caused by Defendants. ²⁰⁶ As the Advisory explains, "[a] Surgeon General's advisory is a public statement that calls the American people's attention to an urgent public health issue . . . Advisories are

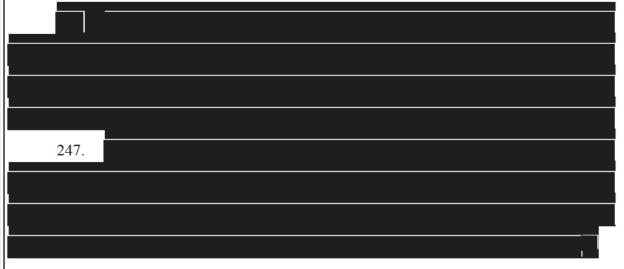
²⁰⁵ *Id*.

²⁰⁶ U.S. Dep't of Health & Hum. Servs., Social Media and Youth Mental Health: The U.S. Surgeon General's Advisory 4 (2023), https://www.hhs.gov/sites/default/files/sg-youthmental-health-social-media-advisory.pdf (last visited Jan. 27, 2024).

reserved for significant public health challenges that require the nation's immediate awareness and action."²⁰⁷ According to the Surgeon General, Young Users' social media use is one such significant public health challenge.

244. As the Advisory explains, "[e]xcessive and problematic social media use, such as compulsive or uncontrollable use, has been linked to sleep problems, attention problems, and feelings of exclusion among adolescents." ²⁰⁸

245. The Advisory also identifies "changes in brain structure," "altered neurological development," "depressive symptoms, suicidal thoughts, and behaviors," "attention deficit/hyperactivity disorder (ADHD,)" and "depression, anxiety and neuroticism," as additional harms to Young Users associated with compulsive social media use.²⁰⁹

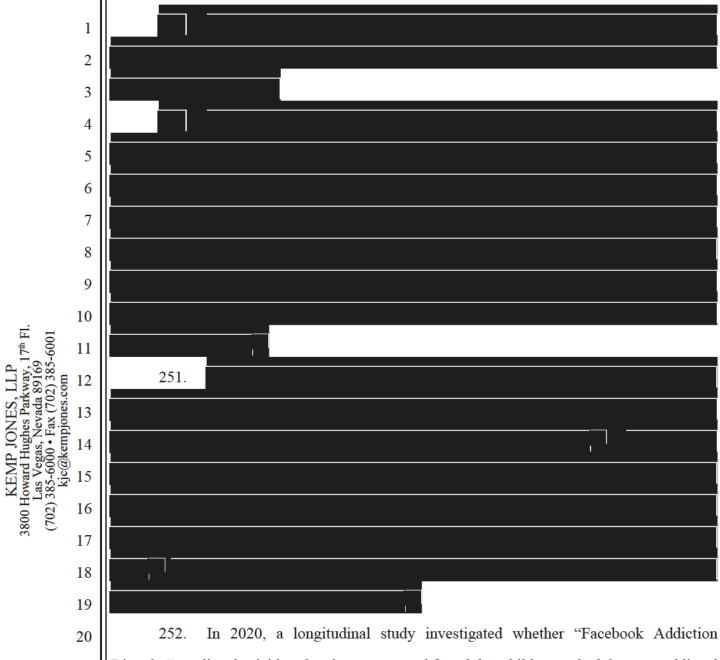


248. By serving content to young users according to variable reward schedules (discussed *supra*), Meta manipulates dopamine releases in its young users, inducing them to engage repeatedly with its platforms—much like a gambler at a slot machine.

²⁰⁷ *Id*.

²⁰⁸ *Id*.

²⁰⁹ To be clear, this Complaint is focused on harms arising out of compulsive or "problematic" platform use, not harms caused by exposure to any individual, specific pieces or categories of content on Defendants' platforms.



252. In 2020, a longitudinal study investigated whether "Facebook Addiction Disorder" predicted suicide-related outcomes and found that children and adolescents addicted to Facebook are more likely to engage in self-injurious behavior, such as cutting and suicide.²¹⁵

 25 213 Id.

²¹⁴ Id. (pg. 22)

²¹⁵ See, e.g., Julia Brailovskaia, et al., Positive mental health mediates the relationship between Facebook addiction disorder and suicide-related outcomes: a longitudinal approach, 00(00) Cyberpsychology, Behavior, and Social Networking (2020), https://doi.org/10.1089/60

Other studies examining the link between these increases found that adolescents who spent more time on screen activities were significantly more likely to have high depressive symptoms or have at least one suicide-related outcome, and that the highest levels of depressive symptoms were reported by adolescents with high social media use and fewer in-person social interactions.²¹⁶

253. Fueled by social media addiction, youth suicide rates are up an alarming 57%.²¹⁷ In the decade leading up to 2020, there was a 40% increase in high school students reporting persistent sadness and hopelessness,²¹⁸ and a 36% increase in those who attempted to take their own lives. In 2019, one in five high school girls had made a suicide plan.²¹⁹ By 2018, suicide was the second leading cause of death for youth ages 10–24.²²⁰

254. Because of this shortage of psychiatrists and the extent of the youth mental health crisis fueled by social media addiction, the number of teens and adolescents waiting in

cyber.2019.0563 (last visited Jan. 27, 2024); Jean M. Twenge, et al., *Increases in Depressive Symptoms, Suicide-Related Outcomes, and Suicide Rates Among U.S. Adolescents After 2010 and Links to Increased New Media Screen Time*, 6 Clinical Psych. Sci. 3–17 (2017), https://doi.org/10.1177/2167702617723376 (last visited Jan. 27, 2024).

²¹⁶ Jean M. Twenge, et al., *Increases in Depressive Symptoms, Suicide-Related Outcomes, and Suicide Rates Among U.S. Adolescents After 2010 and Links to Increased New Media Screen Time*, 6 Clinical Psych. Sci. 3–17 (2017), https://doi.org/10.1177/2167702617723376 (last visited Jan. 27, 2024); *see also* Anthony Robinson, et al., *Social comparisons, social media addiction, and social interaction: An examination of specific social media behaviors related to major depressive disorder in a millennial population*, Journal of Applied Biobehavioral Research (Jan. 8, 2019), https://doi.org/10.1111/jabr.12158 (last visited Jan. 27, 2024).

²¹⁷ Protecting Youth Mental Health: The U.S. Surgeon General's Advisory at 8, U.S. Dep't of Health & Hum. Servs. (Dec. 7, 2021), https://www.hhs.gov/sites/default/files/surgeon-general-youth-mental-health-advisory.pdf (last visited Jan. 27, 2024).

 $^{^{218}}$ *Id*.

 $||^{219}$ *Id*.

²²⁰ AAP-AACAP-CHA Declaration of a National Emergency in Child and Adolescent Mental Health, Am. Acad. Pediatrics (Oct. 19, 2021), https://www.aap.org/en/advocacy/child-and-adolescent-mental-development/aap-aacap-cha-declaration-of-a-national-emergency-in-child-and-adolescent-mental-health/ (last visited Jan. 27, 2024).

emergency rooms for mental health treatment for suicide nationwide tripled from 2019 to 2021.221

2. Harm to Body Image

children-mental-health/ (last visited Jan. 27, 2024).

with

teenage-troubles-with-instagram (last visited Jan. 27, 2024).

Troubles

Eating in Young Adolescents, 53 Int. J. Eat. Disord. 96, 104 (2020).

Design features that maximize time spent on social media can also lead to 255. heightened exposure to negative body image-related content, which increases children's susceptibility to poor body image and, consequently, disordered eating. A study of data from 7th and 8th graders published in 2019 in the International Journal of Eating Disorders "suggest[ed] that [social media], particularly platforms with a strong focus on image posting and viewing, is associated with elevated [disordered eating] cognitions and behaviors in young adolescents."222 Personal stories from sufferers of disordered eating have highlighted the link to social media.²²³

Time spent on social media can harm children's body image and increase their 256. susceptibility to disordered eating in multiple ways. First, visual social media platforms trigger social comparison as children compare their appearance to others, including influencers. For example, an exploratory study performed internally at Meta concluded that 66% of teen girls on Instagram experienced negative social comparison, and 52% of those who experienced negative social comparison attributed this experience to viewing images on the platform that were related to beauty.²²⁴ None of these findings was shared with the public.

²²¹ Stephen Stock et al., Children languish in emergency rooms awaiting mental health care,

CBS News (Feb. 27, 2023, 8:02 am), https://www.cbsnews.com/news/emergency-rooms-

²²² Simon M. Wilksch et al., The Relationship Between Social Media Use and Disordered

²²³ See, e.g., Jennifer Neda John, Instagram Triggered My Eating Disorder, Slate (Oct. 14,

trigger.html (last visited Jan. 27, 2024); Clea Skopeliti, 'I Felt My Body Wasn't Good Enough':

Instagram,

https://www.theguardian.com/society/2021/sep/18/i-felt-my-body-wasnt-good-enough-

https://slate.com/technology/2021/10/instagram-social-media-eating-disorder-

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²²⁴ Spence v. Meta Platforms, N.D. Cal. Case No. 3:22-cv-03294 at 9 (June 6, 2022) (citing Facebook Papers: "Teen Girls Body Image and Social Comparison on Instagram - An Exploratory Study in the US" (March. 2020), at pg. 8).

257. The documents Frances Haugen shared with the *Wall Street Journal* in 2021 revealed that Facebook has been aware at least since 2019 that "*[w]e make body image issues worse for one in three teen girls*."²²⁵ Haugen has explained how this becomes a vicious feedback cycle for children: they feel bad about themselves so they go to social media for distraction in order to self-soothe, only to end up seeing the type of posts that led to their anxiety in the first place. ²²⁶ Negative self-comparison on social media is experienced by cisgender girls and boys; specifically, boys feel pressure to lose weight and build muscle as a result of the muscular men they see on social media platforms, including Meta's platforms. Eliot, a 17-year-old, told the *New York Times*, "Girls discuss those pressures more, but it's completely the same for boys."

258. Second, platforms use algorithms to deliver content related to topics or themes that the platform believes will maximize a user's time spent on the platform. These recommendation systems create "bubbles" or "rabbit holes" of content around a specific theme and also expose users to increasingly extreme content on a given topic.²²⁸ This has proven true for negative body image and pro-eating disorder content.²²⁹ Indeed, research shows that social media platforms' content selection algorithms have pushed disordered eating and harmful diet

²²⁵ Georgia Wells et al., Facebook Knows Instagram Is Toxic for Teen Girls, Company Documents Show, W.S.J. (Sept. 14, 2021), https://www.wsj.com/articles/facebook-knows-instagram-is-toxic-for-teen-girls-company-documents-show-11631620739 (last visited Jan. 27, 2024).

Allison Slater Tate, Facebook Whistleblower Frances Haugen Says Parents Make 1 Big Mistake with Social Media, TODAY (Feb. 7, 2022, 7:06 PM EST), https://www.today.com/parents/teens/facebook-whistleblower-frances-haugen-rcna15256 (last visited Jan. 27, 2024).

²²⁷ Alex Hawgood, *What Is 'Bigorexia'*?, N.Y. Times (Mar. 5, 2022, updated May 17, 2022), https://www.nytimes.com/2022/03/05/style/teen-bodybuilding-bigorexia-tiktok.html (last visited Jan. 27, 2024).

²²⁸ Fairplay, *Designing for Disorder: Instagram's Pro-eating Disorder Bubble* at 1 (Apr. 2022), https://fairplayforkids.org/wp-content/uploads/2022/04/designing-for-disorder.pdf (last visited Jan. 27, 2024); *Inside TikTok's Algorithm: A WSJ Video Investigation*, W.S.J. (July 21, 2021), https://www.wsj.com/articles/tiktok-algorithm-video-investigation-11626877477 (last visited Jan. 27, 2024).

Fairplay, Designing for Disorder: Instagram's Pro-eating Disorder Bubble at 6-7 (Apr. 2022), https://fairplayforkids.org/wp-content/uploads/2022/04/designing for disorder.pdf (last visited Jan. 27, 2024).

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techniques to teenage girls.²³⁰ Girls who express an interest in dieting or dissatisfaction with their looks are bombarded with content targeted to these insecurities and often pushed to more extreme content such as pro-anorexia posts and videos. And because platforms know teenage girls disproportionately engage with this type of content, ²³¹ even minor users who do not express interest in these topics are often delivered this content.

259. The harm that social media does to children's body image and eating habits has been widely discussed in public discourse in recent months, but even as of the filing of this Action, content depicting disordered eating remains widely available to children and profitable to platforms, ²³² and even popular among teens, who are exposed to more of it as they spend more time online.

3. "Problematic" Internet Use

Maximizing time and activities online also fosters "problematic internet use"— 260. psychologists' term for excessive internet activity that exhibits addiction, impulsivity, or compulsion.²³³ Indeed, the design features discussed in this Action plainly impede children's ability to put their devices down, even when they want to use them less. For example, a high school student told Common Sense Media,

²³⁰ See generally id.; Jim Waterson & Alex Hern, Instagram 'Pushes Weight-Loss Messages to Teenagers', The Guardian (Jul 19, 2021, 7:01 AM), https://www.theguardian.com/society/ 2021/jul/20/instagram-pushes-weight-loss-messages-to-teenagers (last visited Jan. 27, 2024).

²³¹ See Fabrizio Bert et al., Risks and Threats of Social Media Websites: Twitter and the Proana Movement, Cyberpsychology, Behav. Soc. Networking (Apr. 2016), https://pubmed.ncbi.nlm.nih.gov/26991868/ (last visited Jan. 27, 2024).

²³² Fairplay, Designing for Disorder: Instagram's Pro-eating Disorder Bubble (Apr. 2022), https://fairplayforkids.org/wp-content/uploads/2022/04/designing for disorder.pdf (last visited Jan. 27, 2024).

²³³ Chloe Wilkinson et al., Screen Time: The Effects on Children's Emotional, Social, and Cognitive Development at 6 (2021), https://informedfutures.org/screen-time/ (last visited Jan. 27, 2024).

One of the challenges I face with social media is getting off it. Once I get on, I

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²³⁸ *Id*.

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have to really force myself off it because it's so addictive. All I'm doing is scrolling, but I'm subconsciously looking for an end so I can feel accomplished. But the scrolling never stops.²³⁴

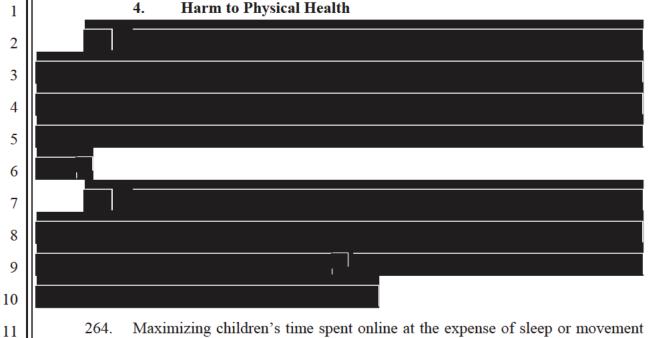
Problematic internet use, in turn, is linked to a host of additional problems. For 261. example, in one study of 564 children between the ages of 7 and 15 spearheaded by the Child Mind Institute in New York, researchers found that problematic internet use was positively associated with depressive disorders, Attention Deficit Hyperactivity Disorder, general impairment, and increased sleep disturbances.²³⁵ A meta-analysis of peer-reviewed studies involving cognitive findings associated with problematic internet use in both adults and adolescents found "firm evidence that PIU... is associated with cognitive impairments in motor inhibitory control, working memory, Stroop attentional inhibition and decision-making."236 Another study of over 11,000 European adolescents found that among teens exhibiting problematic internet use, 33.5% reported moderate to severe depression; 22.2% reported selfinjurious behaviors such as cutting; and 42.3% reported suicidal ideation.²³⁷ The incidence of attempted suicide was also ten times higher for teens exhibiting problematic internet use than their peers who exhibited healthy internet use.²³⁸

²³⁴ Katie Joseff, Social Media Is Doing More Harm than Good, Common Sense Media (Dec. 17, 2021), https://www.commonsensemedia.org/kids-action/articles/social-media-is-doingmore-harm-than-good (last visited Jan. 27, 2024).

²³⁵ Restrepo et al., Problematic Internet Use in Children and Adolescents: Associations with Disorders and Impairment, BMC Psychiatry Psvchiatric 20 252 https://doi.org/10.1186/s12888-020-02640-x (last visited Jan. 27, 2024).

²³⁶ Konstantinos Ioannidis et al., Cognitive Deficits in Problematic Internet Use: Meta-Analysis of 40 Studies, 215 British Journal of Psychiatry 639, 645 (2019), https://pubmed.ncbi.nlm. nih.gov/30784392/ (last visited Jan. 27, 2024).

Michael Kaess et al., Pathological Internet use among European adolescents: psychopathology and self-destructive behaviours, 23 Eur. Child & Adolescent Psychiatry 1093, 1096 (2014), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4229646/ (last visited Jan. 27, 2024).



264. Maximizing children's time spent online at the expense of sleep or movement also harms children's physical health.

265. When children are driven to spend more time online, they sleep less—because it is impossible to be online and sleep at the same time, because stimulation before bedtime disrupts sleep patterns, and because many of the design features discussed in this Action make users feel pressured to be connected constantly, and that feeling doesn't always go away at nighttime. Indeed, research shows that children who exhibit problematic internet use often suffer from sleep problems.²⁴¹

266. One-third of teens say that at least once per night, they wake up and check their phones for something other than the time, such as to check their notifications or social media.²⁴²

²³⁹
²⁴⁰ *Id.* (pg. 7)

²⁴¹ Restrepo, et al., *Problematic Internet Use in Children and Adolescents: Associations with Psychiatric Disorders and Impairment*, 20 BMC Psychiatry 252 (2020), https://doi.org/10.1186/s12888-020-02640-x (last visited Jan. 27, 2024).

²⁴² Common Sense, Screens and Sleep: The New Normal: Parents, Teens, Screens, and Sleep in the United States at 7 (2019), https://www.commonsensemedia.org/sites/default/files/research/report/2019-new-normal-parents-teens-screens-and-sleep-united-states-report.pdf (last visited Jan. 27, 2024).

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- 267. Some teens set alarms in the middle of the night to remind them to check their notifications or complete video game tasks that are only available for a limited time.²⁴³
- 268. In addition, screen time before bed is known to inhibit academic performance in children.244
- Teenagers who use social media for more than five hours per day are about 70% 269. more likely to stay up late on school nights.²⁴⁵
- 270. A lack of sleep in teenagers has been linked to inability to concentrate, poor grades, drowsy-driving incidents, anxiety, depression, thoughts of suicide, and even suicide attempts.²⁴⁶
- Decades of research have shown that more time online is consistently correlated 271. with children's risk of obesity, which in turn increases their risk of serious illnesses like diabetes, high blood pressure, heart disease, and depression.²⁴⁷ Spending time online displaces time when children could be engaging in physical activity. ²⁴⁸ Further, when children spend more time online, they are exposed to more advertisements for unhealthy products.²⁴⁹ which are

²⁴³ Emily Weinstein & Carrie James, Behind Their Screens: What Teens Are Facing (And Adults Are Missing), MIT Press, at 31 (2022).

²⁴⁴ Chloe Wilkinson, et al., Screen Time: The Effects on Children's Emotional, Social, and Cognitive Development at 6 (2021), https://informedfutures.org/screen-time/ (last visited Jan. 27, 2024).

Heavy Social Media Use Linked to Poor Sleep, BBC News (Oct. 23, 2019), https://www.bbc.com/news/health-50140111 (last visited Jan. 27, 2024).

Among teens, sleep deprivation an epidemic, Stanford News Ctr. (Oct. 8, 2015), https://med.stanford.edu/news/all-news/2015/10/among-teens-sleep-deprivation-anepidemic.html (last visited Jan. 27, 2024).

²⁴⁷ Jeff Chester, et al., Big Food, Big Tech, and the Global Childhood Obesity Pandemic at 3 (2021), https://democraticmedia.org/assets/resources/full report.pdf (Last visited Jan. 27, 2024).

²⁴⁸ E de Jong, et al., Association Between TV Viewing, Computer Use and Overweight, Determinants and Competing Activities of Screen Time in 4- to 13-Year-Old Children, 37 Int'l J. Obesity 47, 52 (2013), https://pubmed.ncbi.nlm.nih.gov/22158265/ (last visited Jan. 27, 2024).

²⁴⁹ *Id*. 27

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heavily targeted toward children.²⁵⁰ In addition, poor sleep quality —which, as discussed above, is associated with problematic internet use—increases the risk of childhood obesity by 20%.²⁵¹ Broadly, the harms of social media use include increased rates of major depressive episodes, anxiety, eating disorders, body image problems, sleep disturbances, suicidal ideation, and suicide attempts.²⁵²

5. Privacy Harms

272. Design features that maximize children's time and activities online also exacerbate privacy harms. Like all users, children are tracked as they engage in online activities.²⁵³ Data about what children do online is collected by a vast network that includes platforms, marketers, and third-party data brokers all over the world that use the information apps, websites, and other services collect and retain about children to profile them, make predictions about their choices, and influence their behavior. Children do not developmentally understand digital privacy. The constant surveillance they are subjected to as a result of these techniques is manipulative, limits creativity and experimentation, and perpetuates discrimination, substantially harming children and teens.

²⁵⁰ Jeff Chester, et al., *Big Food, Big Tech, and the Global Childhood Obesity Pandemic* at 3 (2021), https://democraticmedia.org/assets/resources/full report.pdf (last visited Jan. 27, 2024).

²⁵¹ Yanhui Wu, et al., Short Sleep Duration and Obesity Among Children: A Systematic Review and Meta-Analysis of Prospective Studies, 11 Obesity Rsch. & Clinical Prac. 140, 148 (2015), https://pubmed.ncbi.nlm.nih.gov/27269366/ (last visited Jan. 27, 2024); Michelle A. Miller et al., Sleep Duration and Incidence of Obesity in Infants, Children, and Adolescents: A Systematic Review and Meta-Analysis of Prospective Studies, 41 Sleep 1, 15 (2018), https://pubmed.ncbi.nlm.nih.gov/29401314/ (last visited Jan. 27, 2024).

²⁵² See, e.g., Jonothan Haidt & Jean Twenge, Social Media and Mental Health: A Collaborative Review, (New York University, unpublished manuscript), tinyurl.com/SocialMediaMentalHealthReview (last visited Jan. 27, 2024); Jacqueline Nesi et al., Handbook of Adolescent Digital Media Use and Mental Health, Cambridge Univ. Press (2022).

²⁵³ See, e.g., Reyes, et al., "Won't Somebody Think of the Children?" Examining COPPA Compliance at Scale, 3 Proceedings on Privacy Enhancing Technologies 63, at 77 (2018), https://petsymposium.org/2018/files/papers/issue3/popets-2018-0021.pdf (finding that out of 5,855 child-directed apps, roughly 57% were collecting personal information in potential violation of the Children's Online Privacy Protection Act) (last visited Jan. 27, 2024).

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273. Invasion of privacy has been recognized as a common law tort for over a century. See Matera v. Google Inc., 15-CV-0402, 2016 WL 5339806, at *10 (N.D. Cal, Sept. 23, 2016) (citing Restatement (Second) of Torts §§ 652A-I for the proposition that "the right to privacy was first accepted by an American court in 1905, and 'a right to privacy is now recognized in the great majority of the American jurisdictions that have considered the question"; see also, Restatement (Second) of Torts § 652B and defining an intrusion claim as follows: "One who intentionally intrudes, physically or otherwise, upon the solicitude or seclusion of another or his private affairs or concerns, is subject to liability to the other for invasion of his privacy, if the intrusion would be highly offensive to a reasonable person."

274. As Justice Brandeis explained in his seminal article, *The Right to Privacy*, "[t]he common law secures to each individual the right of determining, ordinarily, to what extent his thoughts, sentiments, and emotions shall be communicated to others." Samuel D. Warren & Louis Brandeis, The Right to Privacy, 4 HARV. L. REV. 193, 198 (1890). The Supreme Court similarly recognized the primacy of privacy rights, explaining that the Constitution operates in the shadow of a "right to privacy older than the Bill of Rights." Griswold v. Connecticut, 381 U.S. 479, 486 (1965).

275. More recently, the Supreme Court explicitly recognized the reasonable expectation of privacy an individual has in her cell phone, and the Personal Data generated therefrom, in its opinion in Carpenter v. United States, 138 S. Ct. 2206 (2018). There, the Court held that continued access of an individual's cell phone location data constituted a search under the Fourth Amendment because "a cell phone—almost a "feature of human anatomy[]"—tracks nearly exactly the movements of its owner . . . A cell phone faithfully follows its owner beyond public thoroughfares and into private residences, doctor's offices, political headquarters, and other potentially revealing locales . . . Accordingly, when the Government tracks the location of a cell phone it achieves near perfect surveillance, as if it had attached an ankle monitor to the phone's user." Id. at 2218 (internal citations omitted).

276. And, even more recently, the Northern District of California, in an order denying a motion to dismiss an intrusion upon seclusion claim for the exfiltration of children's personal data in different mobile apps, held that "current privacy expectations are developing, to say the least, with respect to a key issue raised in these cases – whether the data subject owns and controls his or her personal information, and whether a commercial entity that secretly harvests it commits a highly offensive or egregious act." *McDonald v. Kiloo ApS*, 385 F. Supp.3d 1022, 1035 (N.D. Cal. 2019). The *McDonald* court's reasoning was subsequently adopted in the District of New Mexico in analogous litigation. *See New Mexico ex rel. Balderas v. Tiny Lab Prods.*, 457 F. Supp. 3d 1103, 1127 (D.N.M. 2020), *on reconsideration*, No. 18-854 MV/JFR, 2021 WL 354003 (D.N.M. Feb. 2, 2021).

277. It is precisely because of Facebook's capacity for "near perfect surveillance" that courts have consistently held that time-honored legal principles recognizing a right to privacy in one's affairs naturally apply to online monitoring. Defendants' unlawful intrusion into their minor users' privacy is made even more egregious and offensive by the fact that the Defendants are targeting and collecting *children*'s information, without obtaining parental consent. The conduct described herein violates children's expectations of privacy, as well as a parent's inherent right to protect his or her child and set the parameters of what, when, and how information pertaining to the child will be obtained. Parents' interest in the care, custody, and control of their children is perhaps the oldest of the fundamental liberty interests recognized by society. The history of Western civilization reflects a strong tradition of parental concern for the nurture and upbringing of children in light of children's vulnerable predispositions. Our society recognizes that parents should maintain control over who interacts with their children and how, in order to ensure the safe and fair treatment of their children.

6. Risk to Physical Safety

278. Finally, Defendants' Facebook platform provides fertile ground for child predators. The National Center on Sexual Exploitation has placed Meta on its "Dirty Dozen"

KEMP JONES, LLP 3800 Howard Hughes Parkway, 17th Fl. Las Vegas, Nevada 89169 (702) 385-6000 • Fax (702) 385-6001 kjc@kempjones.com list as recently as 2022, citing Facebook as one of the main contributors for facilitating child sexual abuse, sex trafficking, and the grooming of young children.²⁵⁴

279. In May 2021, the child protection non-profit Thorn published quantitative research, based on data collected in 2020.²⁵⁵ According to this report, Facebook ranked at the top among platforms for various harms caused to minors. Thorn found the following regarding harm on Facebook:

- 17% of surveyed minors reported having had a potentially harmful online experience on Facebook.
- 10% of all respondents said they have had an online sexual interaction, which
 includes being asked to send a nude photo or video, go 'on cam' with a sexually explicit stream,
 being sent a sexually explicit photo (of themselves or another child), or sexually explicit
 messages, etc.
- 280. Facebook is uniquely positioned to place children in contact with predators, without the knowledge of their parents, and to date, they have operated with flagrant disregard for the safety of their child users.

IV. META ENGAGES IN DECEPTIVE CONDUCT BY OMITTING AND MISREPRESENTING MATERIAL FACTS ABOUT FACEBOOK.

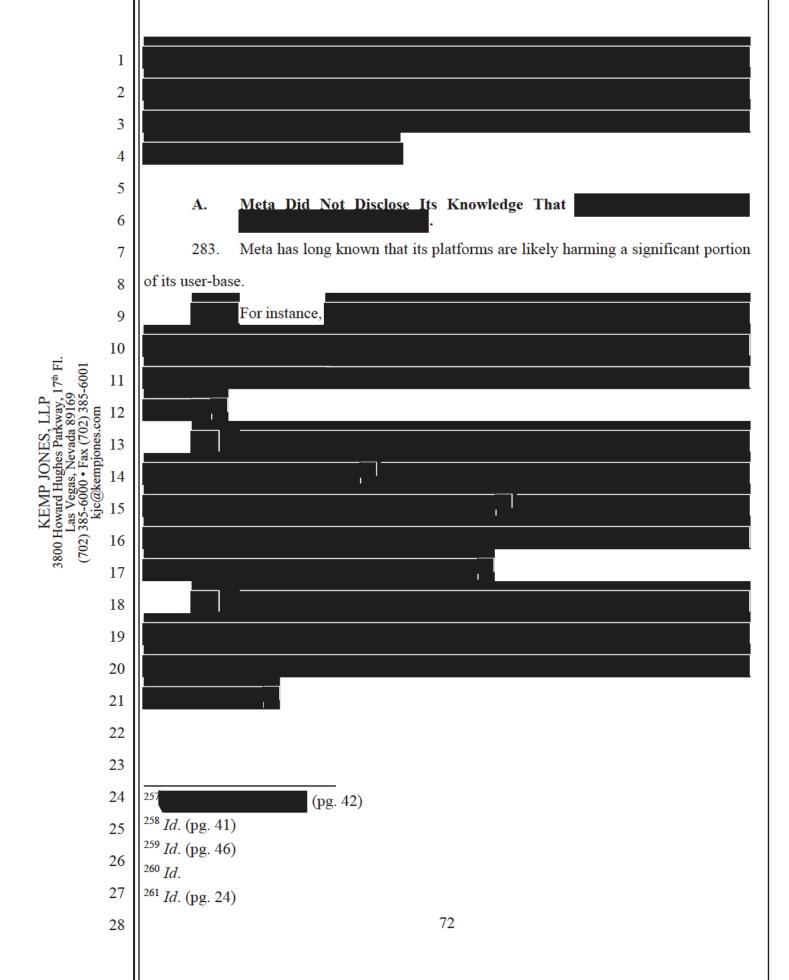
281. Under the NDTPA, a business engages in deceptive conduct when its acts, statements, or omissions have a capacity or tendency to deceive whether that is intentional or not.²⁵⁶

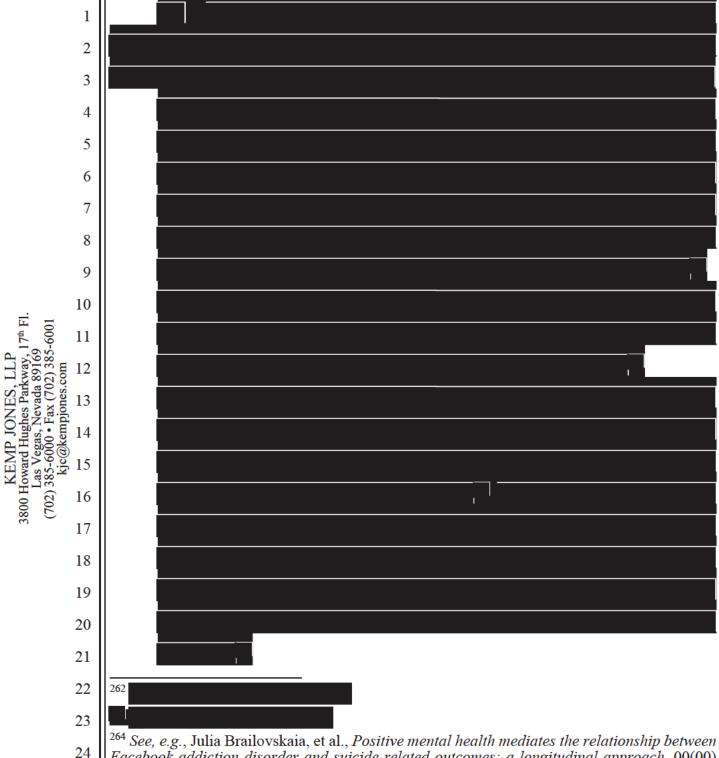
282. For years,

²⁵⁴ https://endsexualexploitation.org/meta/ (last visited Jan. 27, 2024).

²⁵⁵ Thorn, Responding to Online Threats: Minors' Perspectives on Disclosing, Reporting, and Blocking Findings from 2020 quantitative research among 9–17 year olds, (May 2021), https://info.thorn.org/hubfs/Research/Responding%20to%20Online%20Threats 2021-Full-Report.pdf?utm campaign=H2D%20report&utm source=website (last visited Jan. 27, 2024).

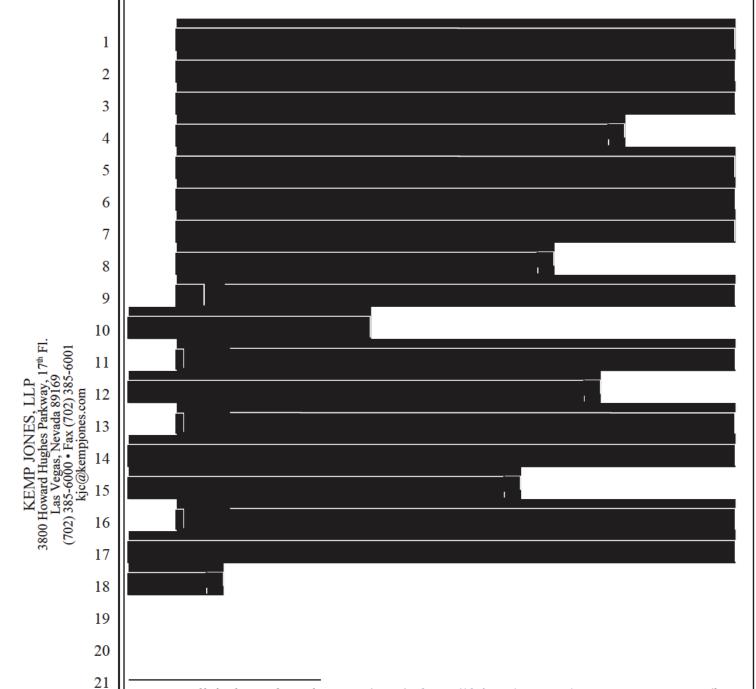
²⁵⁶ Poole v. Nev. Auto Dealership Invs., LLC, 2019 Nev. App. LEXIS 4.





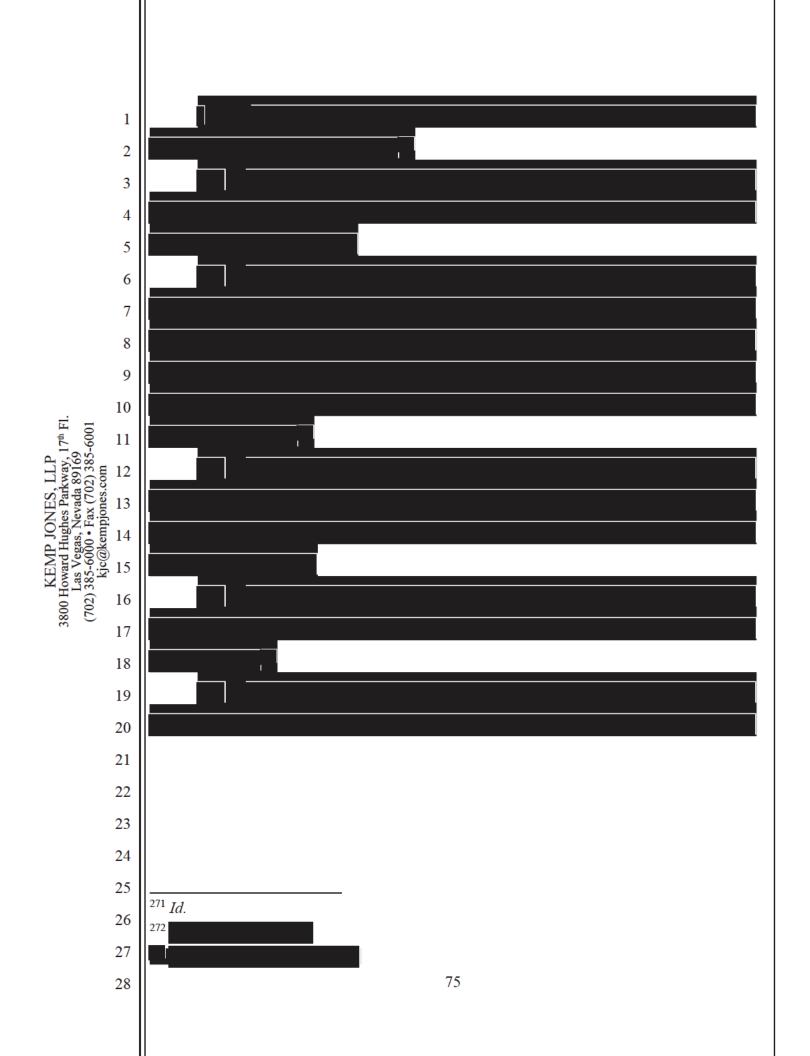
Facebook addiction disorder and suicide-related outcomes: a longitudinal approach, 00(00) Cyberpsychology, Behavior, and Social Networking (2020), https://doi.org/10.1089/cyber.2019.0563 (last visited Jan. 27, 2024); Jean M. Twenge et al., Increases in Depressive Symptoms, Suicide-Related Outcomes, and Suicide Rates Among U.S. Adolescents After 2010 and Links to Increased New Media Screen Time, 6 Clinical Psych. Sci. 3–17 (2018).

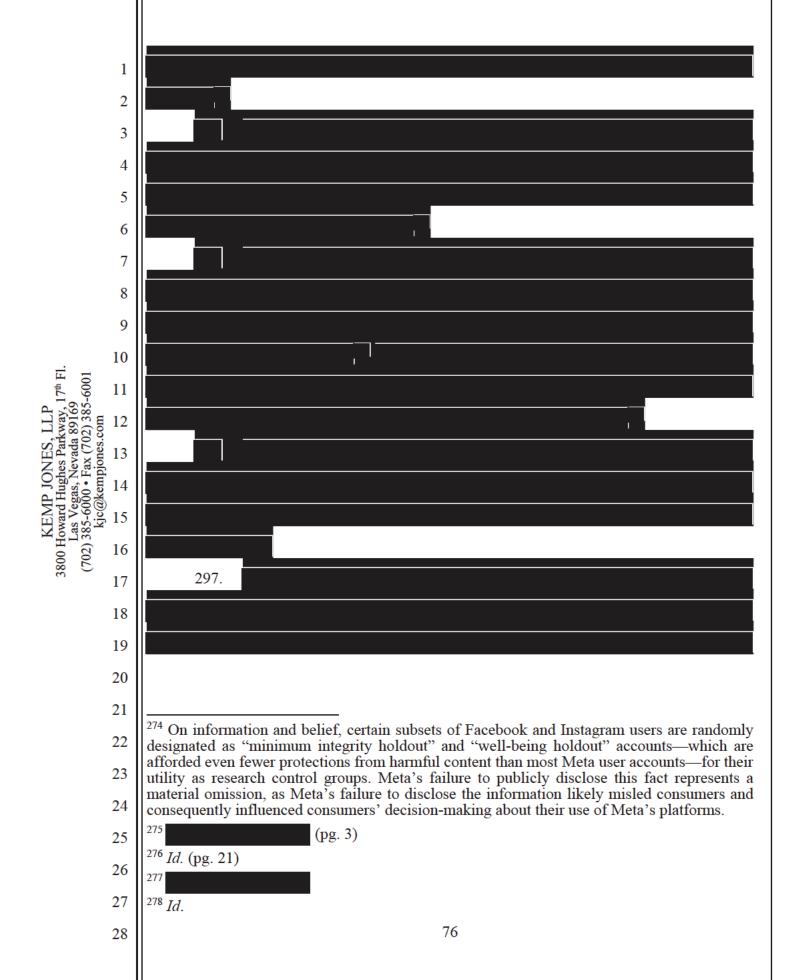
²⁶⁵ Jean M. Twenge, et al., *Increases in Depressive Symptoms, Suicide-Related Outcomes, and Suicide Rates Among U.S. Adolescents After 2010 and Links to Increased New Media Screen*

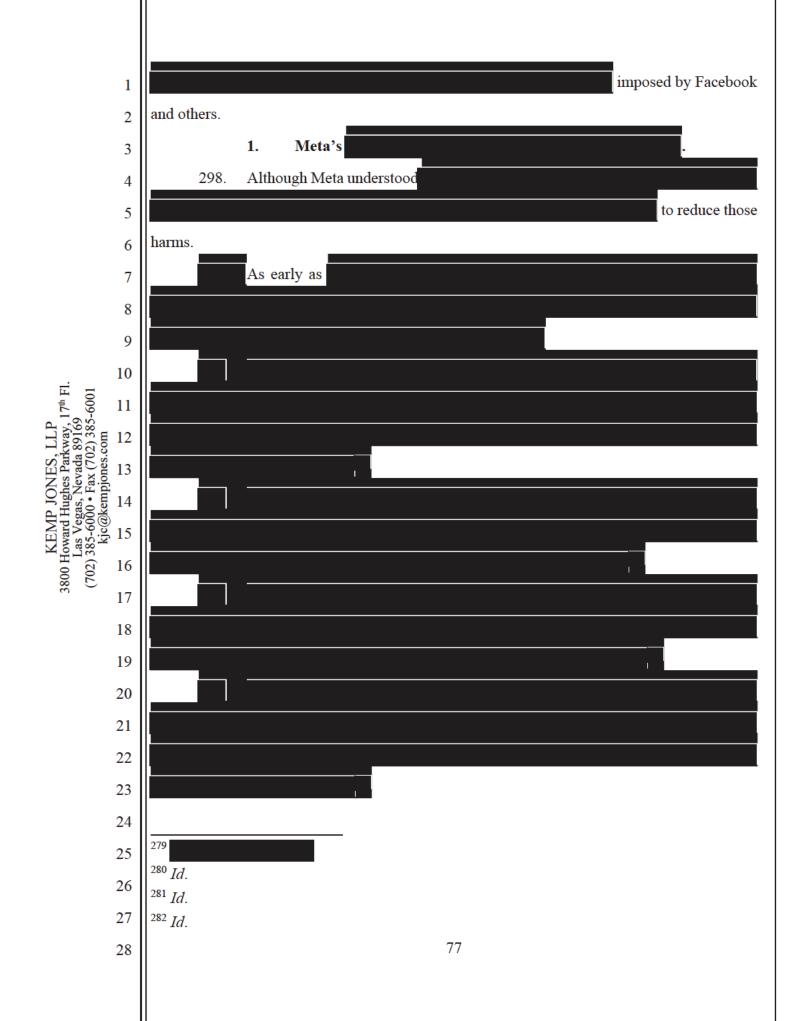


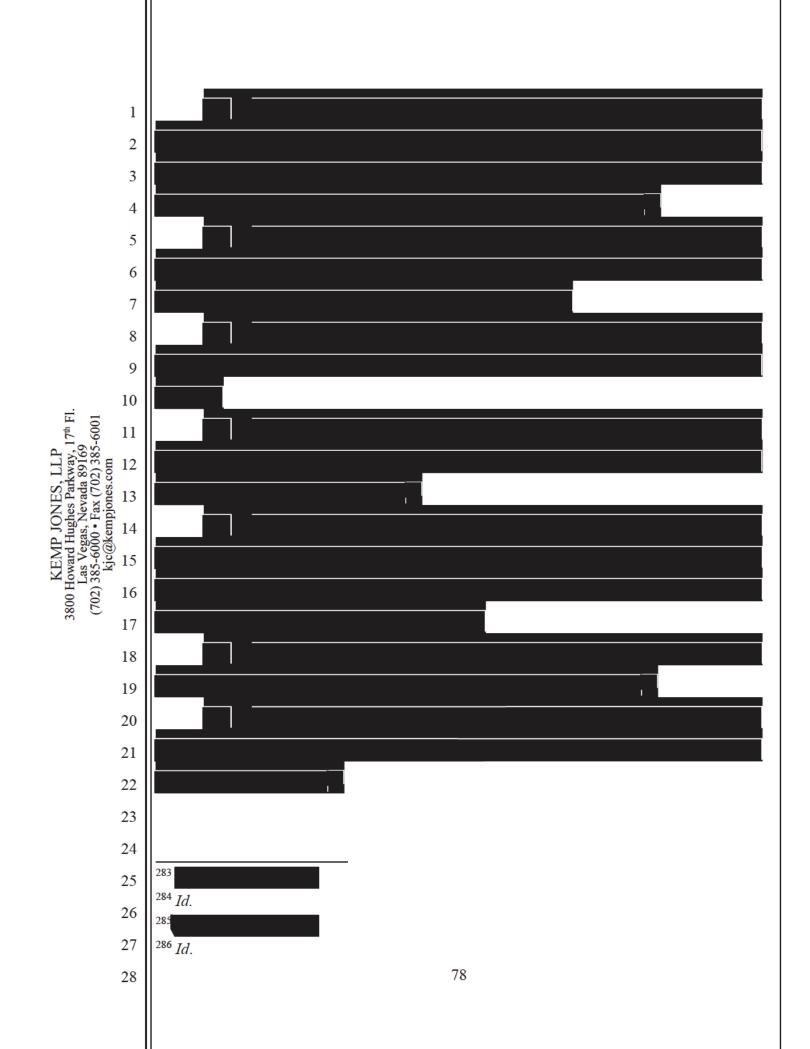
Time, 6 Clinical Psych. Sci. 3–17 (2017), https://doi.org/10.1177/2167702617723376 (last visited Jan. 27, 2024); see also Anthony Robinson, et al., Social comparisons, social media addiction, and social interaction: An examination of specific social media behaviors related to major depressive disorder in a millennial population, Journal of Applied Biobehavioral Research (Jan. 8, 2019), https://doi.org/10.1111/jabr.12158 (last visited Jan. 27, 2024).

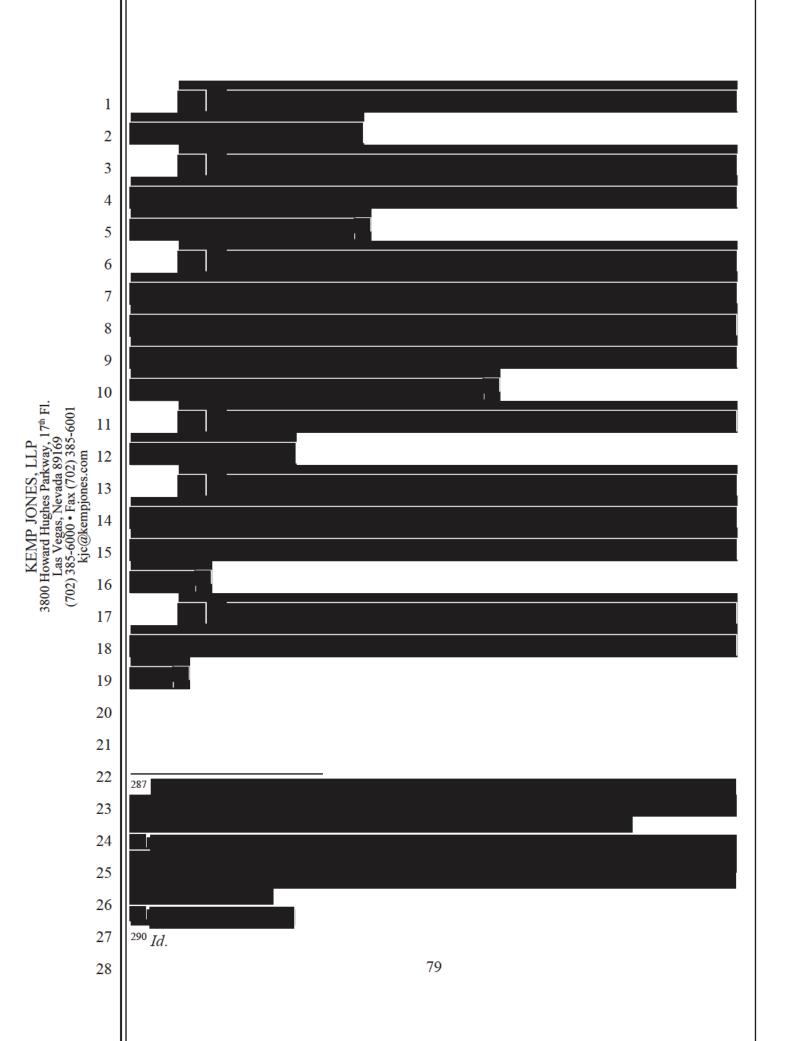




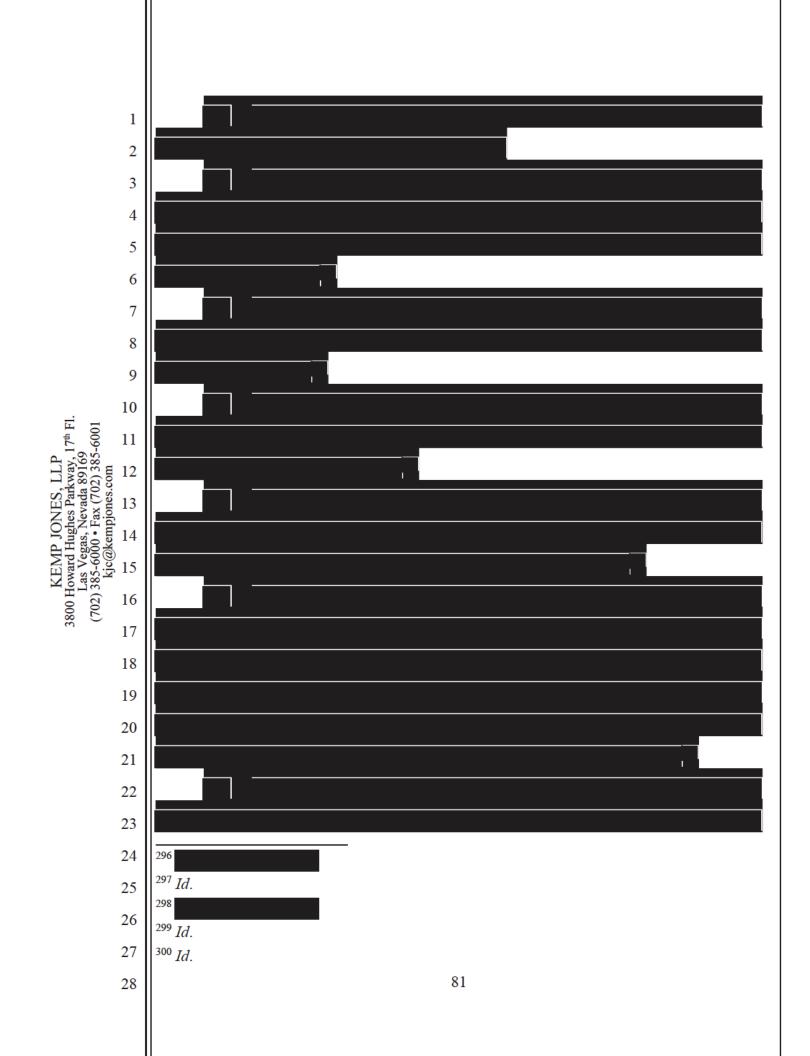






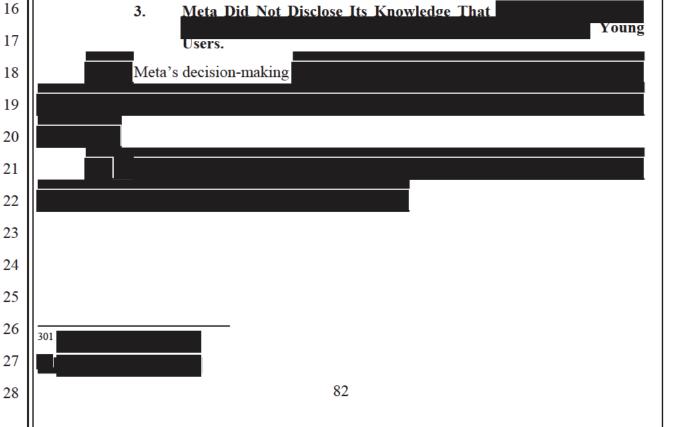


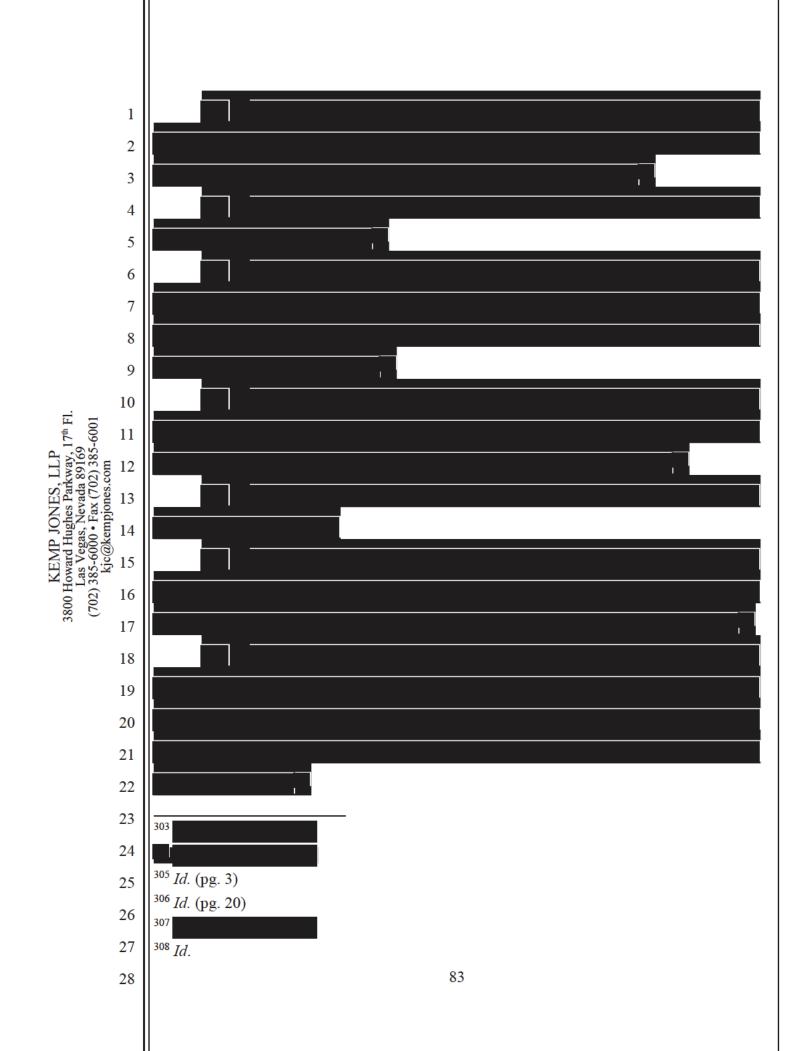




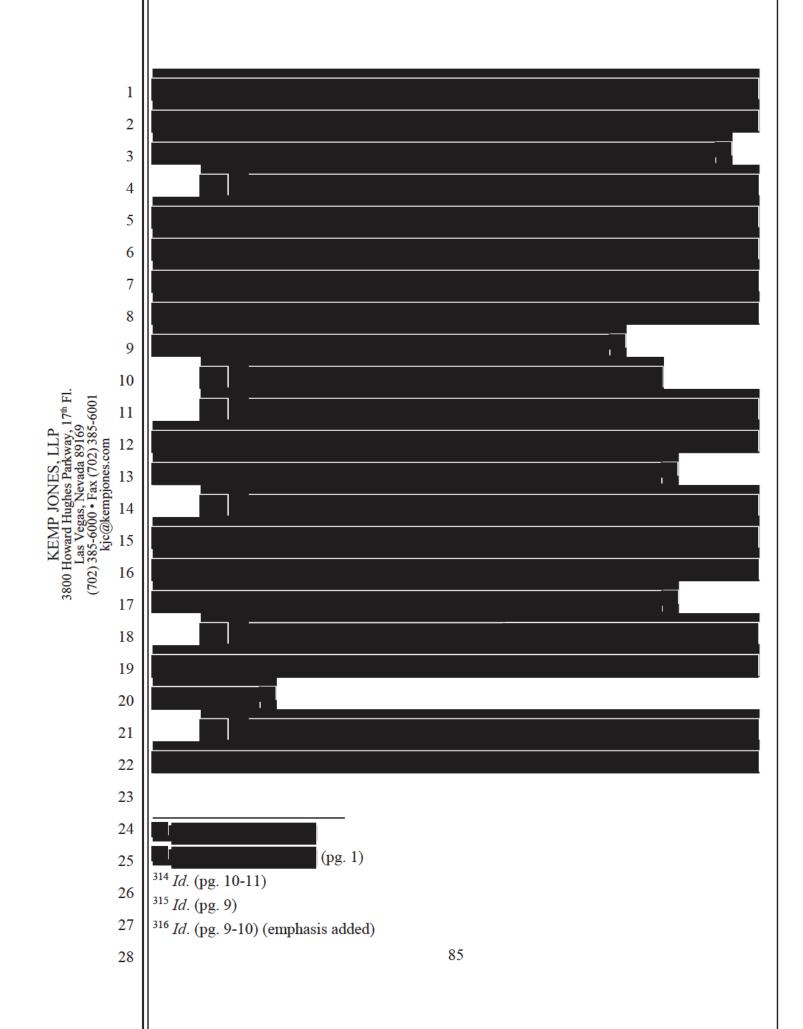
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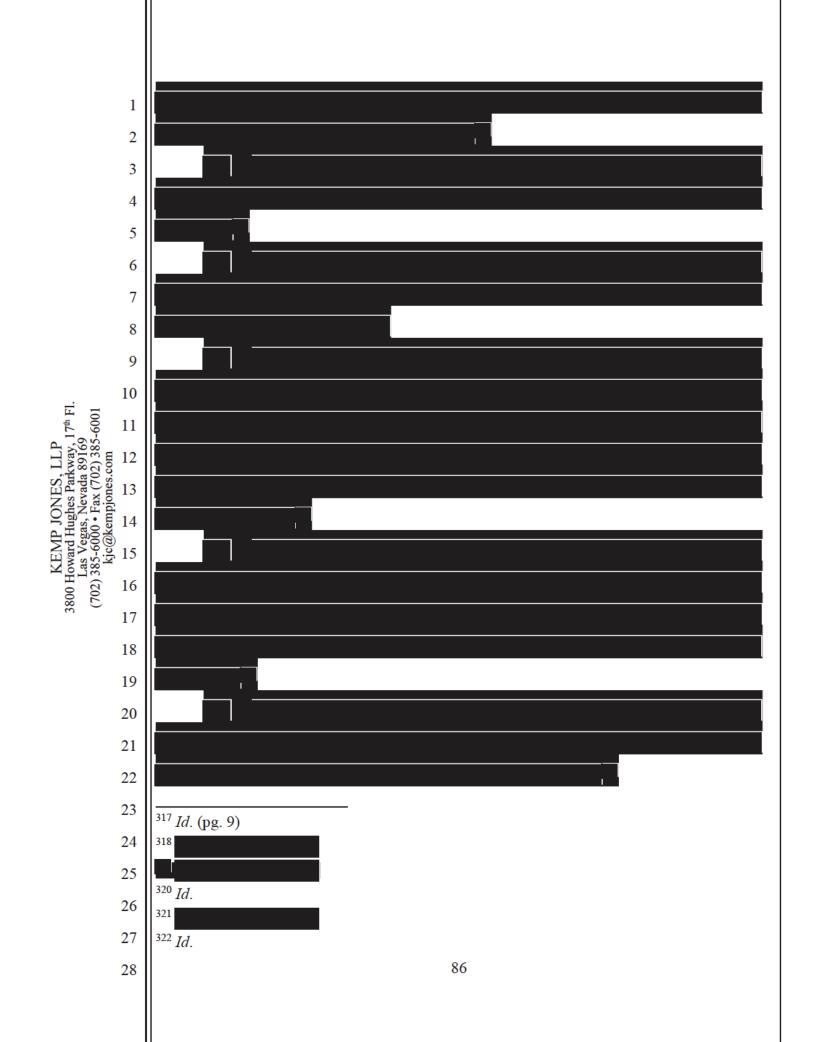
keep consumers, parents, guardians, and policy makers in the dark about the harm Meta was causing its users, including Facebook users.







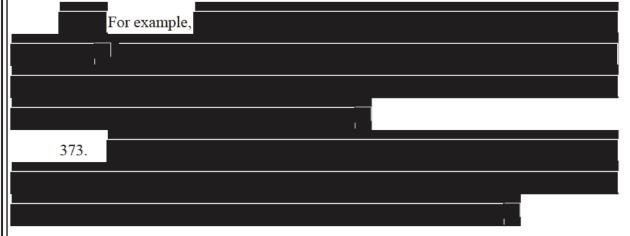




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5	363.	Upon information and belief, Meta never publicly disclosed
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9	В.	Meta
10		1. Meta's Community Standards Enforcement Reports
11	364.	Through public representations, Meta creates the impression that Facebook is a
12	safe platform on which harmful content is rarely encountered.	
13	365.	For example, Meta broadcasts that message through its Community Standards
14	Enforcement Reports ("the Reports"), which the Company publishes quarterly on its online	
15	"Transparency Center" and amplifies through press releases.	
16	366.	The Reports describe the percentage of content posted on Facebook that Meta
17	removes for violating Facebook's community standards. Meta often refers to that percentage a	
18	its "prevalence" metric.	
19	367.	Through
20		
21	368.	The Reports create the impression that because Meta aggressively enforces
22	platform com	munity standards—thereby reducing the "prevalence" of community-standards-
23	violating con	tent—Facebook is a safe product that only rarely exposes users (including Young
24	Users) to harr	nful content.
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26	${^{323}}$ Id.	
27	324	
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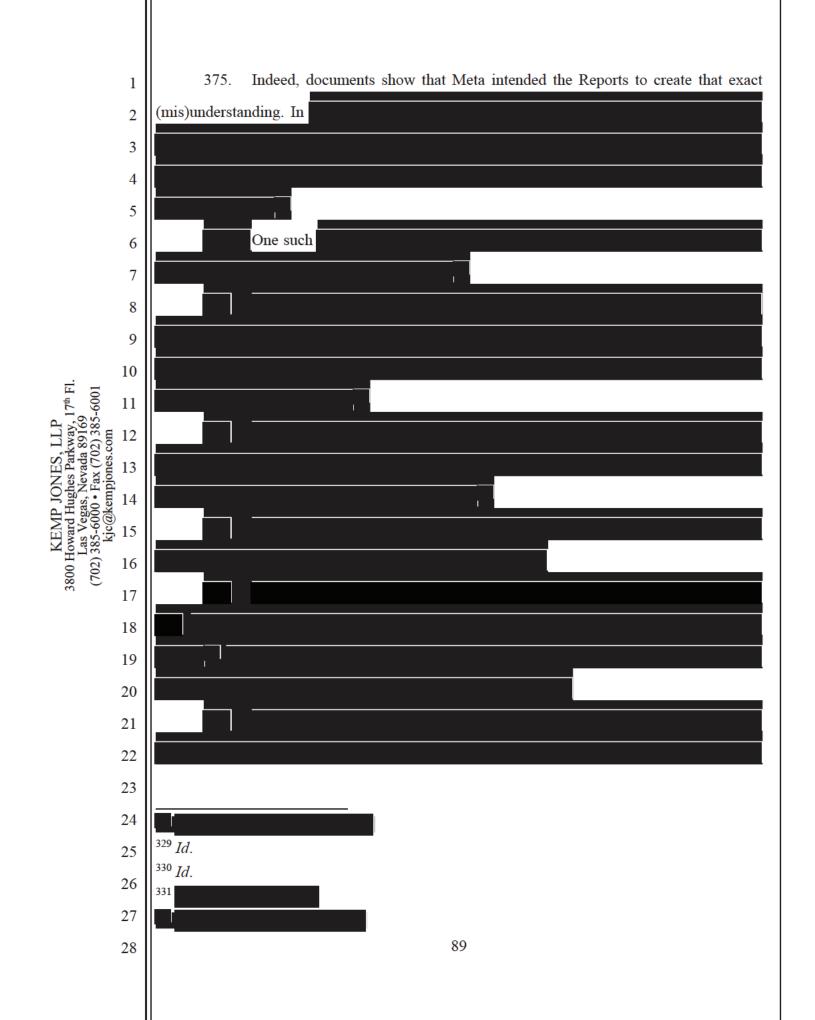
369.	However, this is a false equivalency intended to sow confusion. As Meta well
understands,	the prevalence of community-standards-violating content, which is often quite
low, is not the	e same as the actual prevalence of harmful content, which is rampant on Facebook.

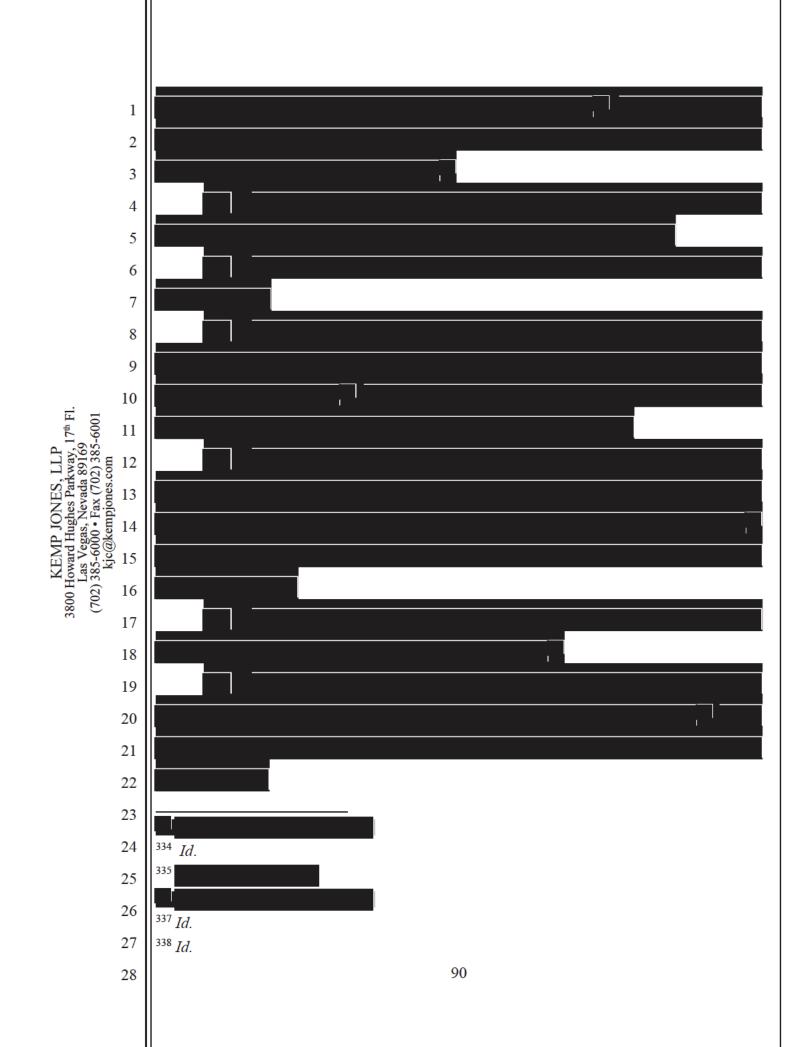
- 370. The "community standards," which are drafted by Meta, address only a narrow subset of harmful content; indeed, Meta purposely designed those standards narrowly so that they are rarely violated.
- 371. This allows Meta to expressly represent that Facebook is safe due to enforcement of these community standards. But this simply is artful misclassification—enabling Meta to engage in a conversation that purposely excludes and ignores the larger swath of harmful content on Facebook.

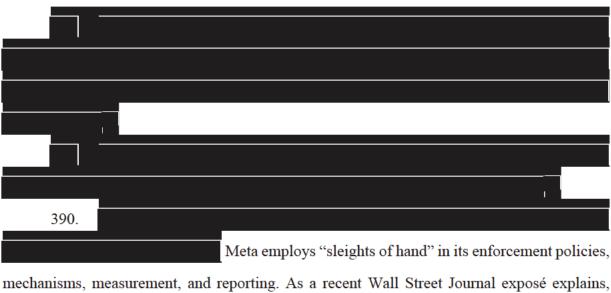


374. This representation—publicly accessible on Meta's online Transparency Center—creates the impression that through the Reports, Meta is disclosing its information most relevant to the safety of Facebook and the incidence of harmful content on that platform. In other words, Meta posts these reports to its online Transparency Center so that users, parents, and guardians who visit that site will wrongly believe that Young Users are unlikely to experience harm on Facebook.

https://transparency.fb.com/data/community-standards-enforcement/ (last visited Jan. 27, 2024).







mechanisms, measurement, and reporting. As a recent Wall Street Journal exposé explains, "Meta had come to approach governing user behavior as an overwhelmingly automated process," meaning that it relied on machine learning to (1) identify and (2) handle objectionable content.³⁴¹

391. But this also meant that Meta "shifted resources away from" any human-led review, a shift which also included paying less attention to user-reported harmful content.³⁴² Meta "added steps to the reporting process" in 2019 in an effort "[t]o discourage users from filing reports."³⁴³

392. This move to automated review created two critical problems: first, "[t]he systems didn't catch anywhere near the majority of banned content—only the majority of what the company ultimately removed," and second, "[a]s a data scientist warned Guy Rosen,

 $^{22 \}qquad \boxed{\frac{}{^{339} Id.}}$

³⁴¹ Jeff Horwitz, *His Job Was to Make Instagram Safe for Teens. His 14-Year-Old Showed Him What the App Was Really Like*, The Wall Street Journal (Nov. 2, 2023), https://www.wsj.com/tech/instagram-facebook-teens-harassment-safety-5d991be1 (last visited Jan. 27, 2024).

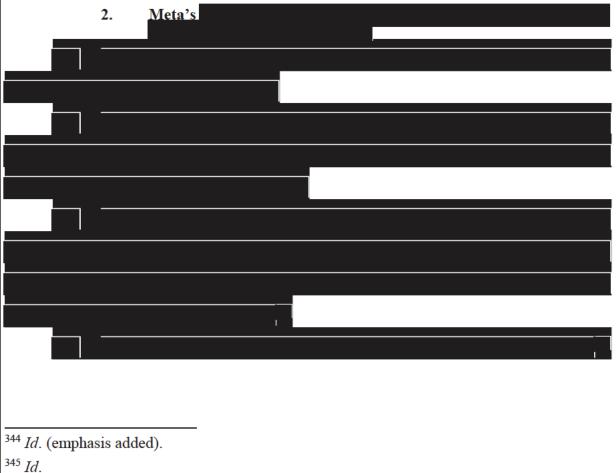
 $^{||^{342}} Id.$

^{27 || 343} *Id*.

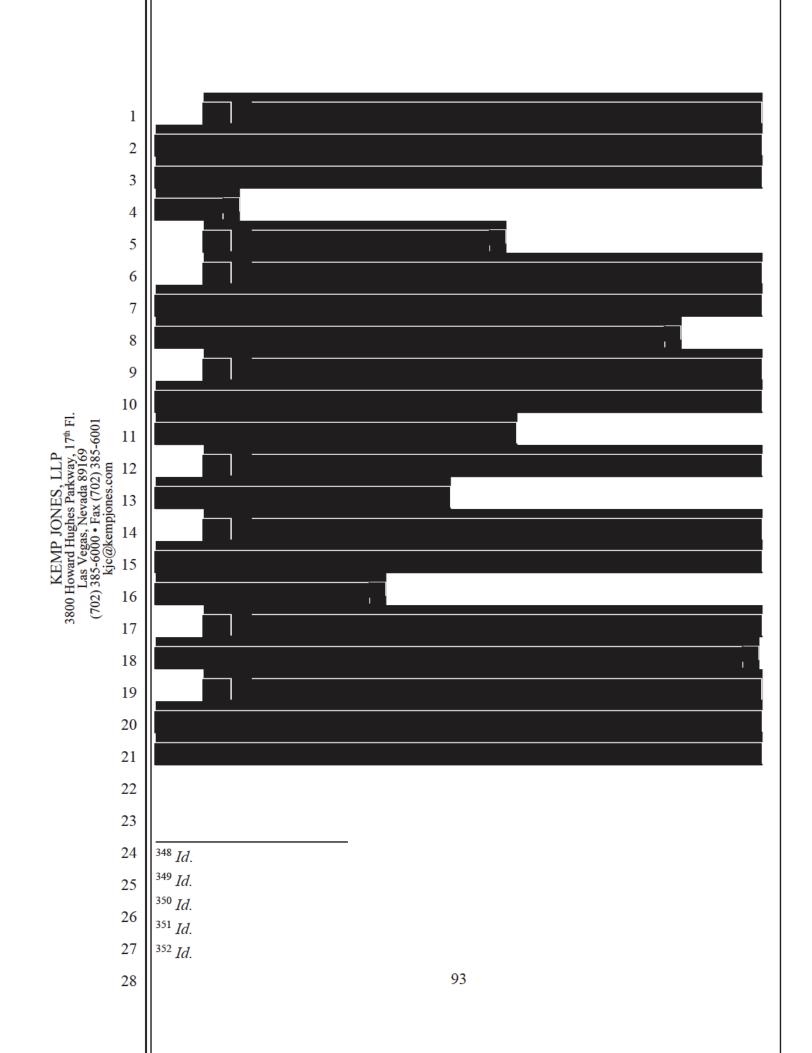
Facebook's head of integrity at the time, Meta's classifiers were reliable enough to remove only a low single-digit percentage of hate speech with any degree of precision."344

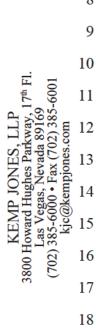
"There's a grading-your-own-homework problem," said Zvika Krieger, a former 393. director of responsible innovation at Meta who worked with the Well-Being Team. "Meta defines what constitutes harmful content, so it shapes the discussion of how successful it is at dealing with it."345

394. In other words, contrary to the impression the Reports created, Meta users in general—and Young Users in particular—regularly encounter content related to self-harm, bullying, and harassment on the Company's platforms. Through its Reports, Meta affirmatively, drastically, and materially misrepresents the actual prevalence of such harms.



³⁴⁷ *Id*.





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409. Meta has affirmatively deceived consumers by promoting and maintaining inaccurate time-tracking tools on Meta platforms.

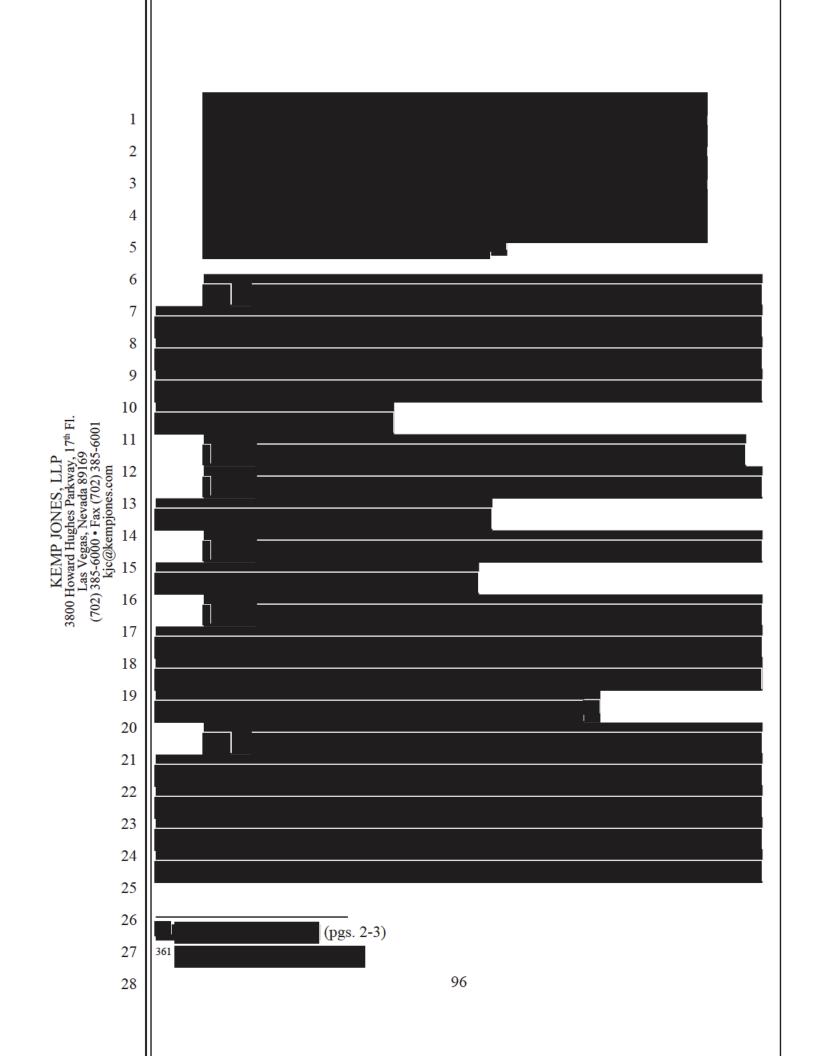
On August 1, 2018, Meta announced "new tools to help people manage their 410. time on Facebook." The announcement touted platform-specific activity dashboards, daily use reminders, and a push notification-limiting tool engineered "based on collaboration and inspiration from leading mental health experts and organizations, academics, [Meta's] own extensive research and feedback from [Meta's] community."356

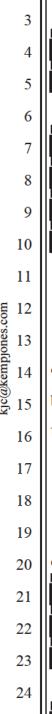
³⁵³ *Id*. (pg. 2)

³⁵⁶ Ameet Ranadive, New Tools to Manage Your Time on Facebook and Instagram, Facebook https://about.fb.com/news/2018/08/manage-your-2018), time/#:~:text=To%20access%20the%20tools%2C%20go,total%20time%20for%20that%20da y. (Last visited Jan. 27, 2024).

411. In that announcement, Meta acknowledged that it has "a responsibility to help people understand how much time they spend on [Meta] platforms so they can better manage their experience." Meta stated that it hopes "that these tools give people more control over the time they spend on our platforms and also foster conversations between parents and teens about the online habits that are right for them."







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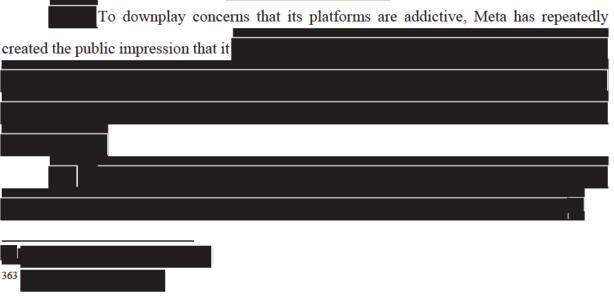
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D. Through Public Misrepresentations, Meta Leads the Public to Trust That

422. The Time Spent episode is not the only time Meta has prioritized winning trust over telling the truth. To the contrary, Meta has repeatedly misrepresented facts about its business to convince consumers, parents, and guardians that Meta can be trusted to keep Young Users safe on Instagram.

1. To Engender Public Trust. Meta Created the False Impression That It Does Not





affirmatively misled the public—including Nevada consumers, parents, and guardians—about the Company's motivations and internal business practices. This is a material misrepresentation, as reasonable consumers, parents, and guardians would be less likely to trust a platform that works to capture ever-increasing shares of users' time.

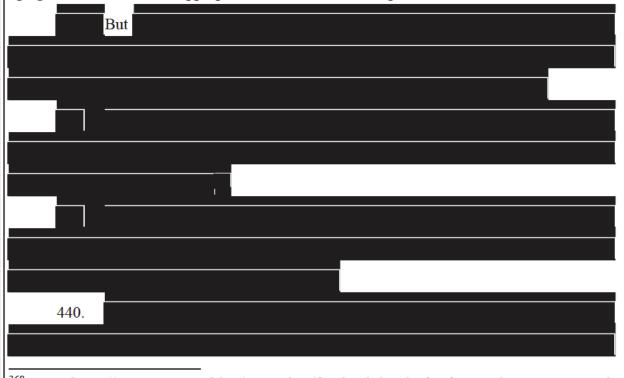
2. **Deceptively Testified** That It Age-Gates **Content** Inappropriate for Young Users

432. Meta also cultivated the impression that it protects Young Users from harmful or inappropriate content on Facebook.



433. In the opening remarks to her September 2021 Congressional testimony about the mental health effects of Meta's platforms, Antigone Davis—Meta's Global Head of Safety—told lawmakers: "We have put in place multiple protections to create safe and age-appropriate experiences for people between the ages of 13 and 17."

- 434. During subsequent questioning from senators, Davis explained that "[w]hen it comes to those between 13 and 17, we consult with experts to ensure that our policies properly account for their presence, for example, by age-gating content." Davis added, Meta does not "allow young people to see certain types of content. And we have age gating around certain types of content." 368
- 435. Davis also specifically testified that Meta does not "direct people towards content that promotes eating disorders." 369
- 436. Through Davis's testimony, Meta led the public to believe that Meta successfully age-gates content that is inappropriate or harmful for Young Users.



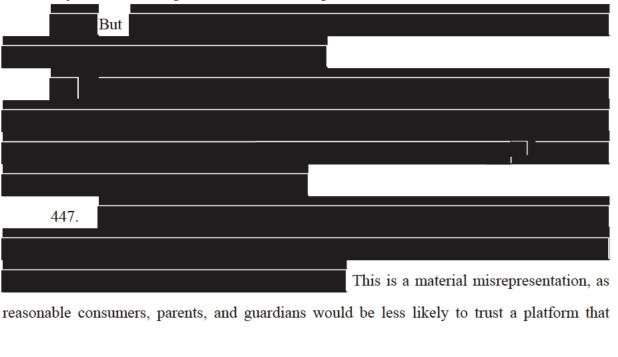
https://www.rev.com/blog/transcripts/facebook-head-of-safety-testimony-on-mental-health-effects-full-senate-hearing-transcript (last visited Jan. 27, 2024).

³⁶⁹ *Id*.

This is a material misrepresentation, as reasonable consumers, parents, and guardians would be less likely to trust a platform that exposes users to age-inappropriate or harmful content.

3. Meta Deceptively Testified That It Does Not Place a Monetary Value on Young Users

- 441. In a similar vein, Meta deceptively led the public to believe that it does not place a monetary value on Young Users' use of Meta platforms. Meta created the impression that it does not discuss its youngest users in terms of their financial value to the Company.
- 442. For example, during Davis's September 2021 Congressional testimony, Senator Amy Klobuchar asked Davis for the monetary value that Meta places upon a young user's lifetime use of Meta products.
- 443. Davis responded, "That's not how we think about building products for young people . . . It's just not the way we think about it."
- 444. Through Davis's testimony, Meta led the public to believe that it does not place a monetary value on Young Users' use of Meta's platforms.



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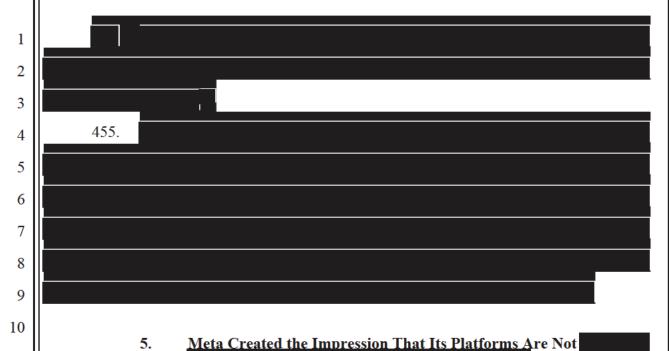
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Meta Created the Misleading Impression That It Was Not Through Congressional testimony, Meta deceptively led the public to believe that it had not changed its internal data and research access policies in response to The Wall Street Journal's 2021 coverage of Meta's internal research findings. Meta wanted to create that impression so consumers, parents, and guardians would believe that the Company had no reason to lock down internal information about Instagram's mental health impacts. During Davis's September 2021 Congressional testimony, Tennessee Senator Marsha Blackburn asked Davis "how are you restricting access to data internally? Have your policies changed since The Wall Street Journal articles [describing the Meta's internal wellbeing research]?" Davis succinctly responded, "Senator, not that I am—not that I'm aware of certainly." Through Davis's testimony, Meta led the public to believe Meta did not change its internal access policies—such as restricting internal access to data and research—following The Wall Street Journal's coverage of Meta's internal well-being research.

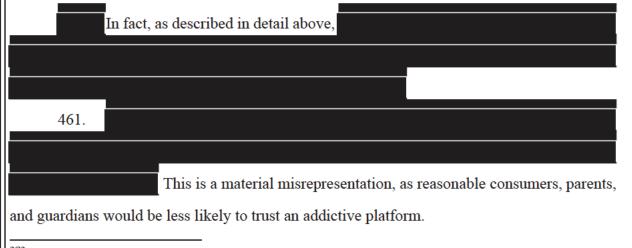


456. Through Congressional testimony, Meta led the public to believe that its platforms are not addictive, despite the Company's internal research to the contrary.

457. In her September 2021 Congressional testimony, Davis said that Meta does not build its products to be addictive and disputed the addictive nature of Meta's products.

458. Similarly, in Congressional testimony from December 2021, Adam Mosseri said, "I don't believe that research suggests that our products are addictive."

459. Through Davis and Mosseri's testimony, Meta led the public to believe Meta's platforms are not addictive.

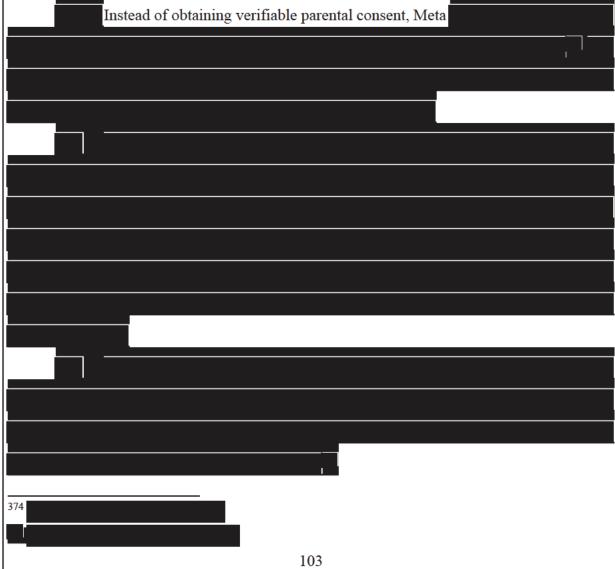


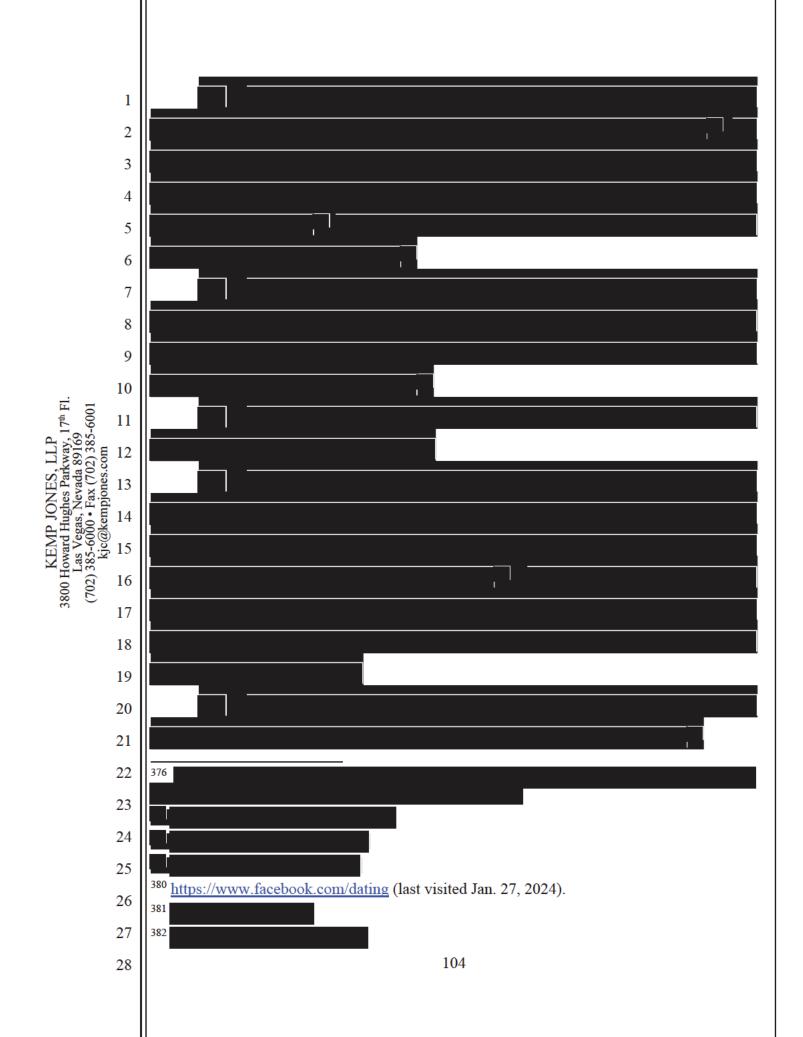
 $\overline{^{373}}$ *Id*.

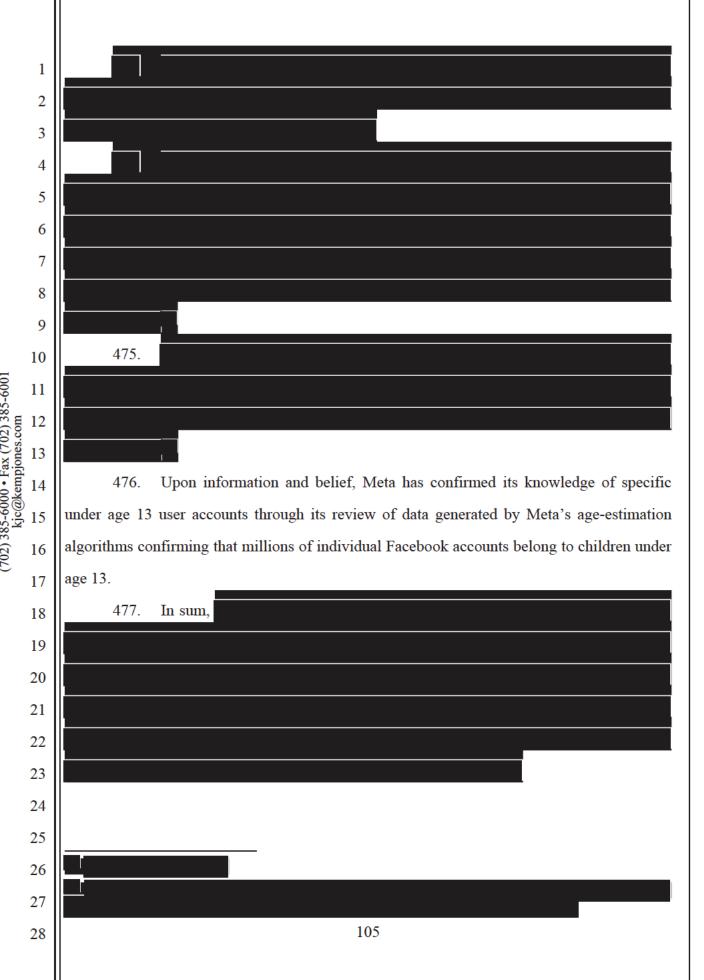
V. META ACT VELY

462. Meta's disregard for the health and well-being of its Young Users is even more repugnant because its *Youngest* Users include children under age 13, who are prohibited from having accounts on Meta's platforms without verified consent from parents prior to collecting personal information of those under age 13.

- 463. Meta routinely obtains actual knowledge that its Youngest Users are on Meta's platforms without parental consent.
- 464. Meta surreptitiously and unfairly targets very young individuals to become users of its Platforms, including Facebook, making the platforms directed to children.







478. Children under the age of 13 are particularly vulnerable to the harms caused by Defendants' social media platforms, and Meta's conduct violates longstanding societal norms meant to protect children, and to preserve parents' autonomy to ensure the same.

CAUSES OF ACTION

COUNT I: DECEPTIVE ACTS OR PRACTICES BY DEFENDANTS IN VIOLATION OF NEVADA'S DECEPTIVE TRADE PRACTICES ACT (N.R.S. §§ 598.0903 THROUGH 598.0999)

- 479. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth herein.
- 480. The Attorney General is authorized to bring an action—independently in the name of the State as well as in a *parens patriae* capacity on behalf of the persons residing in Nevada—to remedy violations of the Deceptive Trade Practices Act. *See, e.g.*, NRS 598.0963 and 598.0999.
- 481. At all times relevant herein, the Defendants violated the Nevada Deceptive Trade Practices Act, §§ 598.0903 to 598.0999, by repeatedly and willfully committing deceptive acts or practices, in the conduct of commerce, which are violations of the Act.
- 482. The Attorney General is authorized to bring an action in the name of the State to remedy violations of the Deceptive Trade Practices Act. NRS §§ 598.0999. This action is proper in this Court because Defendants are using, have used, and/or are about to use practices that are unlawful under the Act. NRS § 598.0915(5).
- 483. Defendants willfully committed deceptive trade practices because of false representations as well as omission of material facts. *See* NRS § 598.0915(5); *see also* §§ 598.0915(2) ("[k]knowingly makes a false representation as to the source, sponsorship, approval or certification of goods or services for sale..."), 598.0915(3) ("[k]knowingly makes a false representation as to affiliation, connection, association with or certification by another person"), and 598.0915(15) ("[k]nowingly makes any other false representation in a transaction").

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484. Defendants acted knowingly under Nevada law, which states that under the NDTPA, "knowingly' means that the defendant is aware that the facts exist that constitute the act or omission." Poole v. Nev. Auto Dealership Invs., LLC, 2019 Nev. App. LEXIS 4, *2. Similarly, "a 'knowing[]' act or omission under the NDTPA does not require that the defendant intend to deceive with the act or omission, or even know of the prohibition against the act or omission, but simply that the defendant is aware that the facts exist that constitute the act or omission." Id. at *8 (alteration original).

- As set forth in Sections IV and V, supra, Defendants knowingly failed to 485. disclose the material facts concerning the true nature of the risks of harm posed to Young Users on Facebook.
- 486. As set forth in Sections IV and V, supra, Defendants knowingly misrepresented to regulators and the public that Facebook was safe for Young Users, and prioritized the wellbeing of Young Users, when in fact Defendants knew that those representations were false.
- 487. As set forth in Sections IV and V, supra, Defendants, at all times relevant to this Complaint, willfully violated the Deceptive Trade Practices Act by committing deceptive trade practices by representing that Facebook "ha[s] ... characteristics, ... uses, [or] benefits" that it does not have. NRS § 598.0915(5).
- 488. As set forth in Sections IV and V, supra, Defendants willfully committed further deceptive trade practices by causing confusion or misunderstanding as to the safety and risks associated with the Facebook social media platform. NRS § 598.0915(2).
- As set forth in Sections IV and V, supra, Defendants willfully committed further 489. deceptive trade practices by making "false representation as to [the] affiliation, connection, association with or certification" of Facebook. NRS § 598.0915(3).
- 490. As set forth in Sections IV and V, supra, Defendants willfully committed further deceptive trade practices by representing that Facebook was "of a particular standard, quality or grade" (to wit, designed to be safe for Young Users), despite knowing that this was not true. NRS § 598.0915(7).

l	491. As set forth in Sections IV and V, <i>supra</i> , Defendants willfully committed further		
	deceptive trade practices by representing that Facebook is safe and not harmful to Young Users'		
	wellbeing when such representations were untrue, false, and misleading. NRS § 598.0915(15).		
	492. As set forth in Sections IV and V, <i>supra</i> , Defendants willfully committed further		
	deceptive trade practices by using exaggeration and/or ambiguity as to material facts and		
	omitting material facts, which had a tendency to deceive and/or did in fact deceive. NRS §		
	598.0915(15).		
	493. As set forth in Section V, supra, Defendants willfully committed further		
	deceptive trade practices by violating one or more laws relating to the sale or lease of goods or		
	services. NRS § 598.0923(1)(c).		
	494. As set forth in Sections IV and V, <i>supra</i> , Defendants willfully committed further		

lease of goods or services. Nev. Rev. Stat. Ann. § 598.0923(1)(b).

495. As set forth in Sections IV, *supra*, Defendants willfully committed further deceptive trade practices by making false assertions of scientific, clinical or quantifiable facts in its advertisements and public statements which would cause a reasonable person to believe that such assertions were true. NRS § 598.0925(1)(a).

deceptive trade practices by failing to disclose a material fact in connection with the sale or

496. Defendants' deceptive representations, concealments, and omissions were knowingly made in connection with trade or commerce, were reasonably calculated to deceive the public and the State, were statements that may deceive or tend to deceive, were willfully used to deceive the public and the State, and did in fact deceive the public and the State.

497. As described more specifically above, Defendants' representations, concealments, and omissions constitute a willful course of conduct which continues to this day. Unless enjoined from doing so, Defendants will continue to violate the Nevada Deceptive Trade Practices Act.

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- 498. But for these representations, concealments, and omissions of material fact, Nevada's Young User citizens (and their families) would not have suffered the harms detailed herein.
- 499. Defendants' deceptive trade practices are willful and subject to a civil penalty and equitable relief. NRS § 598.0999.
- 500. Because Defendants' deceptive trade practices are toward minors, Defendants are subject to additional civil penalties and equitable relief. NRS § 598.09735.
- 501. Each exposure of a Nevada Young User to Facebook resulting from the aforementioned conduct of each Defendant constitutes a separate violation of the Nevada Deceptive Trade Practices Act.
- Plaintiff, State of Nevada, seeks all legal and equitable relief as allowed by law, including inter alia injunctive relief and all recoverable penalties under all sections of the Deceptive Trade Practices Act including all civil penalties per each violation, attorney fees and costs, and pre- and post-judgment interest.

COUNT II: UNCONSCIONABLE ACTS OR PRACTI IN VIOLATION OF NEVADA'S DECEPTIVE TRADE PRACTICES ACT (N.R.S. §§ 598.0903 THROUGH 598.0999)

- Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if 503. fully set forth herein.
- 504. The Attorney General is authorized to bring an action—independently in the name of the State as well as in a parens patriae capacity on behalf of the persons residing in Nevada—to remedy violations of the Deceptive Trade Practices Act. See, e.g., NRS 598.0963 and 598.0999.
- At all times relevant herein, Defendants violated the Nevada Deceptive Trade Practices Act, §§ 598.0903 to 598.0999, by repeatedly and willfully committing unconscionable trade practices, in the conduct of commerce, which are violations of the Act.
- The Attorney General is authorized to bring an action in the name of the State to 506. remedy violations of the Deceptive Trade Practices Act. NRS §§ 598.0999. This action is proper

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in this Court because Defendants are using, have used, and/or are about to use practices that are unlawful under the Act. NRS § 598.0915(5).

507. As set forth in Sections I-III, supra, Defendants willfully committed unconscionable trade practices in designing and deploying the Design Elements on the Facebook social media platform. Such conduct violates the NDTPA's prohibition of knowingly using "an unconscionable practice in a transaction." NRS § 598.0923(1)(e).

508. Defendants acted knowingly under Nevada law, which states that under the NDTPA, "knowingly' means that the defendant is aware that the facts exist that constitute the act or omission." Poole v. Nev. Auto Dealership Invs., LLC, 2019 Nev. App. LEXIS 4, *2. Similarly, "a 'knowing]' act or omission under the NDTPA does not require that the defendant intend to deceive with the act or omission, or even know of the prohibition against the act or omission, but simply that the defendant is aware that the facts exist that constitute the act or omission." Id. at *8 (alteration original).

509. The Design Elements identified in Sections I-III, supra, are "unconscionable trade practices" because they (1) "[t]ake[] advantage of the lack of knowledge, ability, experience or capacity of the consumer to a grossly unfair degree;" and (2) "[r]esult[] in a gross disparity between the value received and the consideration paid, in a transaction involving transfer of consideration." NRS § 598.0923(2)(b)(1)-(2).

510. NRS § 598.0923(2)(b)(1): As discussed, *supra*, the Design Elements represent a vast asymmetry in sophistication and knowledge between Defendants, on the one hand, who have devoted extensive time, energy, and resources in identifying ways in which Young Users may be manipulated and exploited into compulsive use of Facebook; and Young Users (and their caretakers), on the other hand, who do not—and could not be expected to—have the same fundamental and sophisticated knowledge of behavioral psychology, biology of young people, and social media platform design principles. This asymmetry in knowledge is compounded by the fact that Defendants knowingly and intentionally hide, obscure, or minimize critical

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information, preventing public access to anything that might be damaging to their reputation and that would alert the public to the harms identified herein.

- 511. NRS § 598.0923(2)(b)(2): Further, as discussed, *supra*, use of the Facebook platform is a transaction that involves consideration (exemplified by the fact that Defendants seek to bind Young Users to, *inter alia*, a contract in the form of Facebook's Terms of Use). Due to the harms identified herein that afflict Young Users as a result of using Facebook, and which are the result of the Design Elements deployed by Facebook for purposes of inducing compulsive use of the platform, the disparity between the value received and the consideration paid is so vast as to be unconscionable.
- 512. As described more specifically above, Defendants' conduct is willful and continues to this day. Unless enjoined from doing so, Defendants will continue to violate the Nevada Deceptive Trade Practices Act.
- 513. But for this unconscionable conduct, Nevada's Young User citizens would not have suffered the harms detailed herein.
- 514. Defendants' unconscionable practices are willful and subject to a civil penalty and equitable relief. NRS § 598.0999.
- 515. Because Defendants' unconscionable practices are toward minors, Defendants are subject to additional civil penalties and equitable relief. NRS § 598.09735.
- 516. Each exposure of a Nevada Young User to Facebook resulting from Defendants' aforementioned conduct constitutes a separate violation of the Nevada Deceptive Trade Practices Act.
- 517. Plaintiff, State of Nevada, seeks all legal and equitable relief as allowed by law, including *inter alia* injunctive relief and all recoverable penalties under all sections of the Nevada Deceptive Trade Practices Act including all civil penalties per each violation, attorney fees and costs, and pre- and post-judgment interest.

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COUNT III: PRODUCT LIABILITY - DESIGN DEFECT

- 518. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth herein.
- 519. The Attorney General is authorized to bring an action—independently in the name of the State as well as in a *parens patriae* capacity on behalf of the persons residing in Nevada—to remedy violations of Nevada law.
- 520. Defendants created and maintain Facebook, and therefore are manufacturers of Facebook.
- 521. As set forth in Sections I-III, *supra*, Facebook has a design defect (the Design Elements) that renders it unreasonably dangerous. Specifically, Facebook failed to perform in the manner reasonably to be expected in light of its nature and intended function and was more dangerous than would be contemplated by the ordinary user having the ordinary knowledge available in the community.
- 522. As set forth in Sections I-III, *supra*, the defect existed at all times relevant hereto, including the time the product left the manufacturer (*i.e.*, Defendant).
 - 523. As set forth, *supra*, the defect caused injury to Young Users in Nevada.
- 524. As a result of Defendants' conduct, the State is entitled to—and does—seek damages (including punitive damages) in an amount to be proven at trial.

COUNT IV: PRODUCT LIABILITY - FAILURE TO WARN

- 525. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth herein.
- 526. The Attorney General is authorized to bring an action—independently in the name of the State as well as in a *parens patriae* capacity on behalf of the persons residing in Nevada—to remedy violations of Nevada law.
- 527. Defendants created and maintain Facebook, and therefore are a manufacturer of Facebook.

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22	 fully set forth herein

528. As set forth in Sections I-V, supra, Facebook has a defective warning that
renders it unreasonably dangerous. Any and all representations, misrepresentations, and
omissions made in relation thereto that Defendants made regarding the suitability and safety of
Facebook for Young Users have not been accompanied by suitable and adequate warnings
concerning its safe and proper use.

- 529. As set forth in Sections I-V, *supra*, Defendants had reason to anticipate that a particular use of Facebook—*i.e.*, its use by Young Users—may be dangerous without such warnings.
- 530. As set forth in Sections I-V, *supra*, any warnings that Defendants made in connection with Young Users' use of Facebook was not (1) designed so it can reasonably be expected to catch the attention of the consumer; (2) be comprehensible and give a fair indication of the specific risks involved with the product; and (3) be of an intensity justified by the magnitude of the risk.
- 531. As set forth in Sections I-V, *supra*, the defective warning existed at all times relevant hereto, including the time the product left the manufacturer (*i.e.*, Defendants).
- 532. As set forth in Sections I-V, *supra*, the defect caused injury to Young Users in Nevada.
- 533. As a result of Defendants' conduct, the State is entitled to—and does—seek damages (including punitive damages) in an amount to be proven at trial.

COUNT V: NEGLIGENCE

- 534. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth herein.
- 535. The Attorney General is authorized to bring an action—independently in the name of the State as well as in a *parens patriae* capacity on behalf of the persons residing in Nevada—to remedy violations of Nevada law.

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	536.	Defendants had and continue to have a duty to exercise reasonable care in
design	ning, im	plementing, maintaining, and otherwise introducing Facebook into the stream of
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- 537. This duty of reasonable care extends to Young Users in the State of Nevada.
- 538. As set forth in Sections I-V, *supra*, Defendants breached that duty.
- 539. As a result of Defendants' breach of that duty, Young Users in Nevada have been injured.
 - 540. Defendants' conduct was the legal cause of that injury.
- 541. As set forth in Sections I-V, *supra*, Defendants' conduct was willful, wanton, malicious, reckless, oppressive, and/or fraudulent.
- 542. Plaintiff, the State of Nevada, seeks all legal and equitable relief as allowed by law, including inter alia injunctive relief, restitution, disgorgement of profits, compensatory and punitive damages, and all damages allowed by law to be paid by the Defendants, attorney fees and costs, and pre- and post-judgment interest.

COUNT VI: UNJUST ENRICHMENT

- 543. Plaintiff repeats and realleges the preceding paragraphs of this Complaint as if fully set forth herein.
- 544. The Attorney General is authorized to bring an action—independently in the name of the State as well as in a parens patriae capacity on behalf of the persons residing in Nevada—to remedy violations of Nevada law.
- 545. Young Users in the State of Nevada have conferred a benefit on Defendants in the form of being a monetizable audience (providing not just an opportunity for Defendants to sell advertisements, but also for Defendants to acquire sensitive and valuable personal data associated with Young Users; as well as for all other reasons that Defendants have described a monetary value to Young Users).
 - 546. Defendants knew of the benefits conferred.
 - 547. Defendants accepted the benefits conferred.

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548. It would be unjust to allow Defendants to retain the benefits conferred without paying their reasonable value.

PRAYER FOR RELIEF

Wherefore, Plaintiff respectfully prays that the Court grant the following relief:

- A. On the First Cause of Action, Judgment in favor of the State and against Defendants declaring that all acts and omissions of the Defendants described in this Complaint constitute multiple, separate violations of the Deceptive Trade Practices Act and that thereby Defendants willfully and knowingly violated the Nevada Deceptive Trade Practices Act, NRS §§ 598.0903 to 598.0999;
- B. On the Second Cause of Action, Judgment in favor of the State and against Defendants declaring that all acts and omissions of the Defendants described in this Complaint constitute multiple, separate violations of the Deceptive Trade Practices Act and that Defendants willfully and knowingly violated the Nevada Deceptive Trade Practices Act, NRS §§ 598.0903 to 598.0999;
- C. On the Third Cause of Action, Judgment in favor of the State and against Defendants that Defendants' challenged social media platform contains one or more design defects that caused damages as alleged herein;
- D. On the Fourth Cause of Action, Judgment in favor of the State and against Defendants that Defendants failed to provide adequate warnings about the challenged social media platform and that failure caused damages as alleged herein;
- E. On the Fifth Cause of Action, Judgment in favor of the State and against Defendants that Defendants' negligence caused damages as alleged herein;
- F. On the Sixth Cause of Action, Judgment in favor of the State and against Defendants that Defendants were unjustly enriched as alleged herein;
- G. That Plaintiff recover all measures of damages allowable under all applicable State statutes and the common law, but in any event more than \$15,000, that Judgment be

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entered against Defendants in favor of Plaintiff, and requiring that Defendant pay punitive damages;

- H. That Defendants be ordered to pay civil penalties pursuant to the Deceptive Trade Practices Act including disgorgement and civil penalties of up to \$15,000 for each violation of the Deceptive Trade Practices Act, and up to \$25,000 for each violation of the Deceptive Trade Practices Act directed toward a minor person;
- I. That Plaintiff be awarded all injunctive, declaratory, and other equitable relief appropriate and necessary based on the allegations herein;
- J. That, in accordance with the Nevada Deceptive Trade Practices Act, Defendants, their affiliates, successors, transferees, assignees, and the officers, directors, partners, agents, and employees thereof, and all other persons acting or claiming to act on their behalf or in concert with them, be enjoined and restrained from in any manner continuing, maintaining, or renewing the conduct, alleged herein in violation of the above stated Nevada laws, or from entering into any other act, contract, or conspiracy having a similar purpose or effect;
- K. That Plaintiff recover the costs and expenses of suit, pre- and post-judgment interest, and reasonable attorneys' fees as provided by law; and
- L. That the Court order such other and further relief as the Court deems just, necessary, and appropriate.

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Pursuant to NRCP 38(b), Plaintiff hereby demands a trial by jury on all issues so triable. 2 Dated January 30, 2024 3 4 Submitted By: 5 6 7 AARON D. FORD, ESQ. MICHAEL J. GAYAN, ESQ. (#11135) Attorney General m.gayan@kempjones.com 8 J. RANDALL JONES, ESQ. (#1927) ERNEST FIGUEROA, ESQ. Consumer Advocate r.jones@kempjones.com 9 MARK J. KRUEGER, ESQ. (#7410) DON SPRINGMEYER, ESQ. (#1021) Chief Deputy Attorney General d.springmeyer@kempjones.com 10 **KEMP JONES, LLP** State of Nevada, Office of the Attorney 11 General, Bureau of Consumer 3800 Howard Hughes Parkway, 17th Floor **Protection** Las Vegas, Nevada 89169 12 100 North Carson Street T: (702) 385-6000; F: (702) 385-6001 Carson City, Nevada 89701-4717 13 T: (702) 684-1100; F: (702) 684-1108 mkrueger@ag.nv.gov 14 15 N. MAJED NACHAWATI, ESQ. DAVID F. SLADE, ESQ. mn@ntrial.com slade@wh.law 16 BRIAN E. MCMATH, ESQ. (pro hac vice forthcoming) bmcmath@ntrial.com WH LAW 17 PHILIP D. CARLSON, ESQ. 1 Riverfront Place, Suite 745 18 pcarlson@ntrial.com North Little Rock, Arkansas 72114 (pro hac vice forthcoming) T: (501) 404-2052; F: (501) 222-3027 19 NACHAWATI LAW GROUP 5489 Blair Road 20 Dallas, Texas 75231 T: 214-890-0711; F: 214-890-0712 21 22 Attorneys for Plaintiff State of Nevada 23 24 25

JURY DEMAND

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