

HONORABLE RONALD B. LEIGHTON

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

SEAN WILSON, individually and on  
behalf of all others similarly situated,

Plaintiff,

v.

HUUUGE, INC., a Delaware  
corporation,

Defendant.

CASE NO. 18-cv-05276-RBL

ORDER ON PRELIMINARY  
APPROVAL OF CLASS ACTION  
SETTLEMENT

DKT. # 98

THIS MATTER is before the Court on Plaintiff’s Unopposed Motion for Preliminary Approval of Class Action Settlement. This case belongs to a group of class actions seeking to recover losses incurred on casino-gaming apps. The parties in several such cases, including this one, have now reached settlement agreements.

Having considered the Motion and supporting papers, the Agreement and the Exhibits attached thereto, the Court issues the following Order:

1. **Settlement Terms.** All terms and definitions used herein have the same meanings as set forth in the Settlement Agreement.

2. **Jurisdiction.** The Court has jurisdiction over the Parties, the subject matter of the dispute, and all Settlement Class Members.

1           3.       **Preliminary Class Findings.** The Court preliminarily finds, for the purposes of  
2 settlement only, that this action meets all prerequisites of Rule 23 of the Federal Rules of Civil  
3 Procedure, including numerosity, commonality, typicality, predominance, and superiority, and  
4 that the Named Plaintiff is an adequate representative of the Settlement Class, defined below,  
5 and Class Counsel are adequate to represent the Settlement Class, defined below.

6           4.       **Conditional Certification of Settlement Class.** Based on the findings set out in  
7 paragraph 3 above, the Court conditionally certifies the following class for settlement purposes  
8 only, under Fed. R. Civ. P. 23(a) and (b)(3):

9           Washington residents (as reasonably determined by IP address information or  
10 other information furnished by Platform Providers) who played [Huuuge Casino,  
11 Billionaire Casino, Stars Slots, and any other game listed on Exhibit G to the  
12 Agreement] on or before preliminary approval of the settlement.<sup>1</sup>

13           *See* Agreement, Dkt. # 99-1, § 1.33.

14           5.       **Appointment of Class Representatives.** The Court appoints, for settlement  
15 purposes only, Plaintiff Sean Wilson along with Heidi Hammer as Class Representatives.

16           6.       **Appointment of Class Counsel.** The Court appoints, for settlement purposes  
17 only, Jay Edelson, Rafey S. Balabanian, Todd Logan, Alexander G. Tievsky, and Brandt Silver-  
18 Korn of Edelson PC as Class Counsel for the Settlement Class.

19           7.       **Conditional Nature of Certification of the Settlement Class.** This conditional  
20 certification of the Settlement Class is solely for purposes of effectuating the Settlement. If the  
21 Effective Date of the Settlement Agreement does not occur, the foregoing conditional

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22 <sup>1</sup> Excluded from the Settlement Class are (1) any Judge or Magistrate presiding over this action  
23 and members of their families, (2) Defendant, Defendant's subsidiaries, parent companies,  
24 successors, predecessors, and any entity in which Defendant or its parents have a controlling  
interest and their current or former officers, directors, and employees, (3) persons who properly  
execute and file a timely request for exclusion from the settlement class, and (4) the legal  
representatives, successors or assigns of any such excluded persons.

1 certification of the Settlement Class and appointment of Class Representatives and Class Counsel  
2 shall be void and of no further effect, and the Parties shall be returned to the status each occupied  
3 before entry of this Order without prejudice to any legal argument, position, or privilege that any  
4 of the Parties might have asserted but for the Settlement Agreement.

5       8.       **Preliminary Findings Regarding Proposed Settlement.** Defendant has agreed  
6 to establish a \$6,500,000.00 Settlement Fund from which Settlement Class Members who file a  
7 valid claim will be entitled to recover a cash payment, after deducting costs and administrative  
8 expenses, any fee award to proposed Class Counsel, and any incentive payments to the Class  
9 Representatives. *See* Agreement, Dkt. # 98-1, §§ 1.32, 2.1. No portion of the Settlement Fund  
10 will revert to Defendant. As described in detail in the Plan of Allocation, *id.* at Ex. E, the amount  
11 of each Settlement Class Member’s payment will depend first on whether or not the Settlement  
12 Class Member is “potentially subject to Huuuge’s Governing Law and Binding Arbitration  
13 (GLBA) provision.” *See id.* §§ 1.36, 2.1(c), (d); Exhibit E. Recovery will vary from the baselines  
14 established by GLBA status according to the Settlement Class Member’s Lifetime Spending  
15 Amount (those with higher Lifetime Spending Amounts are eligible to recover a greater  
16 percentage back) and overall Settlement Class Member participation levels. *See id.*

17       For Applications Huuuge continues to offer to Washington residents (as determined by IP  
18 address or geolocations), Huuuge has agreed to establish a voluntary self-exclusion policy that  
19 will allow players to exclude themselves from further gameplay. *See id.* § 2.2. Huuuge must also  
20 make a link to that policy prominently available within the games, and its customer service  
21 representatives will provide the link to players who contact them and reference or seek help for  
22 video game behavior disorders. *See id.* Huuuge has also agreed to other prospective relief  
23 measures, including changes to game mechanics such that when players run out of virtual chips,  
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1 they won't need to purchase additional chips or wait to receive free additional chips to continue  
2 playing at least one game within the Application they are playing. *See id.*

3 In exchange for the relief described above, Defendant and other entities, including the  
4 Platform Providers Facebook, Apple, Google, and Amazon, will be released from all claims  
5 raised in these cases relating to the operation of Defendant's social casino games and the sale of  
6 virtual chips in those games, including claims that the games were illegal gambling or the chips  
7 were "things of value." The full release is contained at *id.* § 1.27.

8 The Agreement further provides that Wilson will seek not more than \$10,000 as an  
9 incentive award and Hammer will seek not more than \$1,000. Attorney fees to Settlement Class  
10 Counsel shall be no more than 30% of the Settlement Fund, plus reimbursement of expenses.  
11 Settlement Administration Expenses, which together with any anticipated Fee Award and  
12 Incentive Award, shall be no more than 30% of the Settlement Fund.

13 The Court preliminarily finds that the proposed Settlement should be approved as:  
14 (a) fair, reasonable, and adequate; (b) the product of serious, informed, arm's-length, and non-  
15 collusive negotiations; (c) having no obvious deficiencies; (d) not improperly granting  
16 preferential treatment to Class Representatives or segments of the Settlement Class; (e) falling  
17 within the range of possible approval; and (f) warranting notice to Settlement Class Members of  
18 a Final Approval Hearing, at which evidence may be presented in support of and in opposition to  
19 the proposed Settlement.

20 9. **Injunction and Stay.** Pending the final determination of the fairness,  
21 reasonableness, and adequacy of the proposed Settlement, all Settlement Class Members are  
22 PRELIMINARILY ENJOINED from instituting or commencing any action against Defendants  
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1 based on the Released Claims, and all proceedings in this action, except those related to approval  
2 of the Settlement, are STAYED.

3       10.     **Class Notice.** This Court approves the notice plan set forth in the Agreement, *see*  
4 Dkt. # 98-1, §§ 4.1, 4.2, and the form and content of the notice to class members as set forth in  
5 Exhibits B-D attached to the Agreement. The Court approves the procedure for Settlement Class  
6 Members to opt out of, or object to, the Settlement as set forth in the Settlement Agreement  
7 Notice. *Id.* at §§ 4.4, 4.5. The Court appoints Angeion Group as the Settlement Administrator.

8       The Court directs the mailing of the Settlement Class Notice by email and/or  
9 First-Class U.S. mail to the Settlement Class Members in accordance with the schedule set forth  
10 below. The Court finds the dates selected for the mailing and distribution of the Notice, as set  
11 forth below, meet the requirements of due process and provide the best notice practicable under  
12 the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

13 The Court approves the following deadlines:

- 14       A.     **Subpoena:** Plaintiff shall issue subpoena and rider to Platform Providers as  
15             described in the Agreement § 4.1 no later than **7 days** after Execution of the  
16             Settlement Agreement;
- 17       B.     **Class List:** Defendant shall provide Settlement Class List to Class Counsel and  
18             the Settlement Administrator no later than **14 days** after the Execution of the  
19             Settlement Agreement;
- 20       C.     **Website Posting:** The Settlement Administrator shall provide Notice on the  
21             settlement website [www.hgsettlement.com](http://www.hgsettlement.com) no later than **7 days** after entry of this  
22             Preliminary Approval Order;
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1 D. **Notice Date:** The Settlement Administrator shall mail Notice via Email and/or  
2 First-Class U.S. Mail no later than **35 days** after entry of this Preliminary  
3 Approval Order;

4 E. **Reminder Notice:** The Settlement Administrator shall send Reminder Notice via  
5 email no later than **61 days** after entry of this Preliminary Approval Order (i.e., 30  
6 days before the Claims Deadline);

7 F. **Claims Deadline:** All claims shall be submitted as set forth in the Agreement no  
8 later than **91 days** after entry of this Preliminary Approval Order (i.e., 56 days  
9 after the Notice Date); and

10 G. **Objection/Exclusion Deadline:** All written objections to the Agreement and/or  
11 requests for exclusion shall be submitted as set forth in the Agreement no later  
12 than **91 days** after entry of this Preliminary Approval Order (i.e., 56 days after the  
13 Notice Date).

14 11. **Final Approval Hearing.** I will soon be retiring from the federal judiciary and  
15 this case will be transferred to a new judge. After transfer, a fairness hearing should be scheduled  
16 to determine whether the Agreement warrants final approval. The hearing should determine,  
17 among other things:

18 A. whether the Settlement Class should be certified, for settlement purposes, as a  
19 class action;

20 B. whether the Class Representatives and Class Counsel have adequately represented  
21 the Settlement Class;

22 C. whether the Settlement should be approved as fair, reasonable, and adequate;  
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1 D. whether the Amended Complaint should be dismissed with prejudice pursuant to  
2 the terms of the Settlement;

3 E. whether the Notice and the means of disseminating same pursuant to the  
4 Settlement Agreement: (i) are appropriate and reasonable and constituted due,  
5 adequate, and sufficient notice to all persons entitled to notice; and (ii) meet all  
6 applicable requirements of the Federal Rules of Civil Procedure, and any other  
7 applicable law;

8 F. whether the application for attorneys' fees and expenses to be filed by Class  
9 Counsel should be approved or adjusted;

10 G. whether the proposed disbursement of monetary awards is fair and reasonable and  
11 should be approved;

12 H. whether the planned prospective relief should be approved;

13 I. whether the application for Incentive Awards for the Class Representatives should  
14 be approved; and

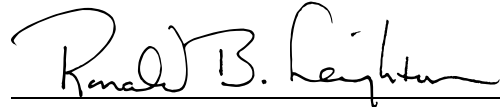
15 J. whether there are any timely and proper objections to the Settlement and/or to the  
16 application for attorneys' fees and expenses and/or request for Incentive Awards  
17 and how any such objections shall be resolved.

18 **12. Additional Briefing Deadlines:** The Court refrains from setting deadlines for  
19 Settlement Class Counsel's briefing in support of their motion for approval of attorney fees and  
20 litigation expenses and final approval of Settlement Agreement. These deadlines should be set by  
21 the transferee judge in coordination with the Final Approval Hearing.

1 For these reasons, the Court GRANTS Plaintiff's Unopposed Motion for Preliminary  
2 Approval of Class Action Settlement.

3 IT IS SO ORDERED.

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5 Dated this 31<sup>st</sup> day of August, 2020.

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8 Ronald B. Leighton  
9 United States District Judge  
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