

1 KARIN G. PAGNANELLI (SBN 174763)
kgp@msk.com
2 MARC E. MAYER (SBN 190969)
mem@msk.com
3 JAMES D. BERKLEY (SBN 347919)
jdb@msk.com
4 MITCHELL SILBERBERG & KNUPP LLP
2049 Century Park East, 18th Floor
5 Los Angeles, CA 90067-3120
Telephone: (310) 312-2000
6 Facsimile: (310) 312-3100

7 Attorneys for Plaintiff Take-Two
Interactive Software, Inc.

8
9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
11

12 TAKE-TWO INTERACTIVE
SOFTWARE, INC.,

13 Plaintiff,

14 v.

15 PLAYERAUCTIONS, INC., a
16 company organized under the laws of
Delaware; IMI EXCHANGE LLC, a
17 company organized under the laws of
Delaware; PAIAO NETWORK
18 TECHNOLOGY (SHANGHAI) CO.,
LTD. (拍奥网络科技(上海)有限公
19 司), a/k/a PLAYERAUCTIONS (SH)
CO. LTD., a company organized under
20 the laws of China; and DOES 1 through
10, inclusive,

21 Defendants.
22
23
24
25
26
27
28

CASE NO. 2:25-cv-01880

COMPLAINT FOR:

- (1) COPYRIGHT INFRINGEMENT**
- (2) CONTRIBUTORY
COPYRIGHT INFRINGEMENT**
- (3) VICARIOUS COPYRIGHT
INFRINGEMENT**
- (4) INDUCEMENT OF
COPYRIGHT INFRINGEMENT**
- (5) TRADEMARK
INFRINGEMENT**
- (6) FALSE DESIGNATION OF
ORIGIN, 15 U.S.C. § 1125(a)**
- (7) INTENTIONAL
INTERFERENCE WITH
CONTRACTUAL RELATIONS**

DEMAND FOR JURY TRIAL

1 Plaintiff Take-Two Interactive Software, Inc. (“Take-Two” or “Plaintiff”),
 2 for its Complaint against Defendants PlayerAuctions, Inc.; IMI Exchange LLC;
 3 Paiao Network Technology (Shanghai) Co. Ltd. (拍奥网络科技(上海)有限
 4 公司), a/k/a PlayerAuctions (SH) Co. Ltd.; and Does 1 through 10 (collectively,
 5 “PlayerAuctions” or “Defendants”), alleges as follows:

6 **Preliminary Statement**

7 1. Take-Two is the publisher and copyright owner of the iconic *Grand*
 8 *Theft Auto* (“GTA”) video game series. Developed by Take-Two’s subsidiary
 9 Rockstar Games (“Rockstar”), GTA is one of the most critically acclaimed and
 10 commercially successful entertainment franchises in the world. The latest release
 11 in the series, *Grand Theft Auto V* (“GTA V”), puts players in an immersive action-
 12 adventure game world filled with fast cars, thrilling heists, and ruthless criminals.
 13 Since its launch in 2013, GTA V has sold more than 205 million copies, and its
 14 multiplayer online mode, *Grand Theft Auto Online*, is played daily by tens of
 15 thousands of fans worldwide.

16 2. While GTA lets players experience a fictional underworld of lawless
 17 enterprise, the entities behind PlayerAuctions own and operate a real one: the
 18 website PlayerAuctions.com offers a vast online marketplace¹ containing
 19 thousands of listings for unauthorized, infringing GTA V content – including
 20 heavily modified player accounts, in-game assets, and virtual currency – all gained
 21 by using hacking software, cheats, and technical exploits. Although
 22 PlayerAuctions is desperate to portray itself as a legitimate business, the truth is
 23 that PlayerAuctions operates, supervises, and profits from commercialized
 24 infringement of Take-Two’s copyrights and trademarks on an industrial scale.

25 3. PlayerAuctions’ Website is not a regular online marketplace where
 26 third parties sell legitimate items on their own initiative. Instead, PlayerAuctions

27 _____
 28 ¹ Available at <https://www.playerauctions.com/gta-marketplace/> (“Website”).

1 runs a sophisticated sales platform and actively recruits “sellers” skilled at using
2 hacking software and other exploits to create infringing digital goods and to
3 provide illegal “services” to players of GTA V.

4 4. PlayerAuctions operates the Website with full knowledge that its
5 sellers are engaged in rampant infringement and other unauthorized conduct.
6 Nonetheless, PlayerAuctions reaps millions in revenue by taking a cut of every
7 transaction on its marketplace. PlayerAuctions goes to great lengths to lull its
8 users into buying illegitimate GTA V content from its sellers, including by offering
9 “after-sale protection” – *i.e.* refunds – if the hacked accounts they purchase are
10 detected and banned by Take-Two’s anti-cheat systems. PlayerAuctions offers this
11 “protection” because it knows the hacked player account listings on its marketplace
12 are infringing and unauthorized under Take-Two’s terms of service.

13 5. PlayerAuctions’ willful infringement not only damages Take-Two but
14 also harms innocent GTA V players. At the scale of its Website, PlayerAuctions
15 risks upending the GTA V player experience and interferes with the balance and
16 fairness of the game. PlayerAuctions’ business also actively promotes behavior
17 that risks creating a “race for the bottom” where innocent GTA V players feel
18 pressured to buy unauthorized digital goods and service, or else resort to using
19 hacks or cheating themselves, to “keep up” with PlayerAuctions’ customers.

20 6. Take-Two has repeatedly confronted PlayerAuctions with evidence of
21 infringement and other tortious conduct, and has demanded that it cease and deist
22 its unlawful activities. PlayerAuctions refuses to stop because it continues to rake
23 in illicit profits through the wholesale, willful infringement of Take-Two’s
24 copyrights and trademarks, and the intentional interference with Take-Two’s
25 relationships with its customers. Accordingly, Take-Two brings this lawsuit to
26 shut down PlayerAuctions’ rampant infringing online marketplace, end its corrupt
27 business model, and protect the integrity of GTA V for its players.

The Parties

7. **Take-Two** is a corporation duly organized and existing under the laws of the State of Delaware, with its principal place of business in New York, New York.

8. **PlayerAuctions, Inc.** (“PlayerAuctions USA”) is a corporation formed under the laws of Delaware and registered to conduct business in the State of California. On information and belief, PlayerAuctions, Inc. is headquartered in Los Angeles, California.

9. **IMI Exchange, LLC** (“IMI Exchange”) is a company formed under the laws of Delaware. On information and belief, IMI Exchange’s principal place of business is in Ridgefield, New Jersey, and the company has been registered to conduct business in the State of California. On information and belief, IMI Exchange is a wholly owned direct subsidiary of the South Korea-based entity Nexture Co., Ltd. (“Nexture”) and is the direct parent of PlayerAuctions USA.

10. **Paiao Network Technology (Shanghai) Co. Ltd.** (拍奥网络科技有限公司 (上海) 有限公司) (“PlayerAuctions Shanghai”) is a corporation formed under the laws of China. On information and belief, PlayerAuctions Shanghai was formerly was known as Itemmania Network Technology (Shanghai) Ltd., and is known as PlayerAuctions (SH) Co. Ltd. On information and belief, PlayerAuctions Shanghai is a wholly owned direct subsidiary of PlayerAuctions USA.

11. The true names and capacities, whether individual, corporate, associate, or otherwise, of the defendants sued herein as Does 1-10, inclusive, are unknown to Take-Two, which has therefore sued said defendants by such fictitious names. Take-Two will seek leave to amend this complaint to state the true names and capacities of all Doe defendants once said defendants’ full identities and capacities are ascertained. On information and belief, all defendants sued herein, including the Doe defendants, directly participated in all or some of the acts set

1 forth in this complaint, and therefore are liable to Take-Two. (The defendants
2 collectively are referred to as “Defendants” or “PlayerAuctions.”).

3 12. On information and belief, there exists a unity of interest and
4 ownership between and among each of the Defendants such that no separateness
5 between these entities exists. Additionally, adherence to the fiction of the separate
6 existence of the Defendants would sanction a fraud or promote injustice, including
7 by enabling certain of Defendants to hide behind corporate shell companies, divert
8 assets from such companies, or raise jurisdictional defenses based on the existence
9 of such companies. As a result, the Court should pierce the corporate veil and find
10 all of the Defendants jointly and severally liable.

11 **Jurisdiction and Venue**

12 13. This is a civil action seeking damages, injunctive relief, and other
13 equitable relief under the Copyright Act, 17 U.S.C. § 501; the Lanham Act, 15
14 U.S.C. §§ 114, 1116-17 and § 1125(a); and the laws of the State of California.

15 14. This Court has subject matter jurisdiction over Take-Two’s Copyright
16 Act claims under 28 U.S.C. §§ 1331 and 1338(a), and over Take-Two’s Lanham
17 Act claims under 15 U.S.C. §§ 1116, 1121, and 1125. Pursuant to 28 U.S.C. §
18 1367, this Court has supplemental jurisdiction over Take-Two’s state law claims
19 because the claims are so related to Take-Two’s federal claims as to be part of the
20 same case or controversy.

21 15. This Court has personal jurisdiction over the Defendants, including
22 because the Defendants have engaged in, knowingly contributed to, supervised,
23 and induced the infringing and otherwise tortious conduct alleged herein within the
24 State of California, and have purposefully directed their activities at the State of
25 California. Further, the Defendants know that the damages and other harmful
26 effects of the Defendants’ infringing activities occur in the United States, where
27 Take-Two has its principal place of business and where it has a substantial number
28

1 of customers, including many players of GTA V within the State of California who
 2 are adversely affected by the Defendants' unauthorized and infringing activities.

3 16. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)
 4 because this is a judicial district in which a substantial part of the events giving rise
 5 to the claims occurred, and/or in which Take-Two's injury was suffered.

6 **FACTS APPLICABLE TO ALL CAUSES OF ACTION**

7 **Take-Two and GTA V**

8 17. Since the release of the original *Grand Theft Auto* in 1997, Take-Two
 9 has sold more than 430 million copies of games in the GTA series, and several
 10 GTA installments have won numerous awards for their game design and storylines.
 11 Take-Two, with Rockstar and its partners and affiliates, develops, produces,
 12 markets, advertises, distributes, and otherwise exploits the GTA series in numerous
 13 countries throughout the world.

14 18. First released in 2013, GTA V, including its multiplayer online
 15 component *Grand Theft Auto Online* ("GTA Online"), is one of most successful,
 16 influential, and critically acclaimed games of all time. GTA V immerses players in
 17 a fictional yet highly realistic world of San Andreas, in the fictional city of Los
 18 Santos, inspired by Los Angeles and surrounding areas in Southern California.
 19 Within this immersive virtual world, players of GTA V progress through a mixture
 20 of cinematic, plot-driven missions and exploring the open-ended environment to
 21 discover new challenges and opportunities.

22 19. In *Grand Theft Auto Online*, users create their own characters and
 23 interact in real time with other players. Players start at level zero, but as they gain
 24 experience in GTA Online, they advance to higher levels, accumulating virtual
 25 money and assets, such as cars and other vehicles, new weapons, and unlock
 26 ownership of lucrative new "criminal enterprises." Players also progress by
 27 earning "reputation points," which offer access to higher levels, new and better in-

1 game equipment and assets, and new game content such as higher-stakes missions.
2 Enabling players to realize a steady progression from lower to higher levels is a
3 core gameplay feature of GTA Online.

4 20. Rockstar releases new content for GTA Online through regular game
5 updates, which generally feature new storylines and missions, as well as new or
6 upgraded vehicles, weapons, and clothing. Players gain new equipment and
7 vehicles by buying them with in-game currency, which they can earn through
8 gameplay. Additionally, Take-Two sells virtual currency packs, which players can
9 purchase for real-world money and then redeem in-game.

10 21. Take-Two employs a variety of measures to prevent bad actors from
11 damaging the integrity of the game by engaging in cheating or hacking to obtain
12 in-game currency, assets (vehicles, weapons, clothing), and reputation points not
13 acquired through valid means. Among measures to maintain a fair and balanced
14 game environment for its players, Take-Two prohibits players or third-parties from
15 selling or creating secondary markets for player accounts, in-game assets, or virtual
16 currency. These restrictions are set out in the Rockstar Terms of Service available
17 at <http://www.rockstargames.com/legal> (the “Rockstar TOS”). A copy of the
18 Rockstar TOS is attached to this Complaint as **Exhibit A**.

19 **The Rockstar TOS**

20 22. GTA V is available to play on personal computer (“PC”), and the
21 Microsoft Xbox and Sony PlayStation game consoles. Regardless of which
22 platform a user plays on, **all** users must agree to the Rockstar TOS before
23 accessing or playing GTA V. On PC, users are presented with and accept the
24 Rockstar TOS (1) when purchasing directly from Rockstar’s website or via a third-
25 party distributor during check-out; (2) when downloading Rockstar’s proprietary
26 game launching software, the Rockstar Game Launcher; and (3) during the GTA V
27

1 installation process. On console, players are presented with the Rockstar TOS and
2 must agree to it before logging into GTA Online.

3 23. By agreeing to the Rockstar TOS, players of all versions are granted a
4 limited, non-exclusive, and non-transferable license to access and use GTA V,
5 virtual in-game items, and related products and services, strictly for their own
6 personal and non-commercial use.

7 24. The Rockstar TOS expressly prohibits any sale or transfer of player
8 accounts, in-game virtual goods, or in-game virtual currency. For example, users
9 agree that the license granted “is personal to [them] only and does not give ... any
10 ownership rights in any of the Services, Virtual Items, or [the user’s] Account...”;
11 “agree not to sell, transfer, or share [their] Account, or [their] Account’s user name
12 or password”; consent that “[v]irtual Items ... may not be sold, transferred, or
13 redeemed for real money or items of value outside of the Services”; and agree that
14 they “will not commercially exploit the Services ... include[ing] participating in,
15 enabling, or encouraging the collection, sale, or exchange of anything from the
16 services....”

17 25. The Rockstar TOS also conditions its limited license on users
18 agreeing to not undertake any unauthorized modification or “hacking” of GTA V’s
19 software, or assist others in doing so, including in ways that would alter the GTA
20 V gameplay experience or adversely affect other players.

21 26. The Rockstar TOS provides that Take-Two owns all rights to its
22 intellectual property relating to GTA V. This includes (1) all game accounts and
23 all “virtual goods and in-game currency”; (2) all “graphics, artworks, illustrations
24 ... interactive features [and] gameplay,” as well as “all other copyrightable
25 material”; (3) all “trademarks, logos, trade names, trade dress, service marks, and
26 trade identities of various parties,” including Take-Two’s own; and (4) all “other
27 forms of intellectual property.”

27. Take-Two is the owner of valid and subsisting registered copyrights in GTA V, including for versions of playable on different devices. A list of such registrations including their copyright registration numbers is attached hereto as **Exhibit B.**

28. Take-Two also is the owner of valid and subsisting U.S. and international trademarks, including registered trademarks, pertaining to GTA V, including without limitation the word marks “GTA”, “GTa”, and “Grand Theft Auto Online” (collectively, the “GTA Trademarks”). A list of such U.S. trademark registrations is attached hereto as **Exhibit C.**

Operation of the PlayerAuctions Website

29. The PlayerAuctions Website features thousands of illicit listings where “sellers” offer “Modded Accounts,” “Money Drop Services,” and “Account Boosting Services.” These schemes are marketed to buyers so that PlayerAuctions can illegally profit off GTA V.

30. Modded Accounts are specific player accounts that have been manipulated using software that hacks Take-Two’s copyrighted source code without authorization, often to give exorbitantly high game level ranking and in-game currency amounts, and to unlock in-game content that users must normally obtain through gameplay or purchase with virtual currency. PlayerAuctions advertises that “Modded GTA 5 accounts contain anything and everything buyers want When they want to live the life in Los Santos with everything they could think of right at their fingertips, gamers buy GTA 5 modded accounts PC.”

31. Money Drop Services provide the opportunity for users to enter an in-game lobby where a seller will generate vast amounts of in-game virtual currency for the purchasing player, which is accomplished using hacking software to modify Take-Two’s copyrighted source code without authorization.

1 32. Account “Boosting” Services allow users to share their GTA V
2 account while a seller, in exchange for payment, uses hacking software, glitches, or
3 exploits to achieve a higher in-game level ranking, obtain exorbitantly high in-
4 game currency balances, and/or unlock in-game content that users must normally
5 obtain either through persistent gameplay or by purchases with virtual currency.

6 33. Through these offerings, PlayerAuctions markets to Take-Two’s
7 customers an otherwise impossible experience: new players can begin GTA V with
8 **billions** in VC and with a massive arsenal of in-game content—such as vehicles,
9 clothing, and weapons—configurations only possible by hacking and modifying
10 the GTA V game in breach of the Rockstar TOS. In some cases, these listings
11 advertise “unlock all” accounts preloaded with maxed-out character levels and
12 virtually all in-game assets available to acquire in GTA Online. Moreover, users
13 buying Account Boosting Services give control of their GTA V account
14 temporarily to an unknown third party – in violation of the Rockstar TOS – and
15 disclose their GTA V account information, including passwords.

16 34. PlayerAuctions reap fantastic financial benefits from the infringement
17 and other unauthorized conduct they supervise, induce, and control.
18 PlayerAuctions retains as “transaction fees” a percentage of all payments on its
19 Website, including fees of 12.99% on financial transactions for “modded” accounts
20 and for “power-levelling.” Indeed, a recent corporate statement identifies
21 PlayerAuctions as realizing revenues of millions of dollars per year, reflecting
22 transactions that, on information and belief, total in the many tens of millions or
23 even upwards of 100 million dollars.

24 35. To increase its base of users – and its profits – PlayerAuctions
25 actively markets and encourages participation in its illicit schemes as either buyers
26 or sellers, or both. PlayerAuctions provides a seamless infrastructure and detailed
27 instructions for buying and selling Modded Accounts, Money Drops, and Account

28

1 Boosting Services for GTA V by supplying its users with video tutorials, online help
 2 functions, and its own private messaging system. To sellers, PlayerAuctions
 3 promise powerful “tools and services” that make it easy for them to “manage,
 4 promote, and grow [their] business,” while to buyers, PlayerAuctions make
 5 promises of “unparalleled protection” and hold out that PlayerAuctions will allow
 6 them to “dominate [their] game.”

7 36. PlayerAuctions also brands and promotes its most successful sellers –
 8 those who sell thousands of orders per year – as “Power Sellers.” Power Sellers
 9 receive special perks such as “[d]irect access to our Power Seller management
 10 team” and a special “bulk offer upload tool for items and accounts.” Upon
 11 information and belief, several “Power Sellers” are active in the United States and
 12 offer services, including Modded Accounts.

13 37. PlayerAuctions incentivizes sellers to create and sell Modded
 14 Accounts by offering a tool called an “Account Calculator,” which allows users to
 15 “Check how much your Grand Theft Auto V Account is worth!” The calculator
 16 clearly demonstrates that GTA V accounts are more valuable the more the assets
 17 and content the account has, encouraging sellers to boost the GTA V accounts to
 18 have more and more content. Upon information and belief, PlayerAuctions is
 19 aware that the overwhelming number, if not all, of the GTA V accounts being
 20 improperly offered for sale on the Website are generated not by legitimately
 21 playing GTA V, but by deliberate efforts to modify the game and game software in
 22 violation of the Rockstar TOS.

23 **PlayerAuctions’ Control Over Its Users And Its Website**

24 38. PlayerAuctions exercises strict control and supervision over its
 25 Website. In its own words, “we are the mediators, keeping an eye out on all
 26 transactions and protecting our members from scamming.” PlayerAuctions
 27 requires all buyers and sellers to register, verifies the identity of sellers, serves as

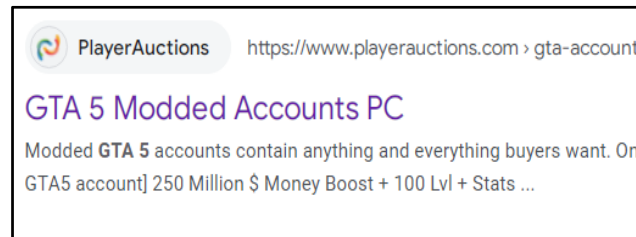
1 intermediary for all payments, arranges to hold exchanged materials in escrow, and
2 claims to employ “several state of the art technologies” to prevent fraud between
3 buyers and sellers. The Website even purports to subject all GTA V accounts
4 being transferred to an “inspection process.”

5 39. PlayerAuctions also imposes strict control over its sellers. For
6 example, in a “Secure Seller Agreement,” PlayerAuctions dictates that it
7 “reserve[s] the right to determine what content is appropriate for our site and to
8 remove any content that we find to be inappropriate” and that “[o]ffers in violation
9 of our Policies may be removed from our site without warning,” resulting
10 potentially in “suspension or permanent closure of your account.” And to all users,
11 it warns that “PlayerAuctions may deny access to its Services or terminate or
12 suspend your account ... and your access to the Services should we have reason to
13 believe that you, your content, or your use of the Services violate our Terms.”
14 Upon information and belief, PlayerAuctions actively supervise, monitor, and
15 control the content of all “listings” appearing on the Website. And ironically,
16 while PlayerAuctions promotes the unauthorized transfer of GTA V accounts, it
17 strictly prohibits the transfer of users’ accounts through its own Terms of Service.

18 **PlayerAuctions’ Willful Infringement**

19 40. PlayerAuctions knowingly and willfully commits, contributes to,
20 induces, and profits from copyright infringement. For example, by soliciting the
21 buying and selling of “modded” or “hacked” GTA accounts, and of related
22 products and services feasible only through unauthorized modification and
23 adaptation of GTA V and its component software, PlayerAuctions knowingly and
24 actively supports and encourages infringing use of the GTA V software, and offers
25 a platform to disseminate the fruits of that infringement.

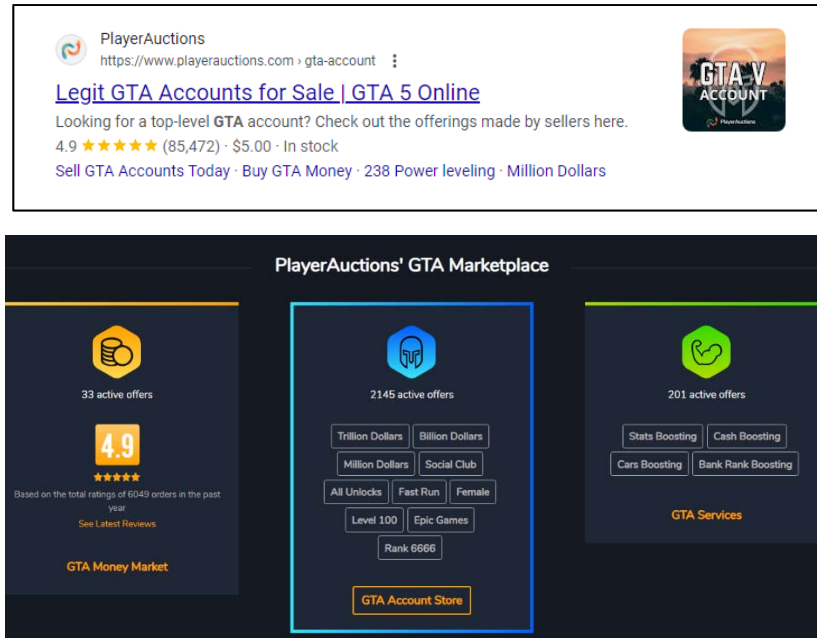
41. Additionally, PlayerAuctions knowingly markets its illicit services by optimizing the website to create demand for infringement of Take-Two's copyrights in GTA V through search engine results:



42. Finally, to support of its own business, the PlayerAuctions Website hosts infringing images of gameplay generated from “modded” versions of GTA V. On information and belief, PlayerAuctions knows and intends that sellers will upload such materials to promote its “listings” on the Website, and PlayerAuctions actively monitors, controls, and supervises the content of these listings, including the infringing images, which serve to advertise the listed offering and create profit for Defendants.

43. On multiple occasions Take-Two has sent notices to PlayerAuctions USA setting forth the nature and location of the extensive copyright infringement and other violations of Take Two's rights committed on and through the Website. These notices have effectively been ignored, with no actions taken by PlayerAuctions to eliminate or reduce the scope of their infringement.

44. PlayerAuctions' extensive copyright infringement is done under the banner of Take-Two's own trademarks, which PlayerAuctions willfully misappropriate and infringe. For example, PlayerAuctions infringes the GTA Trademarks by promoting a “PlayerAuctions GTA Marketplace” and “GTA store,” and by purporting to offer for sale what it advertises as “Legit GTA Accounts.” The Website juxtaposes these uses of the GTA Trademarks with PlayerAuctions' own name and logo, trading off consumer recognition of the GTA Trademarks and falsely connoting PlayerAuctions' association with or endorsement by Take-Two:



45. All of the foregoing is causing significant, ongoing, and irreparable harm to Take-Two, and causing significant harm to consumers and to the community of legitimate players of GTA V. Despite multiple warnings, PlayerAuctions' conduct continues unabated.

FIRST CLAIM FOR RELIEF

Direct Copyright Infringement - (Against All Defendants)

46. Take-Two re-alleges and incorporates by reference the allegations in paragraphs 1 through 45, as if set forth fully herein.

47. Take-Two is the owner of valid and registered copyrights in GTA V, including as individually registered for multiple gaming platforms.

48. Defendants have infringed, and are continuing to infringe, Take-Two's copyrights in GTA V by reproducing, distributing, and publicly displaying, and by knowingly authorizing others to reproduce, distribute, publicly display, copyrighted elements of GTA V, and/or copyrighted elements of unauthorized derivative versions thereof, without authorization, in violation of the Copyright Act, 17 U.S.C. § 101 *et seq.*

1 49. Take-Two has never authorized or given consent to Defendants to use
2 its copyrighted works in the manner complained of herein.

3 50. Defendants' acts of infringement are willful, in disregard of, and with
4 indifference to Take-Two's rights.

5 51. As a direct and proximate result of the infringements alleged herein,
6 Take-Two's is entitled to damages and to Defendants' profits in amounts to be
7 proven at trial, which are not currently ascertainable. Alternatively, Take-Two is
8 entitled to maximum statutory damages of \$150,000 for each copyright infringed,
9 or in such other amount as may be proper under 17 U.S.C. § 504(c). Take-Two
10 further is entitled to its attorneys' fees and full costs pursuant to 17 U.S.C. § 505.

11 52. As a result of Defendants' conduct, Take-Two has sustained and will
12 continue to sustain irreparable injury for which there is no adequate remedy at law.
13 On information and belief, unless enjoined and restrained by this Court,
14 Defendants will continue to infringe Plaintiff's rights in GTA V. Take-Two is
15 entitled to temporary, preliminary, and permanent injunctive relief to restrain and
16 enjoin Defendants' continuing infringing conduct.

17 **SECOND CLAIM FOR RELIEF**

18 **Contributory Copyright Infringement - (Against All Defendants)**

19 53. Take-Two re-alleges and incorporates by reference the allegations in
20 paragraphs 1 through 52, as if set forth fully herein.

21 54. Take-Two is the owner of valid and registered copyrights in GTA V,
22 including as individually registered for multiple gaming platforms.

23 55. By operating the PlayerAuctions Website and committing the acts
24 described above, one or more of Defendants engaged in acts of direct copyright
25 infringement, including unauthorized reproduction, distribution, and display of
26 elements of GTA V and/or of unauthorized derivative versions thereof. In
27 addition, users of the of PlayerAuctions Website engaged in unauthorized
28

1 reproduction, distribution, adaptation, and/or display of GTA V, or of copyrighted
 2 elements thereof, when they created, used, disseminated, and promoted versions of
 3 GTA V that modified creative and gameplay elements of GTA V and exceeded the
 4 scope and conditions of the Rockstar TOS. Take-Two has never authorized or
 5 given consent to the use of GTA V in this manner.

6 56. Each such underlying infringement by Defendants' users, and/or by
 7 Defendants themselves, constitutes a separate and distinct act of infringement.

8 57. Defendants materially contributed to one or more of the foregoing acts
 9 of infringement, with knowledge that they were facilitating, encouraging, or
 10 enabling copyright infringement.

11 58. Defendants' acts of infringement were willful, in disregard of and
 12 with indifference to Take-Two's rights.

13 59. As a direct and proximate result of the infringements alleged herein,
 14 Take-Two's is entitled to damages and to Defendants' profits in amounts to be
 15 proven at trial, which are not currently ascertainable. Alternatively, Take-Two is
 16 entitled to maximum statutory damages of \$150,000 for each copyright infringed,
 17 or in such other amount as may be proper under 17 U.S.C. § 504(c). Take-Two
 18 further is entitled to its attorneys' fees and full costs pursuant to 17 U.S.C. § 505.

19 60. Take-Two has sustained and will continue to sustain irreparable injury
 20 for which there is no adequate remedy at law. On information and belief, unless
 21 enjoined and restrained by this Court, Defendants will continue to infringe
 22 Plaintiff's rights in GTA V. Take-Two is entitled to temporary, preliminary, and
 23 permanent injunctive relief to restrain Defendants' continuing infringing conduct.

24 **THIRD CLAIM FOR RELIEF**

25 **Vicarious Copyright Infringement - (Against All Defendants)**

26 61. Take-Two re-alleges and incorporates by reference the allegations in
 27 paragraphs 1 through 60, as if set forth fully herein.

1 62. Take-Two is the owner of valid and registered copyrights in GTA V.

2 63. By operating the PlayerAuctions Website and committing the acts
3 described above, one or more of Defendants engaged in acts of direct copyright
4 infringement, including unauthorized reproduction, distribution, and display of
5 elements of GTA V and/or of unauthorized derivative versions thereof. In
6 addition, users of the of PlayerAuctions Website engaged in unauthorized
7 reproduction, distribution, adaptation, and/or display of GTA V, or of copyrighted
8 elements thereof, when they created, used, disseminated, and promoted versions of
9 GTA V that modified creative and gameplay elements of GTA V and exceeded the
10 scope and conditions of the Rockstar TOS. Take-Two has never authorized or
11 given consent to the use of GTA V in these manner.

12 64. Each such underlying infringement by Defendants' users, and/or by
13 Defendants themselves, constitutes a separate and distinct act of infringement.

14 65. Defendants had the right and ability to supervise and control the
15 infringing conduct. Defendants refused to exercise their supervision and control to
16 stop or limit the infringement, even though they could easily have done so.

17 66. Defendants have derived a direct financial benefit from the
18 infringement, including in the form of commissions on transactions and paid
19 advertisements for infringing goods and services.

20 67. Defendants' acts of infringement were willful, in disregard of, and
21 with indifference to the rights of Take-Two.

22 68. As a direct and proximate result of the infringements alleged herein,
23 Take-Two is entitled to damages and to Defendants' profits from the Infringing
24 Game in amounts to be proven at trial, which are not currently ascertainable.
25 Alternatively, Take-Two is entitled to maximum statutory damages of \$150,000
26 for each copyright infringed, or in such other amount as may be proper under 17

27

28

1 U.S.C. § 504(c). Take-Two further is entitled to its attorneys' fees and full costs
 2 pursuant to 17 U.S.C. § 505.

3 69. As a result of Defendants' conduct, Take-Two has sustained
 4 irreparable injury for which there is no adequate remedy at law. On information
 5 and belief, unless enjoined and restrained by this Court, Defendants will continue
 6 to infringe Plaintiff's rights in GTA V. Take-Two is entitled to temporary,
 7 preliminary, and permanent injunctive relief to restrain and enjoin Defendants'
 8 continuing infringing conduct.

9 **FOURTH CLAIM FOR RELIEF**

10 **Inducement of Copyright Infringement - (Against All Defendants)**

11 70. Take-Two re-alleges and incorporates by reference the allegations in
 12 paragraphs 1 through 69, as if set forth fully herein.

13 71. By agreeing to the Rockstar TOS, users of GTA V receive a limited
 14 license to access and use GTA V their own non-commercial, personal use only,
 15 and agree not to "hack," modify, or create derivative works from GTA V or its
 16 software without the express written permission of Take-Two. Users of the
 17 PlayerAuctions Website who create, use, and commercially trade in such
 18 unauthorized derivative versions of GTA V, including to create and market
 19 "modded" accounts or "cheats," exceed the limited scope of the Rockstar TOS and
 20 infringe Take-Two's copyrights in GTA V.

21 72. Defendants have actively encouraged and induced users of GTA V to
 22 engage in the foregoing copyright infringement, including, among other things, by
 23 promoting the creation, selling, and buying of "modded" accounts and "cheats" for
 24 GTA V, as well as by encouraging users to register with the PlayerAuctions so as
 25 to become "buyers" and "sellers" of such materials and of related services. As a
 26 direct and proximate result of such inducement, Defendants' users have infringed
 27 Take-Two's rights in GTA V.

80. Defendants knew of Take-Two's rights, and their infringement has been knowing, willful, and deliberate, such that the Court should award Take-Two its attorneys' fees pursuant to 15 U.S.C. § 1117.

81. Defendants' activities have damaged, and threaten to continue damaging, Take-Two's reputation and goodwill.

82. Take-Two has been, and continues to be, damaged by such acts in a manner that cannot be fully measured or compensated in economic terms and therefore have no adequate remedy at law. Furthermore, upon showing a violation of 15 U.S.C. § 1114, Take-Two is entitled to a rebuttable presumption of irreparable harm from that violation, and seeks permanent injunctive relief pursuant to 15 U.S.C. § 1116.

SIXTH CLAIM FOR RELIEF

False Designation of Origin (15 U.S.C. § 1125(a)) - (Against All Defendants)

83. Take-Two re-alleges and incorporates by reference the allegations in paragraphs 1 through 82, as if set forth fully herein.

84. By virtue of Take-Two's continuous and extensive use in commerce of the GTA Trademarks, the GTA Trademarks have acquired secondary meaning in the marketplace in connection with Take-Two's goods and services.

85. Defendants' use of the GTA Trademarks constitutes use of a false designation of origin or false and misleading representation in interstate commerce that wrongfully and falsely designates, describes and represents that Defendants' products and services are connected, affiliated or associated with, or authorized by Take-Two, and is likely to cause confusion as to Defendants' affiliation, connection or association with Take-Two, or as to the origin, sponsorship, approval or authorization of Defendants' products or services by Take-Two in violation of 15 U.S.C. §1125(a).

1 86. Defendants knew of Take-Two's rights, and their infringement has
2 been knowing, willful, and deliberate, such that the Court should award Take-Two
3 its attorneys' fees pursuant to 15 U.S.C. § 1117.

4 87. Defendants' activities have damaged, and threaten to continue
5 damaging, Take-Two's reputation and goodwill.

6 88. Take-Two has been, and continues to be, damaged by such acts in a
7 manner that cannot be fully measured or compensated in economic terms and
8 therefore have no adequate remedy at law. Furthermore, upon showing a violation
9 of 15 U.S.C. § 1125(a), Take-Two is entitled to a rebuttable presumption of
10 irreparable harm from that violation, and seeks permanent injunctive relief
11 pursuant to 15 U.S.C. § 1116.

12 **SEVENTH CLAIM FOR RELIEF**

13 **Intentional Interference with Contract - (Against All Defendants)**

14 89. Take-Two re-alleges and incorporates by reference the allegations in
15 paragraphs 1 through 88, as if set forth fully herein.

16 90. In order to install and play GTA V, users must assent to the Rockstar
17 TOS, which is an enforceable contract between Take-Two and players of GTA V,
18 and offers the sole means by which users can obtain a limited license to use the
19 GTA V software.

20 91. Each time a "buyer" or "seller" conducts a transactions on the
21 PlayerAuctions Website, or creates or uses materials that are commercially bought
22 and sold through the Website, the user breaches the Rockstar TOS.

23 92. Defendants are aware of both the existence and specific relevant terms
24 of the Rockstar TOS. Defendants nonetheless intentionally induce users of GTA V
25 to buy and sell items, including GTA V accounts and other in-game items, and to
26 otherwise violate the Rockstar TOS, knowing that these activities by their
27 customers is a breach of these customers' contracts with Take-Two.

1 93. By inducing Take-Two's users to breach their contracts with Take-
2 Two, Defendants have intentionally interfered, and continue to interfere, with the
3 contracts between Take-Two and its users.

4 94. As a direct and proximate result of Defendants' actions, Take-Two
5 has suffered damage in an amount to be proven at trial, including but not limited to
6 a loss of goodwill among users of GTA V, diversion of Take-Two's resources to
7 attempt to detect and prevent violations of the Rockstar TOS, decreased profits,
8 and a loss of profits from users whose accounts Take-Two has terminated for
9 violation of the Rockstar TOS.

10 95. As a further result of Defendants' actions, Defendants have unjustly
11 obtained specifically identifiable property. Those proceeds, which are directly
12 attributable to Defendants' manipulation and misuse of GTA V and intentional
13 interference with Take-Two's contracts, rightfully and equitably belong to
14 Plaintiff.

15 96. Defendants' intentional interference with the contracts between Take-
16 Two and its licensed users entitles Take-Two to injunctive relief and compensatory
17 damages, the imposition of a constructive trust over Defendants' wrongfully
18 obtained proceeds, and other available relief.

19 97. Defendants are also entitled to recover exemplary and punitive
20 damages against Defendants.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Take-Two prays that this Court enter judgment in its favor
23 on each and every claim for relief set forth above and award it relief including, but
24 not limited to, an Order:

25 1. Preliminarily and permanently enjoining Defendants, their officers,
26 employees, agents, subsidiaries, representatives, distributors, dealers, members,
27 affiliates, licensees, Internet service providers, and all persons acting in concert or
28

1 participation with them, or under their direction or control, from any of the
2 following activities:

- 3 (a) from operating any marketplace or platform, virtual or physical,
4 including without limitation the PlayerAuctions Website, that permits
5 or otherwise facilitates trading, advertising, exchanging, buying,
6 selling, transfer, or dealing in “Virtual Currency,” “Virtual Goods,” or
7 “Game Accounts,” as well as any currency, items, or accounts used in
8 GTA V or in any game, application, and/or app that Take-Two or its
9 subsidiaries (including but not limited to Rockstar Games), makes
10 available to the public;
- 11 (b) from aiding, abetting, contributing to, or otherwise assisting,
12 benefiting or inducing any such acts of trade, advertising, exchange,
13 buying, selling, transfer, or dealing in “Virtual Currency,” “Virtual
14 Goods,” or “Game Accounts” as described in sub-paragraph (a)
15 above, or any other such acts intentionally interfering with Take-
16 Two’s contracts with its users and players;
- 17 (c) from using, displaying, exhibiting, reproducing, distributing, selling or
18 offering for sale, any product or service featuring images and code
19 from GTA V, without prior authorization from Take-Two;
- 20 (d) from aiding, abetting, contributing to, or otherwise assisting,
21 benefiting, or inducing conduct involving unauthorized “hacking,”
22 alteration, or modification of GTA V or its software;
- 23 (e) from infringing the GTA Trademarks in any manner, and from falsely
24 representing or suggesting that Take-Two sponsors, endorses,
25 approves, or otherwise is affiliated with Defendants and their products
26 and services, including but not limited to on or in connection with the
27 PlayerAuctions Website;

1 (f) from effecting any assignments or transfers forming new entities or
2 associations, or utilizing any other means or device for the purpose of
3 circumventing or otherwise avoiding the prohibitions set forth herein;

4 2. Finding that Defendants' actions were willful, deliberate, and
5 malicious;

6 3. Finding that Defendants' actions were malicious, oppressive, and/or
7 fraudulent;

8 4. Awarding Take-Two compensatory damages for trademark
9 infringement and false designation of origin under the Lanham Act.

10 5. Awarding Take-Two its full costs and attorneys' fees in this action.

11 6. Awarding Take-Two exemplary and punitive damages against
12 Defendants on Take-Two's cause of action for intentional interference with
13 contractual relations.

14 7. Awarding Take-Two restitution of Defendants' unlawful proceeds,
15 including an accounting of any and all monies earned by the PlayerAuctions
16 Website and/or any from other products or services that violate any of Take-Two's
17 rights.

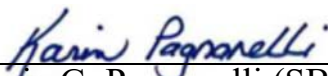
18 8. Imposing a constructive trust over the proceeds unjustly obtained by
19 Defendants through operation and/or monetization of the PlayerAuctions and/or
20 any other products or services that violate any of Take-Two's rights.

21 9. Awarding such other and further relief as this Court may deem just
22 and appropriate.

23 DATED: March 4, 2025

MITCHELL SILBERBERG & KNUPP LLP

24
25 By:


Karin G. Pagnanelli (SBN 174763)
Marc E. Mayer (SBN 190969)
James D. Berkley (SBN 347919)
Attorneys for Plaintiff Take-Two
Interactive Software, Inc.

JURY DEMAND

Take-Two demands a trial by jury on all issues so triable.

DATED: March 4, 2025

MITCHELL SILBERBERG & KNUPP LLP

By:


Karin G. Pagnanelli (SBN 174763)
Marc E. Mayer (SBN 190969)
James D. Berkley (SBN 347919)
Attorneys for Plaintiff Take-Two
Interactive Software, Inc.