

Facebook Sued In Class Action Over Purchases By Minors

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A class action lawsuit recently filed against Facebook alleges that the company illegally profited off of purchases made by minors within Facebook apps. According to the complaint, the plaintiff's son (a minor) used her credit card to buy \$20 worth of "Facebook Credits," which could be used in Facebook applications for in-app purchases of virtual items. After that initial purchase, her son then spent hundreds of dollars on more credits, thinking he was spending virtual currency. The plaintiff alleges Facebook violated California's Consumer Legal Remedies Act and California's Unfair Competition Law. The plaintiff is also seeking a declaratory judgment that the contract created by her minor son's purchase of the virtual goods in exchange for real currency is voidable.

TIP: Companies that permit minors to make purchases should review their policies and their practices, as parents will look at these activities with great scrutiny, especially if the items purchased are virtual, and the bill is in the hundreds of dollars.

1 Min Read

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