STATE OF NORTH CAROLINA	IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION
WAKE COUNTY	FILE NO.
STATE OF NORTH CAROLINA, ex rel. JOSHUA H. STEIN, ATTORNEY GENERAL,)
Plaintiff,)
v.	COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF
TIKTOK INC.; TIKTOK U.S. DATA SECURITY INC.; TIKTOK LLC; TIKTOK PTE. LTD.; TIKTOK, LTD.; BYTEDANCE INC.; and BYTEDANCE LTD.,)))))
Defendants.)

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I. INTRODUCTION

- 1. Defendants operate TikTok, a popular app that

 Carolina's children and teens use, with some of them spending numerous hours a day mindlessly swiping through TikTok's short videos. This app exploits the developing brains of these vulnerable children and teens by using advanced technology that intentionally fosters excessive, compulsive, and addictive use. Indeed, as internal documents show, TikTok is riddled with "coercive design tactics" and other manipulative design features that often mimic the exciting, addictive aspects of slot machines. As a result, young users become hooked on the app, at the expense of, among other things, their personal and physical development, sleep, family interactions, and mental health.
- 2. Defendants know about the harm their app inflicts on children and teens because these harms have specifically been brought to their attention by their own employees. And some of these employees have made various recommendations regarding changes Defendants could implement to make their app less harmful to children and teens. But Defendants willfully ignored these harms and failed to effectively ameliorate them because their business model and desire for advertising revenue require keeping consumers on the app as much as possible.
- 3. Defendants are not so callous toward the children in every country. Defendant ByteDance Ltd., the corporate parent of the other defendants, has placed better protections on TikTok's sister app Douyin, which it makes available only in China. These protections include true limits on the amount of time children can spend on that app. But here, by contrast, Defendants' executives saw American children and teens as an irresistible "golden audience." So they chose to hook our children and teens, failed to adopt the protections provided to Douyin's users, and closed their eyes to the harmful consequences.

- 4. Defendants' executives and employees have admitted as much. In candid moments, they have said:
 - a. "It's better to have young people as an early adopter, especially the teenagers in the U.S. Why? They [sic] got a lot of time."
 - b. "Teenagers in the U.S. are a golden audience If you look at China, the teenage culture doesn't exist the teens are super busy in school studying for tests, so they don't have the time and luxury to play social media apps."
 - c. The "product in itself has baked into it compulsive use."



5. Defendants' employees also privately admitted on video that TikTok's business practices conflict with mental health;

and that the company's business goals supersede users' safety needs. Excerpts of the videos (including approximate titles for Defendants' employees and with privacy protections for non-TikTok employees) are attached to this Complaint as Exhibit A.

- 6. As a result of Defendants' actions, children in North Carolina utilize the platform for extremely long times, often during school or late at night. And because of Defendants' actions, according to their own internal documents, children suffer.
- 7. On top of Defendants' misconduct targeting young users with a product that was designed to be addictive and that they knew caused harm, Defendants deceive users and parents about their app and fail to disclose material information about the harms. To convince kids to use

TikTok—and their parents to allow them to do so—Defendants tell consumers that the platform is safe, fun, and appropriate for teens and children. But these representations are deceptive because Defendants know that TikTok is harmful and addictive.

8. Defendants fail to tell young users and parents what their executives and employees know about the harms caused by increased screen time—that and that it "interferes with essential personal responsibilities like sufficient sleep, work/school responsibilities, and connecting with loved ones."

- 9. Moreover, as TikTok became increasingly popular with minors, Defendants started to receive concerns and criticism from users, parents, and the public. Instead of fixing TikTok, they created and advertised tools that appear to help minors reduce the amount of time they spend on the app and alleviate other harms. But Defendants knew that these tools are ultimately limited and ineffective. Their own internal documents show many do not work as advertised or do not have a meaningful impact. Yet Defendants persist in providing false and misleading information regarding these tools because, as their internal documents show, the safety measures were not actually designed to be effective but, instead, were just intended to
- 10. The Attorney General brings this action to enforce North Carolina's consumer protection laws, to stop Defendants' unlawful exploitation of children and teens, and to penalize Defendants for their unfair and deceptive actions.

II. PARTIES, JURISDICTION, AND VENUE

Plaintiff, the State of North Carolina, acting on relation of its Attorney General,
 Joshua H. Stein, brings this action pursuant to Chapters 75 and 114 of the North Carolina

General Statutes. The Attorney General is charged, among other responsibilities, with enforcing North Carolina's Unfair or Deceptive Trade Practices Act, N.C.G.S. §§ 75-1.1 *et seq*.

- 12. Defendant TikTok Inc. is a California corporation with its principal place of business at 5800 Bristol Parkway, Culver City, California 90230.
- 13. Defendant TikTok U.S. Data Security Inc. is a Delaware corporation with its principal place of business at 5800 Bristol Parkway, Suite 100, Culver City, California 90230. Defendant TikTok Inc. wholly owns Defendant TikTok U.S. Data Security Inc.
- 14. Defendant TikTok LLC is a Delaware limited liability company with its principal place of business at 5800 Bristol Parkway, Culver City, California 90230. Defendant TikTok LLC wholly owns Defendant TikTok Inc.
- 15. Defendant TikTok Pte. Ltd. is a company incorporated in Singapore with its principal place of business in Singapore at 1, Raffles Quay, #26-10, Singapore 048583.
- 16. Defendant TikTok, Ltd. is a company incorporated in the Cayman Islands with its principal place of business in Shanghai, China. Defendant TikTok, Ltd. wholly owns Defendant TikTok LLC and Defendant TikTok Pte. Ltd.
- 17. Defendant ByteDance Inc. is a Delaware corporation with its principal place of business at 1199 Coleman Avenue, San Jose, California 95110.
- 18. Defendant ByteDance Ltd. is the ultimate parent company of all other Defendants. It is incorporated in the Cayman Islands with its principal place of business in Beijing, China.
- 19. All Defendants operate together as a common enterprise, including while engaging in the unfair and deceptive acts and practices alleged below, such that agency and/or alter-ego relationships have formed.

	20.	Defendants may be facially separate, but they consider themselves	
interc	hangeab	le. Defendants cross-hire employees, recruiting for the same position under	
multip	ole corpo	orate entities. Some current or former employees working on TikTok's trust-a	ınd-
safety	matters	have stated that	or
that th	ey work	ked for TikTok's parent company, "ByteDance."	

	21.	Additionally, Defendant ByteDance Ltd., despite having many unrelated product
lines,		

Prominent leaders of TikTok Inc. even state on their public LinkedIn profiles that they are employed by "ByteDance/TikTok."

- 22. With corporate boundaries among Defendants so blurred, employees across the different companies often work together on developing the platform. All Defendants' employees use a shared internal collaboration software developed by ByteDance Ltd., called Lark, where they can engage in chats with each other and access shared documents regardless of formal company affiliation. Defendants'
- 23. Defendant TikTok Inc. has represented that it has not created or maintained an organizational chart because its employees do not have formal titles and their responsibilities between organizations are fluid.
- 24. Although Defendant TikTok Inc. is incorporated in the United States, it is led by an executive team based in the United States, Singapore, and China. Defendant TikTok, Inc.'s

CEO Shou Chew is also paid by ByteDance Ltd. and reports to its CEO. Chew also has served, or still serves, as an officer or director of Defendants ByteDance Ltd.,

25. Defendants ByteDance Ltd. and TikTok Ltd. are intimately involved in making decisions about the platform, even though TikTok is unavailable in China. For instance,



- 26. Upon information and belief, since 2017, each Defendant has actively formulated, participated in, approved, directed, or otherwise controlled the acts or practices referenced throughout this complaint and has jointly advertised, marketed, developed, and distributed the TikTok social media application and platform to consumers in North Carolina.
- 27. At all relevant times, Defendants have been engaged in trade or commerce in the State of North Carolina, subject to North Carolina's Unfair or Deceptive Trade Practices Act, N.C.G.S. §§ 75-1.1 *et seq*.
 - 28. This Court has personal jurisdiction over Defendants.
- 29. This Court has subject matter jurisdiction over this dispute, and venue is proper in Wake County pursuant to the Attorney General's selection under N.C.G.S. § 75-14.

III. FACTUAL ALLEGATIONS

- A. Defendants entered the U.S. market and expanded TikTok explosively by aggressively targeting young users.
- 30. In September 2016, ByteDance Ltd. released its first social media platform,

 Douyin. Available only in China, Douyin allows users to create and post short videos and watch

videos uploaded by other users. Seeking to expand internationally, in 2017, Defendant ByteDance Ltd. released a distinct version of Douyin for international users named TikTok.

- 31. ByteDance Ltd. entered the American market in December 2017 by acquiring Musical.ly, a popular social media application launched in 2014, for approximately \$1 billion.
- 32. Musical.ly allowed users to create and post short videos of themselves lip-syncing and dancing to popular songs and was wildly popular with American teens. At the time ByteDance Ltd. acquired Musical.ly and its user data, the app had at least 60 million mostly U.S. users, a significant portion of which were children under age 13. In August 2018, ByteDance Ltd. merged the Musical.ly app with the TikTok app and began operating under the TikTok name.
- 33. TikTok is a highly interactive social media platform, centered on short-form videos, available in a mobile phone application, desktop application, and via web browser. TikTok's central feature is the "For You Page," an algorithmically selected, endless feed of videos posted by users (including North Carolinian minors) and advertisers. Users interact with those videos in a variety of ways, including by liking, commenting, downloading, and sharing. Users can also capture, edit, and upload their own videos.
- 34. Defendants aggressively targeted youth to build TikTok's user base.
- 35. As detailed below, Defendants engineer TikTok to maximize its consumers', including minors', usage.

36.	Defendants even target children under the age of thirteen with a version of
TilrTolr thou	externally call "Til Tak for Younger Hoors"
Tik Tok tiley	externally call "TikTok for Younger Users."
37.	Thanks to Defendants' relentless focus on young people while designing and
37.	Thanks to Defendants Telentiess focus on young people while designing and
promoting th	e app, TikTok's user base exploded. Through at least 2020,
38.	Defendants' internal data estimated that by 2020, 95% of Americans
between the	ages of 13 and 17 who used a smartphone were on the platform





- 39. Defendants' strategy also led to extraordinary usage by North Carolinians, and in particular, North Carolina's youth.
- 40. Between 2018 and 2023, North Carolinians downloaded the app from the Apple App Store times. In that same period, North Carolina users with Apple devices
 - 41. In January 2023, TikTok had

Defendants

counted that TikTok had

These

figures almost certainly undercount the actual number because, as Defendants know, many minor users lie about their age.

42.	The number of young TikTok users in North Carolina is not simply fortuitous.
Defendants h	dollars to advertise the platform directly to North
Carolinians.	
43.	Defendants spent over
44.	Defendants have promoted their platform to North Carolinians via other
advertising ch	nannels,
	Defendants also placed ads on other social media
platforms, inc	cluding Snapchat, Facebook, and Instagram. Defendants advertised TikTok on
Snapchat, in 1	oarticular, to On information and belief, ads on each
of those platfe	orms were served to minors in North Carolina.
45.	Defendants' targeting of youth included a wide-reaching engagement with the
National Pare	ent Teacher Association ("PTA").
46.	Defendants' PTA engagement specifically prioritized

One facet of this focus was holding "PTA Connected" events in local schools, which Defendants billed as an opportunity for "parents and teens" to "[c]omplete a guided activity together that helps illustrate why teens enjoy using TikTok," among other activities. At least five schools across Forsyth, Guilford, Durham, and Cumberland counties held PTA Connected events sponsored by Defendants.

- 47. Defendants expanded their PTA funding as the pandemic unfolded, establishing a COVID-19 Relief Grant program that

 At least eight chapters across the state—including some at elementary schools—received these funds.
 - 48.
 - B. Defendants use coercive platform features to manipulate the vulnerabilities of TikTok's young users.
- 49. To drive growth and revenue in the United States, Defendants strategically design and deploy exploitative and manipulative features to addict young users and maximize their time on TikTok. Defendants internally admit that TikTok's "advertising-based business model encourages optimization for time spent in the app." Thus, addicting young users has been a central pillar in Defendants' growth strategy—and one that they have relentlessly pursued notwithstanding the harm caused.
- 50. Defendants targeted young users even though they know they are especially vulnerable given their developmental stage. Internal documents note that young users

Thus, as one internal document observed, "minors do not have executive function to control their screen time[.]"

- 51. Defendants' efforts to maximize the amount of time teenagers and children spend on TikTok have been extremely successful. Internal statistics show that minors on TikTok spend an average of over per day on the app. And, like gambling and other addictive activities, a portion of users are affected even more severely.
 - 1. Defendants intentionally designed TikTok to promote excessive and compulsive use.
- 52. Many of TikTok's design choices exploit the neurological basis for addiction by using unpredictable "intermittent variable rewards," which are particularly effective at influencing human behavior. Alexandra Evans, whom Defendants later employed as a lead executive on child safety, explained this in a report she co-authored called *Disrupted Childhood*:

Variable rewards hold a special thrill, as the user anticipates a reward that they know could come but is tantalisingly just out of reach. A gambler waiting to see where the roulette wheel will stop or a viewer watching a presenter's dramatic pause before they announce a winner. In both cases, the individuals experience a dopamine rush as they anticipate the unknown outcome.

- 53. Defendants intentionally and successfully harness this well-researched phenomenon to fuel excessive, compulsive, and addictive use of the platform.
- 54. Some of the features that deliver these variable rewards, such as push notifications and the recommendation system, are described below. Defendants know that variable rewards are

 As the

 Disrupted Childhood report

 explains, users, particularly minors, struggle "to ignore the prospect of a dopamine reward, even when this conflicts with other essential daily activities, such as sleeping or eating."

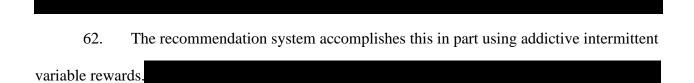
55.	Many of the unpredictable rewards that TikTok provides—such as notifications		
that a user ha	is received a like or comment on their video or gained a follower—are social		
rewards. Det	fendants' internal research shows that young users "are particularly sensitive to		
reinforcemen	t in the form of social reward," but they still knowingly leverage to		
keep young users on TikTok for longer periods of time.			
56.	Internal presentations note that Defendants' goal		
	Defendants strive to have such users		
	a. Defendants intended TikTok's "recommendation system" to induce excessive and compulsive use.		
57.	The central feature of TikTok is its so-called "recommendation system," which is		
a complex se	a complex series of algorithms that powers the For You Page. The For You Page provides users		
videos that th	ne recommendation system predicts will keep them on the app for longer.		
58.	Internally, employees have described		
59.	The recommendation system is, in large part, composed of the following:		
60.	Defendants internally state that the recommendation system		
As another de	ocument noted, the recommendation system		

describes the recommendation system in the following terms:

Figure 2:



61. In sum, Defendants' goals for the recommendation system are



63. Defendants reinforce the addictive quality of the recommendation system by paying for, creating, or otherwise developing many posts that young users see on the platform, with the goal of giving users material likely to keep them online for longer periods.

64. As early as 2018, Defendants had a

Building on these efforts, Defendants launched TikTok's

Creator Fund in 2020.

- 65. The Creator Fund, which was open to users who were allegedly over 18 and had relatively high levels of engagement, paid users based in part on engagement and views. In other words, Defendants paid for content to increase user engagement and retention.
 - 66. Defendants even

- 67. The current iteration of the Creator Fund is the Creator Rewards Program, which, Defendants claim, offers up to 20 times greater rewards (payouts) than the Creator Fund. The Creator Rewards Program provides payouts based on how engaging the creator's posts are. Defendants materially contribute to the engagement by (a) providing advice for what type of posts are particularly engaging and therefore most likely to result in payment; and (b) providing personalized, algorithmically generated suggestions to creators for the content of the posts.
- 68. Defendants pay North Carolinians to create content for TikTok through such programs.
 - b. TikTok uses numerous other features to manipulate users into compulsive and excessive use.
- 69. Defendants have built specific features to increase users' time spent on the platform, which—independently and together—create the compulsive use, excessive use, and addiction that harm TikTok's young users. These features increase users' time on the platform and promote unhealthy use regardless of the content.

(1) Autoplay

70. When a user launches the platform, their screen is filled edge-to-edge with a video that plays automatically. This feature, called "Autoplay," intentionally and immediately immerses users into the platform. Defendants employ Autoplay throughout the platform

It does so by reducing "friction" in the user experience (i.e., something that slows down—and therefore discourages—a user from performing an action). To manipulate users into spending more time on the platform, Defendants do not allow them to disable Autoplay.

(2) Endless or Infinite Scroll

- 71. Another feature that removes friction—and thereby increases addiction—is endless scrolling, also referred to as "infinite scroll." When a user watches a video on TikTok's For You Page, they can endlessly and seamlessly move from one video to the next simply by swiping up.
- 72. Defendants know that infinite scroll contributes to users' challenges in managing how much time they spend on the platform, yet Defendants intentionally maintain it.

(3) Ephemeral Content

- 73. TikTok offers multiple formats of ephemeral content, which disappears after a short period of time, to entice users to return more and more frequently. These features seize on young users' fear of missing out, or "FOMO," to draw them back online.
- 74. One form of ephemeral content, TikTok Stories, allows users to post short videos that vanish after just 24 hours. Defendants publicly admit that this rapidly disappearing content pressures users to check the platform more frequently—their website proclaims that Stories are meant to "inspir[e] audiences to check on their favorite creators daily to never miss a thing."

Internal documents reflect that Defendants

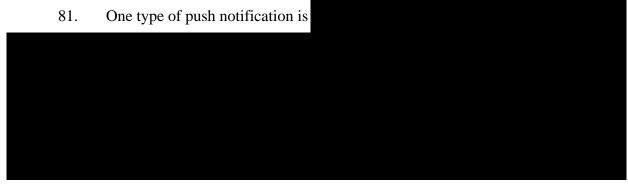
- 75. Defendants leverage FOMO to keep users online for longer with TikTok LIVE. By default, these livestreamed videos and real-time interactions with TikTok users are available only once: while the creator livestreams. Users must tune in immediately or lose the opportunity to interact.
- 76. Defendants viewed

 Specifically, they believed they could using LIVE.
 - 77. TikTok compounds the urgency to immediately view Stories and LIVE videos

(4) **Push Notifications**

- 78. Even when TikTok users are away from the platform, TikTok employs push notifications to lure them back.
- 79. Notifications are TikTok-created signals, accompanied by TikTok-created messages, that appear on a user's device to prompt a return to or continued use of the app. These notifications contain messages crafted and sent by Defendants. By default, TikTok enables a range of audio and visual push notifications when the app is installed on a smartphone. TikTok sends push notifications regardless of whether a user has the application open or is even on their phone.
 - 80. Defendants

The goal, according to internal documents, was



- 82. Another type of notification is a "badge," a red spot with a number that sits atop TikTok's application icon on the user's smartphone. Badges typically indicate to a smartphone user that they have a certain number of new notifications. In their quest to lure users back to the platform, Defendants
- 83.
- 84. Notably, Defendants know young users are directly harmed by receiving these incessant notifications, which interfere with users' choice to stop using the platform and disrupt their sleep. For years, Defendants

Only recently did Defendants modify TikTok to stop sending notifications during certain nighttime hours.

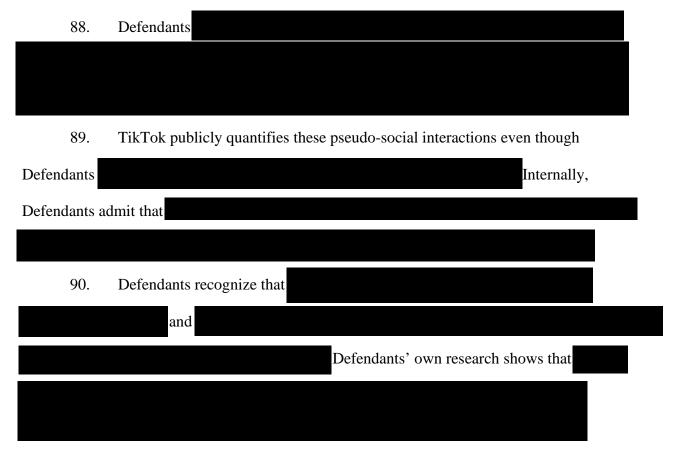
85. Defendants employ these coercive, deceptive, and relentless notifications because

(5) "Likes," Comments, and Other Interactions

86. TikTok prominently quantifies the number of likes, comments, favorites, and shares received by each post. Similarly, TikTok conspicuously displays the number of followers

and likes each user has received on their profile. Defendants leverage these quantified social metrics, and notifications about the same, to further engage young users.

87. Receiving a "like" is a social reward for young users. Rewards like these make the platform even more addictive, in part because users receive them intermittently.



- 91. As the *Disrupted Childhood* report explains, these kinds of deliberate designs exploit the "natural human desire to be social and popular, by taking advantage of an individual's fear of not being social and popular in order to extend their online use."
- 92. Despite being aware of the harms, Defendants continue to purposely leverage social validation metrics to induce greater engagement with the platform.

(6) Effects and Beauty Filters

93. TikTok contains filters, which Defendants call "Effects," that allow users to alter their appearance in photos and videos. As described below, many of these filters are deeply

harmful to minor users. They incentivize users to alter their appearance in images and videos in ways that mimic cosmetic surgery and/or foster unrealistic beauty standards. These kinds of body dysmorphic impacts, among others, are known to harm self-esteem and induce negative body image.

- 94. Defendants know these filters

 95. The harm is especially great for teens,
 internal document noted that
- 96. Harmful beauty filters are so integrated into the platform that Defendants prominently provide access to a feature they call "RETOUCH" (formerly called "Beauty mode") whenever a user prepares to film a video. RETOUCH changes how minors and other people look in videos. Users might find their noses look slimmer, their skin looks smoother, their eyes and lips appear different—and all closer to a certain idealized standard of beauty. Appearance-altering features, such as RETOUCH, are so pervasive within TikTok that for a period Defendants turned some beauty enhancements on by default, without even telling users that their faces were being changed—and without those users' knowledge or consent.
- 97. Defendants incorporate these filters into their platform even though, according to their employees, it creates a



99. Despite these warnings, in the spring of 2023, Defendants created, designed, and published the "Bold Glamour" filter, a sophisticated face filter that dramatically alters the user's image in ways that mimic the effects of makeup and cosmetic surgery. The following before and after photos demonstrate the filter's extensive effects:

Figure 3:



	The Bold Glamour Effect has been wildly successful by Defendants' measures. It
has been used	hundreds of millions of times. And internal research offers insight into why:
	TikTok's "Bold Glamour" filter and other
appearance-al	tering filters implement these kinds of unnatural and unrealistic changes with the
tap of a buttor	n—so long as the user's eyes remain glued to the TikTok platform on their screen.
101.	Even though Defendants' employees have
	c. Defendants' tactics have induced children and teenagers to use the platform compulsively.
102.	<u> </u>
	to use the platform compulsively.
time on the pl	to use the platform compulsively. Defendants' attempts to coerce young users into spending excessive amounts of
time on the pl	to use the platform compulsively. Defendants' attempts to coerce young users into spending excessive amounts of atform have succeeded. As of result of Defendants' purposeful choices, many
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time on the pl children and t 103.	to use the platform compulsively. Defendants' attempts to coerce young users into spending excessive amounts of latform have succeeded. As of result of Defendants' purposeful choices, many seenagers use the platform compulsively and excessively.





- 105. Additional internal statistics show that on average,
- C. Defendants know that TikTok's features, and the excessive, compulsive, and addictive use they cause, are harmful for young users.
- 106. Defendants' employees warned them about the ways addiction to TikTok harms users. As one internal document noted:

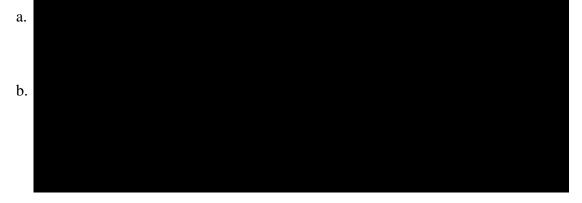


- 107. Moreover, in surveys conducted by Defendants,
- 108. Other internal documents further confirm that Defendants know TikTok harms young users. For example, Defendants are aware that:

a. "[C]ompulsive [entertainment screen media] usage interferes with essential personal responsibilities like sufficient sleep, work/school responsibilities, and connecting with loved ones."



109. Additionally, TikTok disrupts minor users' sleep, and thereby harms its users. As Defendants'



c.

- d. "[M]any [users] described their use of TikTok disturbing their sleep, which limited their productivity and performance the following day."
- 110. Nevertheless, Defendants have not taken appropriate action. As TikTok's own former global head of minor safety admitted,
- 111. Until recently, TikTok sent notifications to young users "up until midnight" even though Defendants knew these notifications "could interfere with sleep."
- 112. North Carolina's teens use TikTok extensively at hours when they should be sleeping.

Figure 5:



- D. Defendants have closed their eyes to these harms and rejected recommended safety improvements because they view user addiction to be positive for their business model.
- 114. TikTok employees know the platform harms mental health and have even provided concrete suggestions to make the platform safer. But those safety improvements have been stymied by TikTok's leadership's pursuit of profits.

Defendants

116. Similarly, another employee noted in an internal interview that Defendants

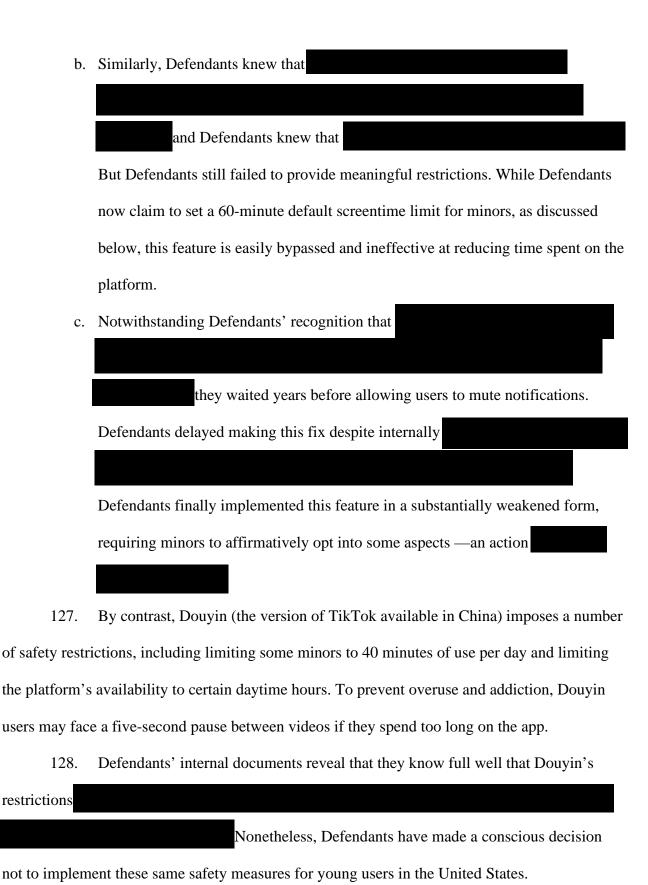
117. Financial incentive drives Defendants' unwillingness to become safer. In one instance, one employee noted that

Another responded:

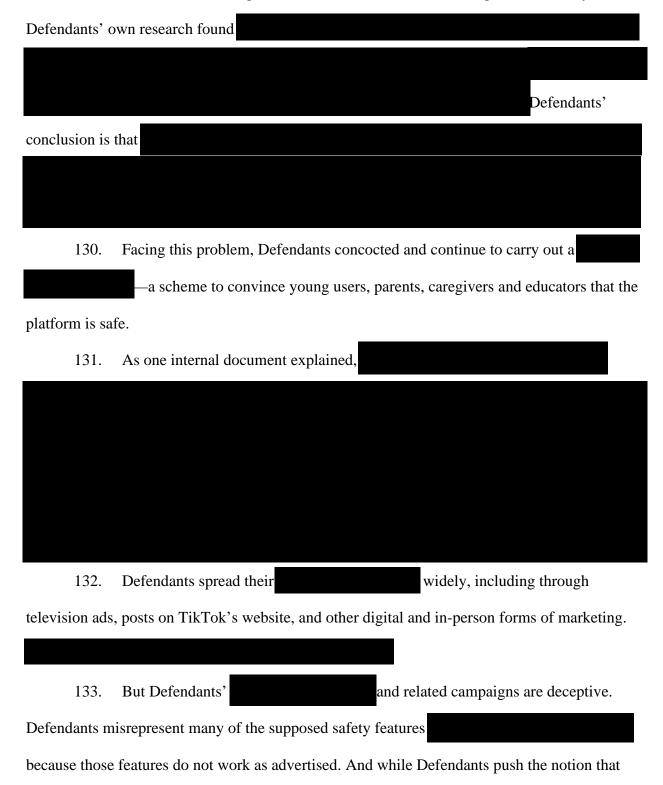
- 1. Excessive time on the platform by young users and collection of the data of young users benefits TikTok's advertising-driven business model.
- 118. TikTok's Terms of Service deem use of the platform to constitute agreement that TikTok can monetize use of the platform "through the sale of advertising, sponsorships, promotions, usage data and [g]ifts." As outlined in TikTok's Privacy Policy, Defendants collect an enormous volume of data from every user—including account information (such as name, age, phone number, and email address), usage information, device information, and location data. Defendants use this data to serve targeted ads.
- 119. Defendants make more money when users spend more time on the app because they can serve more advertisements and rake in more data to provide more targeted advertisements. And Defendants also make money when users purchase products through the app or give "gifts" to livestreaming users—features that minors can access by misstating their age.

120.

121.	Defendants measure the value they extract from users on a monthly basis. For	
instance, in D	ecember 2022, Defendants earned an average of per North Carolina user	
who, according to their registered birthdate, was between 13 and 17 years old.		
122.	Overall, Defendants' business model has been extremely profitable. In 2019,	
TikTok Inc.'s	revenue was By 2022, it was	
	2. Defendants rejected internal recommendations to enhance user safety and reduce compulsive use.	
123.	Though Defendants were aware their business model harmed young users, they	
rejected interr	al proposals to protect those users.	
124.	In 2022, several employees recommended	
	These	
improvements	s were proposed as an alternative to	
125.	Even though could have reduced many of the harms the	
recommendati	on system wreaks on minors by reducing compulsive use of the platform,	
recommendati	ion system wreaks on minors by reducing compulsive use of the platform, According to internal documents	
recommendati		
recommendation		
126.	According to internal documents	
126.	According to internal documents Defendants also considered but delayed or failed to implement other alternative	
126. design feature	According to internal documents Defendants also considered but delayed or failed to implement other alternative is related to screentime management and anti-addiction measures. For example:	
126. design feature	According to internal documents Defendants also considered but delayed or failed to implement other alternative is related to screentime management and anti-addiction measures. For example: Defendants decided against implementing	



- E. Defendants deceive young users and their parents regarding the platform's safety, how the safety-related features on the platform work, and their content-moderation policies and practices.
- 129. TikTok's ballooning success with children has led to heightened scrutiny.



Defendants

All the while, Defendants omit the truth: the platform is not safe for kids. It's addictive, it otherwise harms minor users' mental health, and TikTok use can have devastating consequences.

- 1. Defendants promote numerous safety-related features that are ineffective and do not work as represented.
- 134. A major pillar was promoting TikTok's supposed safety features. However, many of the features do not work as advertised.
 - a. TikTok's claimed 60-minute "limit" for teens is not, in fact, a limit.
- 135. Defendants repeatedly represent that TikTok sets an automatic 60-minute daily screentime limit for teens.
- 136. In a March 1, 2023 blog post, Defendants stated that they would implement a "60-minute daily screen time limit" for minor users.
- 137. Defendants made similar claims in ad campaigns. For example, one advertisement in the nationwide newsmagazine the *Washington Examiner* stated that "[t]een accounts automatically have a daily screen time limit of **60 mins**. **Only** on TikTok."

Figure 6:



- 138. Defendants made similar or identical public representations in other national newspapers' ads. In January 2024, Chew told Congress that "every teen under 18 has a screentime limit automatically set to 60 minutes," and Defendants repeated that testimony on TikTok's website. These advertisements and representations give consumers—especially parents and caregivers who do not themselves use TikTok—the impression that this tool imposes an actual limit on teens' screen time.
- 139. But this tool does not actually impose a screen time limit for teens. In fact, there is no daily limit or maximum amount of time a young user can spend on the platform. TikTok simply informs young users when they have been on the platform for 60 minutes. Then, the

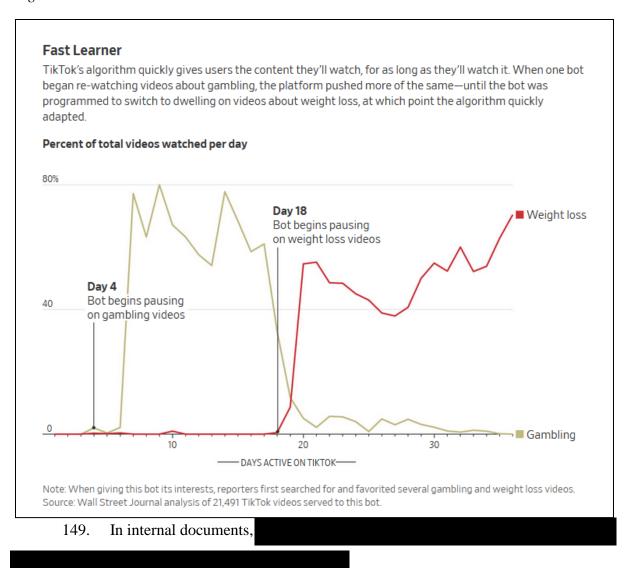
users can simply enter a very basic passcode—which Defendants inform teen users is preset to be "1234"— and continue scrolling.

140.	Minor teen users have a second option if they do not want to enter 1234: They can
stop the pop	up screen from ever appearing again by changing their settings.
141.	Moreover, although Defendants represent that this so-called 60 minute "limit"
applies to tee	ens, 18- and 19-year-olds are not ever subject to this illusory "limit" or notice.
142.	Defendants designed the 60-minute "limit" in this way
143.	Defendants judge the tool's success
144.	Not surprisingly, TikTok's default 60-minute "limit"
145.	
	And Defendants
continue to p	prominently—and deceptively—promote this tool as an effective safety feature in
order to com	bat the perception that TikTok is addictive and unsafe for teens.

b. <u>TikTok's "Refresh your</u> For You Feed" function

- 146. In 2021, *The Wall Street Journal* published an exposé about how TikTok leads users down "rabbit holes" (or, in TikTok's euphemistic parlance, "filter bubbles") of repetitive dangerous content.
- 147. These rabbit holes arise because the recommendation system detects a user engaging more frequently with certain subjects, and then begins recommending related—and more *intense*—versions of those videos. The system thereby isolates the user from other types of videos that might disrupt the feedback loop.
- 148. *The Wall Street Journal* published a chart showing just how quickly the recommendation system can plunge young users down harmful rabbit holes:

Figure 7:



- 150. After *The Wall Street Journal*'s coverage of TikTok's rabbit holes, Defendants announced a feature called Refresh Your For You Feed. Defendants promote the Refresh feature as "[t]he option to start fresh on TikTok."
- 151. Defendants claim that "[w]hen enabled, this feature allows someone to view content on their For You feed as if they just signed up for TikTok. Our recommendation system will then begin to surface more content based on new interactions."

152. Defendants continue to make similar statements to users who access the Refresh feature on the platform. When users open the "Refresh your For You feed" page in the app's settings, they are asked: "Want a fresh start?" The app informs users that activating the Refresh feature will allow them to "launch your new feed."

Figure 8:



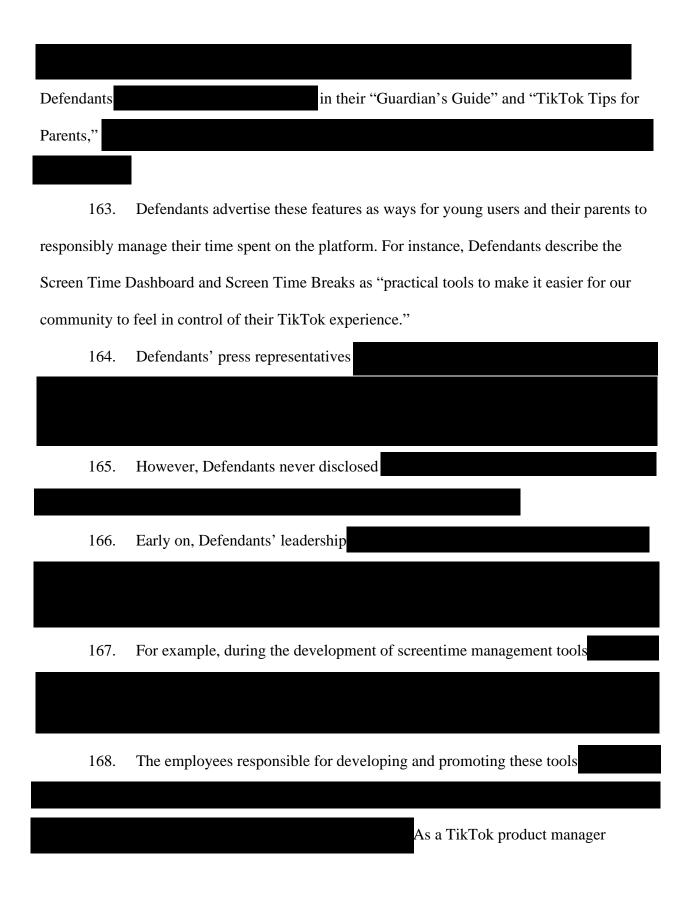
153. Spokespeople repeated these claims to reporters. For instance, the news outlet *TechCrunch* reported in February 2023:

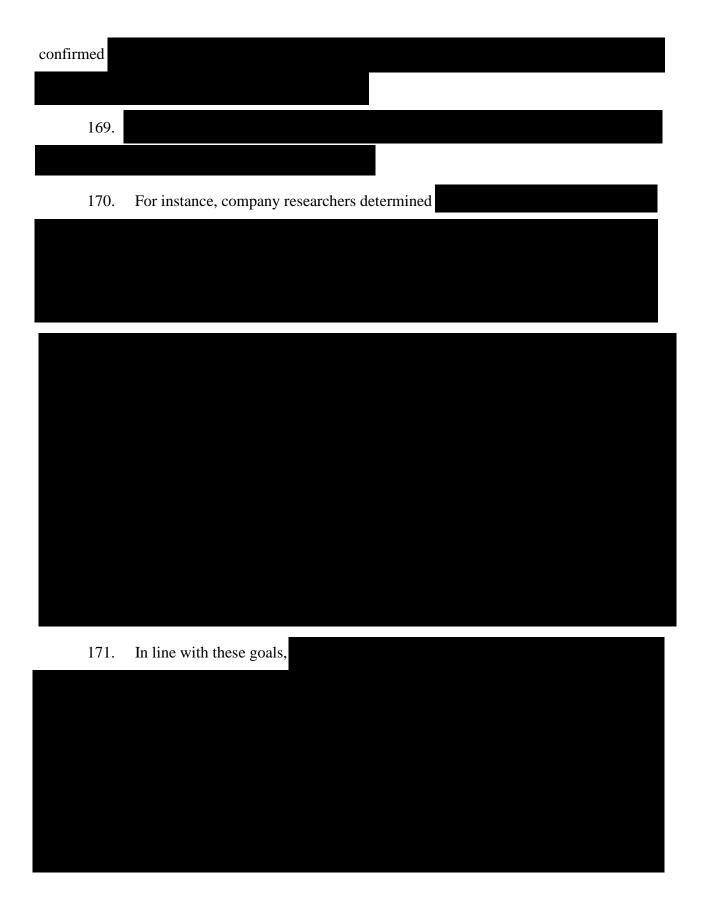
After hitting the button, users will then begin to see content that's based on their new interactions, a TikTok spokesperson told TechCrunch. In addition to providing a refreshed feed, the company noted that the feature could serve as a way to support potentially vulnerable users who want to distance themselves from their current content experience.

in a completely new feed as if users were new users, and that users would therefore be able to	
escape rabbit	holes of harmful content.
155.	
156.	
157.	
158.	
159.	Finally, Defendants make it hard for users to locate and access the Refresh feature
by placing it behind a complex series of menus.	

154. These public statements gave the impression that the Refresh feature would result

- c. TikTok's other screentime management tools
- 160. Defendants publicize other time management features ostensibly intended to reduce compulsive use and protect young users.
- Defendants heavily promote such features, including through the following representations on TikTok's website, which, upon information and belief, North Carolinians visited:
 - "Screen Time Dashboard," described as a tool to "get insight into how and when you're using TikTok";
 - "Screen Time Breaks," described as a "nudge[] to take a break from the app after a period of uninterrupted screen time";
 - "Sleep Reminders," described as a "reminder to log off at a certain time of day";
 - "Daily Screen Time," described as a "limit[] on how much time you can spend on the app each day";
 - "Screen Time Updates," described as a way to "receive weekly info about your screen time usage";
 - "Take A Break" videos, described as short videos on the app "[h]elping users manage their screentime."
- 162. Among other places, Defendants promote these features to parents and guardians through public representations including partnerships with the PTA and in press releases on TikTok's website.







For example, Defendants promote TikTok's "Take a

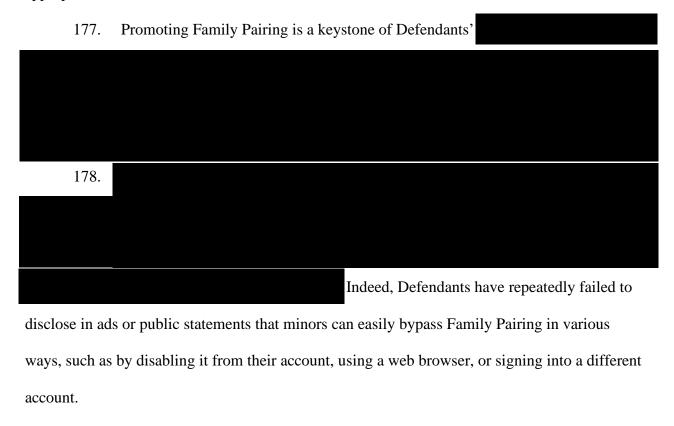
Break" videos that ostensibly encourage users to stop using TikTok after long sessions, including during an April 2023 TED Talk and in an interview at *The New York Times* 2022 DealBook summit. Chew also referred to these features in his heavily covered March 2023 testimony before Congress. Defendants treat this and other congressional testimony as an opportunity to reach the broader consuming public with their messaging.

174. But by then, Defendants knew that their "Take a Break" videos did not work.

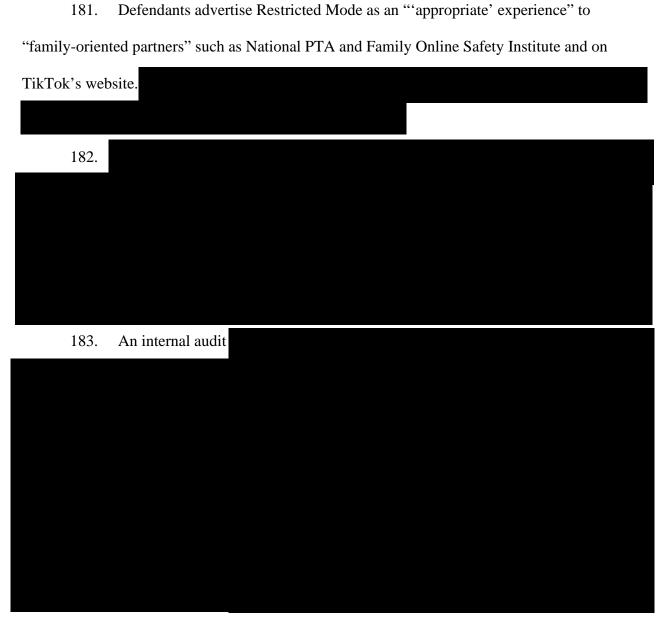
As a government relations executive put it, TikTok's Take a Break videos are
we found out through some research that they're not
altogether effective

- d. Defendants mislead parents about TikTok's parental control feature, Family Pairing.
- 175. Another feature that Defendants heavily promote is Family Pairing, which, according to Defendants, enables parents to "manage a number of safety controls for their teens' account" and "customize their safety settings based on individual needs."
- 176. Defendants tell parents that Family Pairing makes TikTok safer for their teens. For example, in advertisements that run on TV, digital media (e.g., Spotify), websites, other social media platforms, and within the TikTok app, Defendants claim that Family Pairing makes

it "easy [for parents] to make sure what [their] teens are watching on their TikTok is safe and age appropriate."



- e. Defendants mislead users and parents about TikTok's "age-appropriate" Restricted Mode.
- 179. For years, Defendants also misled users and parents about the efficacy of "Restricted Mode," which Defendants launched at the end of 2018. Defendants publicly described it in an October 2019 post as "an option that limits the appearance of content that may not be appropriate for all audiences."
- 180. TikTok's website advises parents to enable this tool for their teens: "Note: If you're a parent and your teen uses TikTok, it might make sense to enable this setting to ensure the content they are viewing is age-appropriate."



184. Defendants' public statements give the impression that Restricted Mode would apply to all content shown to teens. The Guardian's Guide that Defendants published with the PTA in 2019, for instance, describes Restricted Mode as a tool that can "[1]imit the appearance of content that may not be appropriate for all audiences." However, Restricted Mode was far less comprehensive than Defendants imply.

185. Only in July 2022—over three years after rolling out Restricted Mode—

But,

as noted below, Defendants' content moderation policies and practices do not match Defendants' promises.

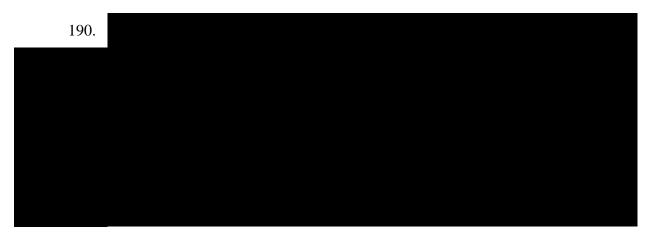
- 2. Defendants deceive young users and parents about how broadly they apply, and how effectively they enforce, TikTok's Community Guidelines.
- 186. Though Defendants tout their "Community Guidelines"

they misrepresent and omit critical information about how they apply and enforce these guidelines. Specifically, they misrepresent how effectively the Guidelines are applied and

- a. Defendants deceptively claim that they remove certain kinds of content from the platform, when it in fact remains available.
- whether posted publicly or privately—when we find that it violates our rules." Defendants have long made statements to this effect, including when speaking to reporters, parents, and government regulators. For instance, Chew testified to Congress in March 2023, that "anything that is violative and harmful we remove [from the platform]." Likewise, Defendants routinely tell reporters that "Our Community Guidelines apply equally to all content on TikTok[.]" Indeed, a similar statement—"The guidelines apply to everyone and everything on our platform"—even appears in the Community Guidelines themselves.
 - 188. But these representations are misleading.

because Defendants claim to remove a variety of content

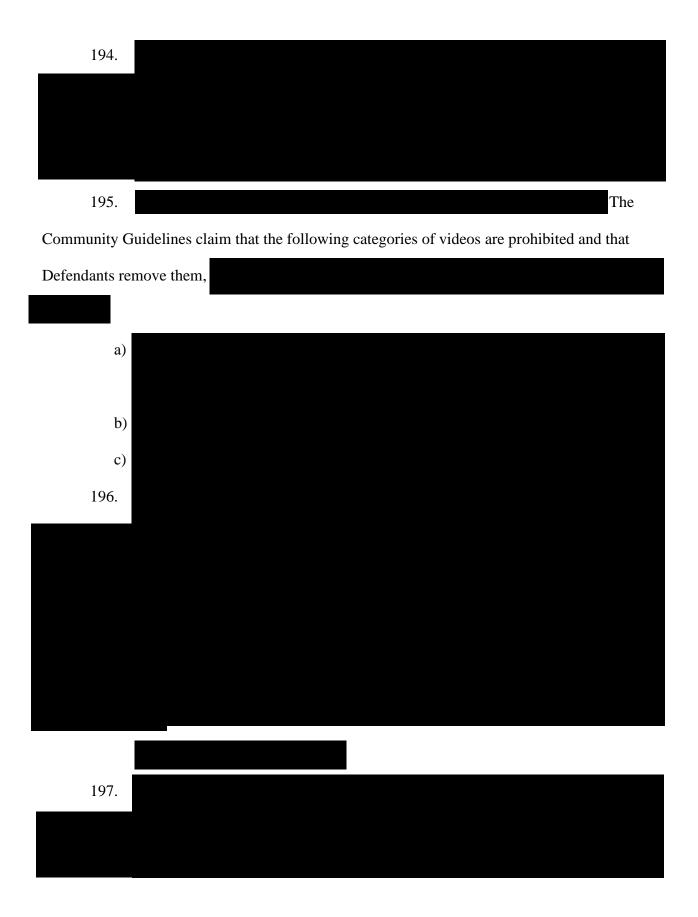
189. The Community Guidelines claim that "content by young people"—meaning minors—"that intends to be sexually suggestive" is prohibited and removed from the platform. Per the Guidelines, "[t]his includes intimate kissing, sexualized framing, or sexualized behavior."

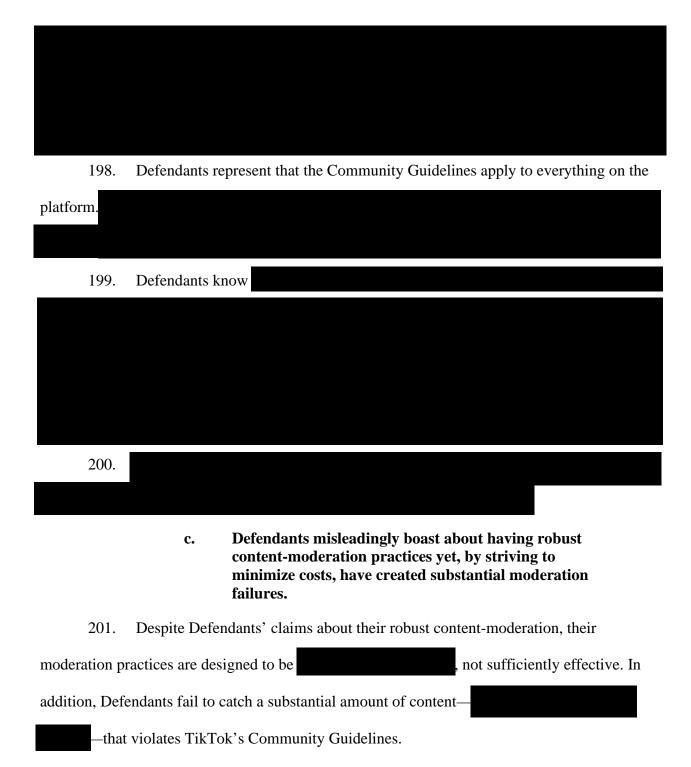


- 191. Beyond merely making the statements in the Community Guidelines, Defendants' reinforce these misrepresentations to reporters.
- 192. For instance, in July 2022 alone, Defendants to tell reporters from

ABC's Good Morning America, and Yahoo! Lifestyle—

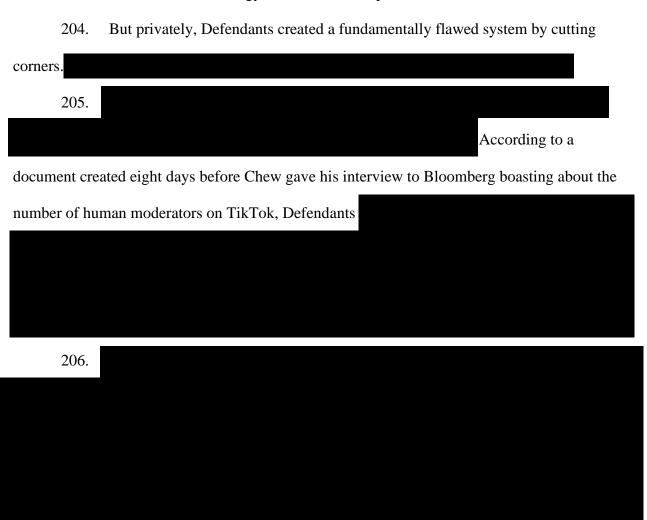
193. Good Morning America summarized and reported that claim. Yahoo! Lifestyle quoted the statement nearly verbatim. Other reporters used this information in their stories as well.



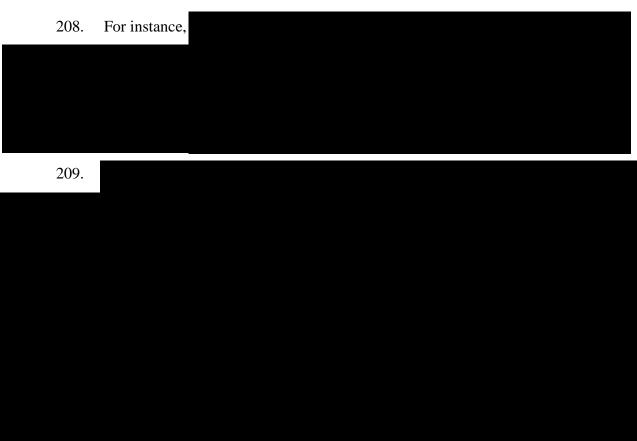


202. Although moderation entails costs, Defendants publicly represent that they are willing to shoulder those costs. And they brag about having created robust systems to have done so.

203. Even Chew engages in these boasts. For instance, on November 16, 2022 during an interview with Bloomberg, Chew compared TikTok to Twitter, which had recently cut approximately half of its staff. Chew noted that TikTok had not engaged in any such layoffs, emphasized that trust-and-safety is "one of the largest teams" at TikTok, and described the "investment" in human content moderators as "definitely worthwhile" to "mak[e] sure that the content is very safe." Additionally, Chew told Congress that in 2024 Defendants "expect to invest more than two billion dollars in trust and safety efforts, with a significant portion of that investment in [their] US operations." He likewise touted the large human moderation teams and TikTok's use of "advanced technology" to moderate the platform.



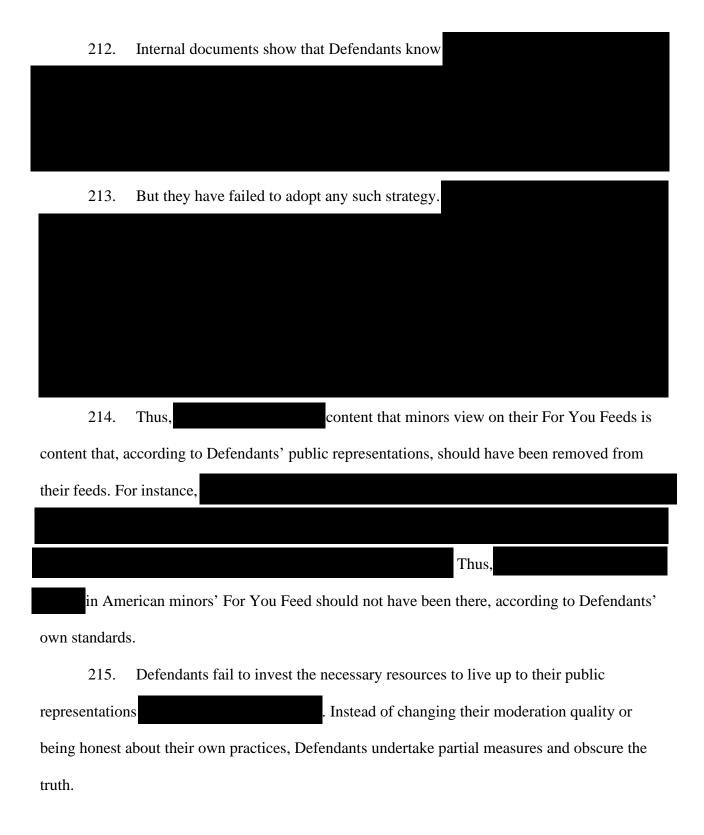
207. As another cost-cutting method, Defendants foster systemic failures in TikTok's moderation process.



210. Defendants' focus on

Though Defendants claim that they deploy the resources required to moderate properly, TikTok is rife with content that Defendants lead the public to believe is substantially removed from the platform.

211.



216. Nonetheless, Defendants have determined

Their internal documents note that

IV. CLAIM FOR RELIEF – UNFAIR OR DECEPTIVE TRADE PRACTICES IN VIOLATION OF N.C.G.S. § 75-1.1

- 217. The allegations contained in paragraphs 1-216 are incorporated by reference as if they were set out at length herein.
- 218. Defendants, in the course of designing and marketing TikTok, engaged in unfair or deceptive trade practices affecting North Carolina consumers, in violation of N.C.G.S. § 75-1.1.
- 219. Defendants engaged in unfair or deceptive trade practices that were in or affecting commerce and violated N.C.G.S. § 75-1.1. These unfair or deceptive acts, practices, representations and omissions, as described in the complaint, include but are not limited to the following:
 - Unfairly or deceptively designing their platform and its features in a way that
 encourages compulsive and excessive use among young users, knowing that this
 is harmful for young users in many different ways;
 - Misrepresenting in numerous ways, expressly or by implication, the safety-related features and other features on their platform, including but not limited to how the features work and how effective they are;
 - Misrepresenting in numerous ways, expressly or by implication, their Community
 Guidelines, including but not limited to, how the Guidelines are applied and
 enforced, and their scope;

d. Misrepresenting in numerous ways, expressly or by implication, that their

platform is safe for young users when

their

platform encourages compulsive and excessive use and is harmful to such users in

numerous ways.

V. JURY DEMAND

220. The Plaintiff demands trial by jury on all issues so triable.

VI. PRAYER FOR RELIEF

WHEREFORE, for the reasons outlined above, the Plaintiff requests that the Court:

1. Permanently enjoin Defendants from engaging in the unfair or deceptive acts and

practices described herein and from engaging in any other similar acts and practices in the future;

2. Award civil penalties to the Plaintiff pursuant to N.C.G.S. § 75-15.2;

3. Require Defendants to disgorge profits they made from their unfair or deceptive

acts and practices;

4. Award Plaintiff any costs, including reasonable attorneys' fees, incurred by the

investigation and litigation of this matter pursuant to N.C.G.S. § 75-16.1; and

5. Provide the Plaintiff with any and all further legal and equitable relief as the Court

deems appropriate.

This the 8th day of October, 2024.

JOSHUA H. STEIN Attorney General

/s/ Joshua Abram

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