

May 25, 2017

## VIA EMAIL AND OVERNIGHT MAIL

Pasi Lohi, Chief Executive Officer DealDash Inc. 12805 Highway 55, Suite 205 Minneapolis, MN 55441-3859

Re: DealDash Inc.'s Deceptive Advertising Practices and Illegal Gambling Venture

Dear Mr. Lohi:

I am writing to you on behalf of Truth in Advertising, Inc. ("TINA.org"), a nonprofit consumer advocacy organization dedicated to protecting consumers from deceptive advertising. We have found that your company, DealDash, Inc., is engaged in deceptive marketing, as well as an illegal gambling venture.

Specifically, our investigation has revealed that DealDash:

- advertises savings on purchased auctioned items without adequately disclosing the true out-of-pocket cost for obtaining the products.
- uses consumer testimonials touting atypical savings on product purchases without clearly and conspicuously disclosing that DealDash customers typically lose money on the auction site.
- promotes a perpetual sale on the purchase of bid packs.
- fails to disclose its ownership interest in certain products that are advertised and auctioned on DealDash.com.
- promotes a 100% money back guarantee refund policy without adequately disclosing the significant restrictions of the policy.

In addition to the deceptive marketing tactics, DealDash also operates a form of gambling whereby consumers are paying the company for chances (i.e., bids) to win products on its website. This practice – charging for chances to win – is illegal in the United States.

Based on this information, we intend to notify appropriate state and federal authorities, including, but not limited to, the Federal Trade Commission and the Minnesota Attorney General's Office, that DealDash is engaged in deceptive and illegal practices, unless, by **June 2, 2017**, the company shows us that it has corrected the issues described above and has made every effort to alert DealDash customers of these issues.

If you have any questions or need further information, please do not hesitate to contact us.

Sincerely,

Laura Smith, Esq.

Legal Director

Truth in Advertising, Inc.

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