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Attorneys for Defendant
FANDUEL, INC.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

MICHAEL SIDISIN JR AND MAYSAM SALEPHOUR individually and on behalf of all other similarly situated, Plaintiffs, vs. FANDUEL, INC., a Delaware Corporation and DOES 1 through 25, inclusive, Defendants.	Case No. BC565778 **DEFENDANT FANDUEL, INC.'S NOTICE OF REMOVAL**

TO THE CLERK OF THE UNITED STATES DISTRICT COURT OF THE CENTRAL DISTRICT OF CALIFORNIA:

PLEASE TAKE NOTICE that Defendant FanDuel, Inc. ("FanDuel") hereby removes the above-captioned action, entitled *Michael Sidisin, et al. v. Fan Duel, Inc.* (BC 565778) from the Superior Court of California, County of Los Angeles, to the United States District Court for the Central

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District of California pursuant to 28 U.S.C. §§ 1332, 1441, 1446 and 1453. In accordance with 28 U.S.C. § 1446(a), set forth below is a statement of the grounds for removal, and attached hereto as Exhibits 1 and 2 are copies of all process, pleadings and orders served on FanDuel in the above-captioned proceeding.

1. The above-captioned proceeding is within this Court's jurisdiction under the Class Action Fairness Act of 2005 ("CAFA"). CAFA provides for removal of "any civil action in which the matter in controversy exceeds the sum or value of $5,000,000," there is minimal diversity between plaintiffs and defendants (28 U.S.C. § 1332(d)(2)), and there are over 100 members "of all proposed plaintiffs classes in the aggregate." *Id.* § 1332(5)(B).

2. The Class Action complaint (Ex. 1) was filed on December 3, 2014, but was not served on FanDuel. The First Amended Class Action Complaint (Ex. 2) ("FAC") was filed on January 6, 2015, and was delivered to FanDuel's agent for service in California on January 8, 2015. In the FAC, plaintiffs alleged that they "bring this class action to secure injunctive relief and restitution for the Class against Defendant." (Ex. 2, ¶ 1.) In the class allegations, plaintiffs further allege that they "bring this action on their own behalf and on behalf of all other person[s] similarly situated" and define the class as "All persons who purchased the Product in the State of California for personal use and not for resale during the time period of November 24, 2010 through the present." (Ex. 2, ¶ 24.)

3. The amount in controversy requirement of CAFA is satisfied and there are over 100 members in plaintiffs' proposed class. Plaintiffs seek to represent every person in California who purchased FanDuel's fantasy sports service over more than a four year period. In 2014 alone, Californians registered for and made an initial deposit into approximately 127,000 new FanDuel accounts. Therefore, there are certainly over 100 members in plaintiffs' proposed California class since the class period extends further back (to November 24, 2010). While the plaintiffs have not clearly articulated the dollar amount they are seeking in restitution, and FanDuel denies that plaintiffs and the putative class have been damaged at all, plaintiffs claim that "Defendant has sold millions of dollars more of its Product based upon Defendant's false promises." (Ex. 2, ¶ 22.) Plaintiffs further allege that "Plaintiffs would not have purchased the Products but for the

representations by Defendant about the Product." (Ex. 2, ¶ 30.) If plaintiffs can prove these allegations, then they will presumably seek restitution of the entire amounts plaintiffs and class members deposited with FanDuel upon registering for a FanDuel fantasy account. Since November 24, 2010, first time deposits into new accounts registered in California totaled approximately $5.7 Million. Since Plaintiffs also pray for attorneys' fees and "other and further relief" on their claims, the amount in controversy requirement is met. (Ex. 2, Prayer for Relief).

4. The minimal diversity requirement of CAFA is also satisfied. Minimal diversity requires only that at least one plaintiff be diverse from at least one defendant. 28 U.S.C. § 1332(d)(2)(A). Here, there is complete diversity between the parties because none of the plaintiffs are citizens of the same state as FanDuel. Both plaintiff Michael Sidisin and Maysam Salephour are citizens of California, while FanDuel is a Delaware corporation with a principal place of business in New York. (Ex. 2, ¶¶ 15, 16.)

5. None of the CAFA exceptions apply here (28 U.S.C. §§ 1332(d)(3), (d)(4)) because FanDuel is not a citizen of California.

6. Under 28 U.S.C. § 1446(b)(1), this Notice of Removal is timely filed because it was filed within thirty (30) days of FanDuel's January 8, 2015 receipt of the First Amended Class Action Complaint; and FanDuel was not served with any earlier version of the complaint.

7. Removal to the United States District Court for the Central District of California is proper because it is the "district and division embracing the place where such action is pending." 28 U.S.C. § 1441(a).

8. Under 28 U.S.C. § 1446(d), a copy of this Notice of Removal will be promptly served on plaintiffs' counsel and promptly filed with the clerk of the Los Angeles Superior Court.

WHEREFORE, FanDuel respectfully gives notice that the above-captioned action is hereby removed to the United States District Court for the Central District of California.

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ZWILLGEN LAW LLP

Dated: February 5, 2015

By: /s/ Katherine M. Robsion

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CERTIFICATE OF SERVICE

I hereby certify that on February 5, 2015, I authorized the electronic filing of the foregoing documents, **CIVIL COVER SHEET and DEFENDANT FANDUEL, INC.'S NOTICE OF REMOVAL**, with the Clerk of the Court using the CM/ECF system to be served on the parties by electronic transmission and via Personal Service to the non-CM/ECF participants indicated below:

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I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on February 5, 2015.

ZWILLGEN LAW LLP

Dated: February 5, 2015

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Attorneys for Plaintiffs

FILED
Superior Court of California
County of Los Angeles
DEC 03 2014
Sherri R. Carter, Executive Officer/Clerk
By Moses Soto, Deputy

BY FAX

CCW
D-323 ELIHU BERLE

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

MICHAEL SIDISIN JR AND MAYSAM SALEPHOUR INDIVIDUALLY AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED, Plaintiffs, v. FAN DUEL, INC., a Delaware Corporation and DOES 1 through 10, inclusive, Defendants.	Case No. BC565778 CLASS ACTION COMPLAINT 1. FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS AND PROFESSIONS CODE §17200, *et seq.* 2. FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS AND PROFESSIONS CODE §17500, *et seq.* DEMAND FOR JURY TRIAL

Plaintiffs Michael Sidisin Jr. and Maysam Salephour ("Plaintiffs"), individually and on behalf of all other similarly situated customers of FanDuel, Inc. (the "Class"), brings this complaint against Fan Duel, Inc. ("Fan Duel", and/or "Defendant") and Does 1 through 10, inclusive (sometimes collectively referred to herein as "Defendant") and allege as follows:

1. Plaintiffs bring this class action to secure injunctive relief and restitution for the Class against Defendant for false and misleading advertising in violation of Business & Professions Code section 17200, *et seq.* and Business & Professions Code section 17500, *et seq.*

2. Fan Dual is a fantasy sports website that permits individuals to play one-day fantasy sports Games ("Product(s)"). To begin playing on Fan Duel, an individual is required to place a deposit and create a Fan Duel account. That person can then use the money on deposit to pay entry fees to

partake in daily fantasy sports games. At the end of the sports day, the winner of each fantasy contest is then awarded prize money which is inserted into their Fan Duel account. Fan Duel takes a certain percentage of each overall pot for each fantasy sports game as a fee for hosting the fantasy game. Since Fan Duel fancies its fantasy sports games as a game of skill, it is not gambling. Fan Duel is also in intense competition with several competitors to create market share for its games and aggressively markets on NFL games, sports television, sports radio and sports websites.

3. As part of its promotion, Fan Duel has continuously advertised that when you set up an account on the Fan Duel website and make an initial deposit, Fan Duel will match "dollar for dollar" that initial deposit up to $200 for all new members without any limitations, or that, without limitations, Fan Duel will match a specific dollar amount based on the amount of the initial deposit. Specifically, television commercials for Fanduel.com have advertised the following:

a. "Deposit now, and we'll match up to 200 bucks, dollar for dollar";

b. "double your deposit with promo code"; and

c. "deposit is100% matched".

4. There are additional Fan Duel television and radio advertisements that use different language to promote the same promise of a "dollar for dollar" match including representing that the match is for "free". Similarly, there are other advertisements where Fan Duel asserts it will match a certain dollar amount for a specific initial deposit. For instance, if a person puts down an initial deposit of $100, that person would receive $60 match as a "Welcome Bonus" of a $150 match for a $200 deposit. However, this is totally untrue. Indeed, the Defendant falsely represents and does not adequately disclose and omits that the "Welcome Bonus", which is free, is not a "dollar for dollar" match, or a match of a specific dollar amount, but is based on a very intricate formula that requires continued play on the Fan Duel site and, in some cases, an investment of over 2500% the initial deposit. Specifically, the formula used by Fan Duel does not match a single dollar. The "Welcome Bonus" is released as 4% of the entry fee of each contest entered by that customer. Accordingly, the customer must spend his deposit money in order to receive a bonus, and upon spending his deposit money, receives only 4% of that money as a bonus.

5. For example, if a customer signs up and deposits $200 as his initial deposit, Fan Duel does

not match the customer's deposit with a bonus of $200, and the customer does not have $00 in his account. Instead, the customer is required to spend his deposit money by entering contests. If the customer enters a contest for $200, spending his entire deposit on a single contest, Fan Duel distributes a bonus of $8 (4% of the contest entry fee). Based on this formula, the customer that made an initial deposit of $200 will have to spend $5,000 in contest entry fees in order to receive Fan Duel's deposit matching bonus of $200. In other words, that customer must invest an additional $4,800 with Fan Duel, before Fan Duel releases its promised $200 matching bonus.

6. Defendant's promotions violate the California Consumers Legal Remedies Act, particularly California Civil Code sections 1770(a)(5) and 1770(a)(7). As such, Defendant has committed *per se* violations of Business & Professions Code section 17200, *et seq.*, and Business & Professions Code section 17500, *et seq.*

7. The claims misrepresent the effects and purported benefits of the Product. As such, Defendant has engaged in false and misleading advertising.

8. On November 24, 2014, Plaintiffs served written notice to Defendant by certified mail pursuant to Civil Code section 1750, *et seq.*, which set forth Plaintiffs' contentions concerning the Product's fraudulent advertising and demanded remedy and relief. (*See* Plaintiffs' Letter to Defendant, dated November 24, 2014, a true and correct copy of which is attached hereto as Exhibit 1.)

9. Defendant may not accept Plaintiffs' demand for remedy.

JURISDICTION AND VENUE

10. This Court has jurisdiction over all causes of action asserted herein pursuant to the California Constitution, Article VI, section 10, because this case is a cause not given by statute to other trial courts.

11. Plaintiffs have standing to bring this action pursuant to Business & Professions Code section 17200, *et seq.*

12. Fan Duel is a corporation organized and existing under the laws of the State of Delaware, with a principal place of business in New York, New York.

13. Defendant is subject to personal jurisdiction in California based upon sufficient minimum

contacts which exist between it and California.

14. Venue is proper in this Court because Defendant receives substantial compensation from sales in Los Angeles County, and Defendant made numerous misrepresentations which had a substantial effect in Los Angeles County, including, but not limited to, print media, television advertising, radio advertising and internet advertisements.

PARTIES

15. Plaintiffs are, and at all times relevant hereto were, individuals residing in Los Angeles and Orange Counties, California. Plaintiffs purchased the Product over the internet in Los Angeles and Orange County. In doing so, Plaintiffs relied upon the advertising and other promotional material which were prepared and approved by Defendant and their agents and disseminated through its national advertising media, containing the misrepresentations alleged herein and designed to encourage consumers to purchase the Product.

16. Defendant fan Duel is a corporation organized and existing under the laws of the State of Delaware, with a principal place of business located in Manhattan, New York. Fan Duel offers the Product for sale through its internet site throughout all fifty states, through business activities that emanate from New York. Fan Duel is the owner and operator of the Fan Duel Product and is the company that created and/or authorized the false, misleading and deceptive advertisements for the Product.

17. In committing the wrongful acts alleged herein, Defendant planned and participated in and furthered a common scheme by means of false, misleading, deceptive and fraudulent misrepresentations to induce members of the public to purchase the Product directly from its New York place of business. Defendant participated in the making of such representations in that each did disseminate or cause to be disseminated said misrepresentations.

18. Defendant, upon becoming involved with the creation, distribution, advertising, marketing and sale of the Product, knew or should have known that the representations about the Product and, in particular, the "dollar for dollar" free match or a specific dollar match on initial deposits for the Product were false. Defendant affirmatively misrepresented the match, as set forth herein, in order

to convince the public to purchase and use the Product, resulting in profits of millions of dollars or more to Defendant, all to the damage and detriment of the consuming public.

19. Fan Duel ran its first radio advertisement in March 2011. Fan Duel ran its first Television advertisement in August 2012 and has run internet advertisements since at least March 2011. The Plaintiffs are without knowledge as to when Fan Duel first ran this misleading advertisement campaign. However, the misleading ad campaign has successfully directly increased Fan Duel's exposure and has directly increased the number of paying players. For example, in the past three (3) months (August, September and October 2014), fan Duel has brought in 650,000 new paying players based upon this misleading advertising. Moreover, Fan Duel anticipates that it will take in $550 million dollars in entry fees for its fantasy contests this season alone. *See* NBA Partners with Fan Duel, *ESPN.com*, Nov. 19, 2014. A copy of the article is attached hereto and incorporated herein as Exhibit 2.

FACTS AND DEFENDANT'S COURSE OF CONDUCT

20. Fan Duel engages in marketing campaigns that suggest that its fantasy sports are the leader in one-day fantasy sports game play. They have put together a multi-million dollar advertising campaign focused on sports enthusiasts that play fantasy sports for sun with their friends and have induced these persons to participate on their website with the lure that winning fantasy sports on their website may result in million dollar payoffs. As part of this advertising scheme, Fan Duel entices these fantasy enthusiasts with promotions which are meant to make individuals believe that their initial deposits, which are required in order to play on the Fan Duel site, would be immediately matched and would permit double the amount of play on the site based on the single deposit of up to 4200, or a match for a specific dollar amount based on the size of the initial deposit, and that the match would be free of charge. So in other words, if a person deposited $10, that person would be immediately able to play well in excess of that initial deposit immediately.

21. It is only after a person makes that initial deposit and tries to use the monies in their account, do they become aware that Fan Duel does not immediately match deposits "dollar for dollar" or in a specific amount, but rather will only provide additional [match] monies in that player's account over time, and only after they continuously pay for additional games and either deposit additional

monies and/or utilize monies that they won on the site. Moreover, the individual is never told that the "dollar for dollar" match actually can be deleted from an account due to inactivity on the site.

22. During the course of its false, misleading and deceptive advertising campaign, Defendant has sold millions of dollars more of its Product based upon Defendant's false promises. Plaintiff and the Class have suffered injury in fact and have lost money as a result of Defendant's false representations.

23. When a person signs up for Fan Duel, based on its false and misleading advertising of a free "dollar for dollar" match or a specific dollar match of the initial deposit, the user was required to use a specific promotion code ("Promotion Code") in order to obtain the free match. There are many different promo codes that have been advertised to be used for this deposit bonus. The Plaintiffs do not know all of the promotion codes utilized by the Defendant for this promotion but this information will be determined through discovery.

CLASS ACTION ALLEGATIONS

24. Plaintiffs bring this action on their own behalf and on behalf of all other person similarly situated. The Class which Plaintiffs seek to represent comprises:

> All persons who purchased the Product in the State of California for personal use and not for resale during the time period of November 24, 2010 through the present. Excluded from the Class are Defendant's officers, directors, and employees.

Said definition may be further defined or amended by additional pleadings, evidentiary hearings, a class certification hearing, and orders of this Court.

25. The Class is comprised of many thousands of persons throughout the State of California. The class is so numerous that joinder of all members is impracticable and the disposition of their claims in a class action will benefit the parties and the Court.

26. There is a well-defined community of interest in the questions of law and fact involved affecting the parties to be represented. The representations and omissions made by Defendant is consistent and uniform and are contained in advertisements and on the website that to all members of the Class were exposed. The questions of law and fact common to the Class

predominate over questions which may affect individual Class members. Common questions of law and fact include, but are not limited to, the following:

a. Whether Defendant's conduct is an unlawful business act or practice within the meaning of Business and Professions Code section 17200, *et seq.*;

b. Whether Defendant's conduct is a fraudulent business act or practice within the meaning of Business and Professions Code section 17200, *et seq.*;

c. Whether Defendant's advertising is untrue or misleading within the meaning of Business and Professions Code section 17500, *et seq.*;

d. Whether Defendant made false and misleading representations in their advertising of the Product;

e. Whether Defendant knew or should have known that the representations were false; and

f. Whether Defendant represented that the Product have characteristics, benefits, uses, or quantities which it does not have.

27. Plaintiffs' claims are typical of the claims of the proposed Class, as the representations and omissions made by Defendant are consistent and uniform and are contained in advertisements that all members of the Class were exposed to. Thus, there exists a presumption that all Class members relied upon said uniform and consistent advertising and representations to their detriment. Plaintiffs will fairly and adequately represent and protect the interests of the proposed Class. Plaintiffs have retained competent and experienced counsel in class action and other complex litigation.

28. Plaintiffs and the Class have suffered injury in fact and have lost money as a result of Defendant's false, deceptive, and misleading representations.

29. The Product as purchased by the Plaintiffs and the Class were and are unsatisfactory and worth less than the amount paid for.

30. Plaintiffs would not have purchased the Products but for the representations by Defendant about the Product.

31. The Class is identifiable and readily ascertainable as each person was required to use

certain promotional codes when signing up with Fan Duel in order to obtain the "welcome bonus". Notice can be provided to such purchasers using techniques and a form of notice customarily used in class actions, such as by direct mail based on Defendant's business records, internet publication, radio, newspapers, and magazines.

32. A class action is superior to other available methods for fair and efficient adjudication of this controversy. The expense and burden of individual litigation would make it impracticable or impossible for proposed members of the Class to prosecute their claims individually.

33. The trial and the litigation of Plaintiffs' claims are manageable.

34. Defendant has acted on grounds common and applicable to the entire Class, thereby making final injunctive relief and/or corresponding declaratory relief appropriate with respect to the Class as a whole. The prosecution of separate actions by individual Class members would create the risk of inconsistent or varying adjudications with respect to individual member of the Class that would establish incompatible standards of conduct for Defendant.

35. Absent a class action, Defendant will retain the benefits of their wrongdoing. Because of the small size of the individual Class members' claims, few, if any, Class members could afford to seek legal redress for the wrongs complained of herein. Absent a representative action, the Class members will continue to suffer losses and Defendant will be allowed to continue these violations of law and to retain the proceeds of their ill-gotten gains.

FIRST CAUSE OF ACTION

FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200, *et seq.*

36. Plaintiffs' repeat and reallege the allegations set forth in the preceding paragraphs and incorporates the same as if set forth herein at length.

37. This cause of action is brought pursuant to Business and Professions Code section 17200, *et seq.*, on behalf of Plaintiffs and a Class consisting of all persons residing in the State of California who purchased the Product for personal use and not for resale.

38. Defendant in its advertising of the Product make false and misleading statements and omissions regarding the Product, as set forth in the above.

39. Defendant is aware the Product does is not as set forth in Defendant's' advertising.

40. Defendant knew that the claims that they made and continue to make about the Product are false and misleading.

41. As alleged in the preceding paragraphs, the misrepresentations and omissions by Defendant of the material facts detailed above constitute an unfair, unlawful, and fraudulent business practice within the meaning of California Business & Professions Code section 17200.

42. In addition, Defendant's use of various forms of advertising media to advertise, call attention to, or give publicity to the sale of goods or merchandise which are not as represented in any manner constitutes unfair competition, unfair, deceptive, untrue or misleading advertising, and an unlawful business practice within the meaning of Business & Professions Code sections 17200 and 17531, which advertisements have deceived and are likely to deceive the consuming public, in violation of Business & Professions Code section 17200.

43. There were reasonably available alternatives to further Defendant's legitimate business interests, other than the conduct described herein.

44. All of the conduct alleged herein occurs and continues to occur in Defendant's business. Defendant's wrongful conduct is part of a pattern or generalized course of conduct repeated on thousands of occasions daily.

45. Pursuant to Business & Professions Code sections 17203 and 17535, Plaintiffs and the members of the Class seek an order of this Court enjoining Defendant from continuing to engage, use, or employ their practice of advertising the sale and use of the Product. Likewise, Plaintiffs and the members of the Class seek an order requiring Defendant to disclose such misrepresentations, and additionally request an order awarding Plaintiffs and the Class restitution of the money wrongfully acquired by Defendant by means of Defendant's failure to disclose the existence and significance of said misrepresentations.

46. Plaintiffs and the Class have suffered injury in fact and have lost money or property as a result of Defendant's false representations.

47. The Product as purchased by the Plaintiffs and the Class were and are unsatisfactory and worth less than the amount paid for.

48. Plaintiffs would not have purchased the Product but for the representations and omissions by Defendant about the Product.

SECOND CAUSE OF ACTION

FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS & PROFESSIONS CODE § 17500, *et seq.*

49. Plaintiffs repeat and reallege the allegations set forth in the preceding paragraphs and incorporates the same as if set forth herein at length.

50. This cause of action is brought pursuant to Business and Professions Code section 17500, *et seq.*, on behalf of Plaintiffs and the Class consisting of all persons residing in the State of California who purchased the Product for personal use and not for resale.

51. In its advertising of the Product, Defendant knowingly makes false and misleading statements and omissions regarding the benefits of the Product, as set forth in the examples above.

52. Defendant is aware the Product is not as set forth in Defendant's advertising.

53. Defendant knew that the claims and omissions that they made and continue to make about the Product are false misleading.

54. Plaintiffs would not have purchased the Products but for the representations and omissions by Defendant about the Product.

55. Plaintiffs and the Class have suffered injury in fact and have lost or property as a result of Defendant's false representations.

56. The Products as purchased by the Plaintiffs and the Class were and are unsatisfactory and worth less than the amount paid for.

57. As alleged in the preceding paragraphs, the misrepresentations by Defendant of the material facts detailed above constitutes an unfair, unlawful, and fraudulent business practice within the meaning of California Business & Professions Code section 17500.

58. In addition, Defendant's use of various forms of advertising media to advertise, call attention to, or give publicity to the sale of goods or merchandise which are not as represented in any manner constitutes unfair competition, unfair, deceptive, untrue or misleading advertising, and an unlawful business practice within the meaning of Business & Professions Code sections

17200 and 17531, which advertisements have deceived and are likely to deceive the consuming public, in violation of Business & Professions Code section 17500.

59. Pursuant to Business & Professions Code sections 17203 and 17535, Plaintiff and the members of the Class seek an order of this Court enjoining Defendant from continuing to engage, use, or employ their practice of advertising the sale and use of the Product. Likewise, Plaintiffs and the members of the Class seek an order requiring Defendant to disclose such misrepresentations, and additionally request an order awarding Plaintiff and the Class restitution of the money wrongfully acquired by Defendant by means of responsibility attached to Defendant's failure to disclose the existence and significance of said misrepresentations.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, prays for judgment and relief on all Causes of Action as follows:

A. An order certifying that the action may be maintained as a Class Action;

B. For an award of restitutionary damages in an amount according to proof at trial;

C. An order enjoining Defendant from pursuing the policies, acts and practices complained of herein and requiring Defendant to pay restitution to Plaintiff and all members of the Class;

D. For pre-judgment interest from the date of filing this suit;

E. Reasonable attorney fees;

F. Cost of this suit; and

G. Such other and further relief as the Court may deem necessary or appropriate.

Dated: December 3, 2014

MILSTEIN ADELMAN, LLP

Mark A. Milstein
Sarah L. Gough
Attorneys for Plaintiffs

12/04/2014

EXHIBIT 1

EXHIBIT 1

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www.milsteinadelman.com

Please Reply To:
Sarah L. Gough
sgough@milsteinadelman.com

November 24, 2014

VIA CERTIFIED MAIL
ATA Corporate Services, LLC
222 Delaware Avenue, Suite 1200
Wilmington, DE 19801

Re: Violation of the California Consumer Legal Remedies Act Regarding Advertising and Marketing of FanDuel, Inc.

To Whom It May Concern:

You are hereby notified that FanDuel, Inc. has violated and continues to violate provisions of the California Legal Remedies Act, California Civil Code section 1750, *et seq.* (the "CLRA") with respect to the advertising and marketing of www.fanduel.com (referred to herein as the "Product"). Defendant's false and deceptive advertising and marketing of the Product has affected Michael Sidisin Jr., Maysam Salephour and thousands of other similarly situated California consumers (the "Plaintiff Class").

The Plaintiff Class has entered and continues to enter into transactions and expend money in reliance upon the uniform false and misleading claims contained on the website, as well as in other advertising for the Product.

This letter shall outline: (1) Defendant's false and misleading representations; (2) the basis Michael Sidisin Jr.'s and Maysam Salephour's and the Plaintiff Class' complaint; and (3) Plaintiffs Michael Sidisin Jr.'s,, Maysam Salephour's and the Plaintiff Class' demand for relief.

I. DEFENDANT'S FALSE AND MISLEADING REPRESENTATIONS

Defendant engages in false and misleading representations concerning the advertising and marketing of a "welcome bonus" upon opening a FanDuel account. As part of its promotion FanDuel advertises that when a consumer creates an account on the FanDuel website, the initial deposit will immediately be matched, dollar for dollar, for deposits made up to $200. FanDuel fails to disclose that this "welcome bonus" is not a dollar for dollar match but is based on a very intricate formula that requires continued play on the FanDuel site and investment of over 25 times the initial deposit.

In truth of fact, the deposit bonus is released to the consumer at the rate of 4% of the entry fee of each contest entered. Therefore, if a consumer signs up and deposits $200 that person would have to spend $5,000 in contests to actually receive the $200 in matched bonuses.

II. DEMAND FOR RELIEF

Demand is hereby made that FanDuel agrees to remove and modify all false and misleading claims from the website and advertising. Please contact me at (310) 396-9600 or at sgough@milsteinadelman.com to discuss. If we do not hear from you prior to close of business on December 20, 2014, we will proceed with filing a complaint.

Very truly yours,

MILSTEIN ADELMAN, LLP

//S//

Mark A. Milstein
Sarah L. Gough

MILSTEIN ADELMAN LLP
2000 DONALD DOUGLAS LOOP NORTH
SANTA MONICA, CALIFORNIA 90405

RETURN SERVICE REQUESTED

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ATA Corporate Services, LLC
222 Delaware Avenue, Suite 1200
Wilmington, DE 19801

12/04/2014

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1. Article Addressed to:
ATA Corporate Services, LLC
222 Delaware Ave, Suites 1200
Wilmington, DE 19801

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If YES, enter delivery address below: ☐ No

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☐ Insured Mail ☐ Collect on Delivery

FD

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7013 2630 0002 3116 8243

PS Form 3811, July 2013 Domestic Return Receipt

12/04/2014

EXHIBIT 2

12/04/2014

EXHIBIT 2

[PRINT] **ESPN.com:** NBA [Print without images]

Wednesday, November 12, 2014

NBA partners with FanDuel

By Darren Rovell
ESPN.com

The NBA has signed a four-year exclusive daily fantasy deal with FanDuel, the league announced Wednesday.

Financial details were not disclosed, but as part of the deal, the league will become an investor in the market leader in one of the fastest-growing sports sectors. FanDuel also will be the only daily fantasy site featured on the league's official website.

"The special status helps legitimize us, but we wanted to do this deal because the NBA, more than any other league, they understood the upside to them as well," FanDuel CEO and co-founder Nigel Eccles said.

Eccles noted that the company's data shows that once a fan starts playing daily fantasy, his or her weekly sports TV consumption jumps from 17½ hours to 24 hours.

"It's clear that many of our fans are in the two-screen world, watching the game and having another device open to do something else," said Sal LaRocca, president of the NBA's global operations and merchandising. "Daily Fantasy is now part of that experience."

The relationship does not enable FanDuel to be the exclusive provider of NBA daily fantasy, as any service is legally allowed to offer an NBA fantasy game. In 1996, statistics company Stats Inc. won a case against the NBA, which established that players' names when tied to statistics were not subject to copyright protection.

FanDuel's deal with the NBA comes days after the NHL announced an exclusive partnership with its competitor DraftKings.

The market for daily fantasy has been growing exponentially in the past couple of years.

"We used to have a guy who kept a spreadsheet of all the daily fantasy sites," Eccles said. "We had to stop counting."

FanDuel has recently raised its projections on net revenue for 2014 to $60 million. That's up from just $14.5 million last year.

The company says it will take in more than $550 million in entry fees this season, giving 91 percent of that back to its customers in prize money.

FanDuel has brought in 650,000 new paying players in the past three months. Before this year, the company never had a single quarter with more than 200,000 active players.

Eccles said he's excited about basketball because it has been relatively untapped, as the season-long game has proved to be a grind for many.

"More than half of people who start playing daily fantasy basketball with us are playing fantasy basketball for the first time," Eccles said. "We hope we can convert half the fans who came to our site to play daily fantasy football and get them to like playing daily fantasy basketball."

FanDuel, which already had forged individual deals with the Brooklyn Nets, Chicago Bulls, Dallas Mavericks, New York Knicks and Orlando Magic, has taken in $88 million in venture capital funding from the likes of Bullpen Capital, Shamrock Capital and Comcast Ventures.

Daily fantasy is considered legal thanks to the Unlawful Internet Gambling Enforcement Act which, in 2006, clarified online gambling regulations. Participation in fantasy sports was exempted on the grounds that it was a game of skill.

Online fantasy sports still can't be played in five states -- Arizona, Iowa, Louisiana, Montana and Washington.

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):
Sarah L. Gough State Bar #247220
Milstein Adelman, LLP
2800 Donald Douglas Loop North
Santa Monica, CA 90405
TELEPHONE NO.: 310-396-9600 FAX NO.: 310-396-9635
ATTORNEY FOR (Name): Michael Sidisin Jr and Maysam Salephour

FOR COURT USE ONLY

FILED
Superior Court of California
County of Los Angeles
DEC 03 2014
Sherri R. Carter, Executive Officer/Clerk
By M. Soto, Deputy
Moses Soto

SUPERIOR COURT OF CALIFORNIA, COUNTY OF Los Angeles
STREET ADDRESS: 111 N. Hill St.
MAILING ADDRESS:
CITY AND ZIP CODE: Los Angeles, 90012
BRANCH NAME:

CASE NAME:
Michael Sidisin Jr and Maysam Salephou v. FanDuel, Inc., et al.

CASE NUMBER: BC565778

JUDGE:
DEPT.:

CIVIL CASE COVER SHEET

[✓] Unlimited (Amount demanded exceeds $25,000)
[ ] Limited (Amount demanded is $25,000 or less)

Complex Case Designation

[ ] Counter [ ] Joinder
Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)

Items 1–6 below must be completed (see instructions on page 2).

1. Check **one** box below for the case type that best describes this case:

Auto Tort
- [ ] Auto (22)
- [ ] Uninsured motorist (46)

Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort
- [ ] Asbestos (04)
- [ ] Product liability (24)
- [ ] Medical malpractice (45)
- [ ] Other PI/PD/WD (23)

Non-PI/PD/WD (Other) Tort
- [✓] Business tort/unfair business practice (07)
- [ ] Civil rights (08)
- [ ] Defamation (13)
- [ ] Fraud (16)
- [ ] Intellectual property (19)
- [ ] Professional negligence (25)
- [ ] Other non-PI/PD/WD tort (35)

Employment
- [ ] Wrongful termination (36)
- [ ] Other employment (15)

Contract
- [ ] Breach of contract/warranty (06)
- [ ] Rule 3.740 collections (09)
- [ ] Other collections (09)
- [ ] Insurance coverage (18)
- [ ] Other contract (37)

Real Property
- [ ] Eminent domain/Inverse condemnation (14)
- [ ] Wrongful eviction (33)
- [ ] Other real property (26)

Unlawful Detainer
- [ ] Commercial (31)
- [ ] Residential (32)
- [ ] Drugs (38)

Judicial Review
- [ ] Asset forfeiture (05)
- [ ] Petition re: arbitration award (11)
- [ ] Writ of mandate (02)
- [ ] Other judicial review (39)

Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400–3.403)
- [ ] Antitrust/Trade regulation (03)
- [ ] Construction defect (10)
- [ ] Mass tort (40)
- [ ] Securities litigation (28)
- [ ] Environmental/Toxic tort (30)
- [ ] Insurance coverage claims arising from the above listed provisionally complex case types (41)

Enforcement of Judgment
- [ ] Enforcement of judgment (20)

Miscellaneous Civil Complaint
- [ ] RICO (27)
- [ ] Other complaint *(not specified above)* (42)

Miscellaneous Civil Petition
- [ ] Partnership and corporate governance (21)
- [ ] Other petition *(not specified above)* (43)

2. This case [✓] is [ ] is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
   a. [ ] Large number of separately represented parties
   b. [✓] Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve
   c. [✓] Substantial amount of documentary evidence
   d. [✓] Large number of witnesses
   e. [ ] Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
   f. [ ] Substantial postjudgment judicial supervision
3. Remedies sought *(check all that apply)*: a. [✓] monetary b. [ ] nonmonetary; declaratory or injunctive relief c. [ ] punitive
4. Number of causes of action *(specify)*: Three (3)
5. This case [✓] is [ ] is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. *(You may use form CM-015.)*

Date: December 3, 2014
Sarah L. Gough
(TYPE OR PRINT NAME)

Sarah L. Gough
(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE
- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on **all** other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Form Adopted for Mandatory Use
Judicial Council of California
CM-010 [Rev. July 1, 2007]

CIVIL CASE COVER SHEET

Cal. Rules of Court, rules 2.30, 3.220, 3.400–3.403, 3.740;
Cal. Standards of Judicial Administration, std. 3.10
www.courtinfo.ca.gov
American LegalNet, Inc.
www.FormsWorkflow.com

ORIGINAL

12/04/2014

CM-010

INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

To Plaintiffs and Others Filing First Papers. If you are filing a first paper (for example, a complaint) in a civil case, you must complete and file, along with your first paper, the *Civil Case Cover Sheet* contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check **one** box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

To Parties in Rule 3.740 Collections Cases. A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than $25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

To Parties in Complex Cases. In complex cases only, parties must also use the *Civil Case Cover Sheet* to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

CASE TYPES AND EXAMPLES

Auto Tort
- Auto (22)–Personal Injury/Property Damage/Wrongful Death
- Uninsured Motorist (46) *(if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto)*

Other PI/PD/WD (Personal Injury/ Property Damage/Wrongful Death) Tort
- Asbestos (04)
  - Asbestos Property Damage
  - Asbestos Personal Injury/ Wrongful Death
- Product Liability *(not asbestos or toxic/environmental)* (24)
- Medical Malpractice (45)
  - Medical Malpractice–Physicians & Surgeons
  - Other Professional Health Care Malpractice
- Other PI/PD/WD (23)
  - Premises Liability (e.g., slip and fall)
  - Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)
  - Intentional Infliction of Emotional Distress
  - Negligent Infliction of Emotional Distress
  - Other PI/PD/WD

Non-PI/PD/WD (Other) Tort
- Business Tort/Unfair Business Practice (07)
- Civil Rights (e.g., discrimination, false arrest) *(not civil harassment)* (08)
- Defamation (e.g., slander, libel) (13)
- Fraud (16)
- Intellectual Property (19)
- Professional Negligence (25)
  - Legal Malpractice
  - Other Professional Malpractice *(not medical or legal)*
- Other Non-PI/PD/WD Tort (35)

Employment
- Wrongful Termination (36)
- Other Employment (15)

Contract
- Breach of Contract/Warranty (06)
  - Breach of Rental/Lease Contract *(not unlawful detainer or wrongful eviction)*
  - Contract/Warranty Breach–Seller Plaintiff *(not fraud or negligence)*
  - Negligent Breach of Contract/ Warranty
  - Other Breach of Contract/Warranty
- Collections (e.g., money owed, open book accounts) (09)
  - Collection Case–Seller Plaintiff
  - Other Promissory Note/Collections Case
- Insurance Coverage *(not provisionally complex)* (18)
  - Auto Subrogation
  - Other Coverage
- Other Contract (37)
  - Contractual Fraud
  - Other Contract Dispute

Real Property
- Eminent Domain/Inverse Condemnation (14)
- Wrongful Eviction (33)
- Other Real Property (e.g., quiet title) (26)
  - Writ of Possession of Real Property
  - Mortgage Foreclosure
  - Quiet Title
  - Other Real Property *(not eminent domain, landlord/tenant, or foreclosure)*

Unlawful Detainer
- Commercial (31)
- Residential (32)
- Drugs (38) *(if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential)*

Judicial Review
- Asset Forfeiture (05)
- Petition Re: Arbitration Award (11)
- Writ of Mandate (02)
  - Writ–Administrative Mandamus
  - Writ–Mandamus on Limited Court Case Matter
  - Writ–Other Limited Court Case Review
- Other Judicial Review (39)
  - Review of Health Officer Order
  - Notice of Appeal–Labor Commissioner Appeals

Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3.400–3.403)
- Antitrust/Trade Regulation (03)
- Construction Defect (10)
- Claims Involving Mass Tort (40)
- Securities Litigation (28)
- Environmental/Toxic Tort (30)
- Insurance Coverage Claims *(arising from provisionally complex case type listed above)* (41)

Enforcement of Judgment
- Enforcement of Judgment (20)
  - Abstract of Judgment (Out of County)
  - Confession of Judgment *(non-domestic relations)*
  - Sister State Judgment
  - Administrative Agency Award *(not unpaid taxes)*
  - Petition/Certification of Entry of Judgment on Unpaid Taxes
  - Other Enforcement of Judgment Case

Miscellaneous Civil Complaint
- RICO (27)
- Other Complaint *(not specified above)* (42)
  - Declaratory Relief Only
  - Injunctive Relief Only *(non-harassment)*
  - Mechanics Lien
  - Other Commercial Complaint Case *(non-tort/non-complex)*
  - Other Civil Complaint *(non-tort/non-complex)*

Miscellaneous Civil Petition
- Partnership and Corporate Governance (21)
- Other Petition *(not specified above)* (43)
  - Civil Harassment
  - Workplace Violence
  - Elder/Dependent Adult Abuse
  - Election Contest
  - Petition for Name Change
  - Petition for Relief From Late Claim
  - Other Civil Petition

SHORT TITLE: Michael Sidisin Jr and Maysam Salephou v. FanDuel, Inc.,	CASE NUMBER BC565778

CIVIL CASE COVER SHEET ADDENDUM AND STATEMENT OF LOCATION
(CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURTHOUSE LOCATION)

This form is required pursuant to LASC Local Rule 2.0 in all new civil case filings in the Los Angeles Superior Court.

Item I. Check the types of hearing and fill in the estimated length of hearing expected for this case:

JURY TRIAL? ☐ YES CLASS ACTION? ☑ YES LIMITED CASE? ☐ YES TIME ESTIMATED FOR TRIAL 10 ☐ HOURS/ ☑ DAYS

Item II. Select the correct district and courthouse location (4 steps – If you checked "Limited Case", skip to Item III, Pg. 4):

Step 1: After first completing the Civil Case Cover Sheet Form, find the main civil case cover sheet heading for your case in the left margin below, and, to the right in Column **A**, the Civil Case Cover Sheet case type you selected.

Step 2: Check one Superior Court type of action in Column **B** below which best describes the nature of this case.

Step 3: In Column **C**, circle the reason for the court location choice that applies to the type of action you have checked. For any exception to the court location, see Los Angeles Superior Court Local Rule 2.0.

Applicable Reasons for Choosing Courthouse Location (see Column C below)

1. Class Actions must be filed in the County Courthouse, Central District.
2. May be filed in Central (Other county, or no Bodily Injury/Property Damage).
3. Location where cause of action arose.
4. Location where bodily injury, death or damage occurred.
5. Location where performance required or defendant resides.
6. Location of property or permanently garaged vehicle.
7. Location where petitioner resides.
8. Location wherein defendant/respondent functions wholly.
9. Location where one or more of the parties reside.
10. Location of Labor Commissioner Office.

Step 4: Fill in the information requested on page 4 in Item III; complete Item IV. Sign the declaration.

	A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
Auto Tort	Auto (22)	☐ A7100 Motor Vehicle - Personal Injury/Property Damage/Wrongful Death	1., 2., 4.
	Uninsured Motorist (46)	☐ A7110 Personal Injury/Property Damage/Wrongful Death – Uninsured Motorist	1., 2., 4.
Other Personal Injury/Property Damage/Wrongful Death Tort	Asbestos (04)	☐ A6070 Asbestos Property Damage ☐ A7221 Asbestos - Personal Injury/Wrongful Death	2. 2.
	Product Liability (24)	☐ A7260 Product Liability (not asbestos or toxic/environmental)	1., 2., 3., 4., 8.
	Medical Malpractice (45)	☐ A7210 Medical Malpractice - Physicians & Surgeons ☐ A7240 Other Professional Health Care Malpractice	1., 2., 4. 1., 2., 4.
	Other Personal Injury Property Damage Wrongful Death (23)	☐ A7250 Premises Liability (e.g., slip and fall) ☐ A7230 Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., assault, vandalism, etc.) ☐ A7270 Intentional Infliction of Emotional Distress ☐ A7220 Other Personal Injury/Property Damage/Wrongful Death	1., 2., 4. 1., 2., 4. 1., 2., 3. 1., 2., 4.
Non-Personal Injury/Property Damage/Wrongful Death Tort	Business Tort (07)	☑ A6029 Other Commercial/Business Tort (not fraud/breach of contract)	1., 2., 3.
	Civil Rights (08)	☐ A6005 Civil Rights/Discrimination	1., 2., 3.
	Defamation (13)	☐ A6010 Defamation (slander/libel)	1., 2., 3.
	Fraud (16)	☐ A6013 Fraud (no contract)	1., 2., 3.

BY FAX

ORIGINAL

SHORT TITLE: Michael Sidisin Jr and Maysam Salephou v. FanDuel, Inc.,	CASE NUMBER

	A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons -See Step 3 Above
Non-Personal Injury/Property Damage/ Wrongful Death Tort (Cont'd.)	Professional Negligence (25)	☐ A6017 Legal Malpractice ☐ A6050 Other Professional Malpractice (not medical or legal)	1., 2., 3. 1., 2., 3.
	Other (35)	☐ A6025 Other Non-Personal Injury/Property Damage tort	2.,3.
Employment	Wrongful Termination (36)	☐ A6037 Wrongful Termination	1., 2., 3.
	Other Employment (15)	☐ A6024 Other Employment Complaint Case ☐ A6109 Labor Commissioner Appeals	1., 2., 3. 10.
Contract	Breach of Contract/ Warranty (06) (not insurance)	☐ A6004 Breach of Rental/Lease Contract (not Unlawful Detainer or wrongful eviction) ☐ A6008 Contract/Warranty Breach -Seller Plaintiff (no fraud/negligence) ☐ A6019 Negligent Breach of Contract/Warranty (no fraud) ☐ A6028 Other Breach of Contract/Warranty (not fraud or negligence)	2., 5. 2., 5. 1., 2., 5. 1., 2., 5.
	Collections (09)	☐ A6002 Collections Case-Seller Plaintiff ☐ A6012 Other Promissory Note/Collections Case	2., 5., 6. 2., 5.
	Insurance Coverage (18)	☐ A6015 Insurance Coverage (not complex)	1., 2., 5., 8.
	Other Contract (37)	☐ A6009 Contractual Fraud ☐ A6031 Tortious Interference ☐ A6027 Other Contract Dispute(not breach/insurance/fraud/negligence)	1., 2., 3., 5. 1., 2., 3., 5. 1., 2., 3., 8.
Real Property	Eminent Domain/Inverse Condemnation (14)	☐ A7300 Eminent Domain/Condemnation Number of parcels_____	2.
	Wrongful Eviction (33)	☐ A6023 Wrongful Eviction Case	2., 6.
	Other Real Property (26)	☐ A6018 Mortgage Foreclosure ☐ A6032 Quiet Title ☐ A6060 Other Real Property (not eminent domain, landlord/tenant, foreclosure)	2., 6. 2., 6. 2., 6.
Unlawful Detainer	Unlawful Detainer-Commercial (31)	☐ A6021 Unlawful Detainer-Commercial (not drugs or wrongful eviction)	2., 6.
	Unlawful Detainer-Residential (32)	☐ A6020 Unlawful Detainer-Residential (not drugs or wrongful eviction)	2., 6.
	Unlawful Detainer-Drugs (38)	☐ A6022 Unlawful Detainer-Drugs	2., 6.
Judicial Review	Asset Forfeiture (05)	☐ A6108 Asset Forfeiture Case	2., 6.
	Petition re Arbitration (11)	☐ A6115 Petition to Compel/Confirm/Vacate Arbitration	2., 5.

SHORT TITLE:	CASE NUMBER
Michael Sidisin Jr and Maysam Salephou v. FanDuel, Inc.,	

	A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
Judicial Review (Cont'd.)	Writ of Mandate (02)	☐ A6151 Writ - Administrative Mandamus ☐ A6152 Writ - Mandamus on Limited Court Case Matter ☐ A6153 Writ - Other Limited Court Case Review	2., 8. 2. 2.
	Other Judicial Review (39)	☐ A6150 Other Writ /Judicial Review	2., 8.
Provisionally Complex Litigation	Antitrust/Trade Regulation (03)	☐ A6003 Antitrust/Trade Regulation	1., 2., 8.
	Construction Defect (10)	☐ A6007 Construction defect	1., 2., 3.
	Claims Involving Mass Tort (40)	☐ A6006 Claims Involving Mass Tort	1., 2., 8.
	Securities Litigation (28)	☐ A6035 Securities Litigation Case	1., 2., 8.
	Toxic Tort Environmental (30)	☐ A6036 Toxic Tort/Environmental	1., 2., 3., 8.
	Insurance Coverage Claims from Complex Case (41)	☐ A6014 Insurance Coverage/Subrogation (complex case only)	1., 2., 5., 8.
Enforcement of Judgment	Enforcement of Judgment (20)	☐ A6141 Sister State Judgment ☐ A6160 Abstract of Judgment ☐ A6107 Confession of Judgment (non-domestic relations) ☐ A6140 Administrative Agency Award (not unpaid taxes) ☐ A6114 Petition/Certificate for Entry of Judgment on Unpaid Tax ☐ A6112 Other Enforcement of Judgment Case	2., 9. 2., 6. 2., 9. 2., 8. 2., 8. 2., 8., 9.
Miscellaneous Civil Complaints	RICO (27)	☐ A6033 Racketeering (RICO) Case	1., 2., 8.
	Other Complaints (Not Specified Above) (42)	☐ A6030 Declaratory Relief Only ☐ A6040 Injunctive Relief Only (not domestic/harassment) ☐ A6011 Other Commercial Complaint Case (non-tort/non-complex) ☐ A6000 Other Civil Complaint (non-tort/non-complex)	1., 2., 8. 2., 8. 1., 2., 8. 1., 2., 8.
Miscellaneous Civil Petitions	Partnership Corporation Governance(21)	☐ A6113 Partnership and Corporate Governance Case	2., 8.
	Other Petitions (Not Specified Above) (43)	☐ A6121 Civil Harassment ☐ A6123 Workplace Harassment ☐ A6124 Elder/Dependent Adult Abuse Case ☐ A6190 Election Contest ☐ A6110 Petition for Change of Name ☐ A6170 Petition for Relief from Late Claim Law ☐ A6100 Other Civil Petition	2., 3., 9. 2., 3., 9. 2., 3., 9. 2. 2., 7. 2., 3., 4., 8. 2., 9.

12/04/2014

SHORT TITLE: Michael Sidisin Jr and Maysam Salephou v. FanDuel, Inc.,	CASE NUMBER

Item III. Statement of Location: Enter the address of the accident, party's residence or place of business, performance, or other circumstance indicated in Item II., Step 3 on Page 1, as the proper reason for filing in the court location you selected.

REASON: CHECK THE NUMBER UNDER COLUMN C WHICH APPLIES IN THIS CASE ✓1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			ADDRESS:
CITY:	STATE:	ZIP CODE: 90012	

Item IV. *Declaration of Assignment*: I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that the above-entitled matter is properly filed for assignment to the Central Civil West courthouse in the Central District of the Los Angeles Superior Court (Code Civ. Proc., § 392 et seq., and LASC Local Rule 2.0, subds. (b), (c) and (d)).

Dated: December 3, 2014

(SIGNATURE OF ATTORNEY/FILING PARTY)

PLEASE HAVE THE FOLLOWING ITEMS COMPLETED AND READY TO BE FILED IN ORDER TO PROPERLY COMMENCE YOUR NEW COURT CASE:

1. Original Complaint or Petition.
2. If filing a Complaint, a completed Summons form for issuance by the Clerk.
3. Civil Case Cover Sheet form CM-010.
4. Complete Addendum to Civil Case Cover Sheet form LACIV 109 (Rev. 01/07), LASC Approved 03-04.
5. Payment in full of the filing fee, unless fees have been waived.
6. Signed order appointing the Guardian ad Litem, JC form FL-935, if the plaintiff or petitioner is a minor under 18 years of age, or if required by Court.
7. Additional copies of documents to be conformed by the Clerk. Copies of the cover sheet and this addendum must be served along with the summons and complaint, or other initiating pleading in the case.

ATA CORPORATE SERVICES, LLC

222 Delaware Avenue, Suite 1200
P.O. Box 849
Wilmington, Delaware 19899
(302) 421-6820
FAX (302) 421-5866

January 8, 2015

VIA FEDERAL EXPRESS

Fanduel Inc.
c/o Brendan Waters and Thomas Quinn
10th Floor, Techspace
41-51 East 11th Street
New York, NY 10003

Re: **Fanduel Inc.**

Gentlemen:

I am enclosing with this letter a Summons and Complaint which were served on us as Registered Agent for the above company.

Neither we nor Saul Ewing LLP will take any action unless directed by you.

Very truly yours,

Jennifer R. Fitzgerald
Paralegal

/jrf
Enclosure

SUM-100

SUMMONS on First Amended Complaint
(CITACION JUDICIAL)

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

JAN 06 2015

Sherri R. Carter, Executive Officer/Clerk
By: Kandace Bennett, Deputy

NOTICE TO DEFENDANT:
(AVISO AL DEMANDADO):

FanDuel, Inc., a Delaware Corporation; and Does 1-10, Inclusive

YOU ARE BEING SUED BY PLAINTIFF:
(LO ESTÁ DEMANDANDO EL DEMANDANTE):

Michael Sidisin Jr and Maysam Salephour INDIVIDUALLY AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (*www.courtinfo.ca.gov/selfhelp*), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (*www.lawhelpcalifornia.org*), the California Courts Online Self-Help Center (*www.courtinfo.ca.gov/selfhelp*), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of $10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case.
¡AVISO! Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de $10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:
(El nombre y dirección de la corte es): Los Angeles County Superior Court
111 N. Hill St.
Los Angeles, 90012

CASE NUMBER
(Número del Caso)
BC565778

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:
(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):
Sarah L. Gough, Esq., MA, LLP 2800 Donald Douglas Loop North, Santa Monica, T:(310) 396-9600

DATE *(Fecha)* JAN 06 2015 SHERRI R. CARTER Clerk, by *(Secretario)* _____, Deputy *(Adjunto)*

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)
(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

SEAL

NOTICE TO THE PERSON SERVED: You are served
1 [ ] as an individual defendant
2 [ ] as the person sued under the fictitious name of *(specify)*:
3 [X] on behalf of *(specify)* FanDuel, Inc., a Delaware Corporation
under: [X] CCP 416.10 (corporation) [ ] CCP 416.60 (minor)
[ ] CCP 416.20 (defunct corporation) [ ] CCP 416.70 (conservatee)
[ ] CCP 416.40 (association or partnership) [ ] CCP 416.90 (authorized person)
[ ] other *(specify)*:
4 [ ] by personal delivery on *(date)*:

Page 1 of 1

Form Adopted for Mandatory Use
Judicial Council of California
SUM-100 [Rev. July 1, 2009]

SUMMONS

Code of Civil Procedure §§ 412.20, 465
www.courtinfo.ca.gov

American LegalNet, Inc.
www.FormsWorkflow.com

BY FAX

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Sarah L. Gough, SBN 247220

Attorneys for Plaintiffs

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

JAN 06 2015

Sherri R. Carter, Executive Officer/Clerk
By: Kandece Bennett, Deputy

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

MICHAEL SIDISIN JR AND MAYSAM SALEPHOUR INDIVIDUALLY AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED, Plaintiffs, v. FAN DUEL, INC., a Delaware Corporation and DOES 1 through 10, inclusive, Defendants.	Case No. BC565778 FIRST AMENDED CLASS ACTION COMPLAINT 1. FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS AND PROFESSIONS CODE §17200, *et seq.* 2. FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS AND PROFESSIONS CODE §17500, *et seq.* 3. VIOLATIONS OF THE CALIFORNIA CONSUMER LEGAL REMEDIES ACT [CIVIL CODE §1750, *et seq.*] DEMAND FOR JURY TRIAL

Plaintiffs Michael Sidisin Jr. and Maysam Salephour ("Plaintiffs"), individually and on behalf of all other similarly situated customers of FanDuel, Inc. (the "Class"), brings this complaint against Fan Duel, Inc. ("Fan Duel", and/or "Defendant") and Does 1 through 10, inclusive (sometimes collectively referred to herein as "Defendant") and allege as follows:

1. Plaintiffs bring this class action to secure injunctive relief and restitution for the Class against Defendant for false and misleading advertising in violation of Business & Professions Code section 17200, *et seq.*, Business & Professions Code section 17500, *et seq.* and Civil Code section 1750, *et seq.*, as set forth herein.

2. Fan Dual is a fantasy sports website that permits individuals to play one-day fantasy sports

Product(s)"). To begin playing on Fan Duel, an individual is required to place a deposit a Fan Duel account. That person can then use the money on deposit to pay entry fees to in daily fantasy sports games. At the end of the sports day, the winner of each fantasy is then awarded prize money which is inserted into their Fan Duel account. Fan Duel takes percentage of each overall pot for each fantasy sports game as a fee for hosting the fantasy Since Fan Duel fancies its fantasy sports games as a game of skill, it is not gambling. Fan No in intense competition with several competitors to create market share for its games and ly markets on NFL games, sports television, sports radio and sports websites.

part of its promotion, Fan Duel has continuously advertised that when you set up an the Fan Duel website and make an initial deposit, Fan Duel will match "dollar for an initial deposit up to $200 for all new members without any limitations, or that, without Fan Duel will match a specific dollar amount based on the amount of the initial deposit. , television commercials for Fanduel.com have advertised the following:

"Deposit now, and we'll match up to 200 bucks, dollar for dollar";

"double your deposit with promo code"; and

"deposit is100% matched".

are additional Fan Duel television and radio advertisements that use different promote the same promise of a "dollar for dollar" match including representing that the or "free". Similarly, there are other advertisements where Fan Duel asserts it will match a llar amount for a specific initial deposit. For instance, if a person puts down an initial of $100, that person would receive $60 match as a "Welcome Bonus" of a $150 match for a it. However, this is totally untrue. Indeed, the Defendant falsely represents and does not ely disclose and omits that the "Welcome Bonus", which is free, is not a "dollar for dollar" a match of a specific dollar amount, but is based on a very intricate formula that requires ed play on the Fan Duel site and, in some cases, an investment of over 2500% the initial Specifically, the formula used by Fan Duel does not match a single dollar. The "Welcome " is released as 4% of the entry fee of each contest entered by that customer. Accordingly,

1 ...ner must spend his deposit money in order to receive a bonus, and upon spending his
2 ...oney, receives only 4% of that money as a bonus.
3 ...or example, if a customer signs up and deposits $200 as his initial deposit, Fan Duel does
4 ... the customer's deposit with a bonus of $200, and the customer does not have $00 in his
5 ... Instead, the customer is required to spend his deposit money by entering contests. If the
6 ... enters a contest for $200, spending his entire deposit on a single contest, Fan Duel
7 ... bonus of $8 (4% of the contest entry fee). Based on this formula, the customer that
8 ... initial deposit of $200 will have to spend $5,000 in contest entry fees in order to receive
9 ... deposit matching bonus of $200. In other words, that customer must invest an
10 ... 1,800 with Fan Duel, before Fan Duel releases its promised $200 matching bonus.
11 Defendant's promotions violate the California Consumers Legal Remedies Act, particularly
... Civil Code sections 1770(a)(5) and 1770(a)(7). As such, Defendant has committed *per*
... of Business & Professions Code section 17200, *et seq.*, Business & Professions Code
...500, *et seq.*, and Civil Code section 1750, *et seq.*
he claims misrepresent the effects and purported benefits of the Product. As such,
...t has engaged in false and misleading advertising.
... November 24, 2014, Plaintiffs served written notice to Defendant by certified mail
to Civil Code section 1750, *et seq.*, which set forth Plaintiffs' contentions concerning the
... fraudulent advertising and demanded remedy and relief. (*See* Plaintiffs' Letter to
... dated November 24, 2014, a true and correct copy of which is attached hereto as Exhibit

Defendant may not accept Plaintiffs' demand for remedy.

JURISDICTION AND VENUE

... Court has jurisdiction over all causes of action asserted herein pursuant to the
...ia Constitution, Article VI, section 10, because this case is a cause not given by statute to
...ial courts.
... Plaintiffs have standing to bring this action pursuant to Business & Professions Code
... 7200, *et seq.*

12. Fan Duel is a corporation organized and existing under the laws of the State of Delaware, with a principal place of business in New York, New York.

13. Defendant is subject to personal jurisdiction in California based upon sufficient minimum contacts which exist between it and California.

14. Venue is proper in this Court because Defendant receives substantial compensation from sales in Los Angeles County, and Defendant made numerous misrepresentations which had a substantial effect in Los Angeles County, including, but not limited to, print media, television advertising, radio advertising and internet advertisements.

PARTIES

15. Plaintiffs are, and at all times relevant hereto were, individuals residing in Los Angeles and Orange Counties, California. Plaintiffs purchased the Product over the internet in Los Angeles and Orange County. In doing so, Plaintiffs relied upon the advertising and other promotional material which were prepared and approved by Defendant and their agents and disseminated through its national advertising media, containing the misrepresentations alleged herein and designed to encourage consumers to purchase the Product.

16. Defendant fan Duel is a corporation organized and existing under the laws of the State of Delaware, with a principal place of business located in Manhattan, New York. Fan Duel offers the Product for sale through its internet site throughout all fifty states, through business activities that emanate from New York. Fan Duel is the owner and operator of the Fan Duel Product and is the company that created and/or authorized the false, misleading and deceptive advertisements for the Product.

17. In committing the wrongful acts alleged herein, Defendant planned and participated in and furthered a common scheme by means of false, misleading, deceptive and fraudulent misrepresentations to induce members of the public to purchase the Product directly from its New York place of business. Defendant participated in the making of such representations in that each did disseminate or cause to be disseminated said misrepresentations.

18. Defendant, upon becoming involved with the creation, distribution, advertising, marketing

and sale of the Product, knew or should have known that the representations about the Product and, in particular, the "dollar for dollar" free match or a specific dollar match on initial deposits for the Product were false. Defendant affirmatively misrepresented the match, as set forth herein, in order to convince the public to purchase and use the Product, resulting in profits of millions of dollars or more to Defendant, all to the damage and detriment of the consuming public.

19. Fan Duel ran its first radio advertisement in March 2011. Fan Duel ran its first Television advertisement in August 2012 and has run internet advertisements since at least March 2011. The Plaintiffs are without knowledge as to when Fan Duel first ran this misleading advertisement campaign. However, the misleading ad campaign has successfully directly increased Fan Duel's exposure and has directly increased the number of paying players. For example, in the past three (3) months (August, September and October 2014), fan Duel has brought in 650,000 new paying players based upon this misleading advertising. Moreover, Fan Duel anticipates that it will take in $550 million dollars in entry fees for its fantasy contests this season alone. *See* NBA Partners with Fan Duel, *ESPN.com*, Nov. 19, 2014. A copy of the article is attached hereto and incorporated herein as Exhibit 2.

FACTS AND DEFENDANT'S COURSE OF CONDUCT

20. Fan Duel engages in marketing campaigns that suggest that its fantasy sports are the leader in one-day fantasy sports game play. They have put together a multi-million dollar advertising campaign focused on sports enthusiasts that play fantasy sports for sun with their friends and have induced these persons to participate on their website with the lure that winning fantasy sports on their website may result in million dollar payoffs. As part of this advertising scheme, Fan Duel entices these fantasy enthusiasts with promotions which are meant to make individuals believe that their initial deposits, which are required in order to play on the Fan Duel site, would be immediately matched and would permit double the amount of play on the site based on the single deposit of up to 4200, or a match for a specific dollar amount based on the size of the initial deposit, and that the match would be free of charge. So in other words, if a person deposited $10, that person would be immediately able to play well in excess of that initial deposit immediately.

21. It is only after a person makes that initial deposit and tries to use the monies in their account.

do they become aware that Fan Duel does not immediately match deposits "dollar for dollar" or in a specific amount, but rather will only provide additional [match] monies in that player's account over time, and only after they continuously pay for additional games and either deposit additional monies and/or utilize monies that they won on the site. Moreover, the individual is never told that the "dollar for dollar" match actually can be deleted from an account due to inactivity on the site.

22. During the course of its false, misleading and deceptive advertising campaign, Defendant has sold millions of dollars more of its Product based upon Defendant's false promises. Plaintiff and the Class have suffered injury in fact and have lost money as a result of Defendant's false representations.

23. When a person signs up for Fan Duel, based on its false and misleading advertising of a free "dollar for dollar" match or a specific dollar match of the initial deposit, the user was required to use a specific promotion code ("Promotion Code") in order to obtain the free match. There are many different promo codes that have been advertised to be used for this deposit bonus. The Plaintiffs do not know all of the promotion codes utilized by the Defendant for this promotion but this information will be determined through discovery.

CLASS ACTION ALLEGATIONS

24. Plaintiffs bring this action on their own behalf and on behalf of all other person similarly situated. The Class which Plaintiffs seek to represent comprises:

> All persons who purchased the Product in the State of California for personal use and not for resale during the time period of November 24, 2010 through the present. Excluded from the Class are Defendant's officers, directors, and employees.

Said definition may be further defined or amended by additional pleadings, evidentiary hearings, a class certification hearing, and orders of this Court.

25. The Class is comprised of many thousands of persons throughout the State of California. The class is so numerous that joinder of all members is impracticable and the disposition of their claims in a class action will benefit the parties and the Court.

26. There is a well-defined community of interest in the questions of law and fact involved

the parties to be represented. The representations and omissions made by Defendant is nt and uniform and are contained in advertisements and on the website that to all of the Class were exposed. The questions of law and fact common to the Class nate over questions which may affect individual Class members. Common questions of fact include, but are not limited to, the following:

a. Whether Defendant's conduct is an unlawful business act or practice within the meaning of Business and Professions Code section 17200, *et seq.*;

b. Whether Defendant's conduct is a fraudulent business act or practice within the meaning of Business and Professions Code section 17200, *et seq.*;

c. Whether Defendant's advertising is untrue or misleading within the meaning of Business and Professions Code section 17500, *et seq.*;

d. Whether Defendant made false and misleading representations in their advertising of the Product;

e. Whether Defendant knew or should have known that the representations were false; and

f. Whether Defendant represented that the Product have characteristics, benefits, uses, or quantities which it does not have.

Plaintiffs' claims are typical of the claims of the proposed Class, as the representations and made by Defendant are consistent and uniform and are contained in advertisements that bers of the Class were exposed to. Thus, there exists a presumption that all Class relied upon said uniform and consistent advertising and representations to their Plaintiffs will fairly and adequately represent and protect the interests of the proposed Plaintiffs have retained competent and experienced counsel in class action and other litigation.

Plaintiffs and the Class have suffered injury in fact and have lost money as a result of dant's false, deceptive, and misleading representations.

The Product as purchased by the Plaintiffs and the Class were and are unsatisfactory and ss than the amount paid for.

30. Plaintiffs would not have purchased the Products but for the representations by Defendant about the Product.

31. The Class is identifiable and readily ascertainable as each person was required to use certain promotional codes when signing up with Fan Duel in order to obtain the "welcome bonus". Notice can be provided to such purchasers using techniques and a form of notice customarily used in class actions, such as by direct mail based on Defendant's business records, internet publication, radio, newspapers, and magazines.

32. A class action is superior to other available methods for fair and efficient adjudication of this controversy. The expense and burden of individual litigation would make it impracticable or impossible for proposed members of the Class to prosecute their claims individually.

33. The trial and the litigation of Plaintiffs' claims are manageable.

34. Defendant has acted on grounds common and applicable to the entire Class, thereby making final injunctive relief and/or corresponding declaratory relief appropriate with respect to the Class as a whole. The prosecution of separate actions by individual Class members would create the risk of inconsistent or varying adjudications with respect to individual member of the Class that would establish incompatible standards of conduct for Defendant.

35. Absent a class action, Defendant will retain the benefits of their wrongdoing. Because of the small size of the individual Class members' claims, few, if any, Class members could afford to seek legal redress for the wrongs complained of herein. Absent a representative action, the Class members will continue to suffer losses and Defendant will be allowed to continue these violations of law and to retain the proceeds of their ill-gotten gains.

FIRST CAUSE OF ACTION

FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200, *et seq.*

36. Plaintiffs' repeat and reallege the allegations set forth in the preceding paragraphs and incorporates the same as if set forth herein at length.

37. This cause of action is brought pursuant to Business and Professions Code section 17200,

et seq., on behalf of Plaintiffs and a Class consisting of all persons residing in the State of California who purchased the Product for personal use and not for resale.

38. Defendant in its advertising of the Product make false and misleading statements and omissions regarding the Product, as set forth in the above.

39. Defendant is aware the Product does is not as set forth in Defendant's' advertising.

40. Defendant knew that the claims that they made and continue to make about the Product are false and misleading.

41. As alleged in the preceding paragraphs, the misrepresentations and omissions by Defendant of the material facts detailed above constitute an unfair, unlawful, and fraudulent business practice within the meaning of California Business & Professions Code section 17200.

42. In addition, Defendant's use of various forms of advertising media to advertise, call attention to, or give publicity to the sale of goods or merchandise which are not as represented in any manner constitutes unfair competition, unfair, deceptive, untrue or misleading advertising, and an unlawful business practice within the meaning of Business & Professions Code sections 17200 and 17531, which advertisements have deceived and are likely to deceive the consuming public, in violation of Business & Professions Code section 17200.

43. There were reasonably available alternatives to further Defendant's legitimate business interests, other than the conduct described herein.

44. All of the conduct alleged herein occurs and continues to occur in Defendant's business. Defendant's wrongful conduct is part of a pattern or generalized course of conduct repeated on thousands of occasions daily.

45. Pursuant to Business & Professions Code sections 17203 and 17535, Plaintiffs and the members of the Class seek an order of this Court enjoining Defendant from continuing to engage, use, or employ their practice of advertising the sale and use of the Product. Likewise, Plaintiffs and the members of the Class seek an order requiring Defendant to disclose such misrepresentations, and additionally request an order awarding Plaintiffs and the Class restitution of the money wrongfully acquired by Defendant by means of Defendant's failure to disclose the existence and significance of said misrepresentations.

46. Plaintiffs and the Class have suffered injury in fact and have lost money or property as a result of Defendant's false representations.

47. The Product as purchased by the Plaintiffs and the Class were and are unsatisfactory and worth less than the amount paid for.

48. Plaintiffs would not have purchased the Product but for the representations and omissions by Defendant about the Product.

SECOND CAUSE OF ACTION

FALSE AND MISLEADING ADVERTISING IN VIOLATION OF BUSINESS & PROFESSIONS CODE § 17500, *et seq.*

49. Plaintiffs repeat and reallege the allegations set forth in the preceding paragraphs and incorporates the same as if set forth herein at length.

50. This cause of action is brought pursuant to Business and Professions Code section 17500, *et seq.*, on behalf of Plaintiffs and the Class consisting of all persons residing in the State of California who purchased the Product for personal use and not for resale.

51. In its advertising of the Product, Defendant knowingly makes false and misleading statements and omissions regarding the benefits of the Product, as set forth in the examples above.

52. Defendant is aware the Product is not as set forth in Defendant's advertising.

53. Defendant knew that the claims and omissions that they made and continue to make about the Product are false misleading.

54. Plaintiffs would not have purchased the Products but for the representations and omissions by Defendant about the Product.

55. Plaintiffs and the Class have suffered injury in fact and have lost or property as a result of Defendant's false representations.

56. The Products as purchased by the Plaintiffs and the Class were and are unsatisfactory and worth less than the amount paid for.

57. As alleged in the preceding paragraphs, the misrepresentations by Defendant of the material facts detailed above constitutes an unfair, unlawful, and fraudulent business practice within the meaning of California Business & Professions Code section 17500.

58. In addition, Defendant's use of various forms of advertising media to advertise, call attention to, or give publicity to the sale of goods or merchandise which are not as represented in any manner constitutes unfair competition, unfair, deceptive, untrue or misleading advertising, and an unlawful business practice within the meaning of Business & Professions Code sections 17200 and 17531, which advertisements have deceived and are likely to deceive the consuming public, in violation of Business & Professions Code section 17500.

59. Pursuant to Business & Professions Code sections 17203 and 17535, Plaintiff and the members of the Class seek an order of this Court enjoining Defendant from continuing to engage, use, or employ their practice of advertising the sale and use of the Product. Likewise, Plaintiffs and the members of the Class seek an order requiring Defendant to disclose such misrepresentations, and additionally request an order awarding Plaintiff and the Class restitution of the money wrongfully acquired by Defendant by means of responsibility attached to Defendant's failure to disclose the existence and significance of said misrepresentations.

THIRD CAUSE OF ACTION

VIOLATION OF CALIFORNIA CIVIL CODE §1750, *et seq.*

60. Plaintiff repeats and realleges the allegations set forth in the preceding paragraphs and incorporates the same as if set forth herein at length.

61. This cause of action is brought pursuant to Civil Code section 1750, *et seq.*, the Consumer Legal Remedies Act, on behalf of Plaintiffs and a Class consisting of all persons residing in the State of California who purchased the Product for personal use and not for resale.

62. The Class consists of thousands of persons, the joinder of whom, is impracticable.

63. There are questions of law and fact common to the class, which questions are substantially similar and predominate over questions affecting the individual members, including but not limited to: (a) Whether Defendants represented that the Product has characteristics, benefits, use, or quantities which is does not have; (b) Whether the existence, extent and significance of the major misrepresentations regarding the purported benefits, characteristics, benefits, uses or quantities which is does not have.

64. The policies, acts, and practices heretofore described were intended to result in the sale of

the Product to the consuming public, and violated and continue to violate section 1770(a)(5) of the Act by representing that the Product has characteristics, benefits, uses, and qualities which is does not have. In doing so, Defendant intentionally misrepresented, concealed and did not properly disclose material facts from Plaintiff and the Class, specifically that the Product's "welcome bonus" was no "dollar for dollar" but required continued play and deposits well in excess of the initial deposits. Said misrepresentations and omissions deceived Plaintiffs and the Class depriving them of their legal rights and money.

65. Defendant's actions as described hereinabove were done with conscious disregard of Plaintiff's rights, and Defendant is wanton and malicious in their concealment of same.

66. Plaintiff and the Class have suffered injury in fact and have lost property as a result of Defendant's false representations.

67. The Product as purchased by the Plaintiffs and the Class was and is unsatisfactory and worth less than the amount paid for.

68. Plaintiff would not have purchased the Product but for the representations by Defendant about the product.

69. Pursuant to section 1780(a) of the Act, Plaintiff seeks injunctive relief in the form of an order enjoining the above-described wrongful acts and practices of Defendant, including but not limited to, an order:

a. Enjoining Defendant from continuing to make the statements set forth above;

b. Enjoining Defendant from continuing to offer for sale any unit of the Product that contains any false, misleading, and/or undisclosed material fact in its advertising, including, without limitation, those statements and omissions set forth above;

c. Enjoining Defendant from continuing to use the website and advertising that it presently uses for the Product; and

d. Enjoining Defendant from distributing such false advertising and misrepresentations.

70. Plaintiffs shall be irreparably harmed if such an order is not granted.

///

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all others similarly situated, prays for judgment and relief on all Causes of Action as follows:

FOR FIRST AND SECOND CAUSES OF ACTION

A. An order certifying that the action may be maintained as a Class Action;

B. For an award of restitutionary damages in an amount according to proof at trial;

C. An order enjoining Defendant from pursuing the policies, acts and practices complained of herein and requiring Defendant to pay restitution to Plaintiff and all members of the Class;

D. For pre-judgment interest from the date of filing this suit;

E. Reasonable attorney fees;

F. Cost of this suit; and

G. Such other and further relief as the Court may deem necessary or appropriate.

FOR THIRD CAUSE OF ACTION

A. An order certifying that the action may be maintained as a Class Action;

B. An order enjoining Defendant from pursuing the policies, acts, and practices complained of;

C. For pre-judgment interest from the date of filing the suit;

D. Reasonable attorneys fees;

E. Costs of this suit; and

F. Such other and further relief as the Court may deem necessary or appropriate.

Dated: January 5, 2015

MILSTEIN ADELMAN, LLP

Mark A. Milstein
Sarah L. Gough
Attorneys for Plaintiffs

JURY TRIAL DEMANDED

Plaintiff demands a jury trial on all triable issues.

Dated: January 5, 2015

MILSTEIN ADELMAN, LLP

Mark A. Milstein
Sarah L. Gough
Attorneys for Plaintiffs

EXHIBIT 1

MILSTEIN
ADELMAN LLP

2800 DONALD DOUGLAS LOOP NORTH
SANTA MONICA, CALIFORNIA 90405
Tel 310 396 9600 Fax 310 396 9635
www.milsteinadelman.com

Please Reply To:
Sarah L. Gough
sgough@milsteinadelman.com

November 24, 2014

VIA CERTIFIED MAIL
ATA Corporate Services, LLC
222 Delaware Avenue, Suite 1200
Wilmington, DE 19801

Re: Violation of the California Consumer Legal Remedies Act Regarding Advertising and Marketing of FanDuel, Inc.

To Whom It May Concern:

You are hereby notified that FanDuel, Inc. has violated and continues to violate provisions of the California Legal Remedies Act, California Civil Code section 1750, *et seq.* (the "CLRA") with respect to the advertising and marketing of www.fanduel.com (referred to herein as the "Product"). Defendant's false and deceptive advertising and marketing of the Product has affected Michael Sidisin Jr., Maysam Salephour and thousands of other similarly situated California consumers (the "Plaintiff Class").

The Plaintiff Class has entered and continues to enter into transactions and expend money in reliance upon the uniform false and misleading claims contained on the website, as well as in other advertising for the Product.

This letter shall outline: (1) Defendant's false and misleading representations; (2) the basis Michael Sidisin Jr.'s and Maysam Salephour's and the Plaintiff Class' complaint, and (3) Plaintiffs Michael Sidisin Jr.'s,, Maysam Salephour's and the Plaintiff Class' demand for relief.

1. DEFENDANT'S FALSE AND MISLEADING REPRESENTATIONS

Defendant engages in false and misleading representations concerning the advertising and marketing of a "welcome bonus" upon opening a FanDuel account. As part of its promotion FanDuel advertises that when a consumer creates an account on the FanDuel website, the initial deposit will immediately be matched, dollar for dollar, for deposits made up to $200. FanDuel fails to disclose that this "welcome bonus" is not a dollar for dollar match but is based on a very intricate formula that requires continued play on the FanDuel site and investment of over 25 times the initial deposit.

In truth of fact, the deposit bonus is released to the consumer at the rate of 4% of the entry fee of each contest entered. Therefore, if a consumer signs up and deposits $200 that person would have to spend $5,000 in contests to actually receive the $200 in matched bonuses.

II. DEMAND FOR RELIEF

Demand is hereby made that FanDuel agrees to remove and modify all false and misleading claims from the website and advertising. Please contact me at (310) 396-9600 or at sgough@milsteinadelman.com to discuss. If we do not hear from you prior to close of business on December 20, 2014, we will proceed with filing a complaint.

Very truly yours,

MILSTEIN ADELMAN, LLP

//S//

Mark A. Milstein
Sarah L. Gough

MILSTEIN ADELMAN LLP

RETURN SERVICE REQUESTED

$06.48

NTA Corporate Services, LLC
222 Delaware Avenue, Suite 1200
Wilmington, DE 19801

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ATA Corporate Services LLC
222 Delaware Ave Suite 1200
Wilmington, DE 19801

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent
☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from service label)

7013 2630 0002 3116 8248

PS Form 3811, July 2013 Domestic Return Receipt

EXHIBIT 2

[PRINT] ESPN.com: NBA [Print without images]

Wednesday, November 12, 2014

NBA partners with FanDuel

By Darren Rovell
ESPN.com

The NBA has signed a four-year exclusive daily fantasy deal with FanDuel, the league announced Wednesday.

Financial details were not disclosed, but as part of the deal, the league will become an investor in the market leader in one of the fastest-growing sports sectors. FanDuel also will be the only daily fantasy site featured on the league's official website.

"The special status helps legitimize us, but we wanted to do this deal because the NBA, more than any other league, they understood the upside to them as well," FanDuel CEO and co-founder Nigel Eccles said.

Eccles noted that the company's data shows that once a fan starts playing daily fantasy, his or her weekly sports TV consumption jumps from 17½ hours to 24 hours.

"It's clear that many of our fans are in the two-screen world, watching the game and having another device open to do something else," said Sal LaRocca, president of the NBA's global operations and merchandising. "Daily Fantasy is now part of that experience."

The relationship does not enable FanDuel to be the exclusive provider of NBA daily fantasy, as any service is legally allowed to offer an NBA fantasy game. In 1996, statistics company Stats Inc. won a case against the NBA, which established that players' names when tied to statistics were not subject to copyright protection.

FanDuel's deal with the NBA comes days after the NHL announced an exclusive partnership with its competitor DraftKings.

The market for daily fantasy has been growing exponentially in the past couple of years.

"We used to have a guy who kept a spreadsheet of all the daily fantasy sites," Eccles said. "We had to stop counting."

FanDuel has recently raised its projections on net revenue for 2014 to $60 million. That's up from just $14.5 million last year.

The company says it will take in more than $550 million in entry fees this season, giving 91 percent of that back to its customers in prize money.

FanDuel has brought in 650,000 new paying players in the past three months. Before this year, the company never had a single quarter with more than 200,000 active players.

Eccles said he's excited about basketball because it has been relatively untapped, as the season-long game has proved to be a grind for many.

"More than half of people who start playing daily fantasy basketball with us are playing fantasy basketball for the first time," Reeves said. "We hope we can convert half the fans who came to our site to play daily fantasy football and get them to like playing daily fantasy basketball."

FanDuel, which already had forged individual deals with the Brooklyn Nets, Chicago Bulls, Dallas Mavericks, New York Knicks and Orlando Magic, has taken in $88 million in venture capital funding from the likes of Bullpen Capital, Shamrock Capital and Comcast Ventures.

Daily fantasy is considered legal thanks to the Unlawful Internet Gambling Enforcement Act which, in 2006, clarified online gambling regulations. Participation in fantasy sports was exempted on the grounds that it was a game of skill.

Online fantasy sports still can't be played in five states -- Arizona, Iowa, Louisiana, Montana and Washington.