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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

JEREMY KHINOO, individually and on
behalf of all others similarly situated,

Plaintiff,

v.

REALPLAY TECH INC.

Defendant.

Case No. _____

CLASS ACTION COMPLAINT

(DEMAND FOR JURY TRIAL)

1 This is a putative class action lawsuit against Defendant RealPlay Tech Inc. for engaging in
2 an illegal gambling scheme. Plaintiff Jeremy Khinoo, individually and on behalf of all others
3 similarly situated, makes the following allegations pursuant to the investigation of his counsel and
4 based upon information and belief, except as to allegations specifically pertaining to himself and
5 his counsel, which are based on personal knowledge.

6 **INTRODUCTION**

7 1. Defendant RealPlay Tech Inc. owns, operates, and receives significant revenue from
8 its online “social” casino available through their website www.realprize.com and mobile apps, where
9 it offers casino-style slots games that operate based on a digital currency called “coins” which can
10 be purchased and wagered for extended gameplay along with other upgrades and rewards (the
11 “RealPrize Gambling Platform”).

12 2. While Defendant advertises and promotes the RealPrize Gambling Platform to people
13 in California as a legitimate online business, giving it an aura of legitimacy and legality to Plaintiff
14 and Class members, the RealPrize Gambling Platform is actually a dangerous and plainly unlawful
15 gambling enterprise.

16 3. The scheme goes like this: Defendant sells digital coins to consumers on the
17 RealPrize Gambling Platform – including consumers in California – and then immediately accepts
18 those coins back (from the consumers who purchased them) as wagers on the outcomes of the various
19 casino-style games of chance offered on the RealPrize Gambling Platform. Consumers who
20 purchase and then wager virtual coins on the RealPrize Gambling Platform do so in the hopes of
21 winning more of these coins, which can be used to place more wagers and, in some instances, unlock
22 new gambling games or extend their gameplay once they have run out of coins to wager with.
23 Plaintiff and numerous other California residents have lost significant sums of their hard-earned
24 money buying and placing wagers with coins on the RealPrize Gambling Platform, and Defendant
25 has, in turn, reaped enormous profits from the losses these people have sustained.

26 4. California’s gambling law clearly prohibits the type of gambling offered by
27 Defendant. Accordingly, Plaintiff brings this Class Action Complaint, individually and on behalf of
28

1 all others similarly situated, to redress Defendant’s widespread violations of California’s gambling
2 laws.

3 **PARTIES**

4 5. Plaintiff Jeremy Khinoo is a natural person and a citizen and resident of Santa
5 Barbara, California.

6 6. Defendant RealPlay Tech Inc. is a private company organized and existing under the
7 laws of Delaware, with a place of business in Delaware. Defendant RealPlay Tech Inc. has operated
8 and continues to operate the RealPrize Gambling Platform and has received and continues to receive
9 substantial revenue—estimated in the hundreds of millions of dollars annually —frothe losses
10 sustained by players, including California residents, who have paid tournament entry fees and
11 wagered on the RealPrize Gambling Platform.

12 **JURISDICTION AND VENUE**

13 7. This Court has subject matter jurisdiction over this civil action pursuant to 28 U.S.C.
14 § 1332(d) because there are more than 100 class members and the aggregate amount in controversy
15 exceeds \$5,000,000, exclusive of interest, fees, and costs, and at least one Class member is a citizen
16 of a state different from Defendant.

17 8. The Court has personal jurisdiction over Defendant and venue is proper in this
18 judicial District because Defendant purposefully directed the RealPrize Gambling Platform to
19 residents of California (including by advertising and running promotional materials directed to
20 persons in California), knowingly accepted registrations, purchases of coins, and wagers placed on
21 the RealPrize Gambling Platform from Plaintiff and numerous other persons in California, and
22 collected enormous revenues from the losses suffered by Plaintiff and numerous other persons in
23 California who purchased and placed wagers on the RealPrize Gambling Platform, such that a
24 substantial portion of the events that gave rise to Plaintiff’s claims occurred in California and within
25 this judicial District.

26 **FACTUAL ALLEGATIONS**

27 **I. California’s Gambling Laws**

1 9. California Penal Code § 330b(a) states that it is “unlawful for any person to make or
2 to permit the making of an agreement with another person regarding any slot machine or device, by
3 which the user of the slot machine or device, as a result of the element of hazard or chance or other
4 unpredictable outcome, may become entitled to receive money, credit, allowance, or other thing of
5 value or additional chance or right to use the slot machine or device, or to receive any check, slug,
6 token, or memorandum entitling the holder to receive money, credit, allowance, or other thing of
7 value.”

8 10. California Penal Code § 330b(d) provides: “For purposes of this section, slot
9 machine or device’ means a machine, apparatus, or device that is adapted, or may readily be
10 converted, for use in a way that, as a result of the insertion of any piece of money or coin or other
11 object, or by any other means, the machine or device is caused to operate or may be operated, and
12 by reason of any element of hazard or chance or of other outcome of operation unpredictable by him
13 or her, the user may receive or become entitled to receive any piece of money, credit, allowance, or
14 thing of value, or additional chance or right to use the slot machine or device[.]”

15 11. California broadly defines “thing of value” as “any money, coin, currency, check,
16 chip, allowance, token, credit, merchandise, property, or any representative of value.” Cal. Penal
17 Code § 330.2.

18 12. California Penal Code § 319 prohibits any “scheme for the disposal or distribution of
19 property by chance, among persons who have paid or promised to pay any valuable consideration
20 for the chance of obtaining such property.” A lottery consists of three elements: (1) prize, (2) chance,
21 and (3) consideration.

22 13. California’s Gambling Control Act (Cal. Bus. & Prof. Code §§ 19800 *et seq.*)
23 establishes comprehensive licensing and regulatory requirements for gambling operations. Sections
24 19801 and 19850 provide that unless licensed, state law prohibits commercially operated gambling
25 facilities; that all gambling operations and persons having significant involvement therein shall be
26 licensed, registered, and regulated; and that all persons who deal, operate, carry on, conduct,
27 maintain, or expose for play any gambling game shall apply for and obtain a valid state gambling
28 license.

1 14. The Gambling Control Act defines “gambling” as any act of dealing, operating,
2 carrying on, conducting, maintaining, or exposing for play any controlled game. Cal. Bus. & Prof.
3 Code § 19805(l).

4 15. A “controlled game” is defined to include “any poker or Pai Gow game, and any other
5 game played with cards or tiles, or both, and approved by the Department of Justice, and any game
6 of chance, including any gambling device, played for currency, check, credit, or any other thing of
7 value that is not prohibited and made unlawful by statute or local ordinance.” Cal. Penal Code §
8 337j(e)(1).

9 16. California regulations adopted pursuant to the Gambling Control Act define “Gaming
10 Activity” as “any activity or event including, but not limited to, jackpots, bonuses, promotions,
11 cashpots, tournaments, etc., that is appended to, or relies upon any controlled game.” Cal. Code
12 Regs., tit. 11, § 2010(f).

13 17. In 2008, California's legislature re-affirmed that “no person in this state has a right
14 to operate a gambling enterprise except as may be expressly permitted by the laws of this state.” Cal.
15 Bus. & Prof. Code § 19801(d).

16 18. As alleged below, during the relevant statutory period, ~~Defendant~~
17 California’s ban on gambling operating and amassing enormous revenue from the losses sustained
18 by California residents on the illicit gambling tournaments hosted by the RealPrize Gambling
19 Platform.

20 **II. The Evils of Online Gambling**

21 19. Gambling is one of the oldest and heavily regulated human behaviors. Even before
22 the advent of science, religions across the world have recognized the inherent addictive nature of
23 playing games of chance and banned them through biblical injunctions. As religious authority gave
24 way to democratic governments, the vast majority of states in the country enacted legislation
25 prohibiting or strictly regulating gambling activities. Unlike historical relics, these states have
26 recognized that gambling poses a public health risk. Scientific research has confirmed and shed
27 further light on the perils of gambling—ranging from mental health issues to physical, financial, and
28 interpersonal problems.

1 20. With technological advances, however, many casinos and other gambling operators
2 proliferated into people’s pockets through online websites and apps, including the ~~IPRize~~
3 Gambling Platform. These online gambling platforms have been particularly challenging to regulate
4 because many states’ anti-gambling statutes were originally enacted to prohibit in-person gambling
5 activities.

6 21. Worse still, because these online gambling platforms operate outside of the confines
7 of gambling laws, they knowingly rig the odds against users to further exploit them. For example,
8 while slot machines in a physical casino are required to randomize their results, online gambling
9 platforms tailor “wins” and “losses” to manipulate consumer engagement through powerful
10 algorithms. As Playtika’s CEO explained:

11 The secret sauce of Playtika is our ability to work with AI. We know exactly when
12 a player is going to stop playing. We know exactly when they’re going to pay. We
13 know how many times they come in each day. I can’t say we can predict with 100
14 percent accuracy, but we can predict, for most of our players, their activities in our
15 games. That’s the real power behind the operations side. When you can predict this,
16 you can find solutions to problems. If someone wants to move on from your game,
17 to delete your app, you know how to handle that player. We sound the alarm. We
18 know how to operate and make sure a player retains in the game.¹

19 22. Defendant has employed these exact tactics to maximize the profits it reaps through
20 the RealPrize Gambling Platform.

21 **III. The RealPrize Gambling Platform**

22 23. Defendant owns and operates the RealPrize Gambling Platform, which is on various
23 mobile apps. The RealPrize Gambling Platform allows consumers, including those in California, to
24 spend real money to purchase coins and to gamble with those coins on a wide variety of chance-
25 based games, including slots.

26
27 ¹ Dean Takahashi, *Playtika CEO Robert Antokol interview— Why player retention matters now*,
28 *VENTUREBEAT* (Jan. 6, 2022), <https://venturebeat.com/games/playtika-ceo-robert-antokol-interview-why-player-retention-mattersnow/>.

1 24. The process of getting set up with an account to play the gambling games offered on
2 the RealPrize Gambling Platform simply requires a consumer to input basic personal information,
3 including, *inter alia*, his or her e-mail address and phone number.

4 25. After creating an account, the consumer can begin placing wagers on the gambling
5 games offered on the RealPrize Gambling Platform with a small periodic allotment of free coins
6 provided upon enrollment.

7 26. After invariably losing the free allotments of coins, the consumer must purchase more
8 coins if he or she wishes to continue wagering with them on the particular casino game of their liking
9 within the RealPrize Gambling Platform.

10 27. Thus, after the consumer loses the free allotments of coins, Defendant will
11 aggressively attempt, through persistent pop-up screens and pages, to sell the consumer additional
12 coins – at varying prices depending on the number of coins the consumer wishes to purchase.

13 28. Purchases of additional coins on the RealPrize Gambling Platform can be made using
14 a wide variety of payment methods, including credit and debit cards. Regardless of the payment
15 method, the purchased coins are instantly available for gambling on the RealPrize Gambling
16 Platform.

17 29. The coins won by consumers playing Defendant’s games of chance are identical to
18 the coins that Defendant sells.

19 30. Freshly topped off with an additional allotment of purchased coins, the consumer will
20 wager those coins in the hopes of winning more coins that he or she would otherwise have had to
21 purchase.

22 31. Notably, the outcome of every wager placed on each of the games offered on the
23 RealPrize Gambling Platform is based on an element of chance.

24 32. Defendant maintains win and loss records and account balances for each person who
25 creates an account, purchases coins, and uses those coins to place wagers on the RealPrize Gambling
26 Platform. Indeed, once Defendant’s algorithms determine the outcome of a wager and Defendant
27 displays the outcome, Defendant adjusts the balance of coins in the person’s account. Defendant
28

1 keeps detailed records of each wager and its outcome for every player of every game offered on the
2 RealPrize Gambling Platform.

3 33. Using the information provided by users at the time they register for accounts and
4 make purchase of coins, as well as by analyzing users' IP addresses, Defendant have intimate
5 knowledge of, and maintains records reflecting, the geographic locations (including city and state
6 for U.S.-based players) from which each of its users enrolled in, made purchase of coins, and lost
7 coins wagering on the RealPrize Gambling Platform.

8 34. Thus, at the time Plaintiff and the other members of the Class enrolled in, purchased
9 coins on, and lost coins placing wagers on the RealPrize Gambling Platform, Defendant had actual
10 knowledge that these persons were located in California based on the information they had provided
11 while registering for accounts and making purchases and the IP addresses associated with the devices
12 from which they accessed the RealPrize Gambling Platform. Defendant nonetheless happily
13 pocketed the losses they sustained using purchased coins to place wagers on the RealPrize Gambling
14 Platform.

15 35. During the four-year period preceding the filing of this action, Defendant has
16 received significant revenue from California residents through their operation of "fringe gambling
17 devices," "video gaming devices," and "gambling devices or records" on the illicit Real
18 Gambling Platform – in direct violation of California's Gambling Act.

19 **IV. Plaintiff Jeremy Khinoo's Experience**

20 36. Plaintiff Jeremy Khinoo created an account on the RealPrize Gambling Platform and,
21 after losing his periodic allotments of free coins by placing wagers on the RealPrize Gambling
22 Platform, he purchased additional coins from Defendant.

23 37. Thereafter, Plaintiff continued to play the gambling games offered on the RealPrize
24 Gambling Platform by placing wagers with the coins he had purchased for the chance to win
25 additional such coins, to continue playing his games of choice, and to unlock additional games that
26 require a higher amount of coins to play.

27 38. During the four-year period preceding the filing of this action, Plaintiff spent a
28 significant amount of money purchasing coins from Defendant and thereafter lost all or substantially

1 all of those purchased coins playing the gambling games offered on the RealPrize Gambling
2 Platform.

3 39. At all times relevant hereto, Plaintiff resided in, was a citizen of, and was physically
4 present in California.

5 **V. Plaintiff's Claims Are Not Subject to Arbitration.**

6 40. Plaintiff's sole reason for setting up an account with Defendant was to gain access to
7 the RealPrize Gambling Platform services in California offered by Defendant that he now
8 understands violate California law. He did not review and was not aware he was purportedly
9 agreeing to any terms and conditions on Defendant's RealPrize Gambling Platform at the time of
10 account creation or otherwise.

11 41. Said differently, to the extent a contract was formed between Plaintiff and Defendant,
12 the sole purpose of the contract was to facilitate the unlawful gambling activities that are at issue in
13 this Complaint.

14 42. Accordingly, Plaintiff's contract with Defendant (to the extent any such contract was
15 otherwise ever formed) is void (and was void *ab initio*) pursuant to, among other authorities
16 California Civil Code Section 1667, which makes contracts invalid where the contract is: "1.
17 Contrary to an express provision of law; 2. Contrary to the policy of express law, though not
18 expressly prohibited; or 3. Otherwise contrary to good morals."

19 **CLASS ACTION ALLEGATIONS**

20 43. Plaintiff seeks to represent a class defined as:
21 All residents of California who purchased, wagered, and lost coins on Defendant's
22 RealPrize Gambling Platform at any time during the four-year period preceding the filing
23 of this action (continuing through the date of any order granting class certification).

24 44. Members of the Class are so numerous that their individual joinder herein is
25 impracticable. The members of the Class number in at least the tens of thousands. The precise
26 number of Class members and their identities are unknown to Plaintiff at this time, but will be
27 determined in discovery. The Class may be notified of the pendency of this action at the addresses
28 found in Defendant's records.

1 45. Common questions of law and fact exist as to all Class members and predominate
2 over questions affecting only individual Class members. Common legal and factual questions
3 include, but are not limited to: (a) whether Defendant maintained, owned, operated, or managed
4 gambling websites prohibited by California Penal Code §§ 330a, 330b, and 330.1 *et seq.*; (b)
5 whether Defendant violated 18 U.S.C. § 1955 by operating the gambling businesses described
6 herein; (c) whether Defendant’s conduct alleged herein violated California’s Consumers Legal
7 Remedies Act (“CLRA”), Cal. Civ. Code §§ 1750, *et seq.*, and/or California’s Unfair Competition
8 Law (“UCL”), Cal. Bus. & Prof. Code §§ 17200, *et seq.*; (d) whether Defendant’s conduct alleged
9 herein constitutes conversion and/or unjust enrichment; (e) whether Plaintiff and the Class
10 members are entitled to damages and/or restitution; (f) whether Defendant should be enjoined from
11 further engaging in the misconduct alleged herein; and (g) whether Plaintiff and the Class
12 members are entitled to attorneys’ fees and costs under California Code of Civil Procedure §
13 1021.5.

14 46. The claim of the named Plaintiff is typical of the claims of the members of the Class
15 in that the named Plaintiff and all Class members suffered monetary loss as a result of Defendant’s
16 RealPrize Gambling Platform.

17 47. Plaintiff is an adequate representative of the Class because his interests do not conflict
18 with the interests of the Class members he seeks to represent, he has retained competent counsel
19 experienced in prosecuting class actions, and he intends to prosecute this action vigorously. The
20 interests of Class members will be fairly and adequately protected by Plaintiff and his counsel.

21 48. The class mechanism is superior to other available means for the fair and efficient
22 adjudication of the claims of Class members. Each individual Class member may lack the resources
23 to undergo the burden and expense of individual prosecution of the complex and extensive litigation
24 necessary to establish Defendant’s liability. Individualized litigation increases the delay and expense
25 to all parties and multiplies the burden on the judicial system presented by the complex legal and
26 factual issues of this case. Individualized litigation also presents a potential for inconsistent or
27 contradictory judgments. In contrast, the class action device presents far fewer management
28 difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive

1 supervision by a single court on the issue of Defendant’s liability. Class treatment of the liability
2 issues will ensure that all claims and claimants are before this Court for consistent adjudication.

3
4 **CAUSES OF ACTION**

5 **COUNT I**

6 **Violation of California’s Unfair Competition Law (“UCL”)**
7 **Cal. Bus. & Prof. Code §§ 17200, *et seq.***
8 **(On Behalf of Plaintiff and the Class)**

9 49. Plaintiff repeats the allegations contained in the foregoing paragraphs as if fully set
10 forth herein.

11 50. Plaintiff brings this claim individually and on behalf of the members of the Class
12 against Defendant.

13 51. The UCL prohibits unfair competition in the form of “any unlawful, unfair, or
14 fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and any
15 act[.]” Cal. Bus. & Prof. Code § 17200. The UCL allows “a person who has suffered injury in fact
16 and has lost money or property” to prosecute a civil action for violation of the UCL. Cal. Bus. &
17 Prof. Code § 17204. Such a person may bring such an action on behalf of himself or herself and
18 others similarly situated who are affected by the unlawful and/or unfair business practice or act.

19 52. As alleged below, during the relevant statutory period, Defendant’s illicit gambling
20 tournaments hosted by the RealPrizeGambling Platform violate the UCL’s proscription against
21 engaging in **Unlawful Business Practices** through its violations of the CLRA, Cal. Civ. Code §
22 1770, *et seq.*; and the following gambling laws:

23 **(a) California’s Gambling Control Act (Cal. Bus. & Prof. Code §§ 19800, *et seq.*):**

24 Sections 19801 and 19850 of the Gambling Control Act provide that unless licensed,
25 state law prohibits commercially operated gambling facilities; that no new gambling
26 establishment may be opened except upon affirmative vote of the electors; that all
27 gambling operations and persons having significant involvement therein shall be
28 licensed, registered, and regulated; and that all persons who deal, operate, carry on,
conduct, maintain or expose for play any gambling game shall apply for and obtain a

1 valid state gambling license. The RealPrize Gambling Platform constitutes “gambling”
2 because it is a “game played with cards or tiles, or both, and ...[a] game of chance,
3 including any gambling device, played for currency, check, credit, or any other thing of
4 value that is not prohibited and made unlawful by statute or local ordinance.” Cal. Penal
5 Code § 337j(1) (emphasis added). Defendant has not applied for or obtained any state
6 gambling license, and therefore violates California’s Gambling Control Act.

7 (b) **California Penal Code § 330a:** Section 330a states that “[e]very person, who has in his
8 or her possession or under his or her control . . . or who permits to be placed, maintained,
9 or kept in any room, space, inclosure, or building owned, leased, or occupied by him or
10 her, or under his or her management or control, any slot or card machine, contrivance,
11 appliance or mechanical device, upon the result of action of which money or other
12 valuable thing is staked or hazarded, and which is operated, or played, by placing or
13 depositing therein any coins, checks, slugs, balls, or other articles or device, or in any
14 other manner and by mean whereof, or as a result of the operation of which any
15 merchandise, money, representative or articles of value, checks, or tokens, redeemable
16 in or exchangeable for money or any other thing of value, is won or lost, or taken from
17 or obtained from the machine, when the result of action or operation of the machine,
18 contrivance, appliance, or mechanical device is dependent upon hazard or chance . . . is
19 guilty of a misdemeanor.” Defendant violates this law because it operates the illegal
20 RealPrize Gambling Platform, upon which persons are able to, and do, gamble in virtual
21 games of chance.

22 (c) **California Penal Code § 330b:** Section 330b states that “[i]t is unlawful for any persons
23 to manufacture, repair, own, store, possess, sell, rent, lease, let on shares, lend or give
24 away, transport, or expose for sale or lease, or to offer to repair, sell, rent, lease, let on
25 shares, lend or give away, or permit the operation, placement, maintenance, or keeping
26 of, in any place, room, space, or building owned, leased, or occupied, managed, or
27 controlled by that person, any slot machine or device, as defined in this section.”
28 Defendant violates this law because it permits the operation, placement, maintenance, or

1 keeping of a slot machine or device as defined by Penal Code § 330b(d). The software
2 for the RealPrize Gambling Platform is an apparatus alone. Moreover, the game operating
3 together with Defendant’s servers is a machine, apparatus, or device. The software for
4 the game also modifies mobile phone devices into gambling devices as defined by Penal
5 Code § 330b(d). Further, a user’s mobile device is adapted by the game to create a slot
6 machine or device. Users play the game and pay tournament fees through the hardware
7 features of the mobile devices on which the RealPrize Gambling Platform operates.

8 (d) **California Penal Code § 330.1 et seq.:** Section 330.1(a) states that “[e]very person who
9 manufactures, owns, stores, keeps, possesses, sells, rents, leases, lets on shares, lends or
10 gives away, transports, or exposes for sale or lease, or offers to sell, rent, lease, let on
11 shares, lend or give away or who permits the operation of or permits to be placed,
12 maintained, used, or kept in any room, space, or building owned, leased, or occupied by
13 him or her or under his or her management or control, any slot machine or device as
14 hereinafter defined, and every person who makes or permits to be made with any person
15 any agreement with reference to any slot machine or device as hereinafter defined,
16 pursuant to which agreement the user thereof, as a result of any element of hazard or
17 chance, may become entitled to receive anything of value or additional chance or right
18 to use that slot machine or device, or to receive any check, slug, token, or memorandum,
19 whether of value or otherwise, entitling the holder to receive anything of value, is guilty
20 of a misdemeanor.” Defendant violates this law because it operates the illegal RealPrize
21 Gambling Platform, upon which persons are able to, and do, gamble in virtual games of
22 chance.

23 (e) **California Penal Code § 337j(a)(1):** By “operat[ing], carry[ing] on, conduct[ing],
24 maintain[ing], or expos[ing] for play” unlicensed gambling in the state. Defendant
25 violates this law because it operates the illegal RealPrize Gambling Platform, upon which
26 persons are able to, and do, gamble in virtual games of chance.

27 (f) **California Penal Code § 337j(a)(2):** By “receiv[ing], directly or indirectly, any
28 compensation or reward or any percentage or share of the revenue, for keeping, running,

1 or carrying on any controlled game.” Defendant violates this law because it operates the
2 illegal RealPrize Gambling Platform, upon which persons are able to, and do, gamble in
3 virtual games of chance.

4 (g) **Cal. Penal Code § 319.** Section 319 defines a lottery as any “any scheme for the disposal
5 or distribution of property by chance, among persons who have paid or promised to pay
6 any valuable consideration for the chance of obtaining such property. Defendant violates
7 this law because it operates the illegal RealPrize Gambling Platform, upon which persons
8 distribute their property (*i.e.*, “coins”) which they purchased through valuable
9 consideration based on chance.

10 (h) **The Illegal Gambling Business Act of 1970 (18 U.S.C. § 1955) (the “IGBA”):** The
11 IGBA makes it a crime to “conduct, finance, manage, supervise, direct, or own all or
12 part” of an illegal gambling business. Defendant violates the IGBA because its business
13 involves five or more persons, has been in continuous operation for more than thirty days,
14 and violates California’s gambling laws as alleged herein. By managing, directing, or
15 controlling all or part of the conduct alleged herein with respect to its sale of virtual
16 currency (in the form of coins), Defendant violates 18 U.S.C. § 1955.

17 (i) **The Unlawful Internet Gambling Enforcement Act of 2006 (31 U.S.C. §§ 5361-**
18 **5367) (the “UIGEA”):** The UIGEA makes it illegal for a “person engaged in the
19 business of betting or wagering” to knowingly accept payments “in connection with the
20 participation of another person in unlawful Internet gambling.” 31 U.S.C. § 53 3. 6
21 “Unlawful Internet Gambling” is placing, receiving, or transmitting a bet or wager
22 through, at least in part, the Internet where such bet or wager “is unlawful under any
23 applicable Federal or State law in the State or Tribal lands in which the bet or wager is
24 initiated, received, or otherwise made.” 31 U.S.C. § 5362(10)(A). Defendant violates this
25 law because it operates the illegal RealPrize Gambling Platform, upon which persons are
26 able to, and do, gamble in virtual games of chance.

27 53. Each of these acts and practices constitutes an unlawful act, and thus an independent
28 violation of the UCL.

1 54. Defendant has also violated the UCL’s proscription against engaging **in Unfair**
2 **Business Practices**. Defendant’s acts, omissions, misrepresentations, practices and non-disclosures
3 as alleged herein also constitute “unfair” business acts and practices within the meaning of Business
4 & Professions Code § 17200, *et seq.* in that Defendant’s conduct is substantially injurious to
5 consumers, offends public policy, and is immoral, unethical, oppressive, and unscrupulous as the
6 gravity of the conduct outweighs any alleged benefits attributable to such conduct.

7 55. There is no public utility to Defendant’s illegal RealPrize Gambling Platform. The
8 gravity of the consequences of Defendant’s conduct as described above outweigh any justification,
9 motive, or reason thereof, particularly considering the available legal alternatives for gaming apps
10 in the marketplace. Defendant’s illegal and rigged gambling practices only injure healthy
11 competition and harm consumers.

12 56. Plaintiff and the Class could not have reasonably avoided this injury.

13 57. Defendant has also violated the UCL’s proscription against engaging **in Deceptive**
14 **Business Practices**. As alleged in detail above, Defendant committed deceptive acts by inducing
15 Plaintiff and the Class members to wager money on the illegal RealPrize Gambling Platform.

16 58. Specifically, Defendant committed deceptive acts by including misleading language
17 and omitting material facts about the true nature of the RealPrize Gambling Platform. These
18 representations were false and misleading.

19 59. Defendant’s representations were misleading to Plaintiff and other reasonable
20 consumers.

21 60. As a direct and proximate cause of Defendant’s deceptive and unfair trade practices,
22 Plaintiff and other members of Class suffered an injury in fact and/or lost money and property as
23 described above.

24 61. Through its unlawful, unfair, and deceptive acts and practices, Defendant improperly
25 obtained money from Plaintiff and members of the Class. As such, Plaintiff requests that this Court
26 order Defendant to restore this money to Plaintiff and the members of the Class, and to enjoin it
27 from continuing to violate the UCL. Otherwise, Plaintiff and members of the Class may be
28 irreparably harmed and/or denied an effective and complete remedy if such an order is not granted.

1 Accordingly, Plaintiff and the Class lack an adequate remedy at law. Moreover, Plaintiff asserts this
2 cause of action in the alternative to its claims for damages below. Finally, legal remedies available
3 to Plaintiff and Class are inadequate because they are not equally prompt and certain and in other
4 ways as efficient as equitable relief. Damages are not as equally certain as restitution because the
5 standard that governs restitution is different than the standard that governs damages. As such, the
6 Court may award restitution even if it determines that Plaintiff and the Class fail to sufficiently
7 adduce evidence to support an award of damages. Further, damages and restitution are not the same
8 amount. Unlike damages, restitution is not limited to the amount of money a defendant wrongfully
9 acquired plus the legal rate of interest. Equitable relief, including restitution, entitles a plaintiff to
10 recover all profits from the wrongdoing, even where the original funds have grown far greater than
11 the legal rate of interest would recognize. In short, significant differences in proof and certainty
12 establish that any potential legal claim cannot serve as an adequate remedy at law. Equitable relief
13 is appropriate because Plaintiff and the Class may lack an adequate remedy at law if, for instance,
14 damages resulting from their use of the RealPrize Gambling Platform are determined to be an amount
15 less than paid to purchase coins. Without compensation for the full amount paid, Plaintiff and the
16 Class would be left without the remedy they are entitled to in equity.

17 62. Pursuant to Bus. & Prof. Code § 17203, Plaintiff seeks an injunction on behalf of the
18 general public enjoining Defendant from continuing to engage in the conduct described above as
19 Defendant's wrongful conduct is ongoing.

20 63. Plaintiff also seeks rescission and an order requiring Defendant to make full
21 restitution and to disgorge their ill-gotten gains wrongfully obtained from members of the Class as
22 permitted by Bus. & Prof. Code § 17203. Additionally, Plaintiff and the Class members seek an
23 order requiring Defendant to pay their attorneys' fees pursuant to California Code of Civil Procedure
24 § 1021.5.

COUNT II
Violation of California’s Consumers Legal Remedies Act (“CLRA”)
Cal. Civ. Code § 1750, *et seq.*
(On behalf of Plaintiff and the Class)

64. Plaintiff repeats the allegations contained in the foregoing paragraphs as if fully set forth herein.

65. Plaintiff brings this claim individually and on behalf of the members of the Class against Defendant.

66. In light of the CLRA’s underlying purpose to protect consumers and the liberal construction with which courts should interpret it, Plaintiff’s purchase of Defendant’s tournament entry fees as described above falls within the definition of a “goods or service” within the meaning of Cal. Civ. Code § 1761 and 1770.

67. Plaintiff and each member of the Class are consumers as defined by Cal. Civ. Code § 1761(d).

68. Defendant’s sale of “coins” to consumers were “transactions” within the meaning of Cal. Civ. Code. § 1761(e). The purchase of these “coins” is a transaction for accessing and using the RealPrize Gambling Platform.

69. Defendant violated, and continues to violate, the CLRA by, *inter alia*: (a) manipulating the odds of the games of chance in the RealPrize Gambling Platform to increase their addictive qualities and to induce players to continue playing and spending more money; and (b) deceiving or confusing customers into believing that the gambling transactions made through the RealPrize Gambling Platform confer or involve certain rights, remedies, or obligations (*i.e.*, the right to recover winning and the obligation to pay for losses), when in fact any such rights, remedies or obligations are prohibited by law.

70. Defendant also violated the following provisions of Cal. Civ. Code § 1770 (a) “Representing that goods or services have . . . characteristics . . . that they do not have”; (b) “Using deceptive representations . . . in connection with . . . services”; and (c) “Advertising goods or services with intent not to sell them as advertised.”

1 Pursuant to California law, procuring funds by false pretenses constitutes a violation of Section
2 496(a). Pursuant to Section 496(c), any person who violates Section 496(a) is liable for three times
3 the actual damages, as well as attorney’s fees.

4 79. Defendant’s conduct alleged above constitutes a violation of Penal Code section
5 496(a), entitling Plaintiff to the relief provided by Section 496(c), including treble damages and
6 reasonable attorney’s fees.

7 **COUNT IV**
8 **Unjust Enrichment**
9 **(On behalf of Plaintiff and the Class)**

10 80. Plaintiff repeats the allegations contained in the foregoing paragraphs as if fully set
11 forth herein.

12 81. Plaintiff brings this claim individually and on behalf of the members of the Class
13 against Defendant under the laws of California.

14 82. Plaintiff and the Class members have conferred a benefit upon Defendant in the form
15 of the money they paid to purchase “coins” to wager on Defendant’s illegal RealPrize Gambling
16 Platform.

17 83. Defendant appreciates and has knowledge of the benefits conferred upon
18 Plaintiff and the Class.

19 84. Under principles of equity and good conscience, Defendant should not be permitted
20 to retain the money obtained from Plaintiff and the Class members, which Defendant has unjustly
21 obtained as a result of their unlawful operation of casino games. As it stands, Defendant has retained
22 millions of dollars in profits generated from its unlawful games of chance and should not be
23 permitted to retain those ill-gotten profits.

24 85. Accordingly, Plaintiff and the Class members seek full disgorgement of all money
25 Defendant has retained as a result of the wrongful conduct alleged herein.
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27
28

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of all others similarly situated, seeks judgment against Defendant, as follows:

- a. For an order certifying the Classes and naming Plaintiff as a representative of the Class and Plaintiff’s attorneys as Class Counsel to represent the Class;
- b. For an order declaring Defendant’s conduct violates the statutes referenced herein;
- c. For an order finding in favor of Plaintiff and the Class on all counts asserted herein;
- d. For actual, expectation, reliance, compensatory, statutory, and/or punitive damages in amounts to be determined by the Court and/or jury;
- e. For prejudgment interest on all amounts awarded;
- f. For rescission, restitution and all other forms of equitable relief;
- g. For injunctive relief as pleaded or as the Court may deem proper; and
- h. For an order awarding Plaintiff and the Class their reasonable attorneys’ fees, expenses, and costs of suit.

DEMAND FOR TRIAL BY JURY

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiff demands a trial by jury of any and all issues in this action so triable as of right.

Dated: January 30, 2026.

Respectfully submitted,

By: /s/ Adrian Gucovschi

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