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27 *The People of the State of California*

[NO FEE – Govt. Code § 6103]

28 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
COUNTY OF LOS ANGELES

THE PEOPLE OF THE STATE OF
CALIFORNIA,

Plaintiff,

vs.

SWEEPSTEAKS LTD. d/b/a STAKE.US,
EASYGO GROUP HOLDINGS PTY LTD.,
MEDIUM RARE N.V., KICK STREAMING
PTY LTD., ED CRAVEN, BIJAN TEHRANI,
VERIFF, VERIDIAN (GIBRALTAR)
LIMITED, TAMARIS (GIBRALTAR)
LIMITED, EVOLUTION AB, EVOLUTION
MALTA HOLDING LTD., EVOLUTION US
LLC, EVOLUTION MALTA LTD.,
BIGTIME GAMING PTY LTD., RED TIGER
GAMING LTD., RED TIGER
INTERNATIONAL LTD., NETENT,
NOLIMIT CITY HOLDING LTD., NOLIMIT
CITY LTD., HACKSAW AB, HACKSAW
GAMING LTD., HGMT LTD., HGIM LTD.,

Defendants.

Case No. **25STCV25304**

**COMPLAINT FOR INJUNCTIVE RELIEF,
RESTITUTION, AND CIVIL PENALTIES
FOR VIOLATION OF CALIFORNIA'S
UNFAIR COMPETITION LAW (CAL.
BUS. & PROF. CODE §§ 17200, ET SEQ.)
AND FALSE ADVERTISING LAW (CAL.
BUS. & PROF. CODE §§ 17500, ET SEQ.)**

1 The People of the State of California, by and through Los Angeles City Attorney Hydee
2 Feldstein Soto, bring this action against Defendants Sweepsteaks Ltd. d/b/a Stake.us, Easygo
3 Group Holdings Pty Ltd., Medium Rare N.V., Kick Streaming Pty Ltd., Ed Craven, Bijan
4 Tehrani, Veriff, Veridian (Gibraltar) Limited, Tamaris (Gibraltar) Limited, Evolution AB,
5 Evolution Malta Holding Ltd., Evolution US LLC, Evolution Malta Ltd., Bigtime Gaming Pty
6 Ltd., NetEnt, Nolimit City Holding Ltd., Nolimit City Ltd., Red Tiger Gaming Ltd., Red Tiger
7 International Ltd., Hacksaw AB, Hacksaw Gaming Ltd., HGMT Ltd., and HGIM Ltd.
8 (collectively, “Defendants”) for running and/or aiding and abetting the running of an illegal
9 online gambling enterprise in violation of the Unfair Competition Law (“UCL”), California
10 Business and Professions Code sections 17200, *et seq.*, and for making false and misleading
11 statements in furtherance of that enterprise in violation of the UCL and the False Advertising Law
12 (“FAL”), California Business and Professions Code sections 17500, *et seq.*

13 The People allege the following facts based on investigation, information, or belief:

14 **INTRODUCTION**

15 1. Since 2022, Defendants have operated, controlled, promoted, and/or aided and
16 abetted one of the largest and most profitable illegal casinos in California: Stake.us.¹

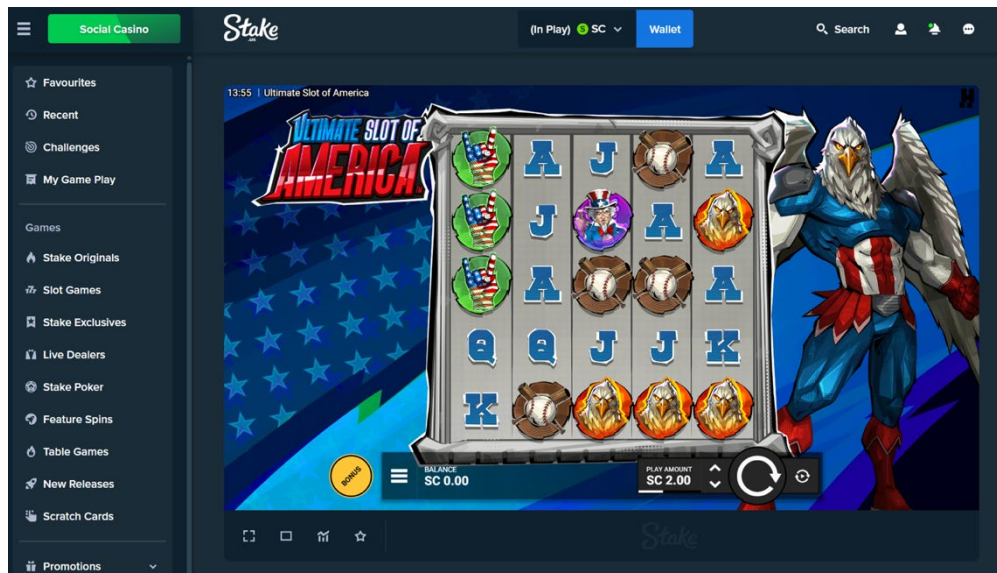
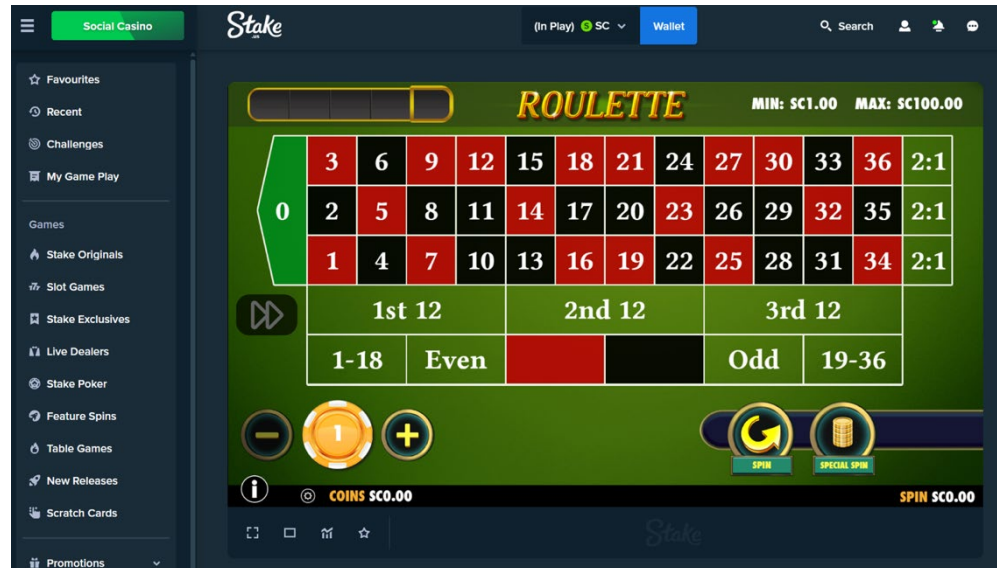
17 2. Stake.us follows in the footsteps of Stake.com, an online casino that its co-
18 founder Bijan Tehrani boasts has “the highest [betting volume] in the world out of any casino,
19 land-based or online.”² Because Stake.com could not easily enter the U.S. market, where online
20 gambling is highly regulated or banned in most states, Bijan Tehrani, his co-founder Ed Craven,
21 and their companies created Stake.us: a mirror image of Stake.com that was marketed to U.S.
22 customers as a “social casino” that does not permit “real money gambling.”

23 3. Stake.us thus presents itself as a “safe and free gaming experience.”
24

25 _____
26 ¹ The operation, control, promotion, and aiding and abetting of Stake.us will be referred to herein
as the “Stake Illegal Gambling Scheme.”

27 ² Mark Whittaker, *Ed Craven & the untold story of Stake: Inside the \$5.6 billion rise of crypto’s*
28 *biggest high rollers*, Forbes (Feb. 24, 2025), <https://www.forbes.com.au/covers/magazine/how-ed-craven-and-bijan-tehrani-built-their-5-6-billion-fortune/>.

4. This was and is a ruse. Stake.us has deceptively portrayed itself to regulators and consumers as offering harmless gameplay when, in fact, it was and is an illegal online casino. Stake.us offers games that are designed to look and feel like traditional casino games in a traditional casino:



5. Stake.us offers more than 1,900 casino games, including slots, table games, live dealer games, scratch cards, and exclusive “Stake Originals.”

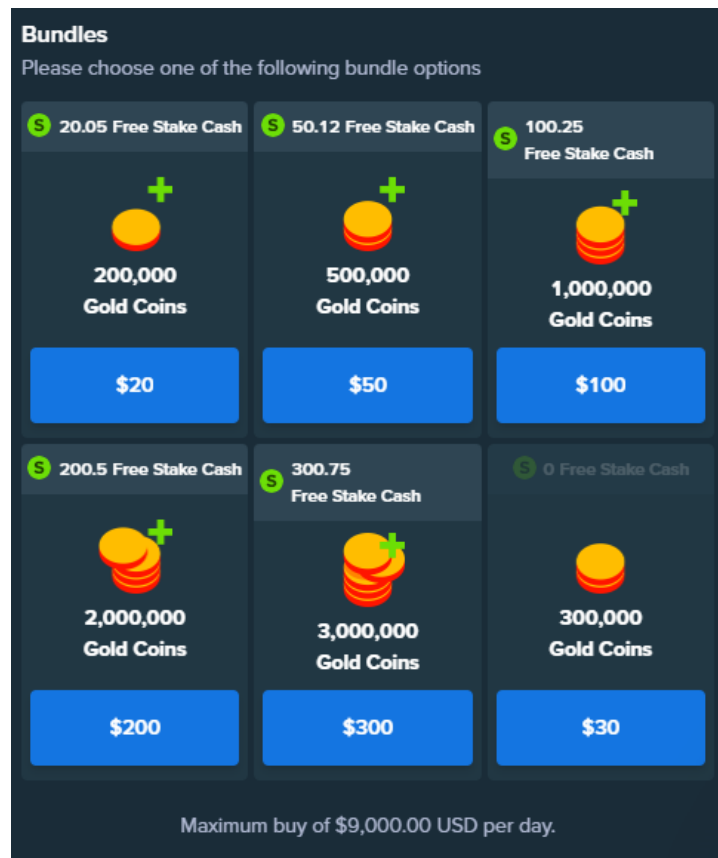
6. Just like in a traditional casino or at Stake.com, players place a bet on a contingent or uncertain event using special casino chips. If the player wins the bet, Stake.us pays

the player their winnings in virtual casino chips. The player can then place more bets or redeem the casino chips for cash. This is quintessential gambling.

7. Stake publicly proclaims that its enterprises raked in approximately \$4.7 billion in gross revenue in 2024—*after* winnings were paid out.³ A large portion of that revenue came from the United States, including from California in which unregulated gambling is illegal.

8. Stake.us attempts to skirt California’s anti-gambling laws by offering two types of virtual currency: **(1) Gold Coins (“GC”)**, which have no “real money” value and cannot be converted into real money; and **(2) Stake Cash (“SC”)**, which can be redeemed for cryptocurrency or digital gift cards on a 1 SC to 1 United States Dollar (“USD”) basis.

9. To obtain SC, players buy a GC “bundle” and receive free SC. As shown below, in exchange for their purchase, players receive at least as much SC as the USD spent to buy the bundle. The pricing and redemption structure confirms the player is depositing USD to receive an equal or greater value in SC.



³ *Id.*

1 10. Players can wager either GC or SC in the Stake.us casino on their phones or
2 computers.

3 11. GC works like a gift card: cash is converted into digital credits that can be
4 redeemed only for valuable services at a particular company, and the company will not redeem
5 the credits for cash once purchased. Players can redeem GC only within the Stake.us casino for
6 casino game play.

7 12. SC is a direct equivalent to traditional casino chips: they have a cash value, can
8 be gambled like cash, and Stake.us agrees to exchange SC for the designated cash value.

9 13. The Stake Illegal Gambling Scheme encompasses this two-coin system: players
10 pay real money to purchase bundles of GC and SC together. Players then wager both types of
11 coins in the hopes of winning more coins, which can be used either for additional bets or cashed
12 out for real money in a one-to-one exchange. That Stake.us claims the SC are “free” does not
13 make them valueless, and that the GC cannot be redeemed for cash does not make them
14 valueless, either. Gambling with either is still gambling. After all, depending on luck, the player
15 will either lose the wagered coins or win more coins. That the casino has structured itself to take
16 in players’ cash with only its left hand while paying out players with only its right hand does not
17 convert gambling into something else.

18 14. In order to protect its residents, California strictly regulates gambling. But
19 Stake.us has never received the State’s authorization to offer its casino games to Californians.
20 Instead, Stake.us operates an unlicensed and illegal online casino in violation of California law.

21 15. Stake.us has achieved smashing financial success in large part due to the
22 assistance of many accomplices. These accomplices create many of the casino games on
23 Stake.us, rapidly verify the identity of Californians who seek access to Stake.us so they can
24 gamble and lose money faster, and promote the illegal online casino to Californians to lure them
25 to lose more money to Stake.us. The accomplices have known that Stake.us offers real
26 gambling, and as a result, that Stake.us was and is an unlicensed, illegal online casino.
27 Nevertheless, they have deliberately acted in concert to further the Stake Illegal Gambling
28 Scheme, targeting and profiting from Californians.

16. Defendants' misconduct has inflicted and continues to inflict severe harm on Californians, especially individuals prone to gambling addiction and consumers targeted by false and misleading advertising. Defendants flood social media platforms with advertisements and influencer videos, which cast Stake.us as a platform full of safe, fun, and harmless games. But Stake.us is neither safe nor harmless. The casino employs vivid colors, dynamic animations, high quality graphics, engrossing sound effects, and other enticements carefully designed to capture consumers' attention and keep them betting. If the consumers run out of SC, then they can switch to GC until the itch to gamble SC takes over and consumers put more real money on the table. Every aspect of the Stake.us casino is curated to create and capitalize on compulsive, addictive, and destructive behaviors.

17. By masking its real money gambling platform as “America’s Social Casino,” Stake.us and Defendants create a predatory, dangerous gambling environment. This deliberately misleading environment draws in Californians across demographics, exposes them to substantial risks of gambling addiction, jeopardizes their and their families’ financial and mental health, and otherwise presents the type of hazards that California’s anti-gambling laws are intended to prevent.

18. Indeed, Stake.us is especially pernicious and addictive because players can access the casino 24 hours a day, seven days a week, directly from their mobile phones or computers. Money that would otherwise be used to pay for rents, mortgages, utilities, food, clothing, school supplies, college tuition, and medical care goes instead to the Stake Illegal Gambling Scheme.

19. The People therefore bring this action to stop the Stake Illegal Gambling Scheme from continuing to prey on Californians, recover all funds lost by Californians, and impose civil penalties on Defendants to deter future misconduct.

PARTIES

20. Plaintiff is the People of the State of California. The People are the sovereign power of the State of California. Gov't Code § 100. The People bring this action by and through Los Angeles City Attorney Hydee Feldstein Soto, pursuant to the authority granted under the UCL, which authorizes any “city attorney of a city having a population in excess of 750,000” to

1 prosecute violations of the UCL in the name of the People. Bus. & Prof. Code §§ 17204,
2 17206(a). The City of Los Angeles has a population in excess of 750,000.

3 Stake Defendants

4 21. Defendant Sweepsteaks Ltd. d/b/a Stake.us (“Sweepsteaks”) is a Cyprus Limited
5 Company with its principal place of business located at 28 Oktovrio, 313 Omrania BLD,
6 Limassol, CY-3105, Cyprus. Sweepsteaks also operates a U.S. office at 13101 Preston Road,
7 Suite 110-5027, Dallas, TX 75240. Through its website and brand Stake.us, corresponding
8 advertisements and promotions, including targeted advertisements, Sweepsteaks intentionally
9 conducts business in California.

10 22. Defendant Sweepsteaks is controlled, run, and owned by several other entities.
11 Defendant Easygo Group Holdings Pty Ltd. (“Easygo”) is an Australian Proprietary Company
12 with its principal place of business at Level 2, 287-293 Collins Street, Melbourne, Victoria,
13 3000 Australia. Defendant Easygo has an interest in Defendant Sweepsteaks and its operation of
14 the Stake.us casino.

15 23. Defendants Bijan Tehrani and Ed Craven founded, wholly own, and run
16 Defendants Easygo and Sweepsteaks.

17 24. Defendant Tehrani is an individual who was born in the United States and
18 maintains a residence in New York, NY.

19 25. Defendant Craven is an individual who resides in Melbourne, Australia.

20 26. Defendant Medium Rare N.V. (“Medium Rare”) is a Curaçao Limited Liability
21 Company with its principal place of business at Seru Loraweg 17 B, Curaçao. Medium Rare
22 owns and operates the online casino Stake.com, and it worked with Sweepsteaks, Easygo,
23 Tehrani, and/or Craven to create Stake.us as a carbon copy of Stake.com in order to offer illegal
24 gambling to Californians, and the residents of other states.

25 27. Defendants Sweepsteaks, Easygo, Medium Rare, Tehrani, and Craven
26 (collectively, the “Stake Defendants”) are alter egos. The companies are owned and controlled
27 by Mr. Tehrani and Mr. Craven, so there is unity of ownership across the corporate entities. On
28 information and belief, the ownership structure for these companies—which together created,

maintain, and control Stake.us—was designed in part to avoid personal liability and to protect Mr. Tehrani and Mr. Craven from the risks of running an illegal online casino. Moreover, Mr. Tehrani and Mr. Craven created this multi-company ownership structure to operate and run an illegal online casino (Stake.us) in California and across the United States. All the Stake Defendants’ actions described in this Complaint—including Mr. Tehrani’s and Mr. Craven’s actions through and in support of the companies—were part of, and in furtherance of, the Stake Illegal Gambling Scheme and were authorized and/or performed by Mr. Tehrani, Mr. Craven, and/or the Stake Defendants’ various officers, agents, employees, and/or representatives. These actions were intended to facilitate the Stake Illegal Gambling Scheme and were therefore performed for an unlawful purpose and in violation of California law. The Stake Defendants must be treated as alter egos because separating their liability and allowing shareholders to dodge personal liability for the consequences of this illegal scheme would be inequitable.

Defendant Kick Streaming

28. Defendant Kick Streaming Pty Ltd. (“Kick”) is an Australian Proprietary Company with its principal place of business at 2/287 Collins Street, Melbourne, Victoria, 3000 Australia.

29. Defendant Kick is wholly owned and controlled by Defendant Easygo. Defendants Kick, Easygo, Craven, and Tehrani are alter egos because there is unity of ownership—Easygo wholly owns Kick; through the corporate chain, Mr. Craven and Mr. Tehrani own and control both companies—Mr. Craven serves as the CEO of Kick and also runs Easygo, among other overlaps in company employees and executives; the companies are run from the same office in Melbourne, Australia; and it would be inequitable to permit the owners to escape liability for the consequences of running an illegal gambling operation in violation of California law.

Defendant Veriff

30. Defendant Veriff, also known as Veriff OÜ, is an Estonian company with its principal place of business at Niine 11, Tallinn, 10414 Estonia. Veriff recruits and employs

1 individuals in California, and it has recently raised more than \$100 million in a Series C Funding
2 Round in part from California-based investment firms.

3 Evolution Defendants

4 31. Defendants Evolution AB, Evolution Malta Holding Ltd., Evolution US LLC,
5 Evolution Malta Limited, Bigtime Gaming Pty Ltd., NetEnt, Nolimit City Holding Ltd., Nolimit
6 City Ltd., Red Tiger Gaming Ltd., and Red Tiger International Ltd. (collectively, the “Evolution
7 Defendants”) create, license, manage, repair, offer security for, and/or otherwise provide casino
8 games to Californians through the Stake.us casino.

9 32. Defendant Evolution AB is a Swedish limited company with its principal place of
10 business at Hamngatan 11, Stockholm, 11147 Sweden. Evolution AB is a publicly traded
11 company with its shares listed on Nasdaq Stockholm. It is a holding company for subsidiaries
12 that operate live casino studios across the world, including in the United States, and otherwise
13 develop and operate online casino games for players across the world, including in California
14 and throughout the United States.

15 33. Defendant Evolution Malta Holding Ltd. is a Maltese company with its principal
16 place of business at Level 1, Spinola Park, Mikiel Ang. Borg Street, St. Julians, SPK 1000,
17 Malta. Evolution Malta Holding Ltd. is the sole direct subsidiary of Evolution AB, and in turn
18 Evolution Malta Holding Ltd. owns all the other Evolution Defendants. As a result, through
19 Evolution Malta Holding Ltd., Evolution AB wholly owns all the other Evolution Defendants.
20 Evolution Malta Holding Ltd. (and Evolution AB) own more than 60 subsidiaries. Of those
21 subsidiaries, at least 8 subsidiaries are accomplices in the Stake Illegal Gambling Scheme.

22 34. Defendant Evolution US LLC is a Delaware limited liability company with its
23 principal place of business in Atlantic City, New Jersey. Evolution US LLC was known as
24 Evolution New Jersey LLC until August 21, 2021. Evolution US LLC operates studios for live
25 casino games and manages marketing, legal, compliance, and finance teams for its operations
26 and those of Evolution AB’s other North American subsidiaries. This management includes the
27 Evolution Defendants’ marketing and licensing casino games to Stake.us, so that the casino
28 games can be offered to Californians.

1 35. Defendant Evolution Malta Limited is a Maltese limited company with its
2 principal place of business at Level 1, Spinola Park, Mikiel Ang. Borg Street, St. Julians, SPK
3 1000, Malta. Evolution Malta Limited develops casino games and provides commercial, legal,
4 and accounting services to many of Evolution AB's subsidiaries. The casino games are marketed
5 and licensed to Stake.us, so that the casino games can be offered to Californians. In addition,
6 Evolution Malta Limited owns several United States patents used or otherwise involved in the
7 Evolution Defendants' casino games that are marketed, sold, and/or licensed in the United
8 States.

9 36. Defendant Bigtime Gaming Pty Ltd. ("Bigtime Gaming") is an Australian
10 company with its principal place of business at Suite 203, 50 Holt Street, Surry Hills, New South
11 Wales 2010 Australia. Bigtime Gaming creates casino games under the brand "Big Time
12 Gaming," which the Evolution Defendants then market and license to Stake.us, so that the
13 casino games can be offered to Californians.

14 37. Defendant NetEnt creates casino games under the brand "NetEnt," which the
15 Evolution Defendants then market and license to Stake.us, so that the casino games can be
16 offered to Californians. The true and exact name of NetEnt is not known, but on information and
17 belief, this company can be located at Level 1, Spinola Park, Mikiel Ang. Borg Street, St.
18 Julians, SPK 1000, Malta.

19 38. Defendant Nolimit City Holding Ltd. is a Maltese company with its principal
20 place of business at Level 1, Spinola Park, Mikiel Ang. Borg Street, St. Julians, SPK 1000,
21 Malta. Nolimit City Holding creates slot machines under the brand "Nolimit City," which the
22 Evolution Defendants then market and license to Stake.us, so that the casino games can be
23 offered to Californians.

24 39. Defendant Nolimit City Ltd. is a Maltese company with its principal place of
25 business at Level 1, Spinola Park, Mikiel Ang. Borg Street, St. Julians, SPK 1000, Malta.
26 Nolimit City creates slot machines under the brand "Nolimit City," which the Evolution
27 Defendants then market and license to Stake.us, so that the casino games can be offered to
28 Californians.

1 40. Defendant Red Tiger Gaming Ltd. is a Gibraltar company with its principal place
2 of business at Level 1, Spinola Park, Mikiel Ang. Borg Street, St. Julians, SPK 1000, Malta. Red
3 Tiger Gaming creates casino games under the brand “Red Tiger,” which the Evolution
4 Defendants market and license to Stake.us, so that the casino games can be offered to
5 Californians.

6 41. Defendant Red Tiger International Ltd. is an Isle of Man company with its
7 principal place of business at Level 1, Spinola Park, Mikiel Ang. Borg Street, St. Julians, SPK
8 1000, Malta. Red Tiger International Ltd. creates casino games under the brand “Red Tiger,”
9 which the Evolution Defendants market and license to Stake.us, so that the casino games can be
10 offered to Californians.

11 42. In their external actions, the Evolution Defendants act as one entity, and the
12 Evolution Defendants segregate tasks across the subsidiaries with the common goal of selling
13 casino games to casinos. Evolution AB, Evolution Malta Limited, and Evolution US offer an
14 example: the Chief Product Officer at Evolution Malta will lead a team employed by Evolution
15 Malta and other subsidiaries to develop casino games, and Evolution Malta will own the
16 intellectual property in those casino games. Evolution US will then set its own sales targets,
17 pursue customers in the U.S., and, if successful, then those customers will contract with
18 Evolution Malta. The revenue from the contracts will be reported by Evolution AB in its annual
19 report for the Evolution Defendants.

20 43. The Evolution Defendants are alter egos. Evolution AB—which wholly owns and
21 controls all the other Evolution Defendants through Evolution Malta Holding Ltd., ensuring
22 unity of ownership—controls human resources policies, corporate governance policies, finance
23 and accounting policies, and compliance policies for the other Evolution Defendants.
24 Evolution AB mandates a Code of Conduct for all the other Evolution Defendants.
25 Evolution AB controls and mandates training of employees. Evolution AB restricts the
26 subsidiaries to selling only Evolution-branded gaming products. In fact, the Evolution US LLC
27 CEO reports directly to Evolution AB’s Group CEO, and Evolution AB holds monthly strategy
28 meetings with subsidiaries’ officers to set and monitor business strategies. Evolution AB’s

1 Group CEO also holds monthly meetings with the subsidiary commercial heads to monitor
2 contract negotiations at subsidiaries. Evolution AB's Group CEO and Chief Strategy
3 Officer/Secretary to Evolution AB's Board of Directors *simultaneously* served as officers in
4 subsidiary companies. Evolution AB's executives even signed leases on behalf of subsidiaries
5 and conferred specific, limited authority on subsidiaries' officers. In fact, the majority of the
6 subsidiaries at issue here are located in a single office in St. Julians, Malta. These internal
7 failures to maintain corporate formalities have been reflected in the Evolution Defendants'
8 external communications. The Evolution Defendants portray a public image of a single company
9 through public statements, consolidated financial reports, and use of the same website
10 (www.evolution.com). To the extent that the Evolution Defendants present separate brands, such
11 as Red Tiger or Nolimit City, the Evolution Defendants nevertheless make clear that each brand
12 is owned and controlled by Evolution. For example, Red Tiger's website prominently states that
13 it is part of Evolution; the website displays the Evolution logo; and in the publicly available
14 policies, the Red Tiger website directs consumers to contact emails associated with
15 "@evolution.com"—all of which presents a unified company.

16 44. The Evolution Defendants operate a single business, through which the internal
17 affairs and operations of the various companies are centrally controlled and, as a result, the
18 subsidiaries become mere instrumentalities of the parent. The Evolution Defendants have even
19 created a software portal for casino partners—like Stake.us—to have “a single technical
20 touchpoint” that provides control and “concurrent user support.” This software portal offers
21 “simple, fast and unified integration of Evolution, Ezugi, NetEnt, Red Tiger, Big Time Gaming
22 and Nolimit City games.”

23 45. All the Evolution Defendants' actions described in this Complaint are part of, and
24 in furtherance of, the Stake Illegal Gambling Scheme and were authorized, ordered, and/or
25 performed by the Evolution Defendants' various owners, shareholders, officers, agents,
26 employees, and/or representatives. These actions were intended to facilitate the Stake Illegal
27 Gambling Scheme and were therefore performed for an unlawful purpose and in violation of
28 California law. The Evolution Defendants must be treated as alter egos because separating their

1 liability and allowing shareholders to dodge liability for the consequences of this illegal scheme
2 would be inequitable.

3 Pragmatic Defendants

4 46. Defendants Veridian (Gibraltar) Limited and Tamaris (Gibraltar) Limited
5 (collectively, the “Pragmatic Defendants”) create, license, manage, repair, and/or otherwise
6 provide casino games to Californians through the Stake.us casino.

7 47. Defendant Tamaris (Gibraltar) Limited (“Tamaris”) is a Gibraltar limited
8 company with its principal place of business at Madison Building, Midtown, Queensway
9 Gibraltar, GX11 1AA, Gibraltar. Tamaris creates, manages, repairs, and licenses slot machines,
10 live casino games, and other casino games under the brand name “Pragmatic Play” to Stake.us,
11 so that the casino games can be played by Californians. Tamaris owns all the intellectual
12 property of Pragmatic Play, including trademarks, copyrights, and other assets.

13 48. Defendant Veridian (Gibraltar) Limited (“Veridian”) is a Gibraltar limited
14 company with its principal place of business in Gibraltar.

15 49. Veridian is a holding company for Tamaris, and it controls and runs the
16 Pragmatic Play brand of casino games. Veridian and Tamaris are alter egos. They have a unity
17 of ownership, and they share the same executives, including CEO and founder Julian Jarvis. The
18 companies use the same office or business location and employ overlapping personnel. All the
19 Pragmatic Defendants’ actions described in this Complaint are part of, and in furtherance of, the
20 Stake Illegal Gambling Scheme and were authorized, ordered, and/or performed by the
21 Pragmatic Defendants’ owners, shareholders, officers, agents, employees, and/or representatives.
22 These actions were intended to facilitate the Stake Illegal Gambling Scheme and were therefore
23 performed for an unlawful purpose and in violation of California law. The Pragmatic Defendants
24 must be treated as alter egos because separating their liability and allowing shareholders to
25 dodge liability for the consequences of this illegal scheme would be inequitable.

Hacksaw Defendants

50. Defendants Hacksaw AB, Hacksaw Gaming Ltd., HGMT Ltd., and HGIM Ltd. (together, the “Hacksaw Defendants”) create, license, manage, repair, and/or otherwise provide Hacksaw-brand casino games to Californians through the Stake.us casino.

51. Defendant Hacksaw AB is a Swedish company with its registered address at Mailbox 692, SE-114 11, Stockholm, Sweden.

52. Defendant Hacksaw Gaming Ltd. is a Maltese company with its registered address at 1st Floor, Suite 3, Central Business Centre, Mdina Road, Zebbug ZBG9015, Malta. Hacksaw Gaming Ltd. markets and sells Hacksaw-brand casino games to casinos including Stake.us.

53. Defendant HGMT Ltd. is a Maltese company with its registered address at 1st Floor, Suite 3, Central Business Centre, Mdina Road, Zebbug ZBG9015, Malta. HGMT Ltd. is a game developer that creates, manages, and/or repairs the casino games.

54. Defendant HGIM Ltd. is an Isle of Man company. According to the Isle of Man Gambling Supervision Commission, HGIM Ltd. has been approved to provide casino games developed by HGMT Ltd. to “businesses worldwide.” Many of these casino games are offered to Californians through Stake.us.

55. The Hacksaw Defendants are alter egos. They operate a single business, which collectively creates, markets, and sells Hacksaw-brand casino games worldwide. The Hacksaw Defendants run this business through a single website (www.hacksawgaming.com). Although the parent company, Hacksaw AB, technically has a different website address (www.hacksawgroup.com), the parent company’s website solely addresses governance, investors, and related questions. In fact, the “investors” tab on the gaming website (www.hacksawgaming.com) directs to the parent company website (www.hacksawgroup.com), implying a single entity. All the Hacksaw Defendants’ actions described in this Complaint are part of, and in furtherance of, the Stake Illegal Gambling Scheme and were authorized, ordered, and/or performed by the Hacksaw Defendants’ owners, shareholders, officers, agents, employees, and/or representatives. These actions were intended to facilitate the Stake Illegal

1 Gambling Scheme and were therefore performed for an unlawful purpose and in violation of
2 California law. The Hacksaw Defendants must be treated as alter egos because separating their
3 liability and allowing shareholders to dodge liability for the consequences of this illegal scheme
4 would be inequitable.

5 **JURISDICTION AND VENUE**

6 56. The Superior Court has original jurisdiction over this action pursuant to
7 Article VI, section 10 of the California Constitution, which grants to the Superior Court original
8 jurisdiction over all causes other than those specifically enumerated.

9 57. The Superior Court has personal jurisdiction over Sweepsteaks d/b/a Stake.us;
10 Easygo; Medium Rare; Kick; Ed Craven; Bijan Tehrani; Veriff; Veridian; Tamaris; Evolution
11 AB; Evolution Malta Holding Ltd.; Evolution US LLC; Evolution Malta Limited; Bigtime
12 Gaming Pty Ltd.; Red Tiger Gaming Ltd.; Red Tiger International Ltd.; NetEnt; Nolimit City
13 Holding Ltd.; Nolimit City Ltd.; Hacksaw AB; Hacksaw Gaming Ltd.; HGMT Ltd.; and HGIM
14 Ltd. pursuant to California Code of Civil Procedure section 410.10 because they each purposely
15 avail themselves of the benefits of doing business in California, and because the violations of
16 law alleged in this Complaint occurred and continue to occur in California in whole or in part.

17 58. Venue is proper in the Los Angeles County Superior Court pursuant to California
18 Code of Civil Procedure sections 393 and 395.5 because some part of the cause of action arose
19 in Los Angeles County and liability arises in part from Defendants' conduct in Los Angeles
20 County.

21 59. The Court has jurisdiction to enter the judgment sought by this Complaint.

22 **CALIFORNIA'S CONSUMER PROTECTION STATUTES**

23 60. California's consumer protection laws—including the UCL and the FAL—are
24 designed "to enjoin on-going wrongful business conduct in whatever context such activity might
25 occur." *Abbott Laboratories v. Superior Ct. of Orange Cty.*, 9 Cal. 5th 642, 652 (2020) (citation
26 omitted). For this reason, the UCL broadly prohibits "unfair competition," which encompasses
27 "any unlawful, unfair or fraudulent business act or practice." Bus. & Prof. Code § 17200
28 (emphasis added).

1 61. “Under the unlawful prong, the UCL borrows violations of other laws and makes
2 those unlawful practices actionable under the UCL. Thus, a violation of another law is a
3 predicate for stating a cause of action under the UCL’s unlawful prong.” *Moran v. Prime*
4 *Healthcare Mgmt., Inc.*, 3 Cal. App. 5th 1131, 1142 (2016) (cleaned up). “Virtually any law—
5 federal, state or local—can serve as a predicate for a [UCL] action.” *State Farm Fire & Cas. Co.*
6 *v. Superior Ct.*, 45 Cal. App. 4th 1093, 1102–03 (1996). Thus, violations of California’s anti-
7 gambling laws constitute violations of the UCL.

8 62. The UCL, however, is not cabined by violations of other laws. After all, the
9 Legislature understood that “given the creative nature of the scheming mind, . . . unfair or
10 fraudulent business practices may run the gamut of human ingenuity and chicanery.” *Cel-Tech*
11 *Commc’ns, Inc. v. L.A. Cellular Tel. Co.*, 20 Cal. 4th 163, 181 (1999) (citations omitted).
12 Accordingly, under the unfair prong of the UCL, California courts apply a range of tests to
13 determine if a particular scheme is unlawful. In many cases, courts have applied a three-part test:
14 “a business practice is ‘unfair’ if (1) the consumer injury is substantial; (2) the injury is not
15 outweighed by any countervailing benefits to consumers or competition; and (3) the injury could
16 not reasonably have been avoided by consumers themselves.” *Klein v. Chevron U.S.A., Inc.*, 202
17 Cal. App. 4th 1342, 1376 (2012). In other cases, courts have considered whether allegedly unfair
18 practices “violate[] the public policy embodied in the” Legislature’s enactments. *Candelore v.*
19 *Tinder, Inc.*, 19 Cal. App. 5th 1138, 1155 (2018) (stating unfair practices include those that
20 “offend[] an established public policy or when the practice is immoral, unethical, oppressive,
21 unscrupulous or substantially injurious to consumers” (citation omitted)).

22 63. The UCL also has a fraud prong. For false advertising or misleading promotional
23 practices, the UCL’s fraud prong and the FAL share a common test: whether “members of the
24 public are likely to be deceived.” *People v. Johnson & Johnson*, 77 Cal. App. 5th 295, 318
25 (2022) (citation omitted). When a business makes false statements about its products or services,
26 those statements are always actionable. *Shaeffer v. Califia Farms, LLC*, 44 Cal. App. 5th 1125,
27 1137–38 (2020). Liability for a business’s ambiguous or true statements turns on the likelihood
28 for deception. *McKell v. Wash. Mutual, Inc.*, 142 Cal. App. 4th 1457, 1471 (2006).

1 64. The UCL empowers the Los Angeles City Attorney to file a civil law
2 enforcement action on behalf of the People of the State of California against any “person” who
3 engages, has engaged, or proposes to engage in unfair competition. *See* Bus. & Prof. Code
4 §§ 17203, 17204, 17206. The UCL defines “person” to “mean and include natural persons,
5 corporations, firms, partnerships, joint stock companies, associations and other organizations of
6 persons.” Bus. & Prof. Code § 17201.

7 65. Under the UCL, “[a]ny person who engages, has engaged, or proposes to engage
8 in unfair competition may be enjoined in any court of competent jurisdiction,” and “[t]he court
9 may make such orders or judgments, including the appointment of a receiver, as may be
10 necessary to prevent the use or employment by any person of any practice which constitutes
11 unfair competition . . . or as may be necessary to restore to any person in interest any money or
12 property, real or personal, which may have been acquired by means of such unfair competition.”
13 Bus. & Prof. Code § 17203.

14 66. In addition to these remedies, when the People bring a civil law enforcement
15 action, “[a]ny person who engages, has engaged, or proposes to engage in unfair competition
16 shall be liable for a civil penalty not to exceed two thousand five hundred dollars (\$2,500) for
17 each violation.” Bus. & Prof. Code § 17206(a).

18 67. “In addition to any liability for a civil penalty pursuant to Section 17206, a person
19 who violates this chapter, and the act or acts of unfair competition are perpetrated against one or
20 more senior citizens or disabled persons, may be liable for a civil penalty not to exceed two
21 thousand five hundred dollars (\$2,500) for each violation, which may be assessed and recovered
22 in a civil action as prescribed in Section 17206.” Bus. & Prof. Code § 17206.1(a). In addition to
23 other enumerated factors, courts are required to consider “[w]hether one or more senior citizens
24 or disabled persons are substantially more vulnerable than other members of the public to the
25 defendant’s conduct because of age, poor health or infirmity, impaired understanding, restricted
26 mobility, or disability, and actually suffered substantial physical, emotional, or economic
27 damage resulting from the defendant’s conduct” when deciding whether to impose a civil
28 penalty and the amount of that penalty. Bus. & Prof. Code § 17206.1(c)(3).

1 68. Like the UCL, the FAL also provides for injunctive relief and mandatory civil
2 penalties up to \$2,500 per violation in a civil law enforcement action brought by the People.
3 Bus. & Prof. Code §§ 17535, 17536.

4 69. The UCL’s remedies and penalties are “cumulative to each other and to the
5 remedies or penalties available under all other laws of this state.” Bus. & Prof. Code § 17205.
6 For example, the penalties under the UCL and the FAL are “cumulative,” so actionable
7 falsehoods and misrepresentations result in penalties up to \$2,500 for each UCL *and* FAL
8 violation (together, up to \$5,000 for each violation, or up to \$7,500 for each violation
9 perpetrated against a senior citizen or disabled person). *People v. Ashford Univ., LLC*, 100 Cal.
10 App. 5th 485, 509 (2024).

11 70. In addition, for “actions brought by, on behalf of, or for the benefit of [senior
12 citizens, disabled persons, or veterans] . . . to redress unfair or deceptive acts or practices or
13 unfair methods of competition,” involving statutes including the UCL or FAL that impose a civil
14 penalty “subject to the trier of fact’s discretion, the trier of fact shall consider [enumerated]
15 factors . . . [and w]henver the trier of fact makes an affirmative finding in regard to one or more
16 [enumerated] factors . . . it may impose a fine, civil penalty or other penalty, or other remedy in
17 an amount up to three times greater than authorized by the statute.” Civ. Code § 3345.

18 **CALIFORNIA’S ANTI-GAMBLING LAWS**

19 71. Given its strong interest in protecting its residents from predatory harms,
20 California prohibits unlicensed gambling through a series of interrelated laws. *See, e.g.*, Penal
21 Code §§ 318, 319–22, 330, 330a, 330b, 337a(a)(1), 337a(a)(3), 337j(a); Bus. & Prof. Code
22 § 17539.1(a)(12).

23 72. These laws create several categories of unlawful gambling, such as lotteries,
24 banking games, percentage games, slot machines, controlled games, and gambling-themed
25 sweepstakes games.

26 73. Penal Code § 318 imposes liability on “[w]hoever, through invitation or device,
27 prevails upon any person” to visit a place “kept for the purpose of illegal gambling.”
28

1 74. Penal Code §§ 319–21 prohibit the operation of an unlicensed lottery. California
2 law broadly defines lotteries to encompass (1) the distribution of a prize (2) by chance (3) by a
3 financially indifferent operator (4) to one or more participants (who pay consideration). *Hotel*
4 *Emps. & Rest. Emps. Int’l Union v. Davis*, 21 Cal. 4th 585, 592–93 (1999). This prohibition
5 extends to “[e]very person who aids or assists, either by printing, writing, advertising,
6 publishing, or otherwise in setting up, managing, or drawing any lottery, or in selling or
7 disposing of any ticket, chance, or share therein.” Penal Code § 322.

8 75. Penal Code § 330 outlaws “banking” and “percentage” games. In a banking game
9 (like blackjack), “the ‘house’ or ‘bank’ is a participant in the game, taking on all comers, paying
10 all winners, and collecting from all losers.” *Sullivan v. Fox*, 189 Cal. App. 3d 673, 678 (1987).
11 In contrast, in a percentage game (like poker), “the house is not directly participating in game
12 play, . . . [but] it collects a percentage from the game. This percentage may be computed from
13 the amount of bets made, winnings collected, or the amount of money changing hands.” *Id.* at
14 679.

15 76. Penal Code §§ 330a and 330b prohibit a host of conduct regarding slot machines,
16 including possessing them, manufacturing them, owning them, repairing them, or selling them.

17 77. Penal Code §§ 337a(a)(1) and 337a(a)(3) are broad anti-gambling statutes.
18 Subsection (a)(1) proscribes “bookmaking,” which includes “the taking of bets, either orally or
19 recorded in writing.” CALCRIM 2990. Subsection (a)(3) prohibits receiving *any* “thing or
20 consideration of value” for the purposes of a bet or wager on the result of “any lot, chance,
21 casualty, unknown or contingent event whatsoever.”

22 78. Penal Code § 337j(a) outlaws the operation or maintenance of any “controlled
23 game” without required licenses, including “keeping, running, or carrying on any controlled
24 game” for those who “receive, directly or indirectly, any compensation or reward or any
25 percentage or share of the revenue.” “Controlled game” is broadly defined under Penal Code
26 § 337j(e) to mean “any poker or Pai Gow game, and any other game played with cards or tiles,
27 or both, . . . and any game of chance, including any gambling device, played for currency, check,
28

1 credit, or any other thing of value that is not prohibited and made unlawful by statute or local
2 ordinance.”

3 79. Liability for the violation of any of these Penal Code sections extends to “[a]ll
4 persons . . . whether they directly commit the act constituting the offense, or aid and abet in its
5 commission.” Penal Code § 31.

6 80. Bus. & Prof. Code § 17539.1(a)(12) prohibits “gambling-themed games” in the
7 operation of a sweepstakes. A “sweepstakes” is defined to include “a procedure, activity, or
8 event, for the distribution, donation, or sale of anything of value by lot, chance, predetermined
9 selection, or random selection that is not unlawful under other provisions of law.” Bus. & Prof.
10 Code § 17539.1(b).

11 81. In addition to California’s extensive suite of anti-gambling statutes, several
12 federal statutes incorporate violations of state law. These, too, can serve as predicates for the
13 UCL.

14 82. The Unlawful Gambling Enforcement Act provides that “[n]o person engaged in
15 the business of betting or wagering may knowingly accept, in connection with the participation
16 of another person in unlawful Internet gambling— (1) credit . . .; (2) an electronic fund
17 transfer . . .; (3) any check . . .; or (4) the proceeds of any other form of financial transaction.”
18 31 U.S.C. § 5363. “Unlawful internet gambling” means betting or wagering that involves the
19 Internet when doing so is unlawful under applicable State law in the State in which the bet or
20 wager is made. 31 U.S.C. § 5362(10).

21 83. Furthermore, the Act provides that “a financial transaction provider, or any
22 interactive computer service or telecommunications service, may be liable . . . if such person has
23 actual knowledge and control of bets and wagers and— (1) operates, manages, supervises, or
24 directs an Internet website at which unlawful bets or wagers may be placed, received, or
25 otherwise made, or at which unlawful bets or wagers are offered to be placed, received, or
26 otherwise made; or (2) owns or controls, or is owned or controlled by, any person who operates,
27 manages, supervises, or directs an Internet website at which unlawful bets or wagers may be
28

1 placed, received, or otherwise made, or at which unlawful bets or wagers are offered to be
2 placed, received, or otherwise made.” 31 U.S.C. § 5367.

3 84. Additionally, 18 U.S.C. § 1955(a) creates liability for “[w]hoever conducts,
4 finances, manages, supervises, directs, or owns all or part of an illegal gambling business.” An
5 “‘illegal gambling business’ means a gambling business which— (i) is a violation of the law of a
6 State or political subdivision in which it is conducted; (ii) involves five or more persons who
7 conduct, finance, manage, supervise, direct, or own all or part of such business; and (iii) has
8 been or remains in substantially continuous operation for a period in excess of thirty days or has
9 a gross revenue of \$2,000 in any single day.” 18 U.S.C. § 1955(b)(1).

10 85. In sum, California has passed a slew of laws to ensure that gambling and
11 gambling-themed games occur only in licensed establishments, which are bolstered by federal
12 laws emphasizing the importance of compliance with State law in the operation of any gambling
13 business.

14 **THE STAKE ILLEGAL GAMBLING SCHEME**

15 86. Since 2022, Defendants have perpetrated one of the largest and most profitable
16 illegal gambling enterprises in California’s history: the Stake Illegal Gambling Scheme.

17 87. The Stake Illegal Gambling Scheme involves the operation of the Stake.us casino
18 and the promotion of the casino. The Stake Defendants (Sweepsteaks d/b/a Stake.us, Easygo,
19 Medium Rare, Mr. Craven, and Mr. Tehrani) operate the casino. Veriff and the Game
20 Developers (the Evolution Defendants, the Hacksaw Defendants, and the Pragmatic Defendants)
21 assist in the operation of the casino, while Kick Streaming promotes the illegal casino to
22 Californians and lures in new players.

23 88. Each Defendant plays a role in furthering the joint enterprise with the common
24 goal of facilitating and promoting gambling at the Stake.us casino by Californians.

1 **I. The Stake Defendants Created Stake.us to Circumvent California’s Anti-Gambling**
2 **Laws and to Offer an Online Casino to Californians.**

3 89. For years, Defendants Craven, Tehrani, Medium Rare, and Easygo operated the
4 online casino Stake.com in countries around the world, including many countries across Africa,
5 Asia, Europe, and South America.

6 90. However, these defendants could not offer the Stake.com casino in the United
7 States unless its gamblers used a virtual private network (“VPN”) to access the website.⁴

8 91. After all, most U.S. states either strictly regulate gambling or outright bar it.

9 92. In California, the Gambling Control Commission issues licenses to legal
10 gambling operations and regulates them in order to protect Californians. But these licenses are
11 generally limited to *physical* locations.

12 93. This limitation helps safeguard against exploitation and recognizes that online
13 gambling can be especially addictive, destabilizing, and financially ruinous. As a result, as the
14 Commission’s website states, “[o]nline casinos are illegal in California.”⁵

15 94. Stake.com was thus barred from the California market.

16 95. So, at Mr. Craven and Mr. Tehrani’s direction, the Stake Defendants created a
17 carbon copy of Stake.com to offer in California called Stake.us.

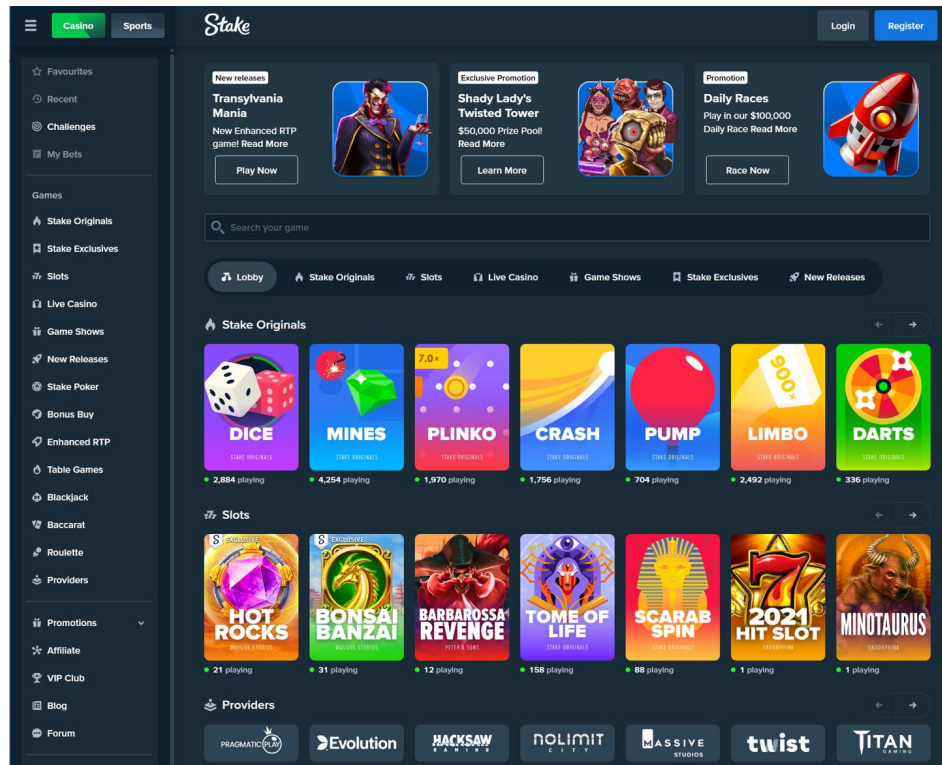
18 96. Stake.com proclaims that it is the “World’s Largest Online Casino and
19 Sportsbook.” Similarly, Stake.us boasts that it is “America’s Social Casino.”

20 97. The websites prominently feature the same website layout, casino games, color
21 schemes, graphics, logos, visual themes, and user interfaces.

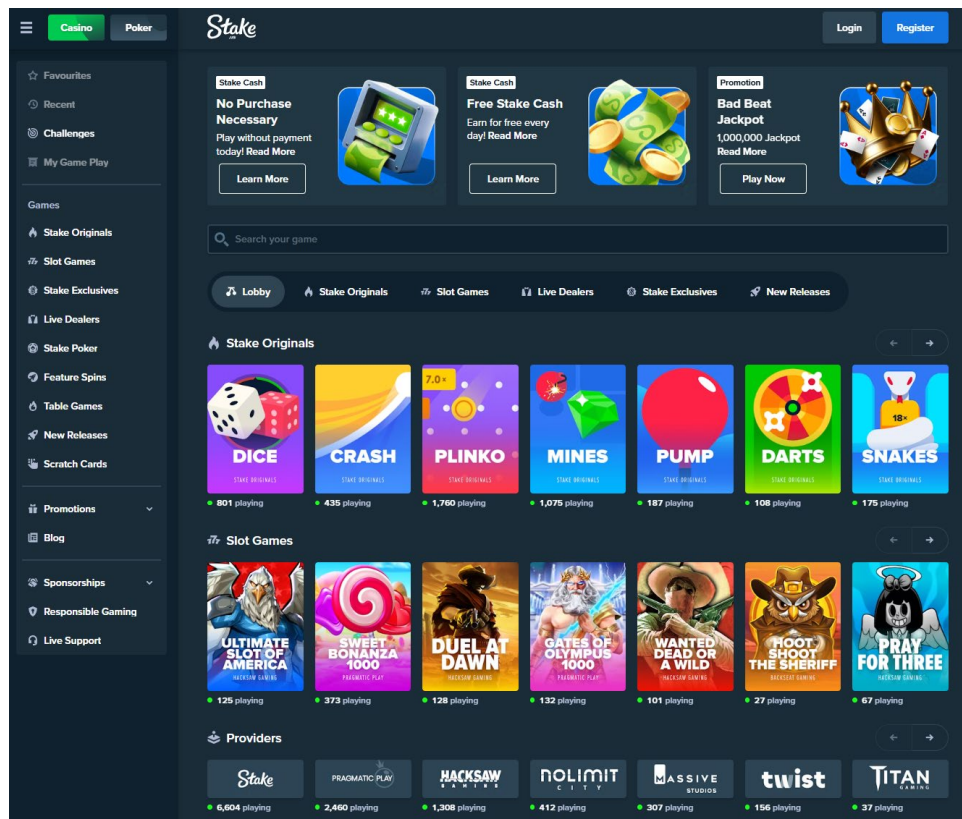
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26 ⁴ The VPN allows a gambler to mask their true location and appear to be located in another
country that allows access to Stake.com.

27 ⁵ California Gambling Control Commission, *Complaints Contact Information*,
28 <https://www.cgcc.ca.gov/?pageID=complaints> (last visited August 20, 2025).

98. This is Stake.com's page when you click on "Casino":



99. This is Stake.us's page when you click on "Casino":



1 100. The striking similarities are, of course, intentional. Stake.us is an intentional
2 effort to circumvent U.S. gambling regulations, including California’s anti-gambling statutes.

3 101. Stake.us and Stake.com offer the same or similar content. Both websites feature a
4 real-time board displaying big wins and losses for players, with dozens of wins and losses
5 appearing each moment. On both websites, a user can toggle from the real-time board to a “Race
6 Leaderboard,” which offers rotating challenges. For example, one challenge was a 24-hour race
7 to betting a given quantity of coins. The players who bet the most coins during the 24-hour
8 period were rewarded with fixed prizes of coins.

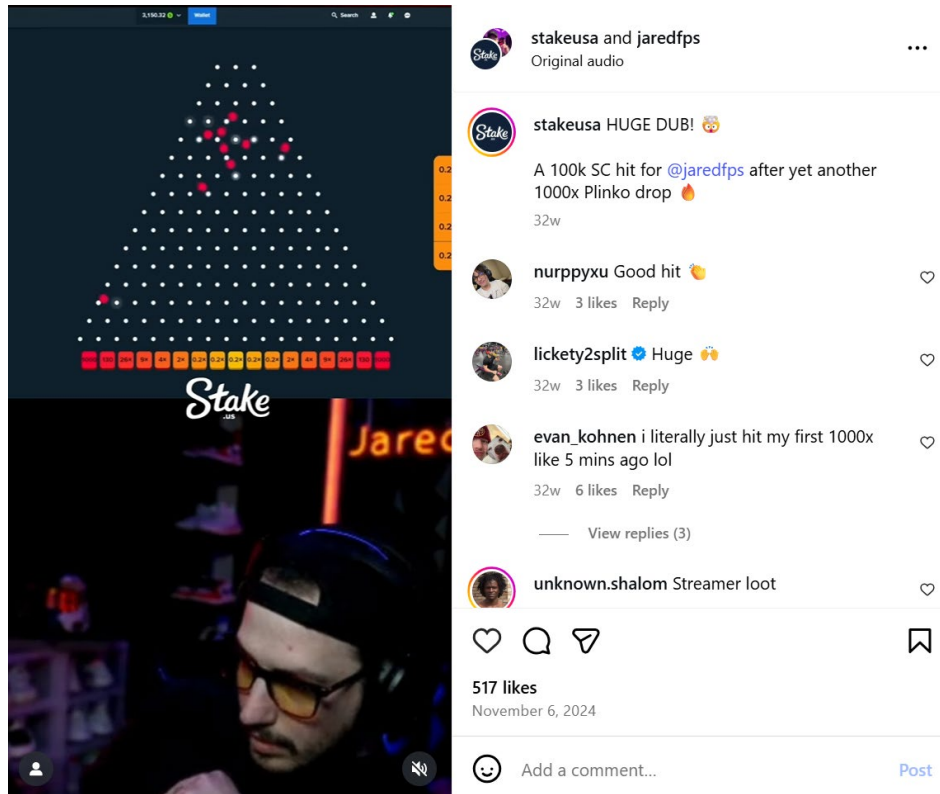
9 102. Just like Stake.com and other online casinos, Stake.us offers online casino games,
10 including slots, table games, scratch cards, live dealer games, and exclusive “Stake Originals,”
11 all of which are games of chance. The outcomes of the casino games are decided by random
12 number generation which, as Stake.us explains, “is an algorithm that produces a random
13 sequence of numbers which cannot be predicted.”⁶

14 103. Players bet virtual casino coins on these random outcomes, and if they win, then
15 Stake.us pays them their winnings in virtual casino coins. Players can then cash out those coins
16 for digital gift cards or cryptocurrency (e.g., Bitcoin).

17 104. In this respect, Stake.us does not hide the ball. Stake.us aggressively advertises
18 the chance-based nature of its casino games to draw players in with the prospect of massive
19 payouts.

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27 ⁶ Stake, *Understanding Random Number Generators*, Stake.us (May 8, 2025),
28 <https://stake.us/blog/understanding-random-number-generators-rngs>.

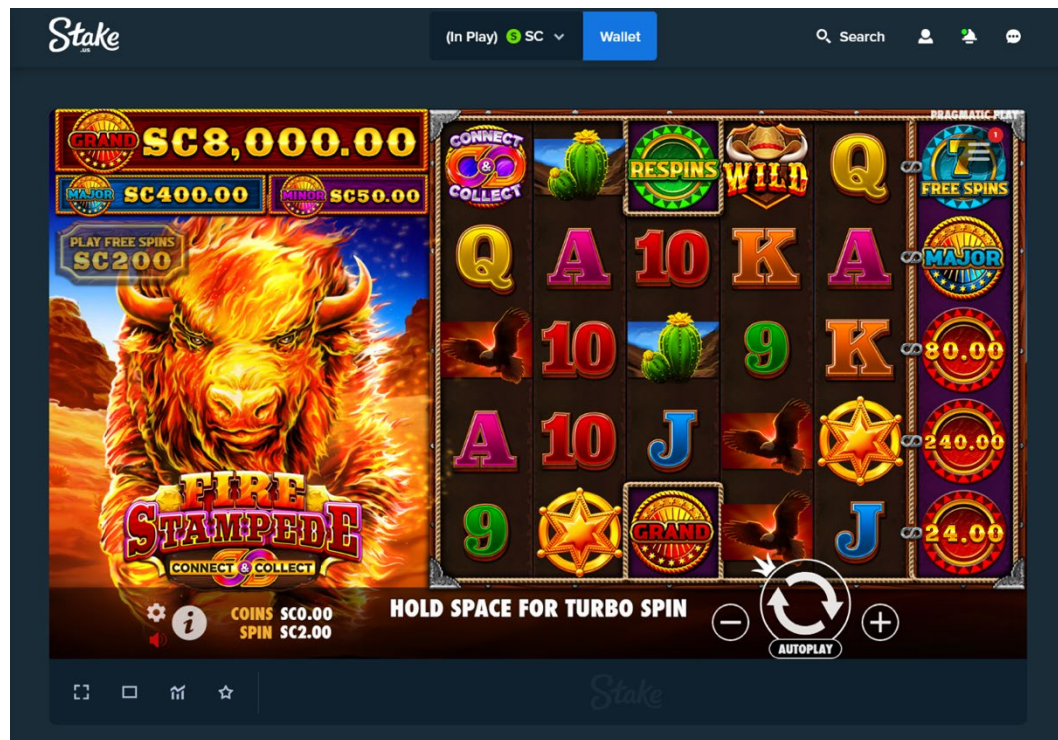
105. For example, as shown below, Stake.us promoted the potential for substantial winnings with an Instagram post on November 6, 2024, which displayed Stake influencer @jaredfps's 100,000 SC win, which was 1000x his initial bet.⁷



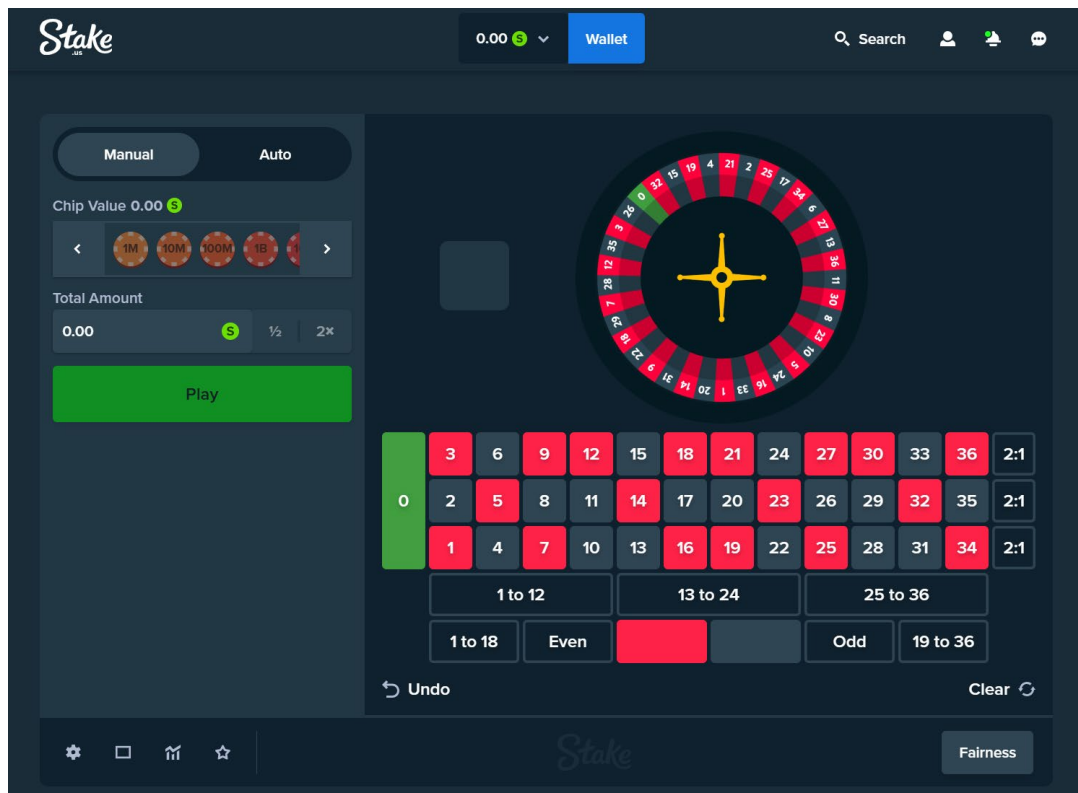
106. The games in the Stake.us casino are familiar casino games.

⁷ Notably, Stake influencers rarely distinguish between Stake.us and Stake.com in their promotional activities. Stake influencers promote the platform as a unified whole. For example, @jaredfps features prominently on the Instagram page for Stake.us and appears to gamble in the Stake.us casino. But his Instagram biography states that he is the “#1 News Source for . . . @stake,” not for @stakeusa.

107. Stake.us offers traditional slot machines.



108. Stake.us runs the classic casino game roulette.



109. Stake.us operates Poker games, including tournaments with a given buy-in and specified prize for the game. The online casino offers a variety of wagering styles for its Poker offerings, from round-based bets to jackpot offerings that put Stake’s money “up for grabs.”



110. For the Poker games and others, Stake.us collects a percentage, called a “rake,” from the pot winnings. For example, for Poker Ring games, the rake is set at 7% of the total pot winning, with a capped maximum amount based on blinds. So if the Poker Ring game uses SC with a small blind of 50 SC and a big blind of 100 SC, then Stake.us takes a 7% rake up to 15 SC for two players, up to 20 SC for three to five players, and 30 SC for more than five players.

111. Stake.us offers other games that are “similar to the lottery and bingo,” like keno where players choose 10 to 20 numbers ranging from 1 to 80. After the player makes their selection, 20 numbers are randomly drawn. If the player picked the right numbers, then Stake.us promises: “you will receive your winnings!”

112. Stake.us has even built, or partnered with developers to build, audiovisual studios to livestream card games, thereby offering the live casino experience to would-be players and putting a live casino in every Californian’s pocket.

What is a Live Dealer Game?

A live dealer game is an online social casino experience where you can interact with human dealers to play your favorite games. The game is set up in a live studio and streamed live to our gaming platform.

You can enter the game lobby and place bets while the dealer spins the wheel or deals the cards. Essentially, it's an virtual experience with real dealers to portray what it would be like to be at a land-based casino while you're sitting comfortably at home behind your computer screen or on your mobile device.

Live dealer casino tables the ability for players to feel the experience of a brick and mortar casino, in an offline casino environment.

113. For example, the Stake.us casino offers blackjack, with familiar betting options like insurance and side bets.

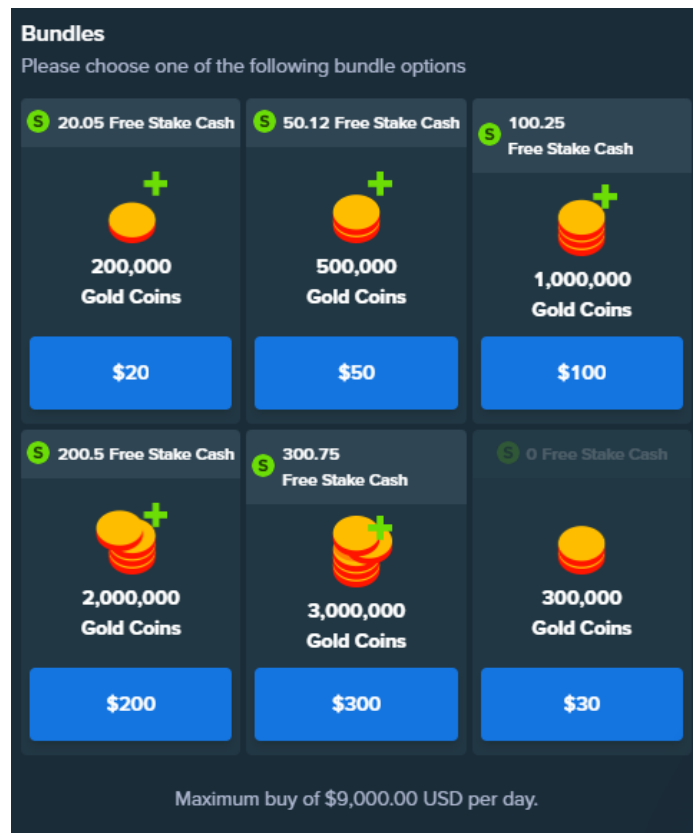


114. It looks like gambling, sounds like gambling, and feels like gambling. Yet the Stake.us casino declares in its Terms & Conditions that “**THE PLATFORM AND GAMES DO NOT OFFER REAL MONEY GAMBLING.**” (Emphasis in original.)

115. Stake.us purports to comply with California’s anti-gambling rules by operating a social casino and sweepstakes—and not a real money gambling operation. This façade is constructed on the casino’s two-coin system.

116. In the Stake.us casino, players can use two types of virtual currency: **(1) Gold Coins (“GC”)**, which have no “real money” value, can ostensibly be obtained for free, and cannot be converted into real money; and **(2) Stake Cash (“SC”)**, which can be redeemed for cryptocurrency or digital gift cards on a 1 SC to 1 USD basis.

117. To obtain SC, players buy a GC bundle that includes SC. As shown below, players receive at least as much SC as the USD spent to buy the bundle. This pricing structure confirms the primary purpose of the transaction is to sell the redeemable SC for the cash price, with the GC as an incidental add-on. Accordingly, players understand that they are purchasing SC with each transaction. The purported “free gift” of SC is illusory.



118. Players can wager either GC or SC in the Stake.us casino on their phones or computers. If the player wins the bet, then Stake.us will pay the player their winnings in the respective coins. If the player loses the bet, then Stake.us will take the wagered coins.

119. The Stake Illegal Gambling Scheme encompasses this two-coin system: players pay real money to purchase bundles of GC and SC together. Players then wager both types of coins in the hopes of winning more coins, which can be used either for additional bets (GC or SC) or cashed out for real money in a one-to-one exchange (SC). If players lose all their coins, then they need to purchase additional bundles of GC and SC to continue placing bets.

120. Stake.us tells would-be players that no purchase is necessary to obtain SC. For example, the Terms & Conditions state that “**NO PURCHASE OR PAYMENT IS NECESSARY TO PARTICIPATE OR PLAY THE GAMES.**” (Emphasis in original.)

121. But this representation is misleading. To be sure, players may obtain limited free SC through occasional promotions, but these methods of obtaining free SC are illusory, burdensome, or otherwise not free.

122. For example, in November 2024, Stake.us ran a promotion that each person could earn five SC by inviting other persons to join Stake.us. But in order to obtain the five SC, the other person needed to complete the verification process during the promotion period (one week).

123. Another weekly promotion—this one run in December 2024—gave players the chance to enter a promotion to win 250,000,000 GC and 25,000 SC. But in order to enter the promotion, the player needed to gamble 1,000 SC. So the entry method was not, in fact, free; the entry cost at least \$1,000.

124. Stake.us also issues periodic “bonus drops,” which purport to offer free SC for a limited time. For example, on July 20, 2025, Stake.us announced a bonus drop of 10 SC for each player with a drop limit of 10,000 SC. But this drop—like the other promotions—was not actually free. To qualify, players needed to have wagered *5,000 SC in the prior 7 days*. On August 2, 2025, Stake.us announced another bonus drop with the same parameters.

125. Stake.us thereby uses the allure of promotional SC to spur players to purchase coin bundles and wager large amounts of SC in short periods of time.

126. Stake.us also allows would-be players to obtain five SC by (1) obtaining a unique code from the Post Card Code Generator on the Stake.us website, (2) writing a postcard that includes that code and conforms to detailed instructions in Section 8.3 of the Terms & Conditions, and (3) mailing the postcard to an address in Dallas, TX.

127. But would-be players need to pay for a physical postcard and postage to Dallas, so entry is not free.

128. This process also appears designed to generate ways to reject postcards. For example, under Section 8.3(b)(i) of the Terms & Conditions, would-be players must write “Stake Cash Credits” on the front of the envelope, despite providing a *different* recipient for the postcard (“Sweepsteaks Limited”). Under Section 8.3(b)(ii), would-be players must *handwrite* in this exact order and using only one side of the postcard: (a) Full name, (b) Stake.us username, (c) return/residential address registered to Stake.us account, (d) email address registered to the Stake.us account, (e) clearly placed word “CODE:” followed by the unique postcard code

generated from a *separate* webpage, and (f) a verbatim three-line “statement” about wishing to receive SC.

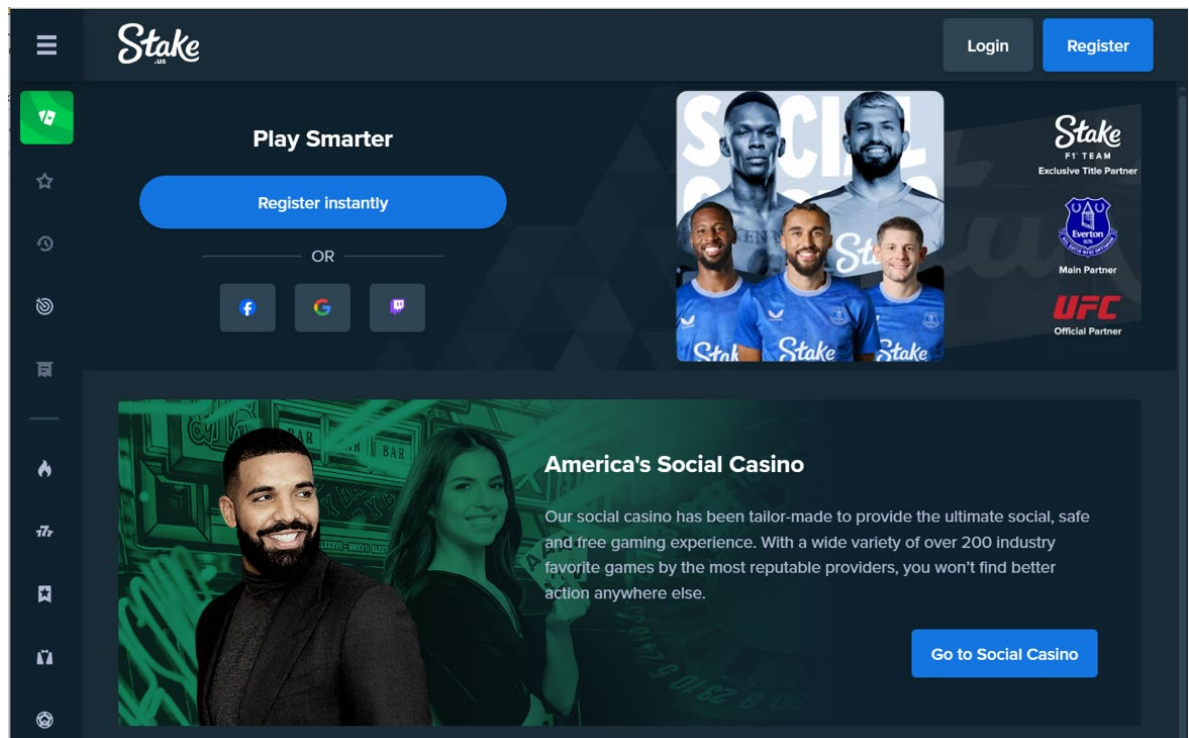
129. In addition, would-be players must wait five minutes between the generation of each code from the Post Card Code Generator.

130. This highly cumbersome entry method emphasizes that gameplay is not actually free, while preventing would-be players from promptly obtaining SC and playing the casino games without payment.

131. In short, once a player’s promotional SC are exhausted—if a player even gets promotional SC—the only way to continue gambling is to purchase additional SC with real money. Because SC can then be converted back into real money, just as a gambler in Las Vegas converts his chips back into real money before leaving a brick and mortar casino, gambling on the Stake.us casino constitutes real money gambling.

132. The purported dual-currency system is a transparent attempt to mask real money gambling as a non-monetary “social casino.” This mask not only attempts to evade California’s anti-gambling laws, but also it jeopardizes the financial and mental health of Californians.

133. Stake.us promotes itself as “America’s Social Casino.”



134. In its “Online Social Casino Guide,” Stake.us explains that social casinos offer “games that are free to play,” and it emphasizes that it provides “online social casino games for free to thousands of players.” This brief guide uses the word “free” seven times.

135. The homepage for Stake.us proclaims that it provides “the ultimate social, safe and free gaming experience.”

136. These false and misleading representations confuse consumers into believing that they are participating in harmless, free gameplay, when they are in fact being lured into real money gambling.

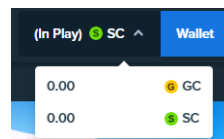
137. Once in the casino, Stake.us employs vivid colors, dynamic animations, high quality graphics, engrossing sound effects, and other enticements carefully designed to capture consumers’ attention and keep them betting. If the consumers run out of SC, then they can switch to GC until the itch to gamble SC takes over and consumers put more real money on the table. Every aspect of the Stake.us casino is curated to create and capitalize on compulsive, addictive, and destructive behaviors.

138. For example, the dual-currency system reinforces compulsive and addictive gambling behavior.

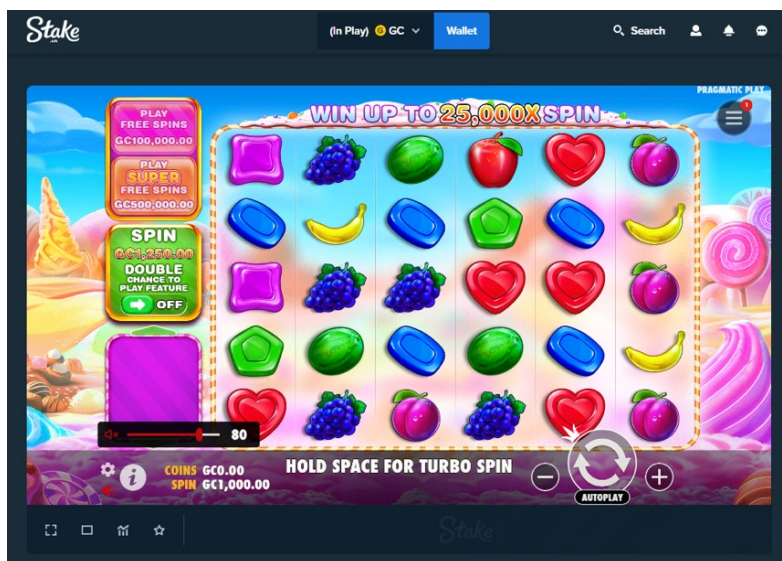
139. Stake.us gives tens of thousands of GC to players and then forces them to bet hundreds (and allows them to bet up to millions) of GC on each hand or spin. Stake.us thus trains players to place consistently large bets on each spin or hand.

140. Stake.us also created a user interface to exploit this training by allowing players to instantly switch from GC to SC between every slot pull, hand of cards, or roll of the dice. The player that gets the taste of a big win with GC can immediately chase the rush with SC. The player on the long losing streak with GC can switch to SC when they become convinced their losing streak is about to break.

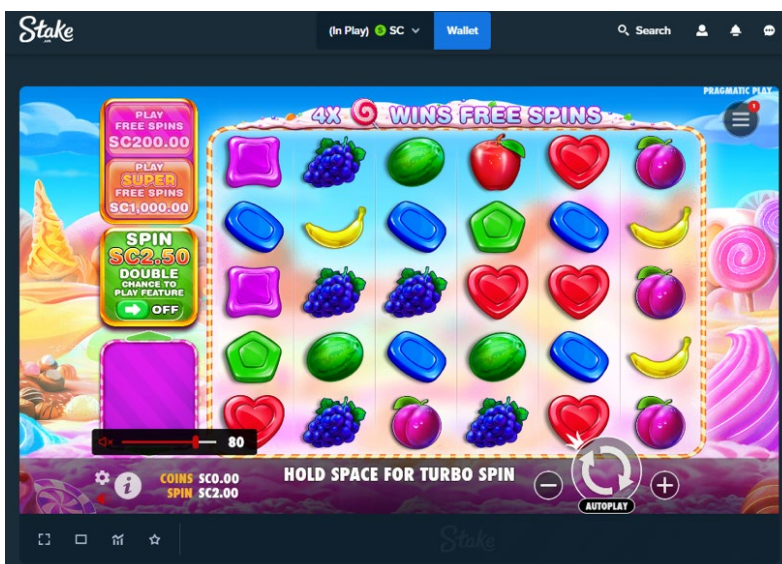
141. The toggle is at the top of the screen, allowing the player to instantly switch between GC (represented by a yellow “G” coin) and SC (represented by a green dollar sign).



142. For example, this image depicts the Pragmatic Play slot machine “Sweet Bonanza 1000” offered at the Stake.us casino and set for a GC bet.



143. The player has now switched from GC to SC before the next pull of the slot machine, as indicated at the top of this image.



144. Indeed, Stake.us is especially pernicious and addictive because players can access the casino 24 hours a day, seven days a week, directly from their mobile phones or computers.

145. Whether the player plays a slot machine game like Sweet Bonanza 1000 or a table game like poker or blackjack, both the player and Stake.us put things of value at risk in every wager: the player puts up their GC or SC, and the casino promises to pay certain amounts of GC or SC if the player wins. If the player wins more GC, the casino loses those GC—and the

1 player need not pay cash to obtain more GC to operate the casino games (which can be operated
2 only by using Stake’s virtual currency). The same is true for SC. If the player wins more SC, the
3 casino loses the coins. The player does not have to buy more coin packages to obtain additional
4 SC, and the player can either gamble the additional SC or redeem the virtual coins for cash in a
5 one for one exchange. This is exactly how it works in a traditional casino.

6 146. Stake.us is not a social casino because it does not offer only free, just for fun
7 games of chance. Instead, Stake.us provides players with the opportunity to exchange their real
8 money for virtual casino chips, gamble those chips, and then convert the winnings back into
9 cash. It looks like gambling, sounds like gambling, and feels like gambling *because it is*
10 *gambling*.

11 **II. Veriff Automates Identity Verification for Stake.us to Streamline Access to** 12 **Gambling.**

13 147. Stake.us could not get Californians gambling and losing money as quickly as
14 they do without the integral assistance provided by Defendant Veriff.

15 148. Veriff authenticates would-be players in the United States before they can access
16 Stake.us. In this way, Veriff is like the security guard at the front door of a traditional casino.
17 Just like a security guard quickly checks the IDs of potential customers to ensure an efficient
18 entry into the casino, Veriff publicly boasts that it streamlines the verification process for
19 residents of the United States, including Californians, trying to gamble on Stake.us.

20 149. Stake.us already *did* verify each would-be player manually before it contracted
21 with Veriff. As a result, Veriff’s contribution to the Stake Illegal Gambling Scheme is not
22 simply authenticating would-be players, but authenticating them *quickly* so that they can begin
23 losing money to Stake.us almost immediately after registering.

24 150. Veriff is cleareyed about the services offered by Stake.us. As Chris Hooper,
25 Veriff’s Director of Brand wrote in an April 2, 2025 “Case Study” of “Veriff and
26 Easygo/Stake,” the Stake Defendants run “the world’s biggest *online cryptocurrency casino*,”
27
28

1 offer “the biggest Bitcoin *gambling games* on the internet,” and strive “to bring simplicity and
2 convenience to the gaming industry *by developing casino games* and sportsbook products.”⁸

3 151. According to the Case Study, Veriff also understood the challenges that the
4 Stake.us online casino faced: “*Online gambling* onboarding presents a significant challenge for
5 online gaming companies. The process of verifying a customer’s identity and age is often time-
6 consuming and labor-intensive, leading to a subpar user experience. . . . This cumbersome
7 onboarding process can take weeks, causing a substantial drop-off in customer engagement and
8 revenue.” Veriff explains that “[p]rior to Easygo’s partnership with Veriff, its subsidiary
9 Stake.us, like many *online casinos*, carried out manual in-house KYC [*i.e.*, know your
10 customer] screening.” Due to this manual process, “[t]housands of customers had to routinely
11 wait a week or longer before their ID was verified and they could meaningfully participate on
12 Stake.us.”

13 152. Veriff reports that Dan Richardson, Chief Product Officer at Easygo, stated that
14 they had a backlog of *hundreds of thousands* of identity documents in the United States,
15 resulting in multi-week delays for would-be players at Stake.us.

16 153. As a result, “Easygo turned to Veriff” to expedite the verification process for
17 customers who wanted “to *gamble online*” in the United States.

18 154. As Veriff explains, it “was able to clear Stake.us’ ID verification backlog
19 immediately and provide near-real-time validation from that point forward.” In other words,
20 from that point forward, Veriff authenticated the identity of every would-be player at the
21 Stake.us casino, including every Californian, so they could lose money “*gambling*” faster.

22 155. As Easygo’s Mr. Richardson explained: “Veriff is so much faster than our
23 manual in-house solution. It would be embarrassing to share how much faster it is!”

24 156. Veriff not only authenticates all would-be players for the Stake.us casino, but
25 also Veriff specifically advertises that it provides verification services for “iGaming &
26 Gambling.” In its Frequently Asked Questions for its Gambling webpage, Veriff states that it is

27
28 ⁸ Chris Hooper, *Veriff and Easygo/Stake case study: Seamless, confident player onboarding*
Veriff (Apr. 2, 2025), <https://www.veriff.com/case-studies/veriff-and-easygostake>.

1 “licensed, established and deployed in the United States,” and it points to Easygo/Stake as an
2 example of how it can “improve the customer onboarding process in the US” for gambling
3 operations.

4 157. In other words, Veriff touts its work for Easygo and Stake.us as proof of concept
5 for other online casinos who may want to follow in the footsteps of Stake.us and offer online
6 gambling to Californians.

7 158. Because Veriff authenticates the identity of each would-be gambler, including by
8 reviewing “a quick selfie as well as a photo of their government-issued ID,” Veriff intentionally
9 and knowingly validates Californians and grants them access to the Stake.us casino so that
10 Californians can proceed to gamble in the illegal online casino.

11 159. Veriff thereby plays a key role in the Stake Illegal Gambling Scheme. Since at
12 least 2024, Veriff has confirmed the California address for every California player on Stake.us
13 and verified each California player before they could gamble on Stake.us. Veriff is therefore an
14 accomplice in the Stake Illegal Gambling Scheme because it knowingly and intentionally assists
15 the Stake Defendants in running an illegal casino for Californians.

16 **III. Game Developers Create a Broad Variety of Gambling Options to Maximize the**
17 **Appeal of Stake.us and Profit Directly from California Users.**

18 160. On Stake.us, players can play more than 1,900 casino games.

19 161. The Stake Defendants created some of these casino games. For example, as of
20 August 2025, there were at least 27 “Stake Originals” offered on Stake.us. Defendants
21 Sweepstakes, Easygo, and Medium Rare worked together to create these casino games.

22 162. On information and belief, Mr. Craven and Mr. Tehrani have been personally
23 involved in the creation of some or all of these casino games.

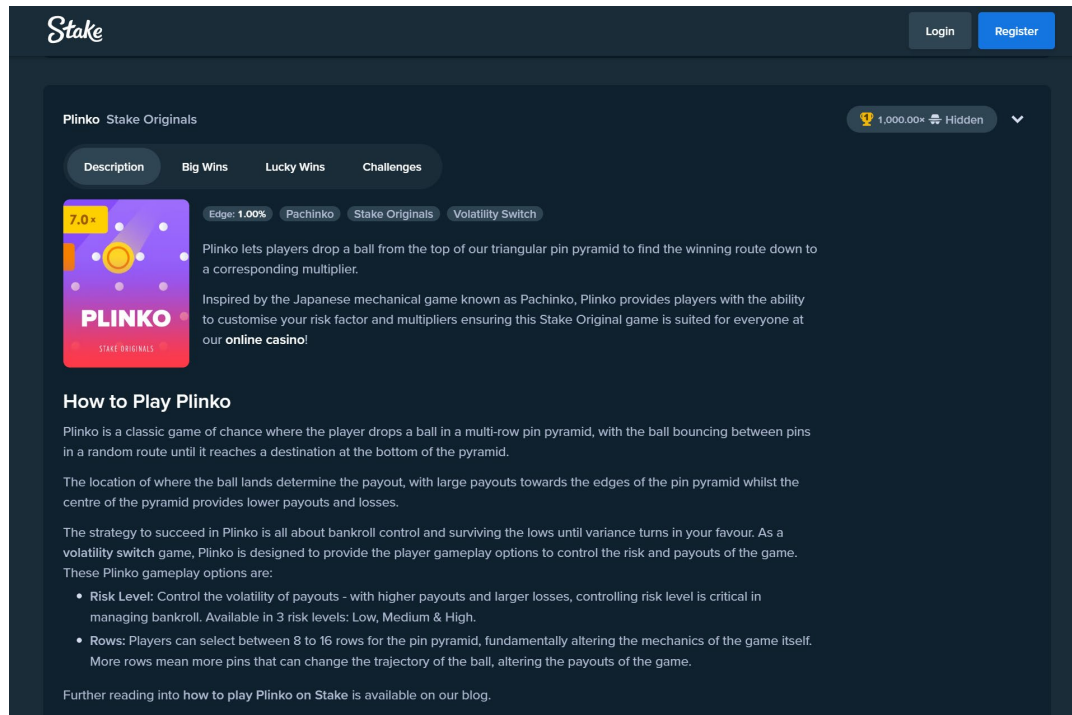
24 163. Some of the casino games that Easygo and Medium Rare originally created for
25 Stake.com are also offered on Stake.us. In this way, Medium Rare has served and continues to
26 serve as a game developer for Stake.us.

27 164. For example, the Stake Original “Plinko” is offered at Stake.com *and* Stake.us
28 with identical graphics and similar descriptions.

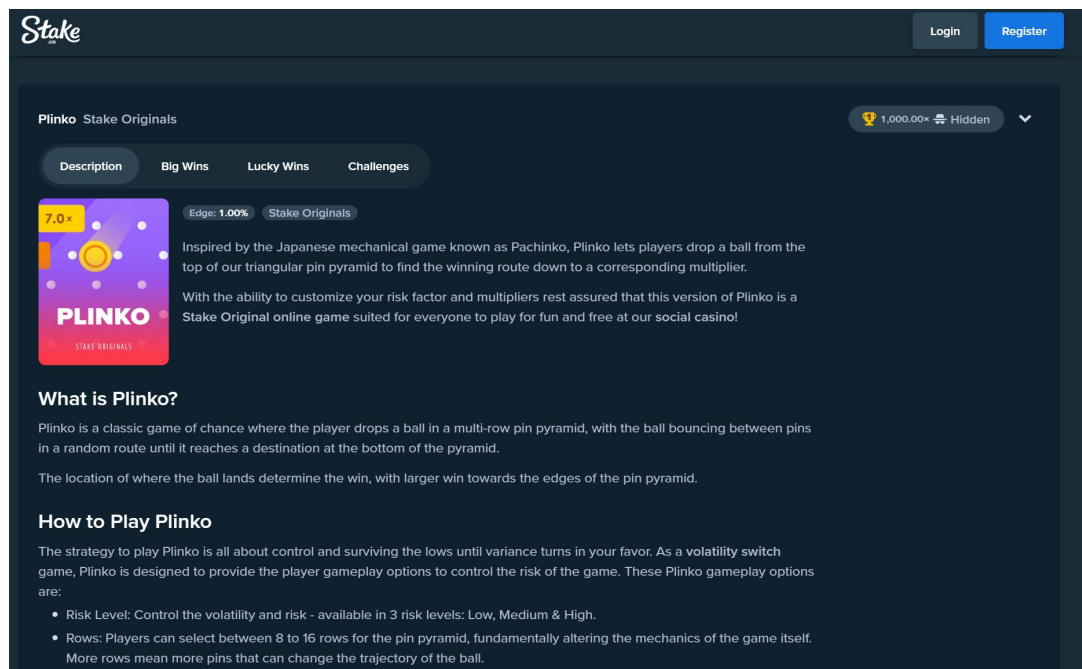
165. Plinko features a 1.00% edge on both Stake.com and Stake.us. Both casinos state that the casino game is “[i]nspired by the Japanese mechanical game known as Pachinko.”

166. Both casinos offer four tabs of information: Description, Big Wins, Lucky Wins, and Challenges.

167. This is Stake.com’s Plinko page:



168. This is the Plinko page for Stake.us:



1 169. In fact, *every* Stake Original game offered at Stake.com is also offered at Stake.us
2 with identical graphics and a nearly identical description. Looking solely at the Stake Originals
3 pages, the Stake.us and Stake.com websites are indistinguishable from each other.

4 170. In addition to the 27 Stake Original casino games, TWIST Gaming—a company
5 wholly owned by the Stake Defendants—has created at least 25 casino games for the online
6 casino.

7 171. However, the majority of the casino games on Stake.us were created by the Stake
8 Defendants’ accomplices, including the Evolution Defendants (encompassing brands Evolution,
9 NetEnt, Red Tiger, Big Time Gaming, and Nolimit City), the Hacksaw Defendants (brand
10 Hacksaw Gaming), and the Pragmatic Defendants (brand Pragmatic Play).

11 172. As of August 2025, Pragmatic Play offered at least 594 casino games on
12 Stake.us, including Sweet Bonanza 1000 and Fire Stampede. Hacksaw Gaming provided at least
13 136 casino games, such as Duel at Dawn and Fred’s Food Truck. Nolimit City offered at least 95
14 casino games, like Duck Hunters and Highway to Hell. NetEnt provided at least 33 casino
15 games. Big Time Gaming offered at least 45 casino games, and Red Tiger Gaming created at
16 least 59 casino games. The Evolution Defendants also provide various “first person” casino
17 games like Roulette, Baccarat, and Race Track, which are advertised as created by “Evolution.”
18 And, in or about August 2025, Evolution released at least 14 “live” casino games on Stake.us,
19 such as Fireball Roulette, Crazy Coin Flip, and Marble Race, all of which are advertised as
20 created by “Evolution,” involve a live dealer and/or casino game host, and offer live casino
21 game play nearly identical to that of a physical casino.

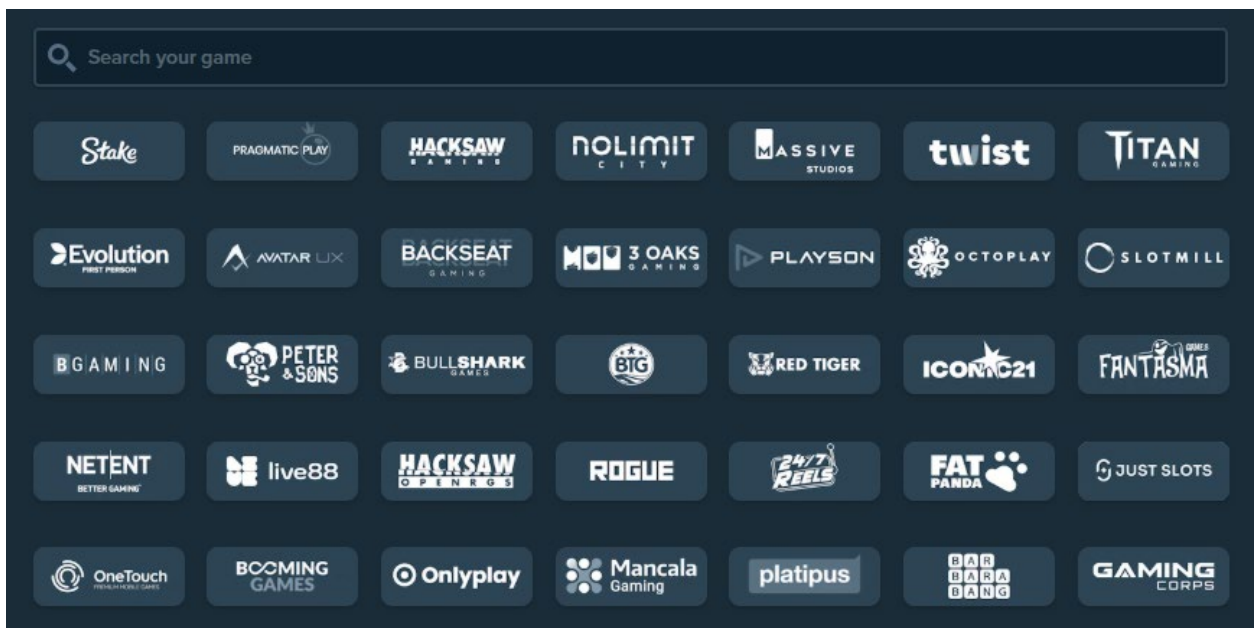
22 173. Some of these casino games may be licensed to other online casinos, but other
23 casino games are offered by the game developers *exclusively* at Stake’s casinos. There were at
24 least 120 exclusive casino games created by developers as of August 2025, including all of
25 TWIST Gaming’s casino games.

26 174. The game developer defendants knowingly license their casino games to
27 Stake.us, so the casino games can be offered to players across the United States, including in
28 California.

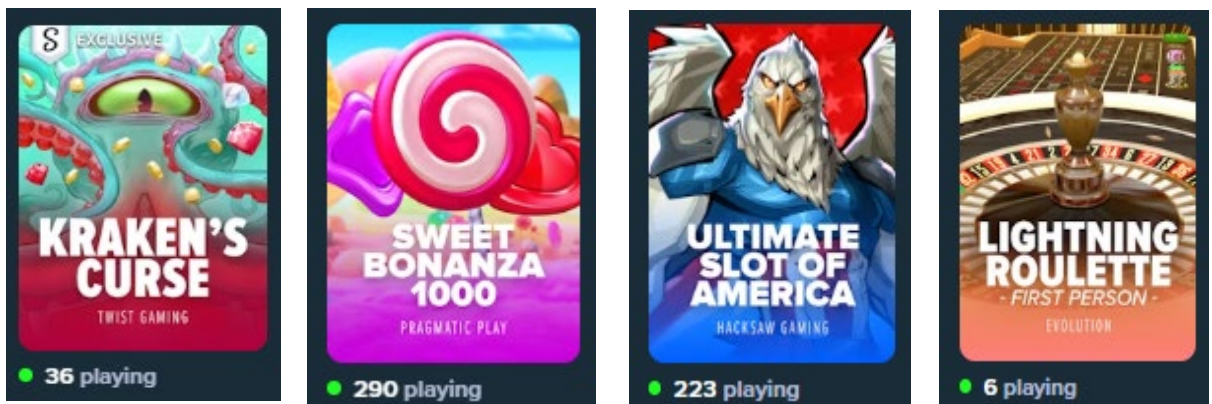
175. All the game developer defendants conspire with Stake.us to have their branding on the casino games, so that players will not just play casino games on Stake.us, but rather play *Evolution* casino games or *Pragmatic Play* casino games.

176. Indeed, in the active community of gambling influencers, the casino games in the Stake.us casino are discussed in reference to the game developer. Many gambling influencers in California promote casino games made by game developer defendants and do so by promoting the developer's name.

177. For that reason, it is no surprise that players can search for casino games based on the game developer in the casino.



178. Each game developer's name is also displayed immediately below the name of the game.





179. These game developers do not just create and license casino games to Stake.us. They knowingly participate in and profit from the Stake Illegal Gambling Scheme.

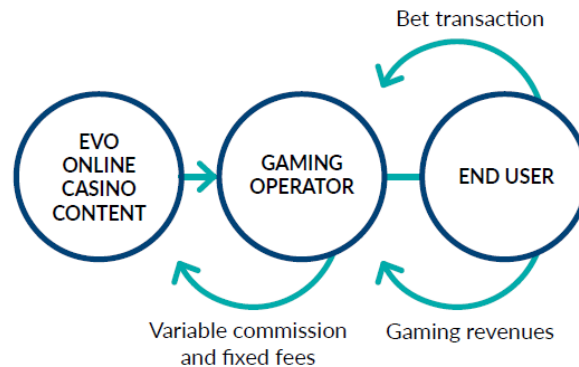
180. Indeed, *the reason* the game developer defendants create, market, license, and/or sell casino games to Stake.us is because they want access to otherwise unreachable U.S. markets, like California’s market. After all, Stake.us is an intentional effort to circumvent U.S. anti-gambling laws, like the laws in California. So Stake.us opens up the market to new customers—like Californians—for the game developer defendants. The game developer defendants understand this dynamic and have chosen to take advantage of it, in violation of California law.

181. Industry sources widely report that game developers are primarily paid based on a revenue share of the online casino’s gross gaming revenue (“GGR”).⁹ So game developers financially benefit from each wager every Californian makes at the Stake.us casino.

182. **The Evolution Defendants** knowingly and intentionally advance the Stake Illegal Gambling Scheme. The combined 2024 annual report for Evolution states that its goal is “[t]o be the leading online casino provider in the world.” It is apparently well on its way. It serves the majority of the largest online casinos (“gaming operators”) in Europe and North America.

⁹ See, e.g., Samantha Rodriguez, *Best iGaming Software Providers for Your Casino*, SEO Casino (June 24, 2025), <https://seo.casino/en/blog/best-igaming-software-providers-for-your-casino/>; Kishan RG, *The Business Model of Online Casino Software Providers*, Gamers – Vocal Media, <https://vocal.media/gamers/the-business-model-of-online-casino-software-providers> (last visited August 20, 2025).

183. As shown below, Evolution AB reports that the Evolution Defendants get paid fixed fees *and* a variable commission from gaming operators like Stake.us.



184. The Evolution Defendants’ commission “is calculated as a percentage of the operators’ winnings.” For live casino offerings, the Evolution Defendants will provide “dedicated tables and environments, VIP services, native-speaking dealers and other customisations to produce a live casino experience that is unique for the end user and helps the operator to stand out from the crowd.” For these offerings, the Evolution Defendants will reserve dedicated tables in their studios and customize the “studio environment, graphics, brand attributes and language.” In other words, the Evolution Defendants are not merely a service provider; they are a *partner* to Stake.us and earn a percentage of every single dollar wagered and lost by Californians playing Evolution-branded games at Stake.us.

185. The Evolution Defendants are incentivized to maximize the revenue generated at Stake.us. The more money siphoned from Californians’ pockets through the illegal online casino from gambling on Evolution’s provided casino games, the more money in the coffers of the Evolution Defendants.

186. The Evolution Defendants also understand that gambling “is regulated at a national or a regional level.” The Evolution Defendants report that they are collectively licensed and regulated in six U.S. states—Connecticut, Delaware, Michigan, New Jersey, Pennsylvania, and West Virginia. Notably, the Evolution Defendants implicitly admit that they are *not* licensed and regulated in California, despite partnering with the Stake Defendants to offer their casino games in California.

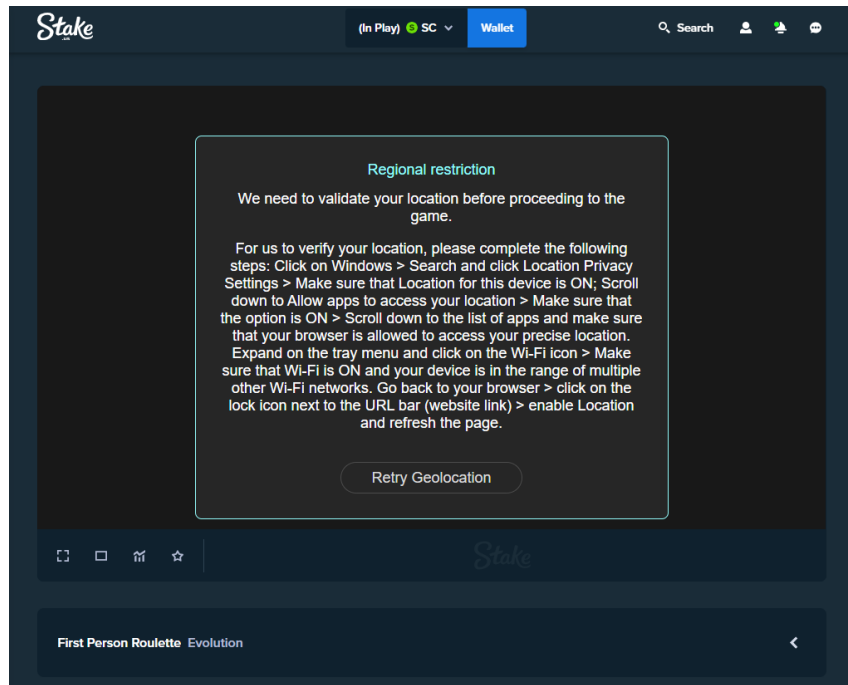
1 187. The Evolution Defendants have integrated their various brands and casino games
2 into a One Stop Shop (“OSS”) for casino operators. Through the Evolution Defendants’ OSS
3 proprietary software, they can partner with operators—like Stake.us—to provide “concurrent
4 user support” and “a diversity of features” for Evolution, NetEnt, Red Tiger, Big Time Gaming,
5 and Nolimit City casino games. This operating platform is yet another way that the Evolution
6 Defendants act not merely as a service provider *to* Stake.us, but also as a partner *with* Stake.us in
7 offering illegal online gambling to Californians.

8 188. The Evolution Defendants have even imposed a “regional restriction” for its
9 casino games offered on Stake.us. In order to play casino games offered by the Evolution
10 Defendants, Stake.us and the Evolution Defendants state that they “need to validate your
11 location before proceeding to the game.” To do so, Stake.us and the Evolution Defendants
12 provide detailed instructions for ensuring that the player’s location is provided to Stake.us and
13 the Evolution Defendants.

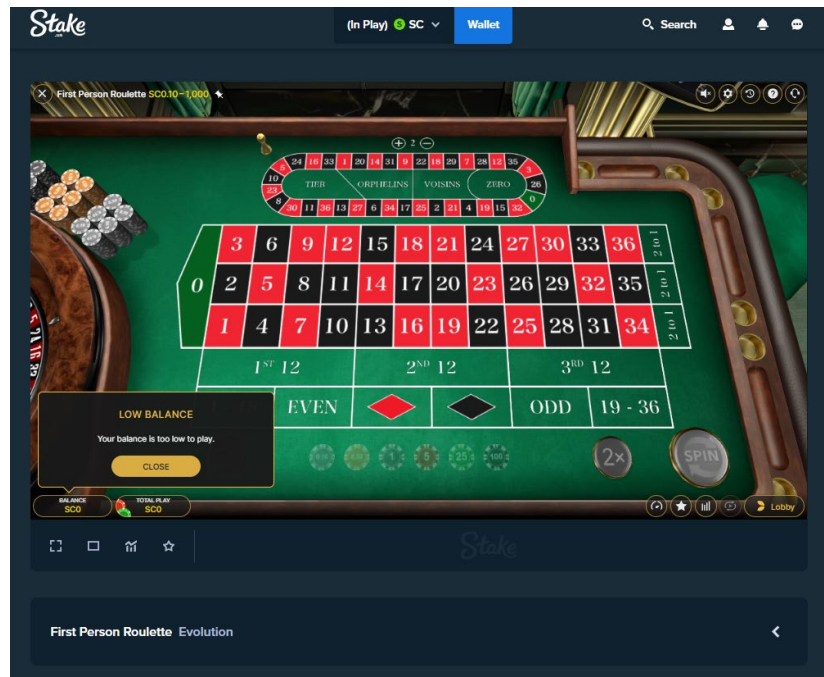
14 189. This geolocation feature is required across the Evolution Defendants’ brands,
15 including Evolution First Person, Evolution Live, NetEnt, Red Tiger, Big Time Gaming, and
16 Nolimit City casino games.

17 190. This feature is *not* required by Stake.us to access the casino generally, nor to
18 access casino games by several other game developers. This requirement is imposed by the
19 Evolution Defendants.

20 191. For example, when a would-be player located in California tries to access
21 Evolution’s “First Person Roulette” game, they first will be directed to turn on location services
22 (providing the device’s precise location in California), as shown below.
23
24
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192. If this person permits the Evolution Defendants and Stake.us to have real-time access to the device’s location (CA), then access to Roulette will be granted, as shown below.



193. The Evolution Defendants also utilize “due diligence processes,” so that they can “discontinue [their] services to operators that fail to comply with the relevant regulations.” The Evolution Defendants have *not* discontinued their services to Stake.us, nor have they taken *any* effort to restrict Californians’ access to their casino games. Instead, pursuant to the Evolution

1 Defendants’ “regional restriction” and location services policy, the Evolution Defendants have
2 knowingly and specifically authorized Californians to gamble on their online casino games.

3 194. Indeed, in or about August 2025, the Evolution Defendants *expanded* their casino
4 game offerings to Californians by introducing “live” casino games through Stake.us. These
5 casino games involve a real dealer who uses physical casino equipment, like cards, marbles, and
6 roulette wheels, to offer live casino gameplay that is streamed in real time to Californians. In
7 turn, Californians can interact with Evolution’s dealers during casino gameplay, just like
8 gamblers do in a physical casino.

9 195. The Evolution Defendants further maintain a Mission Control Room (“MCR”) that “is responsible for ensuring operational excellence, system availability, security and
10 regulatory compliance.” The MCR “monitors all gaming activities on [the] gaming floors in real
11 time, 24 hours a day, year-round.”

12 196. The Evolution Defendants know that Californians and other persons in markets
13 that are not regulated or licensed gamble on its online casino games. After all, Evolution AB—
14 the parent company of the Evolution Defendants—reports that it generated approximately
15 2 billion euros in revenue in 2024, and **60%** of that revenue came from “*unregulated*
16 *markets*.”¹⁰

17 197. Most of the U.S. market—including California—falls into that 60% bucket.

18 198. The Evolution Defendants have a substantial presence in the United States.
19 Across the country, the Evolution Defendants have more than 3,000 employees.

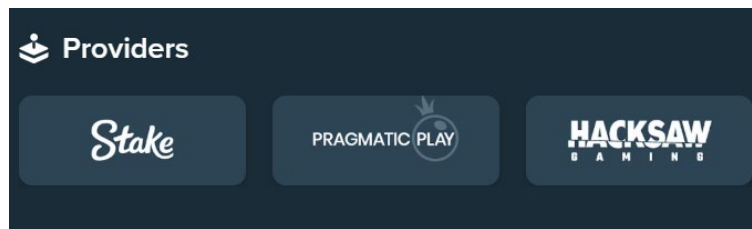
20 199. The Evolution Defendants work collectively to market, license, and sell casino
21 games under the brands Evolution, NetEnt, Red Tiger, Big Time Gaming, and Nolimit City to
22 Stake.us, which in turn offers those casino games to Californians under the brand names. The
23 Evolution Defendants provide technical support to both Stake.us *and* to players through the OSS
24 software. The Evolution Defendants know that their casino games will be offered to Californians
25

26
27 ¹⁰ The Evolution Defendants appear to use the terms “regulated” and “unregulated” markets to
28 mean and refer to whether the Evolution Defendants, or any of them, have been granted a license
in a given jurisdiction. For example, unregulated markets include those markets—like
California—in which none of the Evolution Defendants have been granted a license.

1 and, moreover, they partner with Stake.us *so that* the casino games can be offered in unregulated
2 markets across the United States, including in California. The Evolution Defendants have even
3 specifically authorized Californians to gamble on their casino games through Stake.us by
4 implementing the regional restriction and location services policy. The Evolution Defendants are
5 therefore accomplices in the Stake Illegal Gambling Scheme because they knowingly and
6 intentionally assist, and profit from, the running of an illegal casino for Californians.

7 200. **The Hacksaw Defendants** (brand name “Hacksaw Gaming”) knowingly and
8 intentionally advance the Stake Illegal Gambling Scheme.

9 201. On the Stake.us webpage, Hacksaw Gaming is prominently featured third
10 alongside Stake and Pragmatic Play.



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15 202. Hacksaw Gaming offers at least 136 casino games on Stake.us.

16 203. As with the Evolution Defendants, the Hacksaw Defendants market and license
17 their casino games to Stake.us under the Hacksaw Gaming brand. They license their intellectual
18 property, copyrights, and trademarks; work with Stake.us to ensure that Hacksaw Gaming’s
19 name and marks are prominently displayed at the casino; and repair the slot machines and other
20 casino games as needed by issuing updates to them.

21 204. Hacksaw Gaming travels extensively within the United States to market its casino
22 games. For example, in 2023, Hacksaw Gaming attended conferences in at least New Jersey, Las
23 Vegas, and Miami to market and sell its casino games for the U.S. market.

24 205. Hacksaw Gaming is upfront that it creates *gambling* games, not just games “for
25 fun.” The Hacksaw Gaming Instagram page includes the disclaimer to “Please Gamble
26 Responsibly,” and each Instagram post directs viewers to <BeGambleAware.org>.

27 206. Hacksaw Gaming’s success has been credited to its proprietary Remote Gaming
28 Server (“RGS”) platform, which provides backend functionality for casino game development,

1 distribution, and casino game updates or repairs. Through the RGS platform, the Hacksaw
2 Defendants not only provide casino games to Californians through Stake.us, but they also
3 continue to update the casino games and introduce new casino games to Californians.

4 207. In 2023, the Hacksaw Defendants introduced a new “proprietary content
5 distribution platform,” known as “OpenRGS.” This platform “empower[s] independent studios
6 to release [casino games] by leveraging Hacksaw Gaming’s forward-leaning technology and
7 vast distribution network.”¹¹

8 208. In other words, the Hacksaw Defendants permit third parties to bootstrap their
9 casino game concepts to Hacksaw’s OpenRGS platform and thereby expeditiously release online
10 casino games to the U.S. market through Stake.us.

11 209. Through the Hacksaw Defendants’ platform, multiple game developers have been
12 able to offer their casino games to Californians through Stake.us, when they otherwise would
13 not have had access to the California market.

14 210. For example, Trusty Gaming is a small company that has created only three
15 casino games, all of which are offered at Stake.us through Hacksaw OpenRGS.

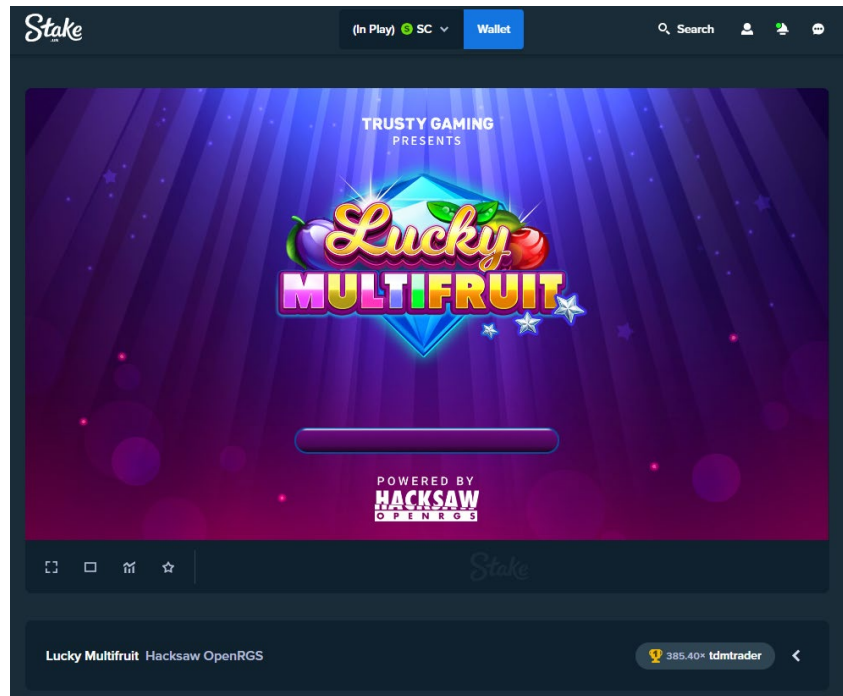
16 211. There is *no* gaming company that offers so few casino games directly at the
17 Stake.us casino, except through Hacksaw.

18 212. But Trusty Gaming can offer its casino games to Californians through Stake.us
19 because Hacksaw has permitted Trusty Gaming to bootstrap its casino games to Hacksaw’s
20 technology, brand, and distribution network.

21 213. In this way, the Hacksaw Defendants are not only a provider for the Stake Illegal
22 Gambling Scheme, but also work as a middleman: bridging creators of casino games with the
23 illegal online casino that offers those casino games to Californians. The Hacksaw Defendants
24 thereby facilitate additional gambling that occurs at Stake.us, while increasing the number of
25 casino games available to Californians.

26
27 ¹¹ Hacksaw Gaming, *Hacksaw Gaming Announces Content Distribution Platform* (Feb. 13,
28 2023), [https://www.hacksawgaming.com/news/hacksaw-gaming-announces-content-distribution-
platform](https://www.hacksawgaming.com/news/hacksaw-gaming-announces-content-distribution-platform).

214. For example, the Hacksaw Defendants “power” Trusty Gaming’s “Lucky Multifruit” casino game.



215. The Hacksaw Defendants also have the capability and knowledge to ensure that their casino games are not offered in unlicensed, unregulated jurisdictions. In 2024, the Hacksaw Defendants were fined by Sweden’s gambling regulator Spelinspektionen for providing online gambling content to unlicensed websites.¹² The Hacksaw Defendants responded by stating that they had put in place measures to use geo-blocking to control where its games were played.

216. But the Hacksaw Defendants choose not to restrict the availability of their casino games on Stake.us for California users. Instead, they knowingly offer their casino games to Californians.

217. The Hacksaw Defendants’ conduct has resulted in financial success. On June 25, 2025, Hacksaw AB—the parent company for the other Hacksaw Defendants—launched

¹² Robert Fletcher, *Hacksaw Gaming and Panda Bluemoon handed penalty fees in Sweden*, iGaming Business (May 28, 2024), <https://igamingbusiness.com/legal-compliance/hacksaw-and-panda-bluemoon-handed-penalty-fees-in-sweden/>.

its public offering on Nasdaq Stockholm. In advance of the offering, Hacksaw issued a prospectus outlining its financial strategy and potential risks.

218. Like Evolution, the Hacksaw Defendants use a revenue share model in which they are paid a percentage of the gross revenue at Stake.us generated from Hacksaw-branded games. In other words, Hacksaw earns a percentage of every dollar Californians lose playing a Hacksaw-branded game on Stake.us, so the more money Californians lose gambling at Stake.us, the richer the Hacksaw Defendants become.

Illustrative revenue share model

HACKSAW REVENUE MODEL

1	BET VOLUME	=	# of bets	x	Avg. bet size (€)
2	GGR (CASINO REVENUE)	=	Bet volume	x	(1-RTP)
3	HACKSAW REVENUE	=	GGR	x	Hacksaw take rate (%)

219. The prospectus confirms that the Hacksaw Defendants take a cut from wagers made on any casino game offered through the OpenRGS system. As a result, the Hacksaw Defendants have a financial interest in not only all the Hacksaw casino games at Stake.us, but also all casino games available through OpenRGS, like Trusty Gaming’s “Lucky Multifruit.”

220. The Hacksaw AB prospectus further confirms the Hacksaw Defendants’ actual knowledge that Stake.us operates an unregulated casino based on a sweepstakes model. In the prospectus, Hacksaw acknowledges the substantial risk including “potential swift decline, or even elimination” of the sweepstakes casino market due to the lack of regulation or licensure.

221. Hacksaw AB’s public offering generated more than \$400 million in gross proceeds, establishing a market valuation of more than \$2 billion.

222. This success is due in part to the Hacksaw Defendants’ role in the Stake Illegal Gambling Scheme. The Hacksaw Defendants knowingly create casino games for Stake.us; market and sell their casino games to Stake.us; license their intellectual property, including copyrights and trademarks, to the Stake Defendants; serve as a middleman to help offer other

1 creators' casino games to Californians; profit directly from Californians losing money in
2 California on Stake.us; and knowingly offer their casino games to Californians.

3 223. The Hacksaw Defendants are therefore accomplices in the Stake Illegal
4 Gambling Scheme because they knowingly and intentionally assist, and profit from, the Stake
5 Defendants' running an illegal casino for Californians.

6 224. **The Pragmatic Defendants** (brand name "Pragmatic Play") knowingly and
7 intentionally advance the Stake Illegal Gambling Scheme.

8 225. On the Stake.us homepage, Pragmatic Play is the *second* listed provider after
9 Stake.



13
14 226. This is no surprise as there are at least **594** Pragmatic Play casino games available
15 on Stake.us—comprising more than 30% of the casino's games. Pragmatic Play is by far the
16 largest game developer for Stake.us.

17 227. Pragmatic Play is also one of the largest game developers for casino games that
18 are exclusive to Stake. Pragmatic Play has created and licensed at least 19 different casino
19 games that were designed specifically for the Stake Defendants.

20 228. Just like Evolution and Hacksaw, the Pragmatic Defendants market and license
21 their casino games to Stake.us. Under the Pragmatic Play brand, they license their intellectual
22 property, copyrights, and trademarks; work with Stake.us to ensure that Pragmatic Play's name
23 and marks are prominently displayed at the casino; and repair the slot machines and other casino
24 games as needed by issuing updates to them.

25 229. Like Evolution and Hacksaw, Pragmatic Play takes an active role in compliance.
26 The Pragmatic Defendants have a protocol to ensure compliance with applicable law in all
27 jurisdictions "where our games are provided."
28

1 230. In a complaint filed in the U.S. District Court for the Eastern District of Virginia
2 on July 2, 2024, Pragmatic Play acknowledged that it “offers an array of games under the
3 PRAGMATIC PLAY Marks including online slot games, live casino games, bingo, and virtual
4 sports[,] . . . and a subset of these services are made available by social casino operators in select
5 states in the U.S. in accordance with applicable state and federal laws.”

6 231. But, of course, at least 594 Pragmatic Play casino games are offered in California
7 on Stake.us, even though online gambling is illegal under California law. In following the
8 Pragmatic Defendants’ protocol to ensure compliance, they must have specifically approved
9 Stake.us offering its casino games to California users. The Pragmatic Defendants have therefore
10 knowingly and intentionally offered gambling services to Californians through Stake.us, despite
11 California’s ban on online gambling.

12 232. Pragmatic Play not only licenses its casino games to Stake.us and acknowledges
13 the need to comply with applicable law in so doing, but also Pragmatic Play “actively” markets
14 its casino games in “year-round public relations campaigns that ensure brand momentum, paid
15 and earned content marketing including webinars, feature stories, and interviews, paid
16 advertising including display banners and newsletter sponsorship, sponsored and attended both
17 physical and virtual events including EGR Awards, Sigma, and SBC, and social media including
18 LinkedIn, Twitter, Facebook, and Instagram.”

19 233. Like Evolution and Hacksaw, the Pragmatic Defendants have a financial interest
20 in every wager on a Pragmatic Play casino game at Stake.us. Industry insiders report that
21 Pragmatic Play is paid “between 8% and 12% of GGR,” which is considered a more “affordable
22 approach” compared to premium developers like Evolution (“12% to 18% of GGR”).¹³
23 Pragmatic Play therefore receives a percentage of every dollar lost by Californians playing any
24 one of the at least 594 Pragmatic Play-branded games available in California on Stake.us.

25
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27
28 ¹³ Rodriguez, *supra* note 9.

234. The Pragmatic Defendants are therefore accomplices in the Stake Illegal Gambling Scheme because they knowingly and intentionally assist, and profit from, the Stake Defendants' running an illegal casino for Californians.

IV. Stake.us Aggressively and Misleadingly Advertises Its Online Casino to Californians.

235. Stake.us promotes itself as “America’s Social Casino” to evade gambling regulations and reassure potential players that it offers casino-style games for entertainment without real money gambling.

236. Stake.us represents: “**NO PURCHASE OR PAYMENT IS NECESSARY TO PARTICIPATE OR PLAY THE GAMES.**” (Emphasis in original.)

237. Stake.us tells potential players: “**THE PLATFORM AND GAMES DO NOT OFFER REAL MONEY GAMBLING, AND NO ACTUAL MONEY IS REQUIRED TO PLAY.**” (Emphasis in original.)

238. Stake.us advertised that its “social casino has been tailor-made to provide the ultimate social, safe and free gaming experience.”

239. These misleading and/or false statements deceive consumers into believing that they are participating in harmless gameplay when they are in fact being lured into real money gambling and at risk of developing a gambling addiction.

240. Stake.us also floods Californians with targeted advertisements on social media and other channels. Californians that have expressed some interest in Stake.us—perhaps by visiting social media accounts, watching gambling influencer videos, or otherwise consuming related content—can receive numerous targeted advertisements from Stake.us *every day*. These advertisements aim to turn casual interest in online gaming into active gambling on Stake.us.

241. In addition, by targeting advertisements at Californians, the Stake Defendants intentionally and specifically seek to lure *Californians* to gamble on Stake.us.

242. Stake.us further falsely and/or misleadingly implies that Californians may lawfully gamble at its online casino. Stake.us repeatedly states that gameplay is restricted when it is unlawful. As of August 2025, Stake.us stated that 17 states were “excluded”—Washington, New York, Nevada, Idaho, Kentucky, Michigan, Vermont, New Jersey, Delaware, West

1 Virginia, Pennsylvania, Rhode Island, Connecticut, Maryland, Louisiana, Montana, and
2 Arizona. But by omitting California, in which online gambling is illegal, Stake.us deceives
3 Californians into believing they are engaging in lawful, permitted activities rather than illegal
4 online gambling.

5 243. Furthermore, when a Californian goes to “Register” on Stake.us, they are
6 prompted to select a state from a drop-down list. As of August 2025, California was one of the
7 states that a user may choose to register with Stake.us.

8 244. Through its false and misleading statements, Stake.us deceives Californians into
9 believing that its casino games are (1) safe, (2) free, and (3) legal in California.

10 245. None of those beliefs are true.

11 246. The casino games are *not safe* because they subject Californians to a high risk of
12 gambling addiction and financial jeopardy—doubly so when Californians do not realize that
13 they are engaging in real money gambling.

14 247. The casino games are *not free* because to engage in standard game play,
15 Californians must buy bundles of coins from Stake.us.

16 248. And the casino games are *not legal* because gambling at an unlicensed online
17 casino is illegal under California law.

18 **V. Stake.us’s Success Is Attributable in Part to Kick Streaming.**

19 249. The Stake Defendants have created one of the largest illegal gambling enterprises
20 in California’s history. They did so in part by recruiting accomplices to promote Stake.us to
21 massive fan bases.

22 250. One accomplice has knowingly and intentionally driven Stake.us to success by
23 promoting the casino to Californians: Defendant Kick Streaming. Kick has created and curated
24 an online platform designed to promote gambling at Stake’s casinos. Kick recruited individuals,
25 including Californians, to livestream their gambling on Stake.us, to create advertisements for
26 Stake.us, and to leverage their fame to entice Californians and others across the United States to
27 gamble and lose money at the Stake.us casino.

1 251. Kick Streaming, also known as “the Wild West of livestreaming,” was created
2 the same year as Stake.us.¹⁴ In 2021, Stake.com began offering Twitch streamers large sums of
3 money—more than \$1 million per month—to broadcast themselves gambling.

4 252. Twitch’s advertisers were concerned about the lawfulness and ethics of
5 livestreaming gambling. So Twitch banned the streaming of Stake.com. In its statement titled
6 “Prohibiting Unsafe Slots, Roulette, and Dice Gambling Sites,” Twitch justified its decision
7 based on the lack of licensure and failure to “provide sufficient consumer protection.”¹⁵

8 253. In response, Mr. Tehrani and Mr. Craven started Kick to ensure that there would
9 be a venue for livestreaming gambling on Stake to lure in new players.

10 254. There was no ambiguity about Kick’s purpose: Kick was created for the unlawful
11 purpose of streaming illegal gambling. In 2023, Mr. Craven reportedly acknowledged that Kick
12 was losing money, but highlighted Kick’s marketing value for Stake and the overlap in the
13 shareholders between the two companies.¹⁶

14 255. Kick targeted unlawful content by directly calling upon users to post content and
15 prompting the type of content to be submitted. Kick has entered into eight-figure contracts
16 regarding streaming content, and the contracts **require** users to upload gambling streams.¹⁷ As
17 one example, Kick entered into a contract with Félix “xQc” Lengyel, a two year, non-exclusive,
18 \$100 million deal.¹⁸ Lengyel has previously admitted to having a gambling addiction.¹⁹

19
20 ¹⁴ Kellen Browning, *Gambling, Risky Pranks and Lucrative Contracts: Inside the Streaming Site Kick*,
21 The New York Times (Dec. 2, 2023),
22 <https://www.nytimes.com/2023/12/02/technology/kick-streaming-twitch-gambling.html>.

23 ¹⁵ Twitch, *Prohibiting Unsafe Slots, Roulette, and Dice Gambling Sites* (Oct. 18, 2022),
24 https://safety.twitch.tv/s/article/Prohibiting-Unsafe-Slots-Roulette-and-Dice-Gambling-Sites?language=en_US.

25 ¹⁶ Browning, *supra* note 14.

26 ¹⁷ Jake Lucky, *Nickmercs confirms his Kick contract will have him gambling, even going of NA to do so*,
27 X (formerly known as Twitter) (Oct. 30, 2023),
28 <https://x.com/JakeSucky/status/1719022709894701441?s=20>.

¹⁸ Olivia Balsamo, *Twitch Competitor Kick Is Dividing The Internet’s Top Streamers*, NBC News (Aug. 28, 2023), <https://www.nbcnews.com/tech/social-media/twitch-kick-streamer-gambling-deals-rcna95672>.

1 256. In 2023, Kick reportedly entered into an exclusive contract with Adin Ross.²⁰
2 Mr. Ross later stated that he was paid a guaranteed rate for livestreaming on Kick that exceeded
3 \$10,000 per hour.

4 257. Mr. Ross is one of the most high profile Stake.us streamers with 6.7 million
5 followers on Instagram and 1.8 million followers on Kick. During the relevant period, Mr. Ross
6 was a well-known celebrity and influencer living in Los Angeles, California.²¹

7 258. Mr. Ross livestreamed his gambling at Stake.us for hours at a time, garnering
8 hundreds of thousands of viewers. Because Mr. Ross lived in California at that time, Kick
9 contracted for and paid for Mr. Ross to gamble on Stake.us in California and promote gambling
10 on Stake.us from California.

11 259. Livestreaming gambling on Kick by Lengyel, Ross, and others is particularly
12 dangerous because many of their audiences are primarily young individuals. For example,
13 Mr. Ross has claimed that most of his followers are teenagers or in their early 20s. This
14 demographic is especially at risk for developing gambling addiction.

15 260. According to an article published by the American Psychological Association,
16 “[p]eople in their early 20s are the fastest-growing group of gamblers.”²² The article reported
17 that one survey found two-thirds of children aged 12 to 18 had “gambled or played gambling-

18 _____
(... cont’d)

19 ¹⁹ Alanred7, x takes responsibility, Twitch Clips
<https://clips.twitch.tv/AmericanRudePastaSwiftRage-OfvrEM766xLIrAlr> (last visited
20 August 20, 2025).

21 ²⁰ Adin Updates, *BREAKING: Ex-Twitch streamer Adin Ross signs a reported 2-yr, \$150M deal*
22 *to stream exclusively on Kick, X (formerly known as Twitter)* (Feb. 12, 2023),
<https://x.com/AdinUpdatess/status/1624904206682398723>.

23 ²¹ See, e.g., TMZ Staff, *Adin Ross Unloads \$5M L.A. Home ... Movin’ Out After Swatting*, TMZ
24 (July 17, 2023), <https://www.tMZ.com/2023/07/17/adin-ross-youtuber-sell-los-angeles-home-swatting/>;
25 Miles Klee, *The Streaming Superstar Met Andrew Tate – And Started Platforming*
26 *White Supremacists*, Rolling Stone (Apr. 2, 2023), <https://www.rollingstone.com/culture/culture-features/adin-ross-andrew-tate-white-supremacists-1234705845/> (“After a stint in a Los Angeles
content creator house, [Adin Ross] settled into a Hollywood Hills mansion previously leased by
TikTok celebrity Charli D’Amelio.”).

27 ²² Emily Sohn, *How gambling affects the brain and who is most vulnerable to addiction*,
28 American Psychological Association: Monitor on Psychology (July 1, 2023),
<https://www.apa.org/monitor/2023/07/how-gambling-affects-the-brain>.

1 like games in the previous year.” This phenomenon is concerning because “the earlier kids get
2 exposed to gambling through online games and other avenues, studies suggest, the more severe
3 their gambling problems are likely to be later on.”

4 261. The Harvard Gazette has reported that this phenomenon has been spurred by
5 online casinos “framing gambling as ‘sweepstakes,’” like Stake.us does, which “help the
6 industry evade age restrictions to lure new and younger gamblers.”²³ The combination of
7 targeting younger gamblers and the 24-hour availability of online gambling has created “a public
8 health issue.”

9 262. This issue has been widely reported in the public press, too.²⁴

10 263. Kick plays a prominent role in this epidemic. There are tens of millions of hours
11 of gambling content on Kick.

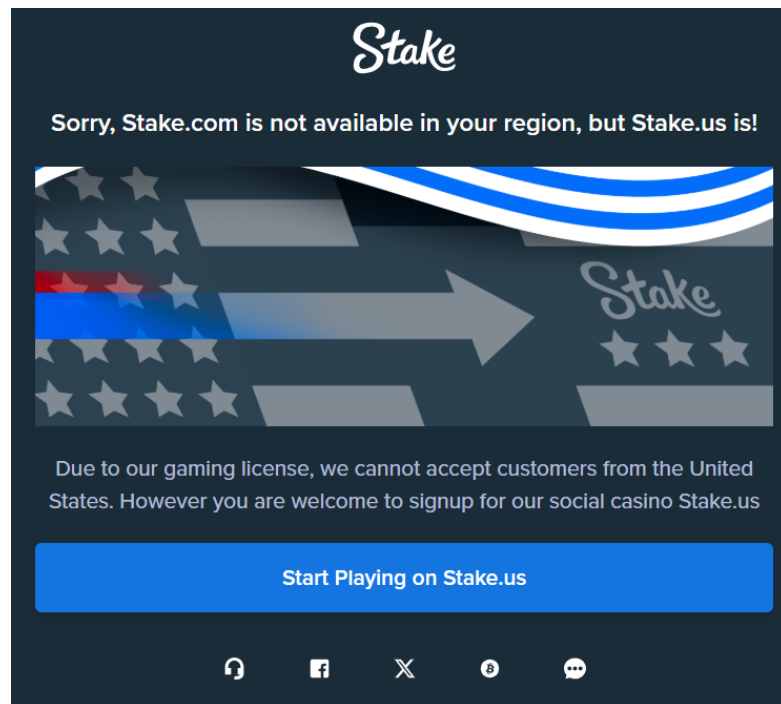
12 264. Many of these hours are devoted to players across the United States—including
13 many players in California—streaming their gambling on Stake.us.

14 265. Although some of this content involves wagering at Stake.com, many gambling
15 influencers intentionally do not distinguish between Stake.com and Stake.us. Instead, they
16 promote gambling on “Stake,” intentionally obfuscating a distinction between the two platforms.

17 266. This representation of a unified platform is no accident. The Stake Defendants
18 hold themselves out as a unified platform under the brand name “Stake,” and when individuals
19 in California enter “Stake.com” instead of “Stake.us,” the Stake Defendants direct them to
20 Stake.us, as shown below.

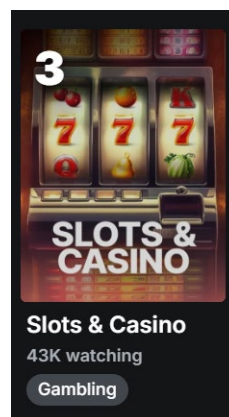
21
22 ²³ Clea Simon, *Gambling problems are mushrooming. Panel says we need to act now.*, The
23 Harvard Gazette (Jan. 28, 2025), <https://news.harvard.edu/gazette/story/2025/01/online-gambling-is-on-the-rise-panel-says-we-need-to-act-now/>.

24 ²⁴ See, e.g., Kimberly Palmer, *Gambling risks are rising for young people. How to lower the*
25 *stakes*, Los Angeles Times (Jan. 20, 2024), <https://www.latimes.com/business/story/2024-01-20/gambling-risks-rise-for-young-people-how-to-lower-the-stakes>; Wayne Parry, *Poll shows*
26 *young men in the US are more at risk for gambling addiction than the general population*,
27 Associated Press (Sept. 20, 2024), <https://apnews.com/article/sports-betting-compulsive-gambling-addiction-d4d0b7a8465e5be0b451b115cab0fb15>; Hannah Shields, *Study: Online*
28 *gambling poses higher addiction risk than gambling in person*, Gillette News Record (May 16, 2025),
https://www.gillettenewsrecord.com/news/wyoming/article_03b7cd32-0387-41fd-8e85-6aa58c1f854b.html.



267. Kick’s website also is designed to steer viewers to Stake.us, including via the use of a “StakeUS” tag.

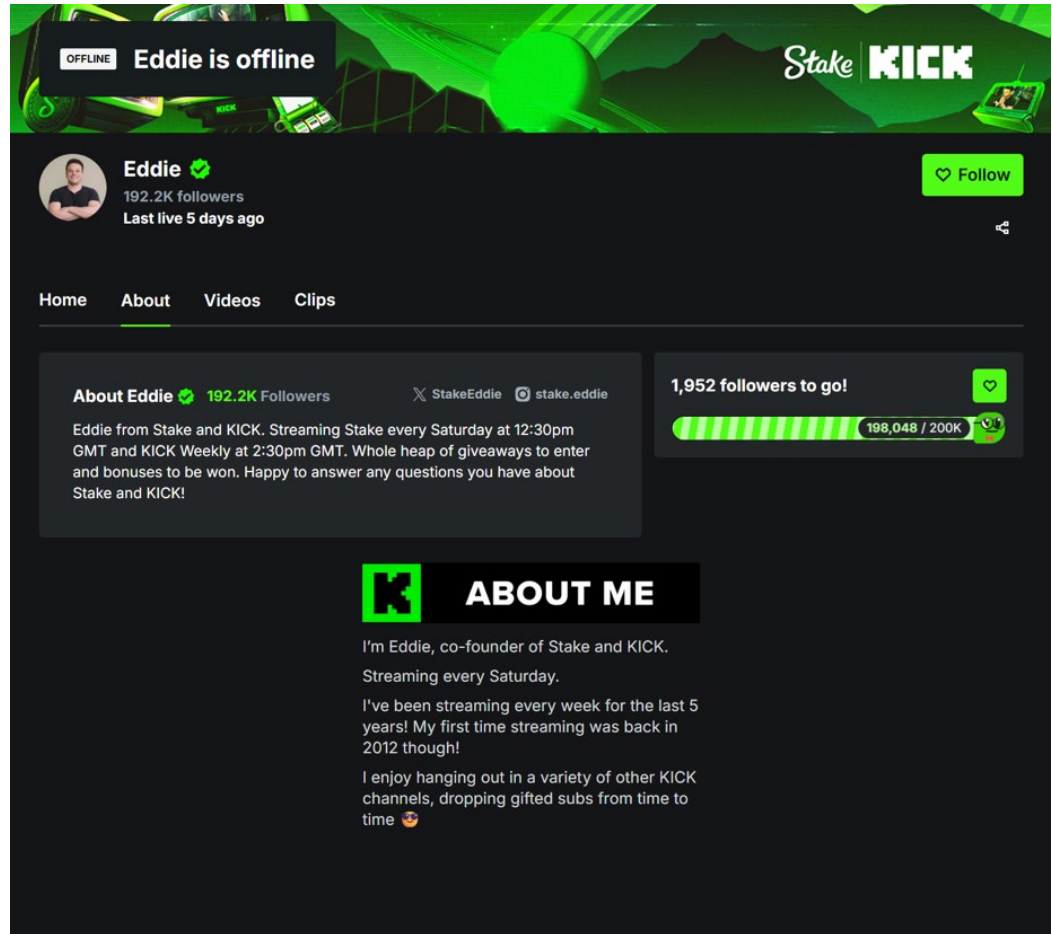
268. Kick not only targets unlawful content through its contracts with streamers, but also Kick designed its website to encourage the continued proliferation of unlawful content with specific categories like “Slots & Casino.” The website is also designed with a number of tags, including tags like “gambling,” “gamblingaddiction,” “gamblingaddict” and “gamblingcontent.”



269. Kick even provides a “California” tag, allowing viewers to specifically choose streamers who are gambling on Stake.us from California.

270. Since its creation, Kick has become one of the world's largest livestreaming companies in the world with a multi-billion-dollar valuation.

271. Defendants also upload the illegal content themselves. Mr. Craven is a regular streamer on Kick. Every Saturday, he livestreams, offers "giveaways to enter" and other "bonuses," and directs California-based viewers to Stake.us:



272. Kick collects location data on its viewers, including tailoring advertisements based on location. Kick specifically targets Californians, and it even includes a provision in its Terms of Service directed to Californians.

4.7 California Residents.

The provider of services is Kick.com. If you are a California resident, in accordance with Cal. Civ. Code §1789.3, you may report complaints to the Complaint Assistance Unit of the Division of Consumer Services of the California Department of Consumer Affairs by contacting them in writing at 1625 North Market Blvd., Suite N 112 Sacramento, CA 95834, or by telephone at (800) 952-5210 or (916) 445-1254.

273. By offering and promoting tens of millions of hours of gambling content, including gambling content for Stake.us created by Californians, and tailoring advertisements to

1 Californians, Kick intentionally and knowingly assists the Stake Defendants in running an illegal
2 casino for Californians. Indeed, Kick was created by Mr. Craven and Mr. Tehrani *in order to*
3 assist the Stake Defendants in running and expanding their online casino.

4 274. The harm posed by Kick Streaming is magnified because Stake.us has partnered
5 with a variety of individuals and entities, all of which have significant social and cultural capital.
6 This allows Stake.us to reach a broad swath of Californians, while lending the sponsors'
7 collective credibility to Stake.us. For example, Stake.us also partners with various sports teams
8 across the country, including teams that participate in national and international wrestling,
9 racing, cricket, and soccer matches. As a result, teenagers and young adults in California will see
10 Stake.us promoted when they watch their favorite streamers and content creators on Kick. They
11 will see Stake.us promoted at sports events in Inglewood or Oakland, or when they watch those
12 events at home. They will see Stake.us promoted when their favorite musicians post about where
13 they like to play games. Put together, this makes Stake.us appear ubiquitous, presents the online
14 casino as fun, safe, and lawful, and leaves Californians—from teenagers to senior citizens—with
15 the impression that gameplay at Stake.us is commonplace and normal.

16 275. This false impression is especially dangerous. It conceals the substantial financial
17 and emotional hazards posed by online gambling. And, by the same token, it highlights the key
18 role that promoters like Kick Streaming play in the Stake Illegal Gambling Scheme.

19 **FIRST CAUSE OF ACTION**

20 (VIOLATION OF UNFAIR COMPETITION LAW AGAINST ALL DEFENDANTS)

21 276. The People reallege and incorporate by reference each and every allegation set
22 forth in paragraphs 1 through 275 above as if fully set forth herein.

23 277. The UCL prohibits any person from engaging in “any unlawful, unfair or
24 fraudulent business act or practice.” Bus. & Prof. Code § 17200.

25 278. The UCL also prohibits any unfair, deceptive, untrue or misleading advertising
26 and any act prohibited by the False Advertising Law. Bus. & Prof. Code § 17200.

27 279. Each Defendant is a “person” within the meaning of the UCL. Bus. & Prof. Code
28 § 17201.

1 280. Each Defendant is a “person” within the meaning of Penal Code §§ 318, 319–22,
2 330, 330a, 330b, 337a, 337j, and 31.

3 281. Each Defendant is a “person” within the meaning of 31 U.S.C. § 5363.

4 282. Each Defendant is a “person” within the meaning of Bus. & Prof. Code
5 § 17539.1(a)(12). Bus. & Prof. Code § 17539.3(b).

6 283. Defendants, by themselves, with each other, and with other persons, have
7 engaged and continue to engage in, aided and abetted and continue to aid and abet, and
8 conspired and continue to conspire to engage in, unlawful business practices in violation of the
9 UCL, including, but not limited to, the following:

10 a. Contriving, preparing, setting up, proposing, and/or drawing a lottery;
11 selling or distributing tickets, chances, shares, or interests in a lottery; and assisting in setting up,
12 managing, or drawing a lottery, including by printing, writing, advertising, or publishing, or in
13 selling or disposing of any ticket or share, in violation of Penal Code §§ 319–22.

14 b. Dealing, playing, carrying on, or otherwise conducting a banking game or
15 percentage game for a representative of value in violation of Penal Code § 330.

16 c. Possessing or controlling a slot or card machine, contrivance, appliance or
17 mechanical device, upon the result of action of which a valuable thing is staked or hazarded, as a
18 result of the operation of which a representative of value exchangeable for a thing of value is won
19 or lost, when the result of action or operation of the machine, contrivance, appliance, or
20 mechanical device is dependent on hazard or chance, in violation of Penal Code § 330a.

21 d. Manufacturing, repairing, owning, storing, possessing, selling, renting,
22 leasing, letting on shares, lending or giving away, transporting, and/or exposing for sale or lease,
23 and/or offering any of the same, for a slot machine or device, in violation of Penal Code § 330b.

24 e. Making or permitting the making of an agreement with another person
25 regarding a slot machine or device, by which the user of the slot machine or device, as a result of
26 the hazard or chance or other unpredictable outcome, may become entitled to receive a thing of
27 value or additional chance to use the slot machine or device, in violation of Penal Code § 330b.

28 f. Bookmaking in violation of Penal Code § 337a(a)(1).

1 g. Receiving, holding, or forwarding, or purporting to do so, a thing of value
2 that is staked, pledged, bet or wagered, on the result or purported result of any lot, chance,
3 casualty, unknown or contingent event whatsoever, in violation of Penal Code § 337a(a)(3).

4 h. Dealing, operating, carrying on, conducting, maintaining, or exposing for
5 play a controlled game in California in violation of Penal Code § 337j(a)(1).

6 i. Receiving compensation, or reward, or percentage or share of the revenue
7 for keeping, running, or carrying on a controlled game in violation of Penal Code § 337j(a)(2).

8 j. Through invitation or device, prevailed upon persons to visit a place kept
9 for the purpose of illegal gambling in violation of Penal Code § 318.

10 k. Aiding and abetting in the commission of any of the wrongful conduct
11 enumerated above in violation of Penal Code § 31.

12 l. Engaging in the business of betting or wagering and knowingly accepting
13 credit, an electronic fund transfer, or the proceeds of a form of financial transaction in connection
14 with another person's participation in unlawful Internet gambling in violation of 31 U.S.C.
15 § 5363.

16 m. Conducting, financing, managing, supervising, directing, or owning all or
17 part of an illegal gambling business in violation of 18 U.S.C. § 1955(a).

18 n. In the alternative, using or offering for use methods intended to be used by
19 people interacting with electronic video monitors to simulate gambling or play gambling-themed
20 games in a business establishment that connects a sweepstakes player or participant with
21 sweepstakes cash, cash-equivalent prizes, or other prizes of value in violation of Bus. & Prof.
22 Code § 17539.1(a)(12).

23 284. Defendants, by themselves, with each other, and with other persons, have
24 engaged and continue to engage in, aided and abetted and continue to aid and abet, and
25 conspired and continue to conspire to engage in, unfair business practices in violation of the
26 UCL, in violation of the spirit of and public policies embodied in the Legislature's enactments
27 prohibiting the operation of unlicensed gambling enterprises within the State. Defendants'
28 business practices are substantially injurious to consumers; the practices offer no benefits to

1 consumers or competition; and the injuries inflicted are both inextricably linked to Defendants'
2 business practices and concealed by Defendants' business practices, such that consumers
3 themselves could not have reasonably avoided injury.

4 285. Defendants Mr. Craven and Mr. Tehrani are individually liable for the acts
5 alleged in this Complaint. Under the UCL, "individual liability must be predicated on [the
6 individual's] personal participation in the unlawful practices." *People v. Toomey*, 157 Cal. App.
7 3d 1, 14 (1984). Individual liability turns in part on "a showing of [the individual's] knowledge
8 or participation in the illegal conduct." *Id.* "[I]f the evidence establishes defendant's
9 participation in the unlawful practices, either directly or by aiding and abetting the principal,
10 liability under sections 17200 and 17500 can be imposed." *Id.* at 15.

11 286. Mr. Craven and Mr. Tehrani created, directed, controlled, knowingly profited
12 from, and otherwise knowingly participated in the illegal conduct prohibited by the UCL as
13 outlined in this Complaint. Mr. Craven and Mr. Tehrani personally created, directed, and
14 controlled Stake.us—an illegal online casino made for the U.S. market, including for California.
15 Mr. Craven and Mr. Tehrani decided to create Stake.us in order to circumvent U.S. gambling
16 regulations, including California's laws banning unlicensed and unregulated online casinos. In
17 these ways and others, Mr. Craven and Mr. Tehrani have knowingly and personally participated
18 in the Stake Illegal Gambling Scheme.

19 287. Defendants, by themselves, with each other, and with others, have engaged in and
20 continue to engage in, aided and abetted and continue to aid and abet, and conspired to and
21 continue to conspire to engage in, fraudulent business acts and practices in violation of the UCL,
22 including but not limited to, falsely and misleadingly representing that Stake.us does not offer
23 real money gambling; falsely and misleadingly representing that Stake.us is a safe and/or free
24 gaming service; and falsely and misleadingly representing that Stake.us is lawfully available in
25 California.

26 288. Unless enjoined, Defendants will continue to violate the UCL as described above.
27
28

1 **SECOND CAUSE OF ACTION**

2 (VIOLATION OF FALSE ADVERTISING LAW AGAINST THE STAKE DEFENDANTS)

3 289. The People reallege and incorporate by reference each and every allegation set
4 forth in paragraphs 1 through 288 above as if fully set forth herein.

5 290. The FAL prohibits any person from making any “untrue or misleading” statement
6 before the public in this state “including over the Internet” which is known or “by the exercise of
7 reasonable care should be known, to be untrue or misleading.” Bus. & Prof. Code § 17500.

8 291. Each Stake Defendant is a “person, firm, corporation, or association” within the
9 meaning of the FAL. Bus. & Prof. Code § 17500.

10 292. The Stake Defendants, by themselves, with each other, and with other persons,
11 have made and continue to make, aided and abetted and continue to aid and abet, and conspired
12 and continue to conspire to make, untrue or misleading statements in violation of the FAL,
13 which the Stake Defendants know or reasonably should know are untrue or misleading,
14 including, but not limited to, the following:

15 a. falsely and misleadingly representing that Stake.us does not offer real
16 money gambling;

17 b. falsely and misleadingly representing that Stake.us is a safe and/or free
18 gaming service; and

19 c. falsely and misleadingly representing that Stake.us is lawfully available in
20 California.

21 293. Unless enjoined, the Stake Defendants will continue to violate the FAL as
22 described above.

23 **PRAYER FOR RELIEF**

24 WHEREFORE, the People pray for judgment as follows:

25 1. That pursuant to Business and Professions Code sections 17203 and 17204 and
26 the equitable power of the Court, Defendants, and their successors, agents, representatives,
27 employees, and all other persons who act in concert with Defendants, be permanently enjoined
28

1 from engaging in unfair competition as defined in Business and Professions Code sections
2 17200 *et seq.*, including, but not limited to, the acts and practices alleged in this Complaint;

3 2. That pursuant to Business and Professions Code sections 17203, 17204, and
4 17535, and the equitable power of the Court, Defendants, and their successors, agents,
5 representatives, employees, and all other persons who act in concert with Defendants, be
6 permanently enjoined from falsely and misleadingly representing to Californians that Stake.us
7 does not offer real money gambling.

8 3. That pursuant to Business and Professions Code sections 17203, 17204, and
9 17535, and the equitable power of the Court, Defendants, and their successors, agents,
10 representatives, employees, and all other persons who act in concert with Defendants, be
11 permanently enjoined from falsely and misleadingly representing to Californians that Stake.us is
12 a safe and free gaming service.

13 4. That pursuant to Business and Professions Code sections 17203, 17204, and
14 17535, and the equitable power of the Court, Defendants, and their successors, agents,
15 representatives, employees, and all other persons who act in concert with Defendants, be
16 permanently enjoined from falsely and misleadingly representing that Stake.us is lawfully
17 available in California.

18 5. That pursuant to Business and Professions Code section 17203 and the equitable
19 power of the Court, the Court enter all orders or judgments necessary to restore and provide
20 restitution to any person in interest any money or property, real or personal, which may have
21 been acquired by violations of Business and Professions Code section 17200;

22 6. That pursuant to Business and Professions Code section 17206, Defendants be
23 assessed and held liable for, a civil penalty of up to \$2,500 for each violation of the UCL that
24 they committed, caused, aided and abetted, or conspired to commit as described above and in an
25 amount to be proven at trial.

26 7. That pursuant to Business and Professions Code section 17206.1, Defendants be
27 assessed and held liable for, a civil penalty of up to \$2,500 for every violation of the UCL that
28

1 they committed, caused, aided and abetted, or conspired to commit against one or more senior
2 citizens or disabled persons as described above and in an amount to be proven at trial.

3 8. That pursuant to Business and Professions Code section 17536, the Stake
4 Defendants be assessed and held liable for, a civil penalty of up to \$2,500 for each violation of
5 the FAL that they committed, caused, aided and abetted, or conspired to commit as described
6 above and in an amount to be proven at trial.

7 9. That pursuant to Civil Code section 3345, Defendants be assessed and held liable
8 for three times the amount of the civil penalties for which Defendants are liable under Business
9 and Professions Code sections 17206, 17206.1, and 17536, for every violation of those statutes
10 that they committed, caused, aided and abetted, or conspired to commit against one or more
11 senior citizens, disabled persons, or veterans as described above and in an amount to be proven
12 at trial.

13 10. That the People recover the costs of this action and attorneys' fees to the fullest
14 extent permitted by law; and

15 11. That the People be granted such other and further relief as this Court may deem
16 to be just and proper.

17 Dated: August 28, 2025

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