

**UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
NORTHERN DIVISION**

CITY OF BALTIMORE, *ex rel.* Ebony
Thompson,

Plaintiff,

v.

DRAFTKINGS INC., a Nevada
corporation, and FLUTTER
ENTERTAINMENT PLC d/b/a FANDUEL
INC., an Irish corporation,

Defendants.

Case No. _____
(Removed from Baltimore City Circuit Court,
Case No: C-24-CV-25-002683)

DEFENDANTS' NOTICE OF REMOVAL

Defendants DraftKings Inc. (“DraftKings”)¹ and Flutter Entertainment plc d/b/a FanDuel, Inc.² (“Flutter”) (collectively, “Defendants”), with reservation of all defenses and rights, hereby give notice to this Court under 28 U.S.C. §§ 1332, 1441(a), and 1446 that they are removing the above-entitled action from the Circuit Court for Baltimore City, Maryland (the “State Court”) to the United States District Court for the District of Maryland, Northern Division (“Notice of Removal”). In support thereof, Defendants state as follows:

¹ By filing this notice of removal, DraftKings does not concede that the proper entity has been named and reserves the right to move for dismissal on this and other grounds.

² By filing this notice of removal, Flutter Entertainment does not concede that it is subject to the personal jurisdiction of the Court. In addition, “Flutter Entertainment plc d/b/a FanDuel, Inc.” does not exist as an entity, let alone as an entity that operates an online sports gambling platform in Maryland. The licensed entity that operates an online sports gambling platform in Maryland is Betfair Interactive US LLC. Flutter Entertainment reserves the right to move for dismissal on these and other grounds.

THE STATE COURT ACTION

1. On April 3, 2025, Plaintiff Mayor & City Council of Baltimore (“Plaintiff”) commenced this action against Defendants in the Circuit Court for Baltimore City, Maryland, Case No. C-24-CV-25-002683 (“State Court Action”), captioned *City of Baltimore, ex rel. Ebony Thompson v. DraftKings Inc., a Nevada corporation, and Flutter Entertainment PLC d/b/a/ FanDuel Inc., an Irish corporation*.

2. Pursuant to 28 U.S.C. § 1446(a), true and correct copies of all process, pleadings, and orders served upon Defendants in this action, along with the State Court docket sheet, are attached to this Notice as **Exhibit A** (Case Information Sheet), **Exhibit B** (Complaint), **Exhibit C** (Summons to DraftKings), **Exhibit D** (Summons to Flutter), **Exhibit E** (State Court Action Docket Sheet)

3. The Circuit Court for Baltimore City is located within the District of Maryland, Northern Division. *See* 28 U.S.C. § 100(1). This Notice of Removal is therefore properly filed in this Court pursuant to 28 U.S.C. § 1441(a).

SERVICE

4. Plaintiff served the Summons and Complaint on DraftKings on April 8, 2025 and on Flutter on April 9, 2025.³

5. A true and correct copy of the Proofs of Service are attached to this Notice as **Exhibit F** (DraftKings) and **Exhibit G** (Flutter).

³ This Summons purports to serve “Flutter Entertainment plc d/b/a FanDuel, Inc.” As stated above, such an entity does not exist. *See supra* n.2. The entity Plaintiff served was Flutter Entertainment plc.

TIMELINESS OF REMOVAL

6. As no Defendant was served prior to April 8, 2025, Defendants have filed this notice of removal within the 30-day time period required by 28 U.S.C. §1446(b).

7. A Notice to Clerk of Removal (“Notice to Clerk”) has been filed with the Circuit Court for Baltimore City contemporaneously herewith. A copy of the Notice to Clerk is attached as **Exhibit H**.

SUMMARY OF PLAINTIFF’S ALLEGATIONS

8. The Complaint attempts to state claims for violations of Baltimore’s Consumer Protection Ordinance (“CPO”), Baltimore City Code Art. 2, § 4. (Complaint ¶¶ 107-110.)

9. Defendants operate online sportsbooks in Maryland. (*Id.* ¶¶ 1-3.)

10. Plaintiff alleges that Defendants “violate the CPO by:”

- a. Using algorithms to target users with gambling offers;
- b. Deploying misleading bets to encourage compulsive behavior;
- c. Failing to disclose key terms of promotional offers;
- d. Using user data to identify and target those with gambling disorders;
- e. Sending messages to pressure users into betting;
- f. Leveraging VIP programs to reward and retain gamblers; and
- g. Not applying available technology to prevent targeting of problem gamblers.

(*Id.* ¶ 111.)

11. Defendants deny these allegations.

12. The Complaint seeks the maximum amount of statutory penalties available under the CPO for each violation of the CPO; injunctive relief mandating that Defendants cease

purportedly targeting certain gamblers; injunctive relief requiring Defendants to reform their platforms; and any other relief the Court deems proper. (*Id.* at Request for Relief.)

REMOVAL BASED ON DIVERSITY JURISDICTION

13. “Diversity jurisdiction requires complete diversity of citizenship and an amount in controversy over \$75,000.” *Gainer v. Lynn*, Civil No. 25-907-BAH, 2025 WL 1068052, at *2 (D. Md. Apr. 9, 2025). This Court has original jurisdiction over this matter under 28 U.S.C. § 1332 and 28 U.S.C. § 1441 because it involves a controversy that exceeds the sum of seventy-five thousand dollars (\$75,000) and because Plaintiff and all Defendants are citizens of different states.

Complete Diversity

14. To establish diversity jurisdiction, “no defendant may be a citizen of the same state as any plaintiff.” *Pebbles v. Corporate Hollywood et al.*, Case No. 25-cv-797-ABA, 2025 WL 1079533, at *1 (D. Md. Apr. 10, 2025).

15. For purposes of diversity jurisdiction, a corporation is “a citizen of every State and foreign state by which it has been incorporated and of the State or foreign state where it has its principal place of business.” 28 U.S.C. § 1332(c)(1).

16. Plaintiff is a municipal corporation organized under Maryland law. Archives of Maryland, Session Laws Vol. 206, 256 (1796), <https://msa.maryland.gov/megafile/msa/speccol/sc2900/sc2908/000001/000105/html/am105--256.html> (last visited April 30, 2025); Md. Const. art. XI, § 9. Plaintiff is accordingly a citizen of the State of Maryland.

17. At the time the action was filed, DraftKings is a Nevada corporation headquartered in Boston, Massachusetts. (*See* Complaint ¶ 24 (alleging DraftKings is incorporated in Nevada and has its principal place of business in Boston, Massachusetts).)

18. At the time the action was filed, Flutter is an Irish corporation, with its principal place of business in Dublin, Ireland. (*See* Complaint ¶ 25 (alleging Flutter Entertainment is an Irish corporation with its principal place of business in Dublin, Ireland).)

19. Plaintiff and Defendants are, accordingly, citizens and residents of different states and complete diversity exists under 28 U.S.C. § 1332.⁴

Amount in Controversy

20. Plaintiff's Complaint fails to specify the amount of the money judgment it seeks, including whether that amount exceeds \$75,000. (*See generally* Complaint.) This omission is in violation of the Maryland Rules and, in any case, does not deprive this Court of jurisdiction.

21. The Maryland Rules require Plaintiff's Complaint to either plead a specific sum of claimed damages or to provide a "general statement" that the amount sought exceeds \$75,000. *See* Md. Rule 2-305 ("Unless otherwise required by law, . . . a demand for a money judgment that does not exceed \$75,000 shall include the amount of damages sought," while "a demand for a money judgment that exceeds \$75,000 shall not specify the amount sought, but shall include a general statement that the amount sought exceeds \$75,000."). The Maryland Rules do not permit a plaintiff to try and "skirt federal jurisdiction" by omitting this statement, as Plaintiff has done here, "while simultaneously leaving open a path to a larger recovery at trial." *Brennan v. Stevenson*, Civil No. JKB-15-2931, 2015 WL 7454109, at *2 (D. Md. Nov. 24, 2015).

22. "If a complaint does not allege a specific amount of damages, the removing defendant must prove by a preponderance of the evidence that the amount in controversy exceeds

⁴ Betfair Interactive US LLC is wholly owned by FanDuel Group, Inc., which is a Delaware corporation with a principal place of business in New York. As an LLC, Betfair Interactive US LLC's citizenship is that of its parent/member corporation. *See Gen. Tech. Applications, Inc. v. Exro Ltd.*, 388 F.3d 114, 121 (4th Cir. 2004). Accordingly, even if Plaintiff were to amend the Complaint to name the correct party (*see supra* n.2), complete diversity would remain.

\$75,000.” *Francis v. Allstate Ins. Co.*, 709 F.3d 362, 367 (4th Cir. 2013) (cleaned up). “Courts generally determine the amount in controversy by reference to the plaintiff’s complaint.”

Johnson v. Xerox Educ. Sols. LLC, No. GJH-14-CV-15422, 2014 WL 5361302, at *3 (D. Md. Oct. 20, 2014) (citing *Wiggins v. North Amer. Equitable Life Assur. Co.*, 644 F.2d 1014, 1016–17 (4th Cir. 1981) (“Ordinarily the jurisdictional amount is determined by the amount of the plaintiffs original claim, provided that the claim is made in good faith.”)).

23. Here, Plaintiff’s allegations clearly establish, by a preponderance of the evidence, that the amount in controversy exceeds \$75,000. *See* 28 U.S.C. § 1446(c)(2)(A).

24. *First*, by Plaintiff’s own estimate in the Case Information Sheet it filed in the State Court, Plaintiff seeks more than \$100,000 in civil penalties exclusive of “Attorney’s Fees, Interest, or Court Costs.” (*See* Ex. A at 2.)

25. *Second*, taking the allegations in the Complaint at face value, the preponderance of the evidence establishes that the amount in controversy exceeds \$75,000. *See* 28 U.S.C. § 1446(c)(2)(B).

26. In the Complaint, Plaintiff asserts that Defendants are liable for violating the CPO, Baltimore City Code Art. 2, § 4, and seeks civil penalties, injunctive relief, restitution, and disgorgement. (*See* Complaint ¶ 117.) Plaintiff contends that “[e]ach ping, enrollment, and retention in a VIP program, ‘bonus bet,’ or other promotion, and/or push notification directed to a person whom Defendants know, have reason to know, or suspect to be suffering from a gambling disorder is a separate violation of the CPO,” as is “[e]ach misleading inducement that Defendants used to generate new users.” (*Id.* ¶¶ 114-15.)

27. Statutory damages can be aggregated to determine the amount in controversy for diversity jurisdiction. *See Bartnikowski v. NVR, Inc.*, 307 F. App’x 730, 735 (4th Cir. 2009)

(“Statutory liquidated damages are properly includable in the calculation of the jurisdictional amount here[.]”); *Parker v. Goldman Sachs Mortg. Co. Ltd. P’ship*, 596 F. Supp. 3d 559, 566 (D. Md. 2022) (explaining that aggregated statutory penalties satisfy the amount in controversy requirement for removal purposes) (citing *Sayre v. Westlake Servs., LLC*, 2015 WL 4716207, at *7 (D. Md. Aug. 7, 2015)); *Winner v. Kelco Fed. Credit Union*, Civil Action No. ADC-20-3420, 2021 WL 5882918, at *11 (D. Md. Dec. 9, 2021) (exercising diversity jurisdiction and affirming that the defendant’s violations of various West Virginia state laws and corresponding statutory damages amounted to \$76,000).

28. The CPO, under which Plaintiff sues, provides for civil penalties up to \$1,000 per violation. CPO § 4-3(a). Each violation is a separate offense, and each day of offending behavior is considered a separate violation. CPO § 4-3(b)-(c).

29. Plaintiff alleges that Maryland residents bet more than \$457 million on Defendants’ platforms in January 2025 (Complaint ¶ 3), and that “[m]any” of those bettors are in Baltimore, “by far Maryland’s largest city,” (*id.* ¶¶ 2-3).

30. Plaintiff alleges that, in Maryland, more than 20% of “online sports bettors showed signs of disordered gambling.” (*Id.* ¶ 32.)

31. In light of the foregoing, Plaintiff’s Complaint alleges more than 75 separate violations of the CPO. Accordingly, the amount in controversy exceeds \$75,000. *See* 28 U.S.C. § 1446(c)(2)(B).

32. *Third*, Plaintiff seeks two forms of injunctive relief that would require Defendants to reform their platforms and cease the alleged targeting of certain consumers. (*See* Complaint at Request for Relief.) “In actions seeking declaratory or injunctive relief, it is well established that the amount in controversy is measured by the value of the object of the litigation.” *Hunt v.*

Washington State Apple Advert. Comm'n, 432 U.S. 333, 347 (1977); *see also* 28 U.S.C. § 1446(c)(2)(A)(i) (notice of removal may assert amount in controversy if “nonmonetary relief” is sought). “That value is measured from either the perspective of the plaintiff or the defendant.” *Clark v. DocuSign, Inc.*, Civil Case No. 1:22-cv-02892-SAG, 2023 WL 2330698, at *2 (D. Md. Mar. 2, 2023); *see also Liberty Mut. Fire Ins. Co. v. Hayes*, 1997 WL 568673, at *3 (4th Cir. Sept. 15, 1997) (determining the amount in controversy by considering “the potential pecuniary effect that a judgment would have on either party to the litigation”); *Stevens v. U.S. Bank Nat. Ass’n*, Civil Action No. DKC 15-1780, 2015 WL 5201578, at *2 (D. Md. Sept. 4, 2015) (“[T]he relevant inquiry is whether the ‘direct pecuniary value’ of the right the plaintiff seeks to enforce, or the cost to the defendant of complying with any prospective equitable relief exceeds \$75,000.”) (cleaned up).

33. Plaintiff alleges that Defendants’ actions have “cause[d] harm to the City” and to “Baltimore citizens.” (Complaint ¶ 94.) The Complaint also alleges that “Marylanders wagered more than \$5 billion in fiscal year 2024” and “\$3.7 billion in the first half of fiscal year 2025” on sports betting, with a significant portion of those wagers coming from Baltimoreans. (*Id.* ¶ 2.) Moreover, it asserts that “in January 2025 alone, Maryland bettors placed more than \$457 million in combined bets on the [Defendants’] platforms[.]” (*Id.* ¶ 3.) Accordingly, taking the allegations of the Complaint as true for purposes of this Notice only, the value of the object of the litigation—for Defendants to reform their business practices with respect to an alleged 20% of a multi-billion-dollar market—exceeds \$75,000.

34. Without conceding any merit to the Complaint’s allegations or causes of action, the amount in controversy satisfies this jurisdictional threshold.

VENUE

35. The State Court Action is being removed from the Circuit Court for Baltimore City, Maryland. As such, venue lies in this Court pursuant to 28 U.S.C. § 1441(a).

RESERVATION OF RIGHTS AND DEFENSES

36. By filing this Notice of Removal, Defendants do not waive any defenses that may be available and reserve all such defenses. Defendants do not concede that Plaintiff states any claim upon which relief can be granted, or that Plaintiff is entitled to any relief of any nature.

37. If any challenges to the propriety of the removal of this action arise, Defendants respectfully request the opportunity to present oral argument and/or additional evidence.

COMPLIANCE WITH 28 U.S.C. § 1446

38. Pursuant to 28 U.S.C. § 1446(a), copies of all process, pleadings, and orders served on Defendants in the State Court Action are filed with this Notice of Removal. (*See* Exs. A to D.)

39. All Defendants have joined this Notice of Removal.

40. Defendants will file the Notice to Clerk with the Clerk of the Circuit Court for Baltimore City contemporaneously with this filing pursuant to 28 U.S.C. § 1446(d).

WHEREFORE, Defendants give notice that the State Court Action is removed from the Circuit Court for Baltimore City to this Court.

Dated: May 7, 2025

Respectfully Submitted,

**COBLENTZ PATCH DUFFY & BASS
LLP**

/s/ Richard R. Patch

Richard R. Patch*

Clifford E. Yin*

Christopher J. Wiener*

Sarah E. Peterson*

One Montgomery Street, Suite 3000

San Francisco, California 94104
Telephone: (415) 391-4800
ef-rrp@cpdb.com
ef-cey@cpdb.com
ef-cjw@cpdb.com
ef-sep@cpdb.com

**pro hac vice* motions forthcoming

**BAKER, DONELSON, BEARMAN,
CALDWELL, & BERKOWITZ, PC**

/s/ Tonya Kelly Cronin

Ty Kelly Cronin (Bar No. 27166)
Alison C. Schurick (Bar No. 19770)
Michael A. Brown (Bar No. 20814)
100 Light Street, 19th Floor
Baltimore, MD 21202
Telephone: (410) 862-1134
tykelly@bakerdonelson.com
aschurick@bakerdonelson.com
mbrown@bakerdonelson.com

Attorneys for DraftKings Inc.

/s/ Michael X. Imbroscio

Michael X. Imbroscio (Bar No. 20510)
Phyllis A. Jones*
Gary M. Rubman*
Andrew P. Stanner*
Amber M. Charles*
COVINGTON AND BURLING, LLP
One CityCenter
850 10th Street NW
Washington, D.C., 20001
(202) 662-6000
mimbroscio@cov.com
pajones@cov.com
grubman@cov.com
astanner@cov.com
acharles@cov.com

**pro hac vice* motions forthcoming

Attorneys for Flutter Entertainment plc

CERTIFICATE OF SERVICE

I certify that on May 7, 2025, I electronically filed the foregoing document (including exhibits) via CM/ECF, and that the foregoing document was served upon the following person(s) via email and Certified Mail:

Ebony M. Thompson
City Solicitor
Sara Gross
Chief, Affirmative Litigation Division
Thomas P.G. Webb
Deputy Chief, Affirmative Litigation
Division
**BALTIMORE CITY LAW
DEPARTMENT**
City Hall, Room 101
100 North Holliday Street
Baltimore, Maryland 21202
ebony.thompson@baltimorecity.gov
sara.gross@baltimorecity.gov
thomas.webb@baltimorecity.gov

Adam J. Levitt
Daniel R. Schwartz
Daniel R. Ferri
Eaghan Davis
Rebecca Trickey
DICELLO LEVITT LLP
Ten North Dearborn Street, Sixth Floor
Chicago, Illinois 60602
alevitt@dicellolevitt.com
dschwartz@dicellolevitt.com
dferri@dicellolevitt.com
edavis@dicellolevitt.com
rtrickey@dicellolevitt.com

Attorneys for Plaintiff

/s/ Tonya Kelly Cronin
Tonya Kelly Cronin

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

City of Baltimore, ex rel. Ebony Thompson

(b) County of Residence of First Listed Plaintiff Baltimore
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

See attachment.

DEFENDANTS

DraftKings Inc., a Nevada corporation, & Flutter Entertainment PLC d/b/a FanDuel Inc., an Irish corporation

County of Residence of First Listed Defendant _____
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

See attachment.

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|---------------------------------------|----------------------------|---|----------------------------|---------------------------------------|
| Citizen of This State | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input checked="" type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 INTELLECTUAL PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark <input type="checkbox"/> 880 Defend Trade Secrets Act of 2016 SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit (15 USC 1681 or 1692) <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☐ 1 Original Proceeding ☒ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from Another District (specify) ☐ 6 Multidistrict Litigation - Transfer ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
Baltimore City Code Art. 2, § 4; 28 U.S. Code § 1332

Brief description of cause:

Action alleging violations of Baltimore municipal consumer protection ordinance arising from Defendants' online sportsbooks operations.

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ 100,000+ CHECK YES only if demanded in complaint: JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE _____ DOCKET NUMBER _____

DATE 05/07/2025 SIGNATURE OF ATTORNEY OF RECORD

/s/ Tonya Kelly Cronin, Bar No. 27166

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

Case 1:25-cv-01487-SAG Document 1-1 Filed 05/07/25 Page 2 of 2
INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
 - (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
 - (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
 Original Proceedings. (1) Cases which originate in the United States district courts.
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

CITY OF BALTIMORE, ex rel. Ebony Thompson v. DRAFTKINGS INC., a Nevada corporation, and FLUTTER ENTERTAINMENT PLC d/b/a FANDUEL INC., an Irish corporation

Civil Cover Sheet – List of Attorneys Attachment

Attorneys for Plaintiff:

BALTIMORE CITY LAW DEPARTMENT

Ebony M. Thompson
Sara Gross
Thomas P.G. Webb
City Hall, Room 101
100 North Holliday Street
Baltimore, Maryland 21202
Telephone: (443) 984-3421
ebony.thompson@baltimorecity.gov
sara.gross@baltimorecity.gov
thomas.webb@baltimorecity.gov

DICELLO LEVITT LLP

Adam J. Levitt*
Daniel R. Schwartz*
Daniel R. Ferri*
Eaghan Davis*
Rebecca Trickey*
Ten North Dearborn Street, Sixth Floor
Chicago, Illinois 60602
Telephone: (312) 214-7900
alevitt@dicellolevitt.com
dschwartz@dicellolevitt.com
dferri@dicellolevitt.com
edavis@dicellolevitt.com
rtrickey@dicellolevitt.com

**pro hac vice motions forthcoming*

Attorneys for Defendants:

COBLENTZ PATCH DUFFY & BASS LLP

Richard R. Patch*
Clifford E. Yin*
Christopher J. Wiener*
Sarah E. Peterson*
One Montgomery Street, Suite 3000
San Francisco, California 94104
Telephone: (415) 391-4800
ef-rrp@cpdb.com

ef-cey@cpdb.com
ef-cjw@cpdb.com
ef-sep@cpdb.com

**pro hac vice* motions forthcoming

BAKER, DONELSON, BEARMAN, CALDWELL, & BERKOWITZ, PC

Tonya Kelly Cronin (Bar No. 27166)

Alison C. Schurick (Bar No. 19770)

Michael A. Brown (Bar No. 20814)

100 Light Street, 19th Floor

Baltimore, MD 21202

Telephone: (410) 862-1134

tykelly@bakerdonelson.com

aschurick@bakerdonelson.com

mbrown@bakerdonelson.com

Attorneys for DraftKings Inc.

COVINGTON AND BURLING, LLP

Michael X. Imbroscio (Bar No. 20510)

Phyllis A. Jones*

Gary M. Rubman*

Andrew P. Stanner*

Amber M. Charles*

One CityCenter

850 10th Street NW

Washington, D.C., 20001

(202) 662-6000

mimbroscio@cov.com

pajones@cov.com

grubman@cov.com

astanner@cov.com

acharles@cov.com

**pro hac vice* motions forthcoming

Attorneys for Flutter Entertainment plc

EXHIBIT A

C-24-CV-25-002683

E-FILED; Baltimore City Circuit Court

Docket: 4/3/2025 9:26 AM; Submission: 4/3/2025 9:26 AM

Envelope: 20639159

IN THE CIRCUIT COURT FOR Baltimore City

(City/County)

CIVIL – NON-DOMESTIC CASE INFORMATION SHEET**DIRECTIONS**

Plaintiff: This Information Report must be completed and attached to the complaint filed with the Clerk of Court unless your case is exempted from the requirement by the Chief Justice of the Supreme Court of Maryland pursuant to Rule 2-111(a).

Defendant: You must file an Information Report as required by Rule 2-323(h).

THIS INFORMATION REPORT CANNOT BE ACCEPTED AS A PLEADING

FORM FILED BY: ☒ PLAINTIFF ☐ DEFENDANT

CASE NUMBER

CASE NAME: City of Baltimore ex rel. Ebony Thompson

vs. DraftKings, Inc., and Flutter Entertainment

PARTY'S NAME: City of Baltimore

PHONE: 443-984-3421

PARTY'S ADDRESS: Baltimore City Law Department, City Hall, Room 101, 100 N. Holliday St. Baltimore, MD, 21202

PARTY'S E-MAIL: ebony.thompson@baltimorecity.gov; sara.gross@baltimorecity.gov

If represented by an attorney:

PARTY'S ATTORNEY'S NAME: Adam J. Levitt; Daniel R. Schwartz **PHONE:** 312-214-7900

PARTY'S ATTORNEY'S ADDRESS: DiCello Levitt LLP, 10 N. Dearborn Street, Sixth Floor, Chicago, IL, 60606

PARTY'S ATTORNEY'S E-MAIL: alevitt@dicellolevitt.com; dschwartz@dicellolevitt.com

JURY DEMAND? ☒ Yes ☐ No

RELATED CASE PENDING? ☐ Yes ☒ No If yes, Case #(s), if known:

ANTICIPATED LENGTH OF TRIAL?: _____ hours 10 days

PLEADING TYPE

New Case: ☒ Original ☐ Administrative Appeal ☐ Appeal

Existing Case: ☐ Post-Judgment ☐ Amendment

If filing in an existing case, skip Case Category/ Subcategory section – go to Relief section.

IF NEW CASE: CASE CATEGORY/SUBCATEGORY (Check one box.)**TORTS**

- ☐ Asbestos
- ☐ Assault and Battery
- ☐ Business and Commercial
- ☐ Conspiracy
- ☐ Conversion
- ☐ Defamation
- ☐ False Arrest/Imprisonment
- ☐ Fraud
- ☐ Lead Paint – DOB of Youngest Plt: _____
- ☐ Loss of Consortium
- ☐ Malicious Prosecution
- ☐ Malpractice-Medical
- ☐ Malpractice-Professional
- ☐ Misrepresentation
- ☐ Motor Tort
- ☐ Negligence
- ☐ Nuisance
- ☐ Premises Liability
- ☐ Product Liability
- ☐ Specific Performance
- ☐ Toxic Tort
- ☐ Trespass
- ☐ Wrongful Death

CONTRACT

- ☐ Asbestos
- ☐ Breach
- ☐ Business and Commercial
- ☐ Confessed Judgment (Cont'd)
- ☐ Construction
- ☐ Debt
- ☐ Fraud

- ☐ Government
- ☐ Insurance
- ☐ Product Liability

PROPERTY

- ☐ Adverse Possession
- ☐ Breach of Lease
- ☐ Detinue
- ☐ Distress/Distrain
- ☐ Ejectment
- ☐ Forcible Entry/Detainer
- ☐ Foreclosure
 - ☐ Commercial
 - ☐ Residential
 - ☐ Currency or Vehicle
 - ☐ Deed of Trust
 - ☐ Land Installments
 - ☐ Lien
 - ☐ Mortgage
 - ☐ Right of Redemption
 - ☐ Statement Condo
- ☐ Forfeiture of Property / Personal Item
- ☐ Fraudulent Conveyance
- ☐ Landlord-Tenant
- ☐ Lis Pendens
- ☐ Mechanic's Lien
- ☐ Ownership
- ☐ Partition/Sale in Lieu
- ☐ Quiet Title
- ☐ Rent Escrow
- ☐ Return of Seized Property
- ☐ Right of Redemption
- ☐ Tenant Holding Over

PUBLIC LAW

- ☐ Attorney Grievance
- ☐ Bond Forfeiture Remission
- ☐ Civil Rights
- ☒ County/Mncpl Code/Ord
- ☐ Election Law
- ☐ Eminent Domain/Condemn.
- ☐ Environment
- ☐ Error Coram Nobis
- ☐ Habeas Corpus
- ☐ Mandamus
- ☐ Prisoner Rights
- ☐ Public Info. Act Records
- ☐ Quarantine/Isolation
- ☐ Writ of Certiorari

EMPLOYMENT

- ☐ ADA
- ☐ Conspiracy
- ☐ EEO/HR
- ☐ FLSA
- ☐ FMLA
- ☐ Worker's Compensation
- ☐ Wrongful Termination

INDEPENDENT PROCEEDINGS

- ☐ Assumption of Jurisdiction
- ☐ Authorized Sale
- ☐ Attorney Appointment
- ☐ Body Attachment Issuance
- ☐ Commission Issuance

- ☐ Constructive Trust
- ☐ Contempt
- ☐ Deposition Notice
- ☐ Dist Ct Mtn Appeal
- ☐ Financial
- ☐ Grand Jury/Petit Jury
- ☐ Miscellaneous
- ☐ Perpetuate
- ☐ Testimony/Evidence
- ☐ Prod. of Documents Req.
- ☐ Receivership
- ☐ Sentence Transfer
- ☐ Set Aside Deed
- ☐ Special Adm. – Atty
- ☐ Subpoena Issue/Quash
- ☐ Trust Established
- ☐ Trustee Substitution/Removal
- ☐ Witness Appearance-Compel

PEACE ORDER

- ☐ Peace Order

EQUITY

- ☐ Declaratory Judgment
- ☐ Equitable Relief
- ☐ Injunctive Relief
- ☐ Mandamus

OTHER

- ☐ Accounting
- ☐ Friendly Suit
- ☐ Grantor in Possession
- ☐ Maryland Insurance Administration
- ☐ Miscellaneous
- ☐ Specific Transaction
- ☐ Structured Settlements

IF NEW OR EXISTING CASE: RELIEF (Check All that Apply)

- | | | | |
|--|---|---|--|
| <input type="checkbox"/> Abatement | <input type="checkbox"/> Earnings Withholding | <input type="checkbox"/> Judgment-Default | <input type="checkbox"/> Reinstatement of Employment |
| <input type="checkbox"/> Administrative Action | <input type="checkbox"/> Enrollment | <input type="checkbox"/> Judgment-Interest | <input type="checkbox"/> Return of Property |
| <input type="checkbox"/> Appointment of Receiver | <input type="checkbox"/> Expungement | <input type="checkbox"/> Judgment-Summary | <input type="checkbox"/> Sale of Property |
| <input type="checkbox"/> Arbitration | <input type="checkbox"/> Financial Exploitation | <input checked="" type="checkbox"/> Liability | <input type="checkbox"/> Specific Performance |
| <input type="checkbox"/> Asset Determination | <input type="checkbox"/> Findings of Fact | <input type="checkbox"/> Oral Examination | <input type="checkbox"/> Writ-Error Coram Nobis |
| <input type="checkbox"/> Attachment b/f Judgment | <input type="checkbox"/> Foreclosure | <input checked="" type="checkbox"/> Order | <input type="checkbox"/> Writ-Execution |
| <input type="checkbox"/> Cease & Desist Order | <input checked="" type="checkbox"/> Injunction | <input type="checkbox"/> Ownership of Property | <input type="checkbox"/> Writ-Garnish Property |
| <input type="checkbox"/> Condemn Bldg | <input type="checkbox"/> Judgment-Affidavit | <input type="checkbox"/> Partition of Property | <input type="checkbox"/> Writ-Garnish Wages |
| <input type="checkbox"/> Contempt | <input type="checkbox"/> Judgment-Attorney Fees | <input type="checkbox"/> Peace Order | <input type="checkbox"/> Writ-Habeas Corpus |
| <input checked="" type="checkbox"/> Court Costs/Fees | <input type="checkbox"/> Judgment-Confessed | <input type="checkbox"/> Possession | <input type="checkbox"/> Writ-Mandamus |
| <input checked="" type="checkbox"/> Damages-Compensatory | <input type="checkbox"/> Judgment-Consent | <input type="checkbox"/> Production of Records | <input type="checkbox"/> Writ-Possession |
| <input checked="" type="checkbox"/> Damages-Punitive | <input type="checkbox"/> Judgment-Declaratory | <input type="checkbox"/> Quarantine/Isolation Order | |

If you indicated **Liability** above, mark one of the following. This information is not an admission and may not be used for any purpose other than Track Assignment.

- ☐ Liability is conceded. ☐ Liability is not conceded, but is not seriously in dispute. ☒ Liability is seriously in dispute.

MONETARY DAMAGES (Do not include Attorney's Fees, Interest, or Court Costs)

- ☐ Under \$10,000 ☐ \$10,000 - \$30,000 ☐ \$30,000 - \$100,000 ☒ Over \$100,000
- ☐ Medical Bills \$ _____ ☐ Wage Loss \$ _____ ☐ Property Damages \$ _____

ALTERNATIVE DISPUTE RESOLUTION INFORMATION

Is this case appropriate for referral to an ADR process under Md. Rule 17-101? (Check all that apply)

- A. Mediation ☐ Yes ☒ No C. Settlement Conference ☐ Yes ☒ No
 B. Arbitration ☐ Yes ☒ No D. Neutral Evaluation ☐ Yes ☒ No

SPECIAL REQUIREMENTS

- ☐ If a Spoken Language Interpreter is needed, **check here and attach form CC-DC-041**
- ☐ If you require an accommodation for a disability under the Americans with Disabilities Act, **check here and attach form CC-DC-049**

ESTIMATED LENGTH OF TRIAL

*With the exception of Baltimore County and Baltimore City, please fill in the estimated **LENGTH OF TRIAL**.*

(Case will be tracked accordingly)

- ☐ 1/2 day of trial or less ☐ 3 days of trial time
☐ 1 day of trial time ☐ More than 3 days of trial time
☐ 2 days of trial time

BUSINESS AND TECHNOLOGY CASE MANAGEMENT PROGRAM

For all jurisdictions, if Business and Technology track designation under Md. Rule 16-308 is requested, attach a duplicate copy of complaint and check one of the tracks below.

- ☐ **Expedited** - Trial within 7 months of Defendant's response ☐ **Standard** - Trial within 18 months of Defendant's response

EMERGENCY RELIEF REQUESTED

**COMPLEX SCIENCE AND/OR TECHNOLOGICAL CASE
MANAGEMENT PROGRAM (ASTAR)**

*FOR PURPOSES OF POSSIBLE SPECIAL ASSIGNMENT TO ASTAR RESOURCES JUDGES under
Md. Rule 16-302, attach a duplicate copy of complaint and check whether assignment to an ASTAR is requested.*

☐ **Expedited** - Trial within 7 months of
Defendant's response

☐ **Standard** - Trial within 18 months of
Defendant's response

**IF YOU ARE FILING YOUR COMPLAINT IN BALTIMORE CITY OR BALTIMORE COUNTY,
PLEASE FILL OUT THE APPROPRIATE BOX BELOW.**

CIRCUIT COURT FOR BALTIMORE CITY (CHECK ONLY ONE)

- | | |
|--|---|
| <input type="checkbox"/> Expedited | Trial 60 to 120 days from notice. Non-jury matters. |
| <input type="checkbox"/> Civil-Short | Trial 210 days from first answer. |
| <input checked="" type="checkbox"/> Civil-Standard | Trial 360 days from first answer. |
| <input type="checkbox"/> Custom | Scheduling order entered by individual judge. |
| <input type="checkbox"/> Asbestos | Special scheduling order. |
| <input type="checkbox"/> Lead Paint | Fill in: Birth Date of youngest plaintiff_____. |
| <input type="checkbox"/> Tax Sale Foreclosures | Special scheduling order. |
| <input type="checkbox"/> Mortgage Foreclosures | No scheduling order. |

CIRCUIT COURT FOR BALTIMORE COUNTY

- | | |
|---|---|
| <input type="checkbox"/> Expedited
(Trial Date-90 days) | Attachment Before Judgment, Declaratory Judgment (Simple),
Administrative Appeals, District Court Appeals and Jury Trial Prayers,
Guardianship, Injunction, Mandamus. |
| <input type="checkbox"/> Standard
(Trial Date-240 days) | Condemnation, Confessed Judgments (Vacated), Contract, Employment Related
Cases, Fraud and Misrepresentation, International Tort, Motor Tort, Other
Personal Injury, Workers' Compensation Cases. |
| <input type="checkbox"/> Extended Standard
(Trial Date-345 days) | Asbestos, Lender Liability, Professional Malpractice, Serious Motor Tort or
Personal Injury Cases (medical expenses and wage loss of \$100,000, expert and
out-of-state witnesses (parties), and trial of five or more days), State Insolvency. |
| <input type="checkbox"/> Complex
(Trial Date-450 days) | Class Actions, Designated Toxic Tort, Major Construction Contracts, Major
Product Liabilities, Other Complex Cases. |

April 3, 2025 _____
Date

Sara Gross /s/ _____ 0412140305
Signature of Attorney / Party Attorney Number

100 N. Holliday St. _____
Address

Sara Gross _____
Printed Name

Baltimore MD 21202
City State Zip Code

EXHIBIT B

IN THE CIRCUIT COURT FOR
BALTIMORE CITY

CITY OF BALTIMORE, *ex rel.* Ebony
Thompson,

Plaintiff,

v.

DRAFTKINGS INC., a Nevada
corporation, and FLUTTER
ENTERTAINMENT PLC d/b/a FANDUEL
INC., an Irish corporation,

Defendants.

Case No. C-24-CV-25-002683

JURY TRIAL DEMANDED

C-24-CV-2

COMPLAINT

Plaintiff, the Mayor and City Council of Baltimore (“Baltimore” or “the City”), by Ebony Thompson of the Baltimore City Law Department (“Plaintiff”), brings this action against DraftKings Inc. (“DraftKings”) and Flutter Entertainment plc d/b/a FanDuel Inc. (“FanDuel,” together with DraftKings, “Defendants”), seeking civil penalties and injunctive relief to remedy Defendants’ violations of the City of Baltimore’s Consumer Protection Ordinance, Baltimore City Code Art. 2, § 4 (“CPO”).

Baltimore alleges the following based on knowledge, the investigation of counsel, and information and belief.

I. INTRODUCTION

1. In the short period since it legalized online sports betting in 2021, through the passage and signing of HB0940,¹ Maryland has become a sizable sports betting market that continues to grow.

2. Marylanders wagered more than \$5 billion in fiscal year 2024 (July 1, 2023 to June 30, 2024) and \$3.7 billion in the first half of fiscal year 2025.² Many of those bettors are in Baltimore, by far Maryland's largest city.

3. While the Maryland online sports betting market is still developing, two sportsbooks, FanDuel and DraftKings, have consistently led the pack. In January 2025 alone, Maryland bettors placed more than \$457 million in combined bets on the two platforms, with \$278.5 million wagered on FanDuel and \$178.9 million wagered on DraftKings. Their closest competitor, BetMGM, took in just \$51 million in bets that month.³

4. But rather than accept a robust and profitable market, DraftKings and

¹ Maryland General Assembly, *HB0940 Legislative History*, available at: <https://mgaleg.maryland.gov/mgaweb/Legislation/Details/hb0940?ys=2021RS> (last accessed March 11, 2025).

² Sports Betting Dime, *Maryland Sports Betting Contributes Millions in Tax Revenue for FY 2024*, available at: <https://www.sportsbettingdime.com/news/betting/maryland-sports-betting-contributes-millions-in-taxes-in-fy-2024/> (last accessed March 11, 2025); Maryland Lottery and Gaming Control Agency, *Sports Wagering Revenue Reports*, available at: <https://www.mdgaming.com/maryland-sports-wagering/revenue-reports/> (last accessed March 11, 2025).

³ Covers, *Maryland Sports Betting Operators Enjoy Strong January*, available at: <https://www.covers.com/industry/maryland-sports-betting-operators-enjoy-strong-january-feb-13-2025> (last accessed March 11, 2025).

FanDuel have sought to guarantee their profitability by cheating, hoping to hook, and then ultimately exploit, as many users as possible.

5. First, Defendants get Baltimoreans in the door with the promise of “bonus bets,” or other similarly named promotions, designed to induce Baltimoreans to bet.

6. Their goal is twofold: (a) to get as many people to join their platforms as possible; and (b) to use inducements and the design of their product to hook those new users on gambling.

7. For example, as of March 11, 2025, DraftKings had a promotion of \$150 in “bonus bets” for new users, with that “bonus” coming in the form of six separate \$25 “bonus bets” that must be used within seven days of sign up.⁴ FanDuel currently has a similar promotion: \$150 in bonus bets that must be used, in increments, within seven days.⁵ In addition to giving the misleading illusion that gambling is not risky, these “bonus bets” help ensure new users bet *often* as soon as they join the platform. Defendants are not interested in people merely dipping their toes in the water: they want bettors to bet, in significant amounts, over and over.

8. Some get hooked, and that’s the point. Defendants will relentlessly ping

⁴ DRAFTKINGS, *Reward Center – Promos*, accessible at: <https://sportsbook.draftkings.com/promos> (last accessed March 11, 2025).

⁵ Cole Rush, R.J. White, *Best Sportsbook Promotions*, CBS SPORTS, accessible at: <https://www.cbssports.com/betting/promos/> (last accessed March 11, 2025).

their users to bet and bet often, with compulsive gambling an inevitable result. Indeed, recent reporting has shown that mobile gaming platforms purposefully tweak their algorithms to **target** those likely to have gambling disorders and extract what the companies euphemistically refer to as “maximum potential revenue” or “lifetime total value” from each user over time. So-called VIP programs are used to personalize the inducements to gamble, and proprietary algorithms help identify just the kind of push-notification that is most likely to induce the next bet. The platforms are designed to create disordered gamblers and then exploit them.

9. Indeed, reporting has shown that Defendants collect troves of user data, with one internet gaming company, owned by FanDuel’s parent company Flutter, documented to have collected at least 186 attributes for each bettor, including their propensity to gamble and susceptibility to marketing. Defendants leverage such data to: (a) identify those who they can hook; (b) hook them; and then (c) keep them betting.⁶ Once they’ve successfully created and/or identified a disordered gambler, Defendants go right to work exploiting them. Defendants’ targeting of the vulnerable is so widely known that professional gamblers have taken to purposefully mimicking the behavior of those with a gambling disorder—e.g., by programming bots to open their mobile applications in the middle of the night, as though the users simply

⁶ Luke Goldstein, *Rollups: The Big Data Machine Driving Online Sports Betting*, THE AMERICAN PROSPECT (Apr. 4, 2022), <https://prospect.org/power/rollups-big-data-machine-driving-online-sports-betting/> (last accessed March 11, 2025).

cannot help but wake up to check their bets—to encourage Defendants to provide rewards designed to keep people using the betting application.⁷

10. Harrowing accounts proliferate in which people describe feeling targeted and exploited by FanDuel and DraftKings, even after they tell representatives from the companies that they fear they are losing control and cannot, for example, pay their mortgage.⁸

11. Baltimore has been no exception. Mary Drexler, the program director at Baltimore’s University of Maryland Center of Excellence on Problem Gambling, publicly warned that staff members of the gambling hotline have been “noticing a disturbing trend. . . . We are starting to see more calls from college-age males and their parents. . . . As the industry booms, problem gambling is growing too, especially among 18- to 24-year-old men who grew up loving sports—and their phones—and can’t restrain their mobile sports betting impulses.”⁹

⁷ Isaac Rose-Berman, *Why Professional Gamblers Act like Addicts*, HOW GAMBLING WORKS, available at: <https://howgamblingworks.substack.com/p/why-professional-gamblers-act-like> (Sept. 10, 2024) (last accessed March 11, 2025).

⁸ *Infra*, Jason Quick, ‘I literally can’t stop.’ *The descent of a modern sports fan*, THE ATHLETIC (Oct. 14, 2024), <https://www.nytimes.com/athletic/5777632/2024/10/14/sports-betting-addiction-problem-fans/>, (last accessed March 11, 2025); Kate Linebaugh, *How a Psychiatrist Lost \$400,000 on Gambling Apps*, WALL STREET JOURNAL, (Mar. 15, 2024) <https://www.wsj.com/podcasts/the-journal/how-a-psychiatrist-lost-400000-on-gambling-apps/c91168e8-8add-48bc-8f5f-324fe4680df6> (last accessed March 11, 2025).

⁹ Jeff Barker, *As problem gambling rises, revenue-focused regulators resist Maryland reforms: ‘Warning signs are flashing.’* THE BALTIMORE SUN (Feb. 14, 2025), available at: <https://www.baltimoresun.com/2025/02/14/problem-gambling-maryland-regulators-sportsbooks/?share=r2aanawnsnm0ttu2sb4yr> (last accessed March 11, 2025).

12. Academic studies have explained that Defendants *could* use the data they have on their customers to identify those who should be cut off,¹⁰ or to create push notifications to encourage responsible behavior,¹¹ and, in other markets (such as the United Kingdom), some companies (including an affiliate of Defendant FanDuel) do exactly that.

13. What Defendants are doing in Baltimore City, however, is the opposite—they use creative, algorithmically-crafted, inducements to keep people in the game, even when it is clear the game is causing those users serious harm.

14. This is no small matter: those with gambling disorders have higher rates of suicidal ideation than even those struggling with other forms of addiction, and are often the perpetrators and victims of domestic violence.¹² This is particularly troubling, considering that a localized prevalence study, conducted in 2022, found that approximately 8.6% of Maryland adults had experienced disordered gambling in their lifetime.¹³

¹⁰ See, generally, G. Drosatos, F. Nalbadis, E. Baines, *et al.*, *Enabling Responsible Online Gambling by Real-time Persuasive Technologies*, 17 Complex Systems Informatics and Modeling Quarterly 44 (2018).

¹¹ *Id.*

¹² The Maryland Center of Excellence on Problem Gambling, *Problem Gambling and Domestic Violence*, available at: <https://www.mdproblemgambling.com/problem-gambling-domestic-violence/> (last accessed March 11, 2025).

¹³ OFFICE OF PROGRAM EVALUATION AND GOVERNMENT ACCOUNTABILITY, *Evaluation of the Center of Excellence on Problem Gambling* (Jul. 2023), <https://dls.maryland.gov/pubs/prod/ProgEval/EvaloftheCenterofExcellenceonProblemGambling.pdf> (last accessed March 11, 2025).

15. Because of Defendants, it is only getting worse. As one member of the Maryland House of Delegates put it, “[w]arning signs are flashing.”¹⁴

16. Baltimore law is clear: pursuant to Baltimore City Code Art. 2, § 4, it is illegal for companies like Defendants to use unfair, abusive, or deceptive trade practices. FanDuel and DraftKings hook users and then use troves of user data to identify, target, and exploit the most vulnerable among them, specifically seeking those who appear to have gambling disorders. Defendants’ actions are unfair, deceptive, abusive, willful, against public policy, and prohibited by law.

II. JURISDICTION

17. This Court has personal jurisdiction over Defendants. Defendants applied for licenses from the Maryland Sports Wagering Application Review Commission (“SWARC”) and have advertised continuously in the State of Maryland and the City of Baltimore since their platforms have gone live, and, consequently, they have willfully placed their sports gambling platforms into the stream of commerce. They did so with the knowledge and intent that their products would be widely disseminated in the State of Maryland and the City of Baltimore, and with further knowledge that the adverse effects of their pernicious targeting of

¹⁴ Jeff Barker, *As problem gambling rises, revenue-focused regulators resist Maryland reforms: ‘Warning signs are flashing,’* THE BALTIMORE SUN (Feb. 14, 2025), available at: <https://www.baltimoresun.com/2025/02/14/problem-gambling-maryland-regulators-sportsbooks/?share=r2aanawns0ttu2sb4yr> (last accessed March 11, 2025).

pathological gamblers would be felt in the State of Maryland and in the City of Baltimore.

18. By advertising their sports gambling platforms in the State of Maryland and the City of Baltimore and applying for licenses to operate in Maryland from SWARC,¹⁵ Defendants have purposefully availed themselves, through specific acts, of the privilege of conducting activities within the State of Maryland and have conducted illegal acts within the State of Maryland and the City of Baltimore. *See CSR, Ltd. v. Taylor*, 411 Md. 457, 485–86 (Md. Ct. App. 2009) (noting that to satisfy the purposeful availment requirement in Maryland, the defendant must have “engage[d] in significant activities in the State or create[d] continuing obligations with the State’s residents, thus taking advantage of the benefits and protections of Maryland law. Examples of such availment include advertising in the forum state and registering to provide services to Maryland residents.”) (citing *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 475–76 (1985); *Asahi Metal Industry Co., Ltd. v. Superior Ct. of Cal., Solano County*, 480 U.S. 102, 112 (1987); *Mohamed v. Michael*, 279 Md. 653, 659 (Md. Ct. App. 1977)).

19. Defendants are, therefore, subject to the specific personal jurisdiction

¹⁵ Robert Linnehan, *First 10 licenses approved as Maryland online sports betting hopeful to launch next week*, SATURDAY TRADITION (2023), available at: <https://saturdaytradition.com/sports-gambling/first-10-licenses-approved-as-maryland-online-sports-betting-hopeful-to-launch-next-week/> (last accessed March 11, 2025).

of the courts of this State. Md. Code Ann. § 6-103 (“A court may exercise personal jurisdiction over a person, who directly or by an agent: (1) Transacts any business or performs any character of work or service in the State; (2) Contracts to supply goods, food, services, or manufactured products in the State; (3) Causes tortious injury in the State by an act or omission in the State[.]”).

20. This Court’s exercise of personal jurisdiction over Defendants is consistent with due process, as Defendants purposefully directed their sports gambling platforms into the State of Maryland and the City of Baltimore and otherwise availed themselves of the benefits and protections of the laws of the State of Maryland and the City of Baltimore.

21. This Court has subject matter jurisdiction because the claims at issue arise under a City of Baltimore ordinance. Md. Code Ann. § 1-501 (“The circuit courts are the highest common-law and equity courts of record exercising original jurisdiction within the State. Each has full common-law and equity powers and jurisdiction in all civil. . . cases within its county[.]”).

III. VENUE

22. Venue is proper in this Court under Md. Code Ann. § 6-201, because a substantial part of the acts or omissions giving rise to the claims occurred in the City of Baltimore and Baltimore County. Md. Code Ann. § 6-201 (“[A] civil action shall be brought in a county where the defendant. . . carries on a regular business[.]”).

IV. THE PARTIES

A. Plaintiff

23. Plaintiff is the Mayor and City Council of Baltimore, by Ebony Thompson, the City Solicitor of the Baltimore City Law Department, who has the statutory authority to enforce laws for the protection of the public. Baltimore City Code Art. 7, §§ 22–24.

B. Defendants

24. Defendant DraftKings is a Nevada corporation, with its principal place of business at 222 Berkeley Street, 5th Floor, Boston, Massachusetts 02116.

25. Defendant FanDuel, headquartered at 300 Park Avenue South, 14th Floor, New York, New York 10010, is a wholly owned subsidiary of Flutter Entertainment plc, an Irish corporation, with its principal place of business at Belfield Office Park, Beech Hill Road, Clonskeagh, Dublin 4, Ireland.

V. FACTUAL ALLEGATIONS

A. Defendants Know That Online Sports Gambling Is Highly Addictive

26. As Derek Webb, Head of the Campaign for Fairer Gambling put it: “You put the most addictive behavior on the most addictive device What could go wrong?”¹⁶

¹⁶ Adam Kilgore, *On betting's biggest day, a new scandal puts the sports world on edge*, WASHINGTON POST, available at: <https://www.washingtonpost.com/sports/2024/03/21/sports-betting-ohtani-scandal/> (last accessed March 26, 2025).

27. Indeed, for as long as there has been online gambling, studies have shown it to be particularly addictive. In 2009, Kathryn LaTour, a professor at the University of Nevada Las Vegas, and June Cotte, a professor at the University of Western Ontario, authored a study entitled *Blackjack in the Kitchen: Understanding Online Versus Casino Gambling*. The study, one of the first to compare online gambling with traditional, in-person casino gambling, found that online gamblers gambled more frequently and aggressively than their in-person counterparts and that their behaviors were more indicative of addiction. As the authors explained, decoupling gambling from a designated physical space removes some of the safeguards that exist in in-person gambling:

When gambling consumption moves into the home, gambling behavior becomes a part of everyday living. When not seen as reserved solely as behavior for an outing or a special occasion, we found that gambling is more likely to become a pernicious, insidiously integrated component of a consumer's life. Online gambling can happen without the knowledge of nongambling significant others (spouse, parents). It can be done away from their gaze and their censure. One can also sneak out to a casino too, but it is harder to hide this behavior. . . .¹⁷

28. It is thus utterly unsurprising that with the expansion of online gambling, addiction is on the rise.¹⁸

¹⁷ June Cotte & Kathryn A. LaTour, *Blackjack in the Kitchen: Understanding Online versus Casino Gambling*, 35 J. of Consumer Research 742, 755 (Feb. 2009).

¹⁸ Yeola A, Allen MR, Desai N, *et al.*, Growing Health Concern Regarding Gambling Addiction in the Age of Sportsbooks. *JAMA Intern Med.* (Feb. 17, 2025), available at: <https://doi:10.1001/jamainternmed.2024.8193> (last accessed March 11, 2025).

29. The problem is particularly acute for young people; a 2012 study of university students found that, among students who had gambled on the internet, 16.2% of those students met the criteria for “problem gamblers” under the DSM-IV.¹⁹

30. The problem is also apparent, and growing, within the general population; a 2021 report from the National Council on Problem Gambling found that 11% of those surveyed displayed signs of “problematic behaviors” relating to gambling, a 50% increase from 2018.²⁰ According to another survey, among monthly gamblers, those experiencing gambling problems jumped from 12.7% in 2014 to 25.6% in 2023.²¹ Another recent report indicated that nearly one in ten adults who use online sports betting products have a gambling disorder.²²

31. On February 17, 2025, NBC News reported that there have been dramatic increases in online searches for terms like “gambling addiction hotline”

¹⁹ Jessica McBride & Jeffrey Derevensky, *Internet gambling and risk-taking among students: An exploratory study*, 1 J. of Behavioral Addictions 50 (Jun. 1, 2012).

²⁰ NATIONAL COUNCIL ON PROBLEM GAMBLING, *National Survey on Gambling Attitudes and Gambling Experiences 2.0 (2021)*, <https://www.ncpgsurvey.org/ngage-2021/> (last accessed March 11, 2025).

²¹ UNIVERSITY OF MASSACHUSETTS AMHERST SCHOOL OF PUBLIC HEALTH & HEALTH SCIENCES, *Problem Gambling May Be on the Rise Among Monthly Gamblers in Massachusetts, Online Surveys Suggest* (Sept. 3, 2024), <https://www.umass.edu/public-health-sciences/news/problem-gambling-may-be-rise> (last accessed March 11, 2025).

²² NBC News, *Online gambling has fueled an industry boom that threatens public health, commission finds* (Feb. 24, 2024), available at: <https://www.nbcnews.com/health/health-news/gambling-industry-growth-threat-public-health-report-rcna175356> (last accessed March 11, 2025).

and “am I a gambling addict,” with surges in these searches strongly correlated with the opening of new sportsbooks, like DraftKings and FanDuel, in states that legalized sports gambling.²³ As United States Senator Richard Blumenthal put it, “[t]he growing legalization of sports betting coupled with the ability to place bets from your phone whenever you want have created the perfect storm for gambling addiction—resulting in a severe public health crisis.”²⁴

32. In Maryland, those who participate in online sports betting are significantly more likely to exhibit disordered gambling behaviors than those who participate in sports betting through traditional, in-person means. According to the University of Maryland’s Center of Excellence on Problem Gambling, while 11.3% of Marylanders who participated in “traditional” sports betting showed signs of disordered gambling, nearly double—20.8%—of online sports bettors showed signs of disordered gambling.²⁵

33. The rise of problematic gambling behavior, exacerbated by online platforms, is even more concerning when one considers that those who

²³ Erik Ortiz, *Online Searches for Gambling Addiction Surge as Legalized Sports Betting Expands, Study Finds*, NBC NEWS (Feb. 17, 2025), available at: <https://www.nbcnews.com/health/health-news/online-searches-gambling-addiction-surge-legalized-sports-betting-expa-rcna192462> (last accessed March 11, 2025).

²⁴ *Id.*

²⁵ MARYLAND CENTER OF EXCELLENCE ON PROBLEM GAMBLING, *Understand the Risks*, available at: <https://www.mdproblemgambling.com/sports-betting-2/understand-the-risks/> (last accessed March 11, 2025).

pathologically gamble represent a primary profit center for online gambling platforms. In the United Kingdom, one report from the House of Lords found that 60% of the online gaming industry's profits came from just 5% of its customers.²⁶ Moreover, online gambling platforms have built their businesses on people with addictions who will spend substantially more time and money gambling than the general population, and target these people to extract as much from them as they can without regard for their well-being or safety.

34. A core trait of gambling disorder is severely diminished impulse control, which prevents those gamblers from being able to stop a behavior once they start. As explained in the article *Reactive and proactive control mechanisms of response inhibition in gambling disorder*, published in *Psychiatry Research* (February 2019):

Response inhibition, one component of cognitive control, refers to the ability to inhibit automatic responses and has been found to be impaired in gambling disorder. Recent models of cognitive control distinguish between two mechanisms: reactive control, the ability to stop in response to a stop-stimulus, and proactive control, the ability to anticipate and prepare for a stop. . . [P]reemption, one domain of trait impulsivity, was associated with worse proactive control in the gambling group.²⁷

²⁶ Luke Goldstein, *Rollups: The Big Data Machine Driving Online Sports Betting*, THE AMERICAN PROSPECT (Apr. 4, 2022), <https://prospect.org/power/rollups-big-data-machine-driving-online-sports-betting/> (last accessed March 11, 2025).

²⁷ Sharif-Razi, Maryam, *et al.* "Reactive and proactive control mechanisms of response inhibition in gambling disorder." *Psychiatry research* vol. 272 (2019): 114-121, available at: <https://doi:10.1016/j.psychres.2018.12.049> (last accessed March 11, 2025).

35. This trait both explains the substantial frequency and volume of bets placed by those with gambling disorders and why those with gambling disorders are such attractive targets to sports betting platforms—if they are inclined to stop betting, that inclination can be easily overridden by sending them a positive inducement to continue, even if such an inducement would not be sufficient to get a non-disordered person to resume gambling.

36. This is all common knowledge within the industry. Despite the inherent danger in the product that they are offering, DraftKings and FanDuel continue to target known problem gamblers with promotions and incentives, effectively placing temptation in front of those least able to resist it.

37. The reason for DraftKings' and FanDuel's strategy is simple: they want to maximize the “customer lifetime value” (“CLV”) or “lifetime value” (“LTV”) for each and every customer.²⁸

38. DraftKings and FanDuel structure their approach around aggressively promoting their platforms with promotional offers, then maximizing the lifetime value through acquiring customers efficiently and then retaining/monetizing existing customers, including, and especially by, inducing those with gambling problems to make bad bets.²⁹

²⁸ The terms are used interchangeably in this complaint.

²⁹ PYMNTS, *DraftKings Customer-Centric Strategy Avoids Mention of Any Specific Digital Innovations* (Nov. 3, 2023), available at: <https://www.pymnts.com/earnings/2023/draftkings->

39. As DraftKings CEO Jason Robins explained in November 2023, “We’re very focused on the customer and on maximizing the LTV (lifetime value).”³⁰ Robins also openly admitted that DraftKings is only interested in serving bettors who will lose money on its platform: “This is an entertainment activity. People who are doing this for profit are not the people we want.”³¹

40. As early as May 2022, Peter Jackson, CEO of FanDuel’s parent company, Flutter, confirmed a similar tactic: “We are continuing to push hard on driving some customer acquisitions and we’re very, very pleased with the acquisition costs that we’re seeing and the lifetime value dynamics that we’re also seeing. . . It’s giving us real conviction and we’re leaning in very heavily to acquire as much business as we can.”³²

41. Currently, DraftKings and FanDuel command approximately 70% market share in U.S. online sports betting, evidencing that their approaches to extracting CLV is a major factor in their market dominance.³³

customer-centric-strategy-avoids-mention-of-any-specific-digital-innovations (last accessed March 11, 2025).

³⁰ *Id.*

³¹ David Hill, *Is the \$11 Billion Online Sportsbook Bubble About to Burst?*, ROLLING STONE (Nov. 17, 2024), available at: <https://www.rollingstone.com/culture/culture-sports/sports-betting-law-draftkings-fanduel-1235158334/> (last accessed March 11, 2025).

³² *Legal Sports Report, FanDuel Continues Aggressive Acquisition Push As Others Slow Down* (May 5, 2022), available at: <https://www.legalsportsreport.com/69377/fanduel-continues-aggressive-acquisition-push-as-others-slow-down/> (last accessed March 11, 2025).

³³ Robert Heard, *The Hidden Moat: How Early Customer Acquisition Shaped Industry Leaders in Video Streaming and Sports Betting*, LINKEDIN (Aug. 26, 2024), available at:

42. DraftKings and FanDuel's early data advantage creates a "virtuous cycle" where deeper customer insights enable better personalization and engagement, "keep[ing] users coming back," leading to higher retention and CLV.³⁴

B. DraftKings And FanDuel Maximize Value By Targeting Those With Gambling Disorders

1. Getting Bettors In the Door

43. The first step in Defendants' scheme is to induce new users to bet and bet often.

44. DraftKings and FanDuel each employ strategic promotional campaigns to attract and identify potential regular users. These promotions have historically featured first deposit matching up to \$1,000 and were initially called "Risk-Free" bets. Following negative press attention, these initial inducements were rebranded to "No Sweat" bets, "Bonus Bets," or something similar.³⁵

45. As of March 2025, both DraftKings and FanDuel continue to employ similar promotions, where a \$5 bet by a new user will unlock \$150 in "bonus bets."³⁶

46. The fine print reveals, however, that "bonus bets" must be used within

<https://www.linkedin.com/pulse/hidden-moat-how-early-customer-acquisition-shaped-industry-rob-sheard-iyu3e> (last accessed March 11, 2025).

³⁴ *Id.*

³⁵ See e.g., DRAFTKINGS, *Welcome Page*, available at: www.draftkings.com (last accessed March 11, 2025); FANDUEL, *Welcome Page*, available at: www.fanduel.com (last accessed March 11, 2025).

³⁶ See *id.*; see also **Figure 1**.

seven days, and can only be made in increments up to \$25.³⁷ In other words, to get the full \$150 in bonus bets, a user would have to bet frequently—at least six times over the first seven days of signing up. This promotion structure is designed to encourage new bettors to gamble daily, and not merely occasionally as a social activity.

47. Notably, while these offers appear straightforward to a person reading the large, prominent advertising text, they are governed by complex terms and conditions.³⁸ These terms are presented in small print and through hyperlinks that often become visible only at the point of opt-in. For example, in the promotion presented in **Figure 1**, found on DraftKings' website, terms and conditions do not appear until clicked.

48. These offers contain intricate rules that many users may find difficult to fully comprehend. For example, DraftKings' fine print explains that generally only the prize amount of a bonus bet will be returned to a wallet (not the original betting amount as well, as would be typical for a regular bet), and bonus bets are often unavailable for certain types of bets, such as teasers.³⁹ FanDuel explains in the

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*; see also, DraftKings, *Bonus Bets and Promotions*, available at: <https://sportsbook.draftkings.com/help/bonusbets-and-promotions/bonusbets-and-promotions> (last accessed March 11, 2025).



Figure 1 – Example of a Promotional Offer on DraftKings as of February 2025

fine print that FanDuel Bonus Bets expire in seven days unless otherwise noted, and that the “cashing out option is disabled when the wager is placed with a bonus bet.”⁴⁰

49. Sometimes, Defendants offer “deposit bonuses”—meant to even more closely mimic real cash. As DraftKings states regarding *those* promotions in the fine print: “You’ll play through your contributed money before using your bonus money” and “[e]ach bonus is different, so be sure to check the individual bonus rules....”⁴¹

50. Again, the rules governing these promotions are not apparent on the face of the advertisements promoting them. The deceptiveness is meant to ease friction and to get as many new customers “in the door” as possible—if DraftKings and FanDuel were more transparent about the rules and conditions of their

⁴⁰ FanDuel, *Bonus Bets*, available at: <https://support.fanduel.com/s/article/Bonus-Bets> (last accessed March 11, 2025).

⁴¹ DraftKings, *Bonus Bets and Promotions*, available at: <https://sportsbook.draftkings.com/help/bonusbets-and-promotions/bonusbets-and-promotions> (last accessed March 11, 2025).

promotions, far fewer people would opt into them.

51. These marketing tactics serve two purposes. First, they encourage individuals to create and fund accounts on a platform. After accounts are initially created and funded, individuals can then seamlessly transfer additional “real” money onto the platform. Second, the marketing tactics prompt users to place larger and more frequent wagers than they might have initially intended when considering their personal limits on reasonable betting, by implanting the false idea that users are obtaining “free bets,” or otherwise taking on substantially less financial risk than they actually are. Such a strategy may be particularly effective when the customers are those with gambling disorders, who have lower impulse control.⁴²

52. Defendants understand that their initial investment in acquiring customers can yield significant returns. As McKinsey partner Dan Singer explains, “[w]hen a market opens up, you need to get out there and start acquiring [bettors], because being the first book that someone downloads gives you nearly twice the engagement as being the second or third.”⁴³

53. Initially, DraftKings and FanDuel would fulfill their promotional promises of cash deposit matches and “Risk-Free” bets by providing cash refunds

⁴² *Supra*, fn. 26.

⁴³ Danny Funt, *Sportsbooks Are Sweating Their Billion Dollar Marketing Bet*, WASHINGTON POST, (Sept. 27, 2022), available at: <https://www.washingtonpost.com/sports/2022/09/27/caesars-fanduel-draftkings-commercials> (last accessed March 11, 2025).

for losses. However, this approach led to significant financial costs as they expanded into new markets. As the *Washington Post* explained, “the days of companies giving away straightforward deposit matches worth thousands of dollars are largely over. Instead, sportsbooks are deploying increasingly complicated deals that advertise a big dollar figure but are far less generous [than advertised] upon closer examination.”⁴⁴

2. Keeping the Bettors: Leveraging Big Data

54. After attracting users with these promotional offers, Defendants implement sophisticated user-tracking systems employing LTV calculations.

55. This process involves comprehensive data collection across various behavioral metrics, allowing Defendants to understand and analyze user behavior in detail. DraftKings and FanDuel track, among other things, “the total income a business can expect from a typical customer during his/her Lifetime” through metrics including betting frequency, average bet size, and length of customer relationship.⁴⁵ These are considered foundational LTV metrics, meant to aid DraftKings and FanDuel in calculating the average revenue per user by the customer’s lifespan.⁴⁶

⁴⁴ *Id.*

⁴⁵ BETCONSTRUCT, *LTV (CLV) in Gambling: Use it to Your Advantage*, available at: <https://www.betconstruct.com/product-blog/ltv-in-gambling> (last accessed March 11, 2025).

⁴⁶ Robert Heard, *The Hidden Moat: How Early Customer Acquisition Shaped Industry Leaders in Video Streaming and Sports Betting*, LINKEDIN (Aug. 26, 2024), available at:

56. DraftKings and FanDuel then layer in advanced identification techniques, including predictive modeling using machine learning algorithms and discounted cash flow analysis to forecast future value and profitability.⁴⁷ After employing those methods, the companies create “engagement techniques”—such as carefully tailored push notifications or “bonus bets”—to keep users spending.

57. All of this serves to create a dynamic system, supported by highly sophisticated and proprietary computer algorithms, for Defendants to identify their most valuable players and optimizing retention strategies—the “Maximized LTV.”⁴⁸

58. As one industry publication put it, “measuring LTV in an online casino is a dynamic and ongoing process that requires understanding player behavior, accurately tracking revenue, and applying advanced models to predict future value.”⁴⁹ This sophisticated approach to LTV measurement enables operators to make data-driven decisions about marketing spend and personalized retention tactics.⁵⁰

59. Perversely, the metrics used to calculate LTV in sports betting—betting

<https://www.linkedin.com/pulse/hidden-moat-how-early-customer-acquisition-shaped-industry-rob-sheard-iyu3e> (last accessed March 11, 2025).

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ GR8 TECH, *How Understanding LTV Ensures the House Always Wins*, available at: <https://gr8.tech/blog/how-understanding-ltv-ensures-the-house-always-wins> (last accessed March 11, 2025).

⁵⁰ *Id.*

frequency/volume, bet size, time spent betting, response to losses—closely mirror established indicators of gambling addiction.⁵¹ Betting frequency and volume, tracked as total bets and bets/rounds per player, directly correspond to the diagnostic criterion of increased gambling frequency.⁵² Average bet size, which is significantly larger for prime customers, mirrors the addiction indicator of needing to bet more money to achieve desired excitement levels.⁵³ Time spent gambling, measured by operators as session length and frequency, correlates with the addiction warning sign of spending increasing amounts of time gambling.⁵⁴

60. Even more troubling is DraftKings’ and FanDuel’s tracking of “loss chase behavior.” Upon information and belief, they both monitor the aforementioned metrics and deposit patterns following losses to identify “engaged” players,⁵⁵ even though returning to recover losses, sometimes called “loss chasing,” is a classic sign of problem gambling. Response to promotions, which operators use to measure

⁵¹ DSM-5, Diagnostic Criteria: Gambling Disorder, available at: <https://portal.ct.gov/-/media/dmhas/pgs/dsmdiagnosispdf.pdf> (last accessed March 11, 2025).

⁵² EVERY MATRIX, *Key Performance Indicators for Your iGaming Business*, available at: <https://everymatrix.com/gambling-business-key-performance-indicators> (last accessed March 11, 2025).

⁵³ See e.g., Watson, Lisa and Sudhir H. Kale, *Know When to Hold Them: Applying the Customer Lifetime Value Concept to Casino Table Gaming*, International Gambling Studies, vol. 3, no. 1, June 2003, pp. 89–101; see also, DSM-5, Diagnostic Criteria: Gambling Disorder, available at: <https://portal.ct.gov/-/media/dmhas/pgs/dsmdiagnosispdf.pdf> (last accessed March 11, 2025).

⁵⁴ *Id.*

⁵⁵ EVERY MATRIX, *Key Performance Indicators for Your iGaming Business*, available at: <https://everymatrix.com/gambling-business-key-performance-indicators> (last accessed March 11, 2025).

marketing effectiveness, indicate vulnerability to gambling triggers and cues.

61. By contrast, mobile sports betting companies, including Defendants FanDuel and DraftKings, will purposefully *exclude* and limit those whom they identify as professionals—*i.e.*, those who are too good at gambling—even if they gamble frequently.⁵⁶ The choice to exclude the sophisticated, savvy, and non-pathological gambler—the gambler least likely to be driven by impulse to their detriment—while affirmatively including and encouraging the disordered, pathological gambler most likely to jeopardize their well-being and safety in order to gamble more, is emblematic of Defendants’ abusive conduct.

3. Identifying And Exploiting Problem Gamblers

62. DraftKings and FanDuel are not content merely to expand gameplay: they employ sophisticated data analytics to identify and then exploit players showing signs of problem gambling.

(a) Loyalty/VIP Programs

63. One strategy that both Defendants use to customize their exploitation of users is the “VIP Program.” Defendants both boast that their VIP programs provide access to exclusive offers and bonuses, in addition to access to a personal

⁵⁶ Danny Funt, *Sportsbooks Are Sweating Their Billion Dollar Marketing Bet*, WASHINGTON POST (Sept. 27, 2022), available at: <https://www.washingtonpost.com/sports/2022/09/27/caesars-fanduel-draftkings-commercials> (last accessed March 11, 2025).

“VIP Host” (DraftKings) or “Account Manager” (FanDuel).⁵⁷

64. Upon information and belief, the companies’ loyalty programs are substantially similar to one another.

65. DraftKings operates a “Dynasty Rewards” loyalty program with tiered membership levels ranging from Bronze, Silver, Gold, Diamond, and Onyx, with the highest “Onyx” tier being invite-only and requiring a minimum of 175,000 “tier credits.” At the Gold and Onyx level, members access “VIP Hosts” which can provide tailored promotions, credits, and rewards to the most active of gamblers.⁵⁸ Members at all levels earn “Crowns” and “Tier Credits” through their betting activity, which can be redeemed for site credits, gift cards, and other rewards.⁵⁹ The program promises increasingly valuable benefits, promotions, and gifts as users advance to higher tiers (by betting more), with tier status lasting through the end of the current calendar year and the entire following year once achieved.⁶⁰ Because tier

⁵⁷ DRAFTKINGS, *Roll Like Royalty*, available at: <https://sportsbook.draftkings.com/sportsbook-vip> (last accessed March 11, 2025) (offering qualified VIPs, among other things, “Exclusive Custom Offers”); FANDUEL, *VIP EXPERIENCE*, available at: <https://www.fanduel.com/vip> (last accessed March 11, 2025) (offering VIPs “exclusive promotions & bonuses”).

⁵⁸ See *infra*, Kate Linebaugh, *How a Psychiatrist Lost \$400,000 on Gambling Apps*, WALL STREET JOURNAL, (Mar. 15, 2024) <https://www.wsj.com/podcasts/the-journal/how-a-psychiatrist-lost-400000-on-gambling-apps/c91168e8-8add-48bc-8f5f-324fe4680df6> (last accessed March 11, 2025); DRAFTKINGS, *Dynasty Rewards*, available at: <https://www.draftkings.com/dynasty-home> (last accessed March 11, 2025).

⁵⁹ DRAFTKINGS, *Dynasty Rewards*, available at: <https://www.draftkings.com/dynasty-home> (last accessed March 11, 2025).

⁶⁰ *Id.*

status is not permanent, users must continue gambling at a high rate on the platform to maintain that status.⁶¹

66. Similarly, FanDuel operates the “FanDuel Players Club,” where members earn FanDuel Points (“FDP”) based on their betting activity (five FDP for every \$1 in bets), which can be used to enter paid contests. The Players Club offers multiple status tiers with increasing rewards, including monthly and weekly free plays.⁶² The program’s highest tiers—MVP, Hall of Famer, Legend, and GOAT (Greatest of All Time)—all require significant monthly play and provide members with a personal account manager, premium customer support, and access to special promotions.⁶³ The program automatically enrolls all players, with status determined by monthly FDP earnings that reset each month, which promotes continual, high-volume betting to maintain status.⁶⁴

67. DraftKings’ and FanDuel’s sophisticated loyalty and retention programs enable and reinforce addictive gambling patterns. Industry experts advocate offering loyalty programs and promotions to help strengthen players’

⁶¹ *Id.*

⁶² FANDUEL, *FanDuel Players Club*, available at: <https://www.fanduel.com/fanduel-points> (last accessed March 11, 2025).

⁶³ *Id.*

⁶⁴ *Id.*

desire to play, leading to “high LTV.”⁶⁵ While presented as customer service, these retention tactics can make it harder for at-risk players to break problematic gambling cycles by offering escalating rewards and status tied to betting volume.⁶⁶

68. As one article in the *Frontiers of Psychiatry* put it, “[s]ystems of rewards and punishments in online gambling products are designed to encourage continued use and attention, additional payments, or other behaviors that are not always beneficial to the user[.]”⁶⁷ The VIP programs are the most extreme expression of this type of design.

69. VIP hosts and managers have direct access to “VIPs” and are able to directly message users and access real-time data on their activity on the platform.

70. That access and robust user data, coupled with the hosts’ and managers’ directive to keep these players betting as much as possible, creates an extremely potent mechanism to break down the defenses of individuals struggling with a gambling disorder. If there is a gap in an addicted VIP user’s betting activity, that

⁶⁵ INTARGET, *Exploring Customer Lifetime Value in the iGaming Industry*, available at: <https://intarget.space/blog/exploring-customer-lifetime-value-in-the-igaming-industry> (last accessed on March 11, 2025).

⁶⁶ *Id.*

⁶⁷ Gainsbury SM, Black N, Blaszczynski A, Callaghan S, Clancey G, Starcevic V and Tymula A (2020), *Reducing Internet Gambling Harms Using Behavioral Science: A Stakeholder Framework*. *Front. Psychiatry* 11:598589 (noting that mobile gaming companies’ tactics, driven by sophisticated machine learning models, are highly effective at capturing attention but may also exploit individuals with addictive tendencies by encouraging continued or escalated gambling. The authors advise that these targeted mechanisms must be carefully managed and regulated, as they pose a substantial risk when not balanced with protective measures.)

may mean that they are trying to wean themselves off gambling or may be facing a personal hardship that requires their money and attention. But a VIP host views that gap as an opportunity to exploit the user at their most vulnerable and get them back on the platform.

71. A recent article in the *Athletic* chronicled a FanDuel user struggling with a serious gambling disorder, being facilitated and exacerbated by his VIP representative:

He hated himself. Several times, he tried quitting and would go days without placing a bet. Then his phone would ping. It was his VIP representative from FanDuel with a text message.

Hey Jordan. . . I just gave you a \$200 bonus bet into your account.

[. . .]

“I can’t hold back my anger for them,” Holt said. “I think the way FanDuel exploits people like me — if somebody doesn’t gamble for a couple of days, they all of the sudden get a deposit bonus, or, ‘Hey, you are part of the VIP Club!’ The way it’s being handled, it should be controlled more. It’s the Wild, Wild West.”⁶⁸

72. DraftKings is no better. A recent *Wall Street Journal* article described how DraftKings “rewarded” a woman, who was demonstrating that she was in the throes of an addiction, with inducements to bet more. The woman, a psychiatrist named Kavita Fisher, engaged in a lengthy interview with reporter Kate Linebaugh

⁶⁸ Jason Quick, ‘I literally can’t stop.’ *The descent of a modern sports fan*, THE ATHLETIC (Oct. 14, 2024), <https://www.nytimes.com/athletic/5777632/2024/10/14/sports-betting-addiction-problem-fans/> (last accessed March 11, 2025).

about her experience using DraftKings' virtual casino platform:

Kate Linebaugh: Kavita wanted to quit gambling in 2023, but after DraftKings made her a VIP, she says she was pulled in by the promise of bonuses. She figured that she could use the bonuses to win back her losses. After that initial email in December, Kavita and her host kept in close touch. Over the next four months, they exchanged dozens of emails, sometimes daily.

Kavita Fisher: And he would offer bonuses or I would ask for a bonus if I didn't do well, and usually he would give me whatever bonus I wanted.

Kate Linebaugh: And he was online most of the time?

Kavita Fisher: Yeah, he seemed to know when I was playing as well. He could tell when I was playing and how much I played.

Kate Linebaugh: In January, Kavita emailed her DraftKings host to say she was doing terribly and that she wanted to try a different game or quit gambling completely. But Kavita also asked her host for another bonus. She wrote, "Is there any way you could send me some VIP love?" In response, her host added \$500 to her account and wished her luck, writing, "Hope you can get hot." Did you feel like the app was trying to incentivize you to keep playing? Did you sort of see the deal?

Kavita Fisher: I could tell that there were times when I wanted to quit, but I knew that I had a bonus or some cash back from a tournament coming up in a few days. So I had to wait until then to quit. And then I would get lured into a different bonus and it would kind of just keep extending my quit date.

Kate Linebaugh: Interesting. So the bonus is, they tell you you had a bonus, but it wouldn't hit immediately. So it keeps you in the universe until you get it?

Kavita Fisher: Correct. It almost felt like it wasn't real. No way would I ever imagine myself even during that time walking into a casino and taking out 10 grand from my account and throwing it on a table. There's no way. But it just didn't feel real on the app. All you do is click a few

things to get money transferred over. There's no rationality that remains when you're doing it online compared to if you're in a live casino handling real cash.⁶⁹

73. DraftKings and FanDuel's VIP programs are designed to exploit the trust built between the VIP hosts or managers and users to get those users to engage and bet more, even when it is readily apparent that those users can't afford it.

74. For example, upon information and belief, despite knowing that many VIP program members are struggling, DraftKings and FanDuel do not regularly require users participating in their VIP programs, who are frequent, high-volume gamblers, to submit to income verification checks, even though doing so would help DraftKings and FanDuel identify whether someone was actually gambling within their means.

75. Given the amount of data they have on their consumers, Defendants' failure to do income verification checks allows them to profess ignorance or, at best, remain willfully ignorant, that many so-called "high rollers" in their VIP programs are demonstrating the hallmark signs of a gambling disorder. This, in turn, allows them to cloak themselves in plausible deniability and claim that they do not know whether members of their VIP programs have such disorders, all while collecting troves of behavioral data that allow them to target the most vulnerable.

⁶⁹ Kate Linebaugh, *How a Psychiatrist Lost \$400,000 on Gambling Apps*, WALL STREET JOURNAL, (Mar. 15, 2024) <https://www.wsj.com/podcasts/the-journal/how-a-psychiatrist-lost-400000-on-gambling-apps/c91168e8-8add-48bc-8f5f-324fe4680df6> (last accessed March 11, 2025).

76. As recently as April 2024, advertisements for VIP account managers on FanDuel's website said candidates would be expected to "increase player activity and drive revenue."⁷⁰ Similarly, a listing on DraftKings' career portal for a VIP Host position states that the VIP Host will "[c]reate new business revenue by understanding and developing strong, authentic, and trusted player relationships"⁷¹

77. Upon information and belief, DraftKings and FanDuel VIP hosts and managers continue to target Baltimore users whom they respectively know or should know have a gambling disorder.

(b) Promotions and Notifications

78. VIP programs are not Defendants' only means of identifying and exploiting those with gambling disorders. Defendants also use "pings," notifications, and/or tailor-made promotions to extract maximum LTV, including by targeting those users Defendants know or have reason to know suffer from a gambling disorder.

79. For example, Defendants weaponize promotions to induce problem gamblers to bet. DraftKings and FanDuel applications may offer users "free" bets (often a sum of cash with stipulations on how much of it can be used in a single

⁷⁰ Tom Bergin, *Online-gambling giants conquer U.S. with tactics deemed too tough for Britain*, REUTERS (July 3, 2024).

⁷¹ DRAFTKINGS, *VIP Host, Washington D.C.*, accessible at: <https://careers.draftkings.com/jobs/jr10760/vip-host-washington-dc/> (last accessed March 11, 2025).

bet—for example, \$200 that can be wagered in \$10 increments) and bonuses, much like the promotions offered to first-time users, at any time. These promotions are offered to the user while they are actively scrolling in the app or website, or they may be sent to the user via “pings” to their device that appear as notifications. While some promotions run on the DraftKings and FanDuel platforms are accessible to all users simultaneously, many of these promotions are tailored to specific users.

80. When a user is not actively using the DraftKings or FanDuel applications on their phone, they still receive notifications from DraftKings or FanDuel that are not connected with any particular promotion being offered to the user; they are simply meant as reminders to the user that they should return to the application to bet more. These types of notifications are shown below in **Figure 2:**

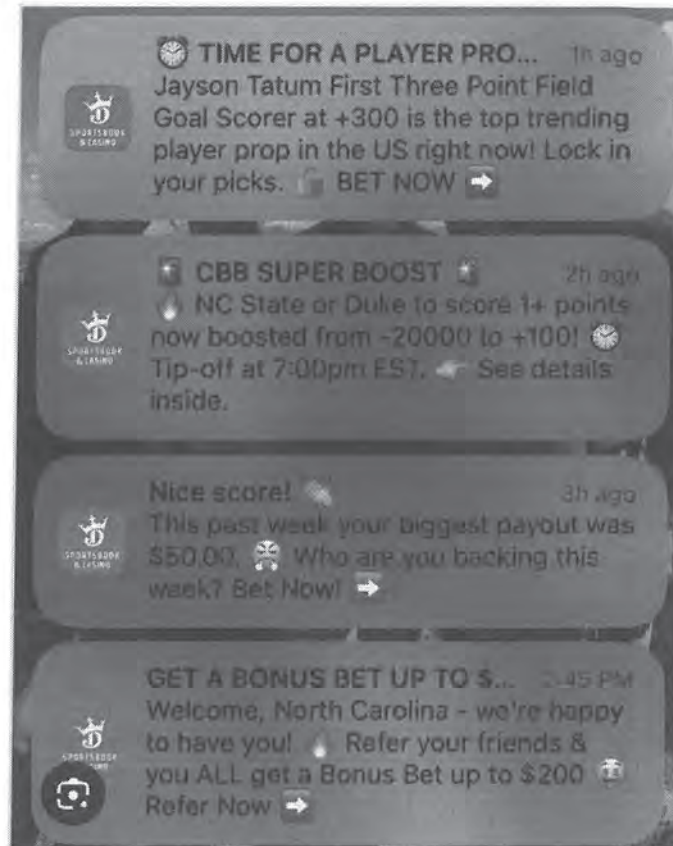


Figure 2 – Notifications from DraftKings
 (“This past week your biggest payout was \$50.00
 Who are you backing this week? Bet Now!”)

81. These notifications and promotions are not random, but, rather, are systematically designed and deployed using Defendants’ extensive data analytics capabilities to target users at moments when they are most likely to resume gambling. **Figure 2** is emblematic: there, DraftKings pulled a bettor’s gambling history, and tried to induce them to continue to gamble, piggy-backing the promotion off of the user’s “biggest” \$50 payout and tossing in an emoji depicting someone with intense determination/frustration for good measure.

82. The sophistication and effectiveness of this predatory system is so well-documented within the industry that even professional gamblers have learned to exploit it by mimicking addiction patterns—revealing just how intentionally the system is designed to prey upon those with gambling disorders.

(c) Exploitation Exposed: Professional Gamblers’ Strategic Emulation of Addiction Patterns for Personal Gain

83. So-called “sharps”—professional gamblers for whom sports betting is a job—have learned to mimic the behavior of problem gamblers by strategically using promotions and notifications on mobile betting apps like DraftKings and FanDuel to receive “rewards” from the company.

84. Isaac Rose Berman, a prominent writer whose articles on sports betting have been published in the *Wall Street Journal*, has described how professional bettors have learned to take advantage of the mobile sports betting companies’ desire to exploit problem gamblers:

As Rufus Peabody, co-host of the Bet the Process podcast said on a recent episode, “In this current environment, in U.S. books, the best strategy for account longevity is to try to look like you’re a degenerate gambler, look like you’re a problem gambler. . . what becomes kind of dirty is trying to do those things and act like a problem gambler knowing that they’re going to cater to you.”

Such behavior takes various forms. One pro bettor I know set up a bot which logs in to his accounts every day between 2 and 4 am, to make it seem like he can’t get through the night without checking his bets. Another withdraws money and then reverses those withdrawals so it looks like he can’t resist gambling.

Some efforts go even further, and attempt to game the responsible gaming tools. I recently met a pro bettor who swore that at a certain sportsbook, if you opted into and then out of deposit limits—which prevent you from depositing more than a certain amount over the course of a week or month—your betting limits would stay high for longer, because “they know sharp bettors don’t put themselves on those lists.”

Anecdotally, I’ve noticed that when users opt into cool-off periods—which prevents them from logging into an account for as little as a day—they’re often greeted with a deposit match when they come back . . .”⁷²

85. Reporting indicates that the “sharps” were on to something and that the major online betting companies were taking advantage of their most vulnerable users. For example, Ravi Naik, a visiting fellow at Oxford University’s Internet Institute and a data rights lawyer, chronicled how Sky Bet, a company, like FanDuel, also owned by Flutter, tried to “win back” a consumer working to kick a gambling disorder:

Naik documented the effects of Sky Bet’s data-profiling software on one user who was trying to kick a severe gambling disorder. The platform knew his location coordinates, banking records, mortgage details, and all his wager habits. Once he began weaning off the platform, Sky Bet labeled him a customer to win back, inundating him with targeted ads and marketing fine-tuned to the vulnerabilities the software had detected in his patterns of behavior. They even evaluated his exact worth to the company if he returned to the platform.⁷³

⁷² Isaac Rose-Berman, *Why Professional Gamblers Act like Addicts*, HOW GAMBLING WORKS (Sept. 10, 2024), <https://howgamblingworks.substack.com/p/why-professional-gamblers-act-like> (last accessed March 11, 2025).

⁷³ Luke Goldstein, *Rollups: The Big Data Machine Driving Online Sports Betting*, THE AMERICAN PROSPECT (Apr. 4, 2022), <https://prospect.org/power/rollups-big-data-machine-driving-online-sports-betting/> (last accessed March 11, 2025).

86. The reporting further indicated that SkyBet had been tracking upwards of 186 different player attributes, the better to attract, and ultimately exploit, the consumer. This extension of the Big Data business model DraftKings and FanDuel employ enables them to closely monitor customer behavior and use that behavior to their advantage, not only to hook customers, but to take what they can from those they identify as having a problem with gambling.

4. Defendants' Actions Have Devastating Consequences

87. Having a gambling disorder poses a substantial risk to the individual and those around them. According to one meta-analysis, more than 30% of problem gamblers report suicidal ideation, a far greater rate than the general public or those suffering from other addiction disorders.⁷⁴

88. Children of problem gamblers are also up to three times more likely to be abused by a parent than their peers, and intimate partners of problem gamblers are more than ten times more likely to visit an emergency room as a result of being physically assaulted than the intimate partners of problem drinkers.⁷⁵ Problem gamblers are also often the victims of domestic violence, particularly at the hands of

⁷⁴ Kristensen, J. H., Pallesen, S., Bauer, J., Leino, T., Griffiths, M. D., & Erevik, E. K. (2024). Suicidality among individuals with gambling problems: A meta-analytic literature review. *Psychological Bulletin*, 150(1), 82–106, available at: <https://doi.org/10.1037/bul0000411> (last accessed March 11, 2025).

⁷⁵ MARYLAND CENTER OF EXCELLENCE ON PROBLEM GAMBLING, *Problem Gambling & Domestic Violence*, accessible at: <https://www.mdproblemgambling.com/problem-gambling-and-domestic-violence-2024/> (last accessed March 11, 2025).

parents.⁷⁶

89. The harmful impacts of DraftKings’ and FanDuel’s exploitative practices are acutely felt in Maryland, and the City of Baltimore specifically.

90. The Maryland Center of Excellence on Problem Gambling reports that while 11.3% of Marylanders who participated in “traditional” sports betting showed signs of disordered gambling, 20.8% of online sports bettors showed signs of disordered gambling.⁷⁷

91. Mary Drexler, the program director at the University of Maryland’s Center of Excellence on Problem Gambling, has warned that staff members of the gambling hotline have been “noticing a disturbing trend. . . . We are starting to see more calls from college-age males and their parents. . . . As the industry booms, problem gambling is growing too, especially among 18- to 24-year-old men who grew up loving sports—and their phones—and can’t restrain their mobile sports betting impulses.”⁷⁸

⁷⁶ Nicki Dowling, Erin Oldenhof, Sue Cockman, Aino Suomi, Sephanie Merkouris, Alun Jackson, *Problem Gambling and Family Violence: Factors Associated with Family Violence Victimization and Perpetration in Treatment-Seeking Gamblers*, 36 J. of Interpersonal Violence 15–16 (Mar. 2019), accessible at: <https://journals.sagepub.com/doi/10.1177/0886260519835877>.

⁷⁷ MARYLAND CENTER OF EXCELLENCE ON PROBLEM GAMBLING, *Understand the Risks*, available at: <https://www.mdproblemgambling.com/sports-betting-2/understand-the-risks/> (last accessed in March 11, 2025).

⁷⁸ Jeff Barker, *As problem gambling rises, revenue-focused regulators resist Maryland reforms: ‘Warning signs are flashing,’* THE BALTIMORE SUN (Feb. 14, 2025), available at: <https://www.baltimoresun.com/2025/02/14/problem-gambling-maryland-regulators-sportsbooks/?share=r2aanawnsn0ttu2sb4yr> (last accessed March 11, 2025).

92. Jeff Barker of the *Baltimore Sun* relayed these concerns in a February 14, 2025 article:

“It’s just easier to pile up debt or money you don’t actually have,” Del. Julie Palakovich Carr, a Montgomery County Democrat, said in an interview. “Most people recognize that this is supposed to be entertainment, but for folks who are addicted, we should be putting those safeguards in place.”

On Feb. 6, Palakovich Carr testified before the Ways and Means Committee on her bill prohibiting credit card use for sports wagers and raising the minimum age for fantasy games.

Sitting at a long witness table, the delegate argued that 10 other states prohibit using credit cards for sports bets and said ‘warning signs are flashing’ about players, particularly college-age men, awash in gambling debt. Many sports betting sites heavily market in the state and provide millions of dollars in free promotional play designed to entice bettors. ‘This is a generation of individuals who are very savvy on mobile and online (devices) and have the opportunity to do so many more types of betting,’ [Mary] Drexler said. ‘With sports betting it’s not just who wins and loses, it can be on every play of the game.’ Drexler was referring to ‘live betting,’ in which gamblers wager on multiple in-game scenarios, such as whether a batter will get a hit or a quarterback will throw an interception. Sports bettors almost always lose money in the long run. In many ways, their wagering is akin to a 2-point conversion attempt in the NFL. The ball seems tantalizingly close to the goal line, but teams convert fewer times than not.⁷⁹

93. Will Hinman, a peer recovery specialist at the Center of Excellence on Problem Gambling, has also observed a significant spike in calls from young men experiencing signs of a gambling problem since mobile sports betting (dominated

⁷⁹ *Id.*

by Defendants) was rolled out in the state.⁸⁰

94. While sports gambling and online sports betting are relatively new to Maryland and the City of Baltimore, even in the short time it has been permitted it has become evident that the pernicious behavior of DraftKings and FanDuel, as the head-and-shoulders leaders in this space, has started to cause harm to the City. Vulnerable Baltimore citizens are being deliberately targeted and hounded by these sports betting platforms with no real regard for their safety or well-being, and the collateral impacts of this exploitation are being felt by these citizens, their families, and the institutional services that are trying to help them.

95. Of course, Defendants' actions also clearly contravene Maryland's public policy that seeks to avoid the exploitation of those with gambling disorders. Maryland Sports Wagering Regulations, issued by the Maryland State Lottery and Gambling Control Agency, mandate that, "[a] sports wagering licensee, directly or through a contractor or vendor on behalf of the licensee, may not: . . . *conduct sports wagering in a manner that may adversely impact the public* or the integrity of sports wagering." Md. Code Regs. 36.10.13.41(C)(2)(d) (emphasis added).

⁸⁰ Jack Hogan, *MD eyes new gambling frontier, but critics say state must reckon with sports betting harm*, THE MARYLAND DAILY RECORD (Dec. 30, 2024), <https://thedailyrecord.com/2024/12/30/md-eyes-new-gambling-frontier-but-critics-say-state-must-reckon-with-sports-betting-harm> (last accessed March 11, 2025).

C. Defendants Choose Not To Employ Protections That They Employ Abroad

96. Of course, if DraftKings and FanDuel can choose to induce gamblers they know to have a problem to engage on their platforms, *they can also choose not to do so*.

97. In the United Kingdom, for example, companies have interpreted regulations as requiring them to “use data on client behavior to identify potentially compulsive or problem gambling” and *prevent* those people from using the platforms to excess.⁸¹ As Reuters explained regarding BetMGM and FanDuel’s parent companies’ practices:

In Britain, where online gambling is more established than the United States, Flutter and other bookmakers have in recent years acknowledged some of their previous practices risked causing harm and ended those practices. Some have also publicly accepted a responsibility to protect customers from problem gambling as cases of addiction, suicide and gambling-related crime stacked up there. But in the booming American market, Dublin-based Flutter and Britain’s Entain (ENT.L) — which jointly own[] U.S. sports betting company BetMGM — have not implemented many of those same safeguards. They also routinely employ practices they discontinued in Britain after admitting they put UK gamblers at risk, Reuters found, based on a review of corporate filings, company statements, executive testimony to lawmakers, job advertisements and interviews with gamblers and former employees. In Britain, the two gambling giants volunteered to curtail VIP programs that induce customers to spend more after acknowledging the potential for harm to gamblers. And Flutter

⁸¹ Tom Bergin, *Online-gambling giants conquer U.S. with tactics deemed too tough for Britain*, REUTERS (July 3, 2024), available at: <https://www.reuters.com/investigations/online-gambling-giants-conquer-us-with-tactics-deemed-too-tough-britain-2024-07-03/> (last accessed March 11, 2025).

introduced protections for bettors under 25 years old, having said “younger people can be more vulnerable to experiencing gambling harm.”⁸²

98. In April 2023, the British government issued a comprehensive white paper titled “High stakes: gambling reform for the digital age” that laid the groundwork for substantial regulatory changes.⁸³

99. Building on this foundation, in May 2024, the United Kingdom’s Gambling Commission implemented concrete reforms that included enhanced financial vulnerability checks, which involve identifying and supporting individuals who may be vulnerable due to a gambling.⁸⁴ The threshold to trigger a vulnerability check, starting in August 2024, was £500—meaning that a check would occur if an individual deposited more than £500 towards gambling, with the threshold decreasing to £150 by February 2025.⁸⁵

100. The Commission also imposed restrictions on gaming platform designs that encourage excessive play, mandated improved consumer choice over marketing communications, and strengthened age verification requirements by raising the age-

⁸² *Id.*

⁸³ GOVERNMENT OF THE UNITED KINGDOM, *High Stakes: gambling reform for the digital age*, available at: <https://www.gov.uk/government/publications/high-stakes-gambling-reform-for-the-digital-age/high-stakes-gambling-reform-for-the-digital-age> (last accessed March 11, 2025).

⁸⁴ *Id.*

⁸⁵ GAMBLING COMMISSION OF THE UNITED KINGDOM, *New rules boosting safety and consumer choice*, available at: <https://www.gamblingcommission.gov.uk/news/article/new-rules-boosting-safety-and-consumer-choice> (last accessed March 11, 2025).

check threshold from 21 to 25 years.⁸⁶

101. Flutter and other operators in Britain have also voluntarily curtailed their VIP programs after acknowledging these programs' potential to harm gamblers, and have also introduced specific protections for bettors under 25 years old, recognizing that younger people can be more vulnerable to experiencing gambling harm.⁸⁷

102. The protections the platforms volunteered abroad—like financial vulnerability checks, curtailing VIP programs, and protecting those under 25 years old—on information and belief have not been implemented by DraftKings or FanDuel anywhere in the United States (including the City of Baltimore).

103. These changes and others could aid problem gamblers and forestall Baltimoreans from developing and becoming victim to gambling disorders. DraftKings and FanDuel could leverage their troves of user data for good if they wanted to. As some researchers have suggested, the same behavioral data that can be used to identify problem gamblers and build tools to most efficiently exploit those gamblers can also be used to create socially responsible tools that can help combat

⁸⁶ *Id.*

⁸⁷ *Id.*

the addictive behavior of these same individuals.⁸⁸

104. For example, the behavioral data could be used to target an individual engaging in behavior suggestive of a gambling problem and provide them with a message, in real time, highlighting the concerning behavior (such as depositing more money into an account after losses exceeding their normal gambling pattern), which could induce the problem gambler to step away from that particular transaction or be more mindful about their transactions.⁸⁹

105. Despite having extensive data analytics capable of identifying problematic gambling patterns, and despite being well-positioned to implement crucial safeguards *that they employ in other jurisdictions*, such as financial vulnerability checks, restrictions on VIP programs, and enhanced protections for young gamblers, DraftKings and FanDuel have chosen not to do so.

106. Instead, Defendants try, with every promotion, every notification, every VIP solicitation, to take what they can from the most vulnerable Baltimoreans, and maximize consumers' "lifetime value," no matter the consequences.

⁸⁸ See generally, G. Drosatos, F. Nalbadis, E. Baines, *et al.*, *Enabling Responsible Online Gambling by Real-time Persuasive Technologies*, 17 Complex Systems Informatics and Modeling Quarterly 44 (2018).

⁸⁹ *Id.* at 46.

VI. CLAIM FOR RELIEF

Unfair, Abusive, And Deceptive Trade Practices Baltimore City Code Art. 2, §2

107. The City of Baltimore reasserts, realleges, and incorporates by reference each of Paragraphs 1–106, above, as though fully set forth below.

108. The CPO, Baltimore City Code Art. 2, §4, protects consumers and others against “unfair, abusive, or deceptive trade practices,” which are defined in line with the Maryland Consumer Protection Act (“MCPA”), Md. Code Ann., Com. Law, § 13-301. *See* Baltimore City Code Art. 2, § 4-1 (13).⁹⁰ These “[u]nfair, abusive, or deceptive trade practices include[,]” include any:

- a. False, falsely disparaging, or misleading oral or written statement, visual description, or other representation of any kind which has the capacity, tendency, or effect of deceiving or misleading consumers, Md. Code Ann., Com. Law, § 13-301(1);
- b. Failure to state a material fact if the failure deceives or tends to deceive Md. Code Ann., Com. Law, § 13-301(3);
- c. Deception, fraud, false pretense, false premise, misrepresentation, or knowing concealment, suppression, or omission of any material

⁹⁰ *See, also*, Baltimore City Council, *Law 23-0424 (Comments from Baltimore Law Department and Chief Solicitor)*, available at: <https://baltimore.legistar.com/LegislationDetail.aspx?ID=6322280&GUID=04376B1E-3696-45E8-8DC8-8457391147DE&Options=&Search=&FullText=1> (last accessed March 11, 2025).

fact with the intent that a consumer rely on the same in connection with:

- (i) The promotion or sale of any consumer goods, consumer realty, or consumer service, Md. Code Ann., Com. Law, § 13-301(9)(i);

109. Any “practice prohibited by this title is a violation of this title, whether or not any consumer in fact has been misled, deceived, or damaged as a result of that practice.” *Id.* § 13-302. While specific practices are enumerated in the MCPA (and, by extension, the CPO), “[i]t is the intent of the [Maryland] General Assembly that in construing the term ‘unfair or deceptive trade practices,’ due consideration and weight be given to the interpretations of § 5 (a)(1) of the Federal Trade Commission Act [(15 U.S.C. § 45)] by the Federal Trade Commission and the federal courts.” Md. Code Ann., Com. Law § 13-105. The Federal Trade Commission has explained that unfairness under 15 U.S.C. § 45 is determined in part by a consideration of “(1) whether the practice injures consumers,” and “(2) whether it violates established public policy.”⁹¹

110. Defendants are “merchants” within the meaning of, and subject to, the provisions of the CPO. Baltimore City Code Art. 2, § 4-1 (9).

⁹¹ FTC Policy Statement on Unfairness, Dec. 17, 1980, available at: <https://www.ftc.gov/legal-library/browse/ftc-policy-statement-unfairness> (last accessed March 11, 2025).

111. Defendants' actions are deceptive and unfair. Without limitation, Defendants violate the CPO by:

- a. Using sophisticated algorithms and data analytics to refine their targeting of vulnerable Baltimore users with personalized inducements designed to exploit the users' gambling disorder;
- b. Using exploitative means to trick Baltimore consumers into betting on their platforms, including through the misleading use of betting inducements like so-called "bonus bets" or "no-sweat bets" specifically targeted to create compulsive gambling behavior;
- c. Misrepresenting the nature, terms, and conditions of these promotional offers by failing to adequately disclose material terms and conditions, including wagering requirements before funds can be withdrawn;
- d. Using data collected to identify Baltimoreans with a gambling disorder and then specifically directing promotions and/or notifications at those users in order to induce them to bet further;
- e. Deploying push notifications, emails, and in-app messages with misleading urgency (e.g., "limited time offers" and "act now" messaging, *supra*, **Figure 2**) purposefully directed to those Baltimoreans Defendants know, suspect, or have reason to know or

suspect to have a gambling disorder, to create false time pressure and exploit gamblers' fear of missing out;

- f. Using VIP programs to identify and exploit those with gambling disorders, including by using the VIP programs to create tailored inducements to induce betting by Baltimoreans whom Defendants know or should know to be demonstrating disordered gambling behavior;
- g. Offering escalating rewards through these VIP programs directly proportional to gambling losses, thereby incentivizing harmful behavior, and targeting those programs to Baltimoreans with gambling disorders; and,
- h. Failing to implement effective responsible gambling measures to identify those Baltimoreans whom Defendants should not be targeting for promotions, despite having sophisticated technology capable of identifying problematic gambling behavior.

112. Defendants' unfair and deceptive practices cause substantial injury to Baltimore consumers that is not reasonably avoidable by consumers themselves.

113. Defendants' actions are against public policy. It is public policy, as set forth in the Maryland Sports Wagering Regulations, that sports wagering licensees may not target those with gambling disorders and thus "conduct sports wagering in

a manner that may adversely impact the public or the integrity of sports wagering.” Md. Code Regs. 36.10.13.41(C)(2)(d) (emphasis added).

114. Each ping, enrollment, and retention in a VIP program, “bonus bet,” or other promotion, and/or push notification directed to a person whom Defendants know, have reason to know, or suspect to be suffering from a gambling disorder is a separate violation of the CPO.

115. Each misleading inducement that Defendants used to generate new users is likewise a separate CPO violation.

116. Defendants’ actions demonstrate a callous disregard not only for the rule of law, but also for the public health, safety, and well-being of Baltimore consumers. While engaging in the unlawful practices alleged herein, Defendants have, at all times, acted willfully. Defendants knew or should have known that their actions were of the nature prohibited by the CPO.

117. As a result of the foregoing, the City seeks all legal and equitable relief as allowed by law, including civil penalties, injunctive relief, restitution, and disgorgement.

VII. REQUEST FOR RELIEF

WHEREFORE, Plaintiff, the City of Baltimore, respectfully requests that the Court enter judgment in its favor and against Defendants, as follows:

- a. Awarding the maximum amount of statutory penalties available under Baltimore City Code Art. 2, § 4-3(a), for each violation of Baltimore's CPO, Baltimore City Code Art. 2, § 4;
- b. Injunctive relief mandating that Defendants cease the targeting and exploitation of disordered gamblers;
- c. Injunctive relief requiring Defendants to reform their platforms' exploitative platform design feature restrictions and enhanced marketing restrictions, Baltimore City Code Art. 2, § 4-5(d); and,
- d. Awarding such other relief as may be available and appropriate under the law or in equity.

VIII. DEMAND FOR JURY TRIAL

Plaintiff demands a jury trial for all claims upon which a jury trial is available.

Dated: April 3, 2025

Respectfully submitted,

/s/ Ebony M. Thompson
Ebony M. Thompson
City Solicitor
Sara Gross
Chief, Affirmative Litigation Division
Thomas P.G. Webb
Deputy Chief, Affirmative Litigation
Division
**BALTIMORE CITY LAW
DEPARTMENT**
City Hall, Room 101
100 North Holliday Street
Baltimore, Maryland 21202
Tel: (443) 984-3421
ebony.thompson@baltimorecity.gov
sara.gross@baltimorecity.gov
thomas.webb@baltimorecity.gov

Adam J. Levitt*
Daniel R. Schwartz*
Daniel R. Ferri*
Eaghan Davis*
Rebecca Trickey*
DICELLO LEVITT LLP
Ten North Dearborn Street, Sixth Floor
Chicago, Illinois 60602
Tel: (312) 214-7900
alevitt@dicellolevitt.com
dschwartz@dicellolevitt.com
dferri@dicellolevitt.com
edavis@dicellolevitt.com
rtrickey@dicellolevitt.com

**pro hac vice* motions to be filed

Counsel for Plaintiff, the City of Baltimore

EXHIBIT C



**CIRCUIT COURT FOR BALTIMORE CITY,
MARYLAND**
CIVIL DIVISION
111 N. Calvert Street
Baltimore, Maryland 21202

Main: 410-333-3733
Civil: 410-333-3722
Criminal: 410-333-3750
Family: 410-333-3709/3738
Juvenile: 443-263-6300

To: DRAFTKINGS, INC.
THE CORPORATION TRUST, INC.
2405 YORK ROAD
SUITE 201
LUTHERVILLE-TIMONIUM, MD 21093

Case Number: C-24-CV-25-002683
Other Reference Number(s):
Child Support Enforcement Number:

MAYOR AND CITY COUNCIL OF BALTIMORE VS. DRAFTKINGS, INC., ET AL.

Issue Date: 4/3/2025

WRIT OF SUMMONS

You are summoned to file a written response by pleading or motion, within 30 days after service of this summons upon you, in this court, to the attached complaint filed by:

MAYOR AND CITY COUNCIL OF BALTIMORE
100 N Holliday Street
Baltimore, MD 21202

This summons is effective for service only if served within 60 days after the date it is issued.

A handwritten signature in black ink, appearing to read "Xavier A. Conaway".

Xavier A. Conaway
Clerk of the Circuit Court

To the person summoned:

Failure to file a response within the time allowed may result in a judgment by default or the granting of the relief sought against you.

Personal attendance in court on the day named is NOT required.

It is your responsibility to ensure that the court has your current and correct mailing address in order to receive subsequent filings and notice in this case.

Instructions for Service:

1. This summons is effective for service only if served within 60 days after the date issued. If it is not served within the 60 days, the plaintiff must send a written request to have it renewed.
2. Proof of Service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Maryland Rule 2-126.
4. If this notice is served by private process, process server shall file a separate affidavit as required by Maryland Rule 2-126(a).

Mayor and City Council of Baltimore vs. DraftKings, Inc., et al.

Circuit Court for Baltimore City
Case Number: C-24-CV-25-002683**SHERIFF'S RETURN**
(please print)

To: DRAFTKINGS, INC.

Serving Sheriff's Name ID# _____ of the _____

County Sheriff's office present to the court that I:

(1) Served _____
Name of person servedon _____ at _____
Date of service Location of serviceby _____ with the following:
Manner of service

- | | |
|--|---|
| <input type="checkbox"/> Summons | <input type="checkbox"/> Counter-Complaint |
| <input type="checkbox"/> Complaint | <input type="checkbox"/> Domestic Case Information Report |
| <input type="checkbox"/> Motions | <input type="checkbox"/> Financial Statement |
| <input type="checkbox"/> Petition and Show Cause Order | <input type="checkbox"/> Interrogatories |
| <input type="checkbox"/> Other _____ | |

Please specify

(2) Was unable to serve because:

- | | |
|---|--|
| <input type="checkbox"/> Moved left no forwarding address | <input type="checkbox"/> No such address |
| <input type="checkbox"/> Address not in jurisdiction | <input type="checkbox"/> Other _____ |

Please specify

Sheriff fee: \$ _____ ☐ waived by __________
Date_____
Signature of serving Sheriff

Instructions to Sheriff's Office or Private Process Server:

1. This Summons is effective for service only if served within 60 days after the date issued. If it is not served within 60 days, the plaintiff must send a written request to have it renewed.
2. Proof of Service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

EXHIBIT D



**CIRCUIT COURT FOR BALTIMORE CITY,
MARYLAND**
CIVIL DIVISION
111 N. Calvert Street
Baltimore, Maryland 21202

Main: 410-333-3733
Civil: 410-333-3722
Criminal: 410-333-3750
Family: 410-333-3709/3738
Juvenile: 443-263-6300

To: FLUTTER ENTERTAINMENT PLC D/B/A FANDUEL INC.
CSC LAWYERS INCORPORATING SERVICE COMPANY
7 SAINT PAUL STREET
SUITE 820
BALTIMORE, MD 21202

Case Number: C-24-CV-25-002683
Other Reference Number(s):
Child Support Enforcement Number:

MAYOR AND CITY COUNCIL OF BALTIMORE VS. DRAFTKINGS, INC., ET AL.

Issue Date: 4/3/2025

WRIT OF SUMMONS

You are summoned to file a written response by pleading or motion, within 30 days after service of this summons upon you, in this court, to the attached complaint filed by:

MAYOR AND CITY COUNCIL OF BALTIMORE
100 N Holliday Street
Baltimore, MD 21202

This summons is effective for service only if served within 60 days after the date it is issued.

A handwritten signature in black ink, appearing to read "Xavier A. Conaway".

Xavier A. Conaway
Clerk of the Circuit Court

To the person summoned:

Failure to file a response within the time allowed may result in a judgment by default or the granting of the relief sought against you.

Personal attendance in court on the day named is NOT required.

It is your responsibility to ensure that the court has your current and correct mailing address in order to receive subsequent filings and notice in this case.

Instructions for Service:

1. This summons is effective for service only if served within 60 days after the date issued. If it is not served within the 60 days, the plaintiff must send a written request to have it renewed.
2. Proof of Service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Maryland Rule 2-126.
4. If this notice is served by private process, process server shall file a separate affidavit as required by Maryland Rule 2-126(a).

Mayor and City Council of Baltimore vs. DraftKings, Inc., et al.

Circuit Court for Baltimore City
Case Number: C-24-CV-25-002683**SHERIFF'S RETURN**
(please print)

To: FLUTTER ENTERTAINMENT PLC D/B/A FANDUEL INC.

Serving Sheriff's Name ID# _____ of the _____

County Sheriff's office present to the court that I:

(1) Served _____
Name of person servedon _____ at _____
Date of service Location of serviceby _____ with the following:
Manner of service

- | | |
|--|---|
| <input type="checkbox"/> Summons | <input type="checkbox"/> Counter-Complaint |
| <input type="checkbox"/> Complaint | <input type="checkbox"/> Domestic Case Information Report |
| <input type="checkbox"/> Motions | <input type="checkbox"/> Financial Statement |
| <input type="checkbox"/> Petition and Show Cause Order | <input type="checkbox"/> Interrogatories |
| <input type="checkbox"/> Other _____ | |
| Please specify | |

(2) Was unable to serve because:

- | | |
|---|--|
| <input type="checkbox"/> Moved left no forwarding address | <input type="checkbox"/> No such address |
| <input type="checkbox"/> Address not in jurisdiction | <input type="checkbox"/> Other _____ |

Please specify

Sheriff fee: \$ _____ ☐ waived by __________
Date_____
Signature of serving Sheriff

Instructions to Sheriff's Office or Private Process Server:

1. This Summons is effective for service only if served within 60 days after the date issued. If it is not served within 60 days, the plaintiff must send a written request to have it renewed.
2. Proof of Service shall set out the name of the person served, date and the particular place and manner of service. If service is not made, please state the reasons.
3. Return of served or unserved process shall be made promptly and in accordance with Rule 2-126.
4. If this summons is served by private process, process server shall file a separate affidavit as required by Rule 2-126(a).

EXHIBIT E

Maryland Judiciary Case Search

NOTICE: Available

Case Detail

Case Information

Court System: **Circuit Court For Baltimore City - Civil**
Location: **Baltimore City Circuit Court**
Case Number: **C-24-CV-25-002683**
Title: **Mayor and City Council of Baltimore vs. DraftKings, Inc., et al.**
Case Type: **Injunction**
Filing Date: **04/03/2025**
Case Status: **Open**

Involved Parties Information

Plaintiff

Name: **Mayor and City Council of Baltimore**

Address: **100 N. Holliday Street**
City: **Baltimore** State: **MD** Zip Code: **21202**

Attorney(s) for the Plaintiff

Name: **GROSS, SARA ELAINE**
Appearance Date: **04/03/2025**
Address Line 1: **City Hall, Solicitors Office**
Address Line 2: **100 N. Holliday St**
City: **Baltimore** State: **MD** Zip Code: **21202**

Defendant

Name: **Flutter Entertainment PLC d/b/a FanDuel Inc.**

Address: **CSC Lawyers Incorporating Service Company**
7 Saint Paul Street
City: **Baltimore** State: **MD** Zip Code: **21202**

Defendant

Name: **DraftKings, Inc.**

Address: **The Corporation Trust, Inc.**

2405 York Road

City: **Lutherville-Timonium** State: **MD** Zip Code: **21093**

Document Information

File Date: **04/03/2025**

Document Name: **Complaint / Petition**

Comment: **Complaint**

File Date: **04/03/2025**

Document Name: **Case Information Report Filed**

Comment: **Maryland Civil Cover Sheet**

File Date: **04/03/2025**

Document Name: **Line**

Comment: **Request for Summons**

File Date: **04/03/2025**

Document Name: **Summons Issued (Service Event) - New Case**

Comment:

File Date: **04/03/2025**

Document Name: **Writ /Summons/Pleading - Electronic Service**

Comment:

File Date: **04/03/2025**

Document Name: **Writ /Summons/Pleading - Electronic Service**

Comment: **Summons**

File Date: **04/03/2025**

Document Name: **Writ /Summons/Pleading - Electronic Service**

Comment: **Summons**

File Date: **04/29/2025**

Document Name: **Affidavit - Service**

Comment: **Return of Service--Defendant DraftKings**

File Date: **04/29/2025**

Document Name: **Return of Service - Served**

Comment: **Return of Service--Defendant Flutter**

Service Information

<u>Service Type</u>	<u>Issued Date</u>
Summons Issued	04/03/2025

This is an electronic case record. Full case information cannot be made available either because of legal restrictions on access to case records found in Maryland Rules, or because of the practical difficulties inherent in reducing a case record into an electronic format.

Copyright © 2025. Maryland Judiciary. All rights reserved.
Service Desk: (410) 260-1114

EXHIBIT F

E-FILED; Baltimore City Circuit Court
Docket: 4/29/2025 11:28 PM; Submission: 4/29/2025 11:28 PM
Envelope: 21000014

MAYOR AND CITY COUNCIL OF BALTIMORE * IN THE

Plaintiff's * CIRCUIT COURT

Vs.

*** FOR**

*** BALTIMORE CITY**

DRAFTKINGS, INC., ET AL

*** Case No.: C-24-CV-25-002683**

Defendants

RETURN OF PRIVATE PROCESS SERVICE

I, Christopher E. Landon, having been duly authorized to effect service in above-captioned case state that over the age of eighteen and nor a party to forementioned action:

Recipient:

Draftkings Inc
c/o Jessica Gott, Resident Agent
The Corporation Trust Inc
2405 York Road Suite 201
Lutherville-Timonium, Maryland 21093


Documents served: Writ of Summons; and Complaint Civil-Non-Domestic: Case information Sheet

Private Process Service: Fee: \$60.00

Service was effected Tuesday, April 8, 2025, at 3:41 p.m. by personally delivering the document to Draftkings Inc c/o Jessica Gott, Resident Agent The Corporation Trust Inc, 2405 York Road Suite 201 Lutherville-Timonium, Maryland 21093

I DO SOLEMNLY DECLARE AND AFFIRM under the penalties of perjury the matters and facts set forth above are true and correct to the best of my personal knowledge, information, and belief.

DATE: April 8, 2025



Christopher Landon, Private Process Service
P.O. Box 47007
Baltimore, Maryland 21244
443-742-5026
c_edwards69841@verizon.net



SOP Intake Portal

Date: Tue, Apr 8, 2025**Time:** 3:41 PM**Name:** Drop Service**Phone:** 443-895-4105**Juris Served:** MD**Job ID:** 622104**Total Entries:** 1

Receipt of the following documents at the date, time and location indicated above.

Entity Served	Agent Name	Case No.
DRAFTKINGS, INC. A/K/A DRAFTKINGS INC.	THE CORPORATION TRUST, INCORPORATED	C24CV25002683

NOTE: This document serves solely as a record of the delivery of the listed documents at the specified date, time, and location and does not indicate or constitute CT's acceptance of service of any such documents. CT reserves the right to reject service of process as it deems necessary or appropriate.

Intake Specialist: Jessica Gott

CT Corporation, a Wolters Kluwer Company

EXHIBIT G

E-FILED; Baltimore City Circuit Court
Docket: 4/29/2025 11:31 PM; Submission: 4/29/2025 11:31 PM
Envelope: 21000015

MAYOR AND CITY COUNCIL OF BALTIMORE * IN THE

Plaintiff's * CIRCUIT COURT

Vs.

*** FOR**

*** BALTIMORE CITY**

DRAFTKINGS, INC., ET AL

*** Case No.: C-24-CV-25-002683**

Defendants

RETURN OF PRIVATE PROCESS SERVICE

I, Christopher E. Landon, having been duly authorized to effect service in above-captioned case state that over the age of eighteen and nor a party to forementioned action:

Recipient: FLUTTER ENTERTAINMENT PLC D/B/A FANDUEL INC
c/o CSC-Lawyers Incorporating Service Company
7 St. Paul Street Suite 820
Baltimore, Maryland 21202


Documents served: Writ of Summons; and Complaint Civil-Non-Domestic: Case information Sheet

Private Process Service: Fee: \$60.00

Service was effected Wednesday, April 9, 2025, at 9:35 a.m. by personally delivering the document to Flutter Entertainment Plc d/b/a Fanduel Inc c/o CSC-Lawyers Incorporating Service Company 7 St. Paul Street Suite 820, Baltimore, Maryland 21202.

I DO SOLEMNLY DECLARE AND AFFIRM under the penalties of perjury the matters and facts set forth above are true and correct to the best of my personal knowledge, information, and belief.

DATE: April 9, 2025



Christopher Landon, Private Process Service
P.O. Box 47007
Baltimore, Maryland 21244
443-742-5026
c_edwards69841@verizon.net

EXHIBIT H

IN THE CIRCUIT COURT FOR BALTIMORE CITY

CITY OF BALTIMORE, *ex rel.* Ebony
Thompson,

Plaintiff,

v.

DRAFTKINGS INC., a Nevada
corporation, and FLUTTER
ENTERTAINMENT PLC d/b/a FANDUEL
INC., an Irish corporation,

Defendants.

Case No: C-24-CV-25-002683

NOTICE TO CLERK OF REMOVAL

PLEASE TAKE NOTICE that Defendants DraftKings Inc. and Flutter Entertainment plc d/b/a FanDuel Inc.¹ filed the attached Notice of Removal in the United States District Court for the District of Maryland, Northern Division, on May 7, 2025.

Dated: May 7, 2025

Respectfully Submitted,

**BAKER, DONELSON, BEARMAN,
CALDWELL, & BERKOWITZ, PC**

/s/ Tonya Kelly Cronin

Tonya Kelly Cronin (AIS No. 0212180158)

Alison C. Schurick (AIS No. 1412180119)

Michael A. Brown (AIS No. 1812110045)

100 Light Street, 19th Floor

Baltimore, MD 21202

Telephone: (410) 862-1134

¹ Plaintiff's Summons purports to serve "Flutter Entertainment plc d/b/a FanDuel, Inc." Such an entity does not exist. The licensed entity that operates an online sports gambling platform in Maryland is Betfair Interactive US LLC. The entity Plaintiff served was Flutter Entertainment plc.

tykelly@bakerdonelson.com
aschurick@bakerdonelson.com
mbrown@bakerdonelson.com

**COBLENTZ PATCH DUFFY & BASS
LLP**

/s/ Richard R. Patch

Richard R. Patch*
Clifford E. Yin*
Christopher J. Wiener*
Sarah E. Peterson*
1 Montgomery Street, #3000
San Francisco, California 94104
Telephone: (415) 391-4800
rpatch@coblentzlaw.com
cyin@coblentzlaw.com
cwiener@coblentzlaw.com
speterson@coblentzlaw.com

**pro hac vice* motions forthcoming

Attorneys for DraftKings Inc.

COVINGTON & BURLING, LLP

/s/ Nicole H. Agama

Nicole H. Agama (Bar No. 2112140230)
One CityCenter
850 10th Street NW
Washington, D.C., 20001
(202) 662-6000
nagama@cov.com

Attorney for Flutter Entertainment plc

CERTIFICATE OF SERVICE

I certify that on this 7th day of May 2025, I served the foregoing via MDEC upon the following:

Ebony M. Thompson
City Solicitor
Sara Gross
Chief, Affirmative Litigation Division
Thomas P.G. Webb
Deputy Chief, Affirmative Litigation
Division
**BALTIMORE CITY LAW
DEPARTMENT**
City Hall, Room 101
100 North Holliday Street
Baltimore, Maryland 21202
ebony.thompson@baltimorecity.gov
sara.gross@baltimorecity.gov
thomas.webb@baltimorecity.gov

Adam J. Levitt
Daniel R. Schwartz
Daniel R. Ferri
Eaghan Davis
Rebecca Trickey
DICELLO LEVITT LLP
Ten North Dearborn Street, Sixth Floor
Chicago, Illinois 60602
alevitt@dicellolevitt.com
dschwartz@dicellolevitt.com
dferri@dicellolevitt.com
edavis@dicellolevitt.com
rtrickey@dicellolevitt.com

Attorneys for Plaintiff

/s/ Tonya Kelly Cronin
Tonya Kelly Cronin