

IN THE COURT OF COMMON PLEAS OF PHILADELPHIA COUNTY  
FIRST JUDICIAL DISTRICT OF PENNSYLVANIA  
CIVIL TRIAL DIVISION



CHRISTOPHER SAGE AND TERRY THOMPSON,

*Plaintiffs,*

v.

DRAFTKINGS INC.; CROWN PA GAMING INC.; BETFAIR INTERACTIVE US LLC; FANDUEL GROUP PARENT LLC; FANDUEL PA LLC; FANDUEL INC.; FLUTTER ENTERTAINMENT PLC; NATIONAL FOOTBALL LEAGUE; NFL ENTERPRISES LLC; GENIUS SPORTS GROUP LIMITED; BRYTTANNI MORGAN; MICHAEL SONBEEK; DYLEISHA LEWIS; PETER DONAHUE; SHAUN GORDON,

*Defendants.*

March Term 2026

Case No.: \_\_\_\_\_

**Jury Trial Demanded**

**COMPLAINT**

Plaintiffs Christopher Sage and Terry Thompson, by and through their attorneys, bring this action against Defendants DraftKings Inc. and its above-named subsidiaries and affiliates (collectively, “DraftKings”), Flutter Entertainment plc and its above-named subsidiaries and affiliates (collectively, “FanDuel,” and together with DraftKings, the “Sportsbook Defendants”), Genius Sports Limited (“Genius Sports”), the National Football League, NFL Enterprises LLC (collectively, with the National Football League, the “NFL” or “NFL Defendants”), Bryttani Morgan, Michael Sonbeek (collectively, with Bryttani Morgan, the “FanDuel VIP Hosts”), Dyleisha Lewis, Peter Donahue, and Shaun Gordon (collectively, with Dyleisha Lewis and Peter

Donahue, the “DraftKings VIP Hosts,” and together with the FanDuel VIP Hosts, the “VIP Hosts,” with each individually being a “VIP Host”), and allege the following.

### **INTRODUCTION**

1. With data supplied by the NFL and its partner Genius Sports, DraftKings and FanDuel intentionally and defectively designed their online sports gambling platforms to turn a known addictive product into a relentless, always-on addiction-amplifying machine through a personalized and lightning-fast sports gambling interface unlike anything previously sold to gambling customers.

2. As a result of their defective design, DraftKings’ and FanDuel’s online sports betting platforms (respectively, the “DraftKings Sports App” and “FanDuel Sportsbook App,” and collectively, the “Sportsbook Apps”) are fundamentally different from, and far more dangerous than, any other form of sports betting.

3. With live data feeds of officially-licensed game and player data supplied by the NFL and Genius Sports, DraftKings and FanDuel have weaponized advancements in mobile technology and artificial intelligence so that their Sportsbook Apps funnel more and more customers toward a brand new and highly addictive type of gambling: live in-game “microbetting.”

4. Historically, to place a legal sports bet, gamblers generally needed to physically travel to a sports betting parlor in a Nevada casino (the only state that permitted sports gambling from 1931 to 2018), select a wager from a limited menu of betting options, wait in line before reaching the betting window, hand cash to a casino employee in exchange for a paper ticket reflecting the bet, ensure that they placed the bet before the sporting match started, and wait until the conclusion of the game to know the outcome of their wager.

5. That is no longer the case. FanDuel and DraftKings have designed their Sportsbook Apps to eliminate barriers that previously restricted in-person sports betting parlors. These online

sportsbook products now enable sports gamblers to make bets from anywhere, 24 hours a day, 7 days a week.

6. No more traveling to Nevada. No more standing in line. No more waiting at the betting window for someone to take a bet.

7. And, most critically, due to the defective design of the Sportsbook Apps' interfaces that facilitate and promote live in-game microbetting, no more rushing to place a bet before the game starts on a limited set of pre-game wagers, and no more waiting for the game to end to know the outcome of the bet.

8. Live in-game microbetting consists of, but is not limited to, in-game wagers placed on a virtually limitless array of events that occur *during* the course of a sporting contest where the odds for the wager rapidly change as the game unfolds, including the ability to make multiple in-game bets with constantly changing odds on the outcome of the game or any portion thereof.

9. Today, a majority of the total volume of wagers placed on the Sportsbook Apps consist of these live in-game microbets.

10. With live in-game microbetting, every half, every quarter, every minute, every second, every pitch, every play, every shot becomes a new gambling opportunity on which customers can repeatedly wager over and over and over again as the game unfolds.

11. Due to the known and unique ability of such high-speed, fast-resolving wagers to hijack gamblers' brains and keep them immersed in ceaseless betting action, DraftKings and FanDuel have implemented various product features designed to drive customers toward microbetting. Through their use of artificial intelligence and sophisticated analytical software, FanDuel and DraftKings can collect and analyze detailed behavioral data about each of their customers. They then use this behavioral data to generate and market personalized gambling

opportunities based on each customer's unique wagering history and app usage.

12. DraftKings and FanDuel further leverage the technological tools and substantial behavioral data available to them by repeatedly pestering customers with personalized "push" notifications designed to grab customers' attention and lure them back to the Sportsbook Apps with tailored betting opportunities, promotions, and incentives.

13. However, without the right to access officially-licensed real-time sports game and player data, DraftKings and FanDuel cannot implement microbetting on the Sportsbook Apps.

14. Genius Sports and the NFL Defendants not only facilitate but encourage and profit from microbetting through their supply of officially-licensed real-time game and player data to online sportsbooks, including DraftKings and FanDuel.

15. Genius Sports contracts with sports leagues, including the NFL, for the right to license their sporting event data and statistics, including live in-game player data and statistics, to online sportsbooks. Genius Sports then contracts with the online sportsbooks to supply them with this data.

16. However, Genius Sports' relationship with the NFL is unique.

17. Unlike the other sports leagues with which it contracts, Genius Sports does not merely pay the NFL a licensing fee. To the contrary, Genius Sports and the NFL have entered into a long-term strategic partnership that not only established Genius Sports as the NFL's *exclusive* distributor of, amongst other products, officially-licensed NFL in-game data and statistics, but also granted the NFL a sizable ownership stake in Genius Sports itself.

18. From 2021 to 2025, the NFL was the largest single shareholder of Genius Sports. According to Genius Sports' SEC filings, the NFL, through NFL Enterprises, currently owns approximately 6% of the company, making it Genius Sports' second largest shareholder.

19. As a result of this relationship, Genius Sports and the NFL encourage, and directly profit from, online sportsbooks' ability to implement and drive customers toward microbetting.

20. The compensation that Genius Sports receives from online sportsbooks, including DraftKings and FanDuel, in exchange for supplying them with league data includes a commission on the gambling revenue that online sportsbooks generate from customers.

21. Genius Sports receives a premium commission on each microbet. In 2025 alone, Genius Sports earned \$126,100,000 in commissions from live in-game microbetting, approximately 19% of its total revenue that year.

22. In short, Defendants' intentional, defective, and/or negligent design, implementation, distribution, and marketing of the Sportsbook Apps has allowed microbetting to flourish, creating rich rewards for Defendants by converting casual sports fans and recreational gamblers into hardcore gambling addicts.

23. That is precisely what happened to Plaintiffs Sage and Thompson. For almost two decades, they were able to enjoy watching sports and occasionally place sports bets without issue.

24. That all changed once they started using the FanDuel and DraftKings Sportsbook Apps.

25. Within just a few years of placing their first microbets on the Sportsbook Apps, Plaintiffs nearly lost everything—their money, their houses, their business, their families, and, in Plaintiff Thompson's case, also nearly lost his life.

### **PARTIES, JURISDICTION, AND VENUE**

26. Plaintiff Christopher Sage is a resident of Delaware County, Pennsylvania. In or around November 2019, Plaintiff Sage began using the DraftKings Sportsbook App with the username "sage1984." Not long after signing up for the platform, Plaintiff Sage had wagered

enough money that DraftKings granted him VIP status and assigned him a DraftKings “VIP Host,” an individual who directly contacted Plaintiff Sage with promotional offers and gifts to encourage Plaintiff Sage to wager more on the DraftKings Sportsbook App, which he did. In or around October 2024, DraftKings assigned Defendant Dyleisha Lewis to Plaintiff Sage as his VIP Host. DraftKings continued to personally contact him with promotional offers and gifts through Defendant Lewis even after Plaintiff Sage self-excluded himself from online gaming activities on March 15, 2025. Through his exposure to the DraftKings Sportsbook App, Plaintiff Sage developed and continued to suffer from a severe gambling addiction, resulting in gambling losses of more than \$40,000 on the DraftKings Sportsbook App.

27. Plaintiff Sage also wagered on the FanDuel Sportsbook App. In or around July 2019, he began using the FanDuel Sportsbook App with the username “sage1984.” Soon after signing up for the FanDuel Sportsbook App, Plaintiff Sage had wagered enough money that FanDuel granted him VIP status and assigned him a FanDuel “VIP Host,” an individual who directly contacted Plaintiff Sage with promotional offers and gifts to encourage Plaintiff Sage to wager more on the FanDuel Sportsbook App, which he did. In or around 2021, FanDuel assigned Defendant Bryttanni Morgan to Plaintiff Sage as his VIP Host. Later, FanDuel assigned Defendant Michael Sonbeek to be Plaintiff Sage’s FanDuel VIP Host. Like Defendant Lewis, Defendants Morgan and Sonbeek directly contacted Plaintiff Sage with promotional offers and gifts to encourage him to wager more on the FanDuel Sportsbook App, which he did. Through his exposure to the FanDuel Sportsbook App, Plaintiff Sage developed and continued to suffer from a severe gambling addiction, resulting in gambling losses of more than \$130,300 on the FanDuel Sportsbook App.

28. Plaintiff Terry Thompson is a resident of Montgomery County, Pennsylvania. In or

around October 2020, he began using the FanDuel Sportsbook App with the username “FLOSSMANGAMING.” Like Plaintiff Sage, Plaintiff Thompson also wagered significant funds on the FanDuel Sportsbook App, and FanDuel granted him VIP status. In or around August 2021, FanDuel also assigned Defendant Bryttanni Morgan to Plaintiff Thompson as his FanDuel “VIP Host.” Defendant Morgan directly contacted Plaintiff Thompson with promotional offers and gifts to encourage him to wager more on the FanDuel Sportsbook App, including free tickets and hotel accommodations to attend the Super Bowl, which he did. Through his exposure to the FanDuel Sportsbook App, Plaintiff Thompson developed and continued to suffer from a severe gambling addiction, resulting in gambling losses of approximately \$1,520,000 on the FanDuel Sportsbook App.

29. Plaintiff Thompson also wagered on the DraftKings Sportsbook App. In or around December 2022, he began using the DraftKings Sportsbook App with the username “FlossManGaming.” Soon after signing up for the DraftKings Sportsbook App, Plaintiff Thompson had wagered enough money that DraftKings granted him VIP status and assigned him a DraftKings “VIP Host.” Initially, in December 2022, DraftKings assigned Defendant Peter Donahue to Plaintiff Thompson as his VIP Host. Later, DraftKings assigned Defendant Shaun Gordon to Plaintiff Thompson as his VIP Host. Like Defendant Morgan, Defendants Donahue and Gordon directly contacted Plaintiff Thompson with promotional offers and gifts to encourage him to wager more on the DraftKings Sportsbook App, which he did. Through his exposure to the DraftKings Sportsbook App, Plaintiff Thompson developed and continued to suffer from a severe gambling addiction, resulting in gambling losses of approximately \$336,000.

30. Defendant DraftKings Inc. is a Delaware gambling and entertainment corporation headquartered in Boston, Massachusetts. As of April 2020, DraftKings Inc. is a publicly traded

company that trades on the Nasdaq Stock Exchange. DraftKings Inc. is the parent company of Defendant Crown PA Gaming Inc. On information and belief, and at all times relevant and material hereto, DraftKings Inc. operated, and/or directed Defendant Crown PA Gaming Inc. to operate the DraftKings Sportsbook App in Pennsylvania.

31. Defendant Crown PA Gaming Inc. (collectively with DraftKings Inc., “DraftKings”) is a privately held company incorporated in Delaware with its principal place of business in Boston, Massachusetts. Crown PA Gaming Inc. is a subsidiary of DraftKings Inc. and is responsible for conducting some portion of DraftKings’ business in Pennsylvania, including the operation of the DraftKings Sportsbook App. At all times material and relevant hereto, Crown PA Gaming Inc. has been registered to do business in Pennsylvania.

32. Betfair Interactive US LLC *d/b/a* FanDuel Sports Book (collectively with Defendants FanDuel Group Parent LLC, FanDuel PA LLC, FanDuel Inc., and Flutter Entertainment plc, “FanDuel”) is a Delaware limited liability company and wholly-owned subsidiary of FanDuel Group Parent LLC headquartered in Los Angeles, California. On information and belief, Betfair Interactive US LLC is responsible for conducting some portion of FanDuel’s business in Pennsylvania, including operation of the FanDuel Sportsbook App. At all times material and relevant hereto, Betfair Interactive US LLC has been registered to do business in Pennsylvania.

33. Defendant FanDuel Group Parent LLC is a Delaware limited liability company with its principal place of business in New York, New York. On information and belief, FanDuel Group Parent LLC is responsible for conducting some portion of FanDuel’s business in Pennsylvania, including the operation of the FanDuel Sportsbook App. At all times relevant and material hereto, FanDuel Group Parent LLC has been registered to do business in Pennsylvania.

34. Defendant FanDuel PA LLC is a Pennsylvania limited liability company with its principal place of business in Pennsylvania. On information and belief, FanDuel PA LLC is responsible for conducting some portion of FanDuel's business in Pennsylvania, including the operation of the FanDuel Sportsbook App. At all times relevant and material hereto, FanDuel PA LLC has been registered to do business in Pennsylvania.

35. Defendant FanDuel Inc. is a Delaware corporation with its principal place of business in New York, New York. On information and belief, FanDuel Inc. is responsible for conducting some portion of FanDuel's business in Pennsylvania, including the operation of the FanDuel Sportsbook App. At all times relevant and material hereto, FanDuel Inc. has been registered to do business in Pennsylvania.

36. Defendant Flutter Entertainment plc ("Flutter") is a public limited company incorporated under the laws of Ireland with its principal place of business in New York, New York. On information and belief, Flutter Entertainment plc is responsible for conducting some portion of FanDuel's business in Pennsylvania, including the operation of the FanDuel Sportsbook App. Flutter is a publicly traded company that trades on the New York Stock Exchange.

37. Defendant National Football League is a New York business league organization or trade association with its principal place of business in New York, New York. The National Football League serves as the governing body for professional American football in the United States and is composed of 32 member teams. The National Football League oversees league operations, ensures compliance with applicable rules and regulations, and generates income through multiple channels, including through broadcasting rights, sponsorships, merchandise, and the sale of game data and statistics. The National Football League's Board of Governors, which consists of the owners of each member football team, plays an essential role in making decisions

for the league, including scheduling, rule changes, and collective bargaining agreements.

38. Defendant NFL Enterprises LLC is a limited liability company formed under the laws of Delaware with its principal place of business in New York, New York. NFL Enterprises has entered into an ongoing licensing agreement with Defendant Genius Sports that established Genius Sports as the exclusive distributor of the NFL's live game and player data and statistics in exchange for licensing fees and equity grants. NFL Enterprises is owned and operated by the National Football League through NFL Ventures L.P., NFL Enterprise's sole member, whose partners include each of the National Football League's 32 member teams.

39. Defendant Genius Sports Group Limited ("Genius Sports") is a British sports data and technology corporation that acquires data from sports events around the world and supplies it to sports betting operators, who then utilize the data in their product offerings to consumers. Genius Sports has an agreement in place with NFL Enterprises by which Genius Sports supplies the official data from the NFL to sports betting operators, including but not limited to DraftKings and FanDuel. As of October 2020, Genius Sports is a publicly traded company that trades on the New York Stock Exchange.

40. Defendant Bryttanni Morgan is an individual who was employed by FanDuel and who was, at times material and relevant to the Complaint, the FanDuel VIP Host assigned to Plaintiffs Christopher Sage and Terry Thompson. On information and belief, Defendant Morgan resided in Pennsylvania at all times material and relevant to the Complaint.

41. Defendant Michael Sonbeek is an individual who, at all times relevant and material to this Complaint, was employed by FanDuel and was the VIP Host assigned to Plaintiff Christopher Sage. On information and belief, Defendant Sonbeek currently resides in Florida.

42. Defendant Dyleisha P. Lewis is an individual who, at all times relevant and material

to this Complaint, was employed by DraftKings and the VIP Host assigned to Plaintiff Christopher Sage. On information and belief, Defendant Lewis currently resides in Delaware.

43. Defendant Peter Donahue is an individual who was employed by DraftKings who, beginning in or around December 2022, was assigned by DraftKings to be the VIP Host assigned to Plaintiff Terry Thompson. On information and belief, Defendant Donahue currently resides in Pennsylvania.

44. Defendant Shaun Gordon is an individual and current DraftKings employee who DraftKings assigned to be the VIP Host assigned to Plaintiff Terry Thompson sometime after Defendant Donahue. On information and belief, Shaun Gordon currently resides in New Jersey.

45. This Court has jurisdiction over the subject matter of this action under 42 Pa. Cons. Stat. § 5301(a)(2)-(3), 42 Pa. Cons. Stat. § 5322(a)(1)-(3), (9)-(10), and 42 Pa. Cons. Stat. § 931.

46. Jurisdiction is further appropriate in this Court because each of the NFL Defendants is a citizen of Pennsylvania within the meaning of 28 U.S.C. § 1332(a).

47. Defendant National Football League is an unincorporated entity comprised of 32 member teams. One of the NFL member teams is Philadelphia Eagles, LLC. Philadelphia Eagles, LLC's sole member is Philadelphia Eagles, Inc. Philadelphia Eagles, Inc. is a Delaware corporation with its principal place of business in Philadelphia, Pennsylvania.

48. Defendant NFL Enterprises LLC's sole member is NFL Ventures L.P., a Delaware limited partnership, whose partners include each of the 32 NFL member teams (*i.e.*, the National Football League), including the Philadelphia Eagles, LLC. The Philadelphia Eagles, LLC's sole member is Philadelphia Eagles, Inc. Philadelphia Eagles, Inc. is a Delaware corporation with its principal place of business in Philadelphia, Pennsylvania.

49. Venue is proper in Philadelphia County under Penn. R. Civ. P. 1006(a)(1)-(3) and

## FACTUAL ALLEGATIONS

### **A. FanDuel and DraftKings sell a highly addictive product: online sports gambling.**

50. Gambling is a recognized addiction. The current edition of the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders (DSM-V) and the World Health Organization treat addiction to gambling in the same diagnostic category as addiction to heroin, cocaine, and tobacco.

51. However, "[m]any people may take gambling lightly, not realizing that it may be addictive and harmful in many of the same ways as drugs are."<sup>1</sup>

52. When a gambler wins a wager, it activates their brain's reward system in a way that can warp their perception of risk. According to Lia Nower, the leader of the Center of Gambling Studies at Rutgers University, there are typically three phases to developing a gambling problem: First, an individual begins to overemphasize their wins, which leads them to gamble more. Second, as the individual gambles more, they will inevitably start losing and may begin to "chase" their losses by gambling more in the hopes that they can recover their lost money. Third, the individual enters into a downward spiral of wagering and losing that can lead to desperation and hopelessness, which can lead to financial and physical harm for the individual and the people around them.<sup>2</sup>

53. Gambling addiction has both psychological and physiological effects, which are separate from the economic and familial injuries gambling addicts can experience. Psychological effects include anxiety, depression, emotional turmoil, feelings of guilt and shame, and social isolation. Physiological effects include hypertension, insomnia, headaches, digestive issues,

---

<sup>1</sup> Gambling Disorder, YALE MED. (*available at* <https://www.yalemedicine.org/conditions/gambling-disorder>).

<sup>2</sup> Allison Parshall, *How 'Dark Patterns' in Sports Betting Apps Keep Users Gambling*, SCI. AM. (Jan. 23, 2025) (*available at* <https://www.scientificamerican.com/article/how-sports-betting-apps-use-psychology-to-keep-users-gambling/>).

cardiovascular disease, and other physical stress-related conditions.

54. Similar to other addictions, individuals may experience withdrawal symptoms when they try to quit, including irritability and restlessness.

55. However, not all forms of gambling have the same level of risk. For example, playing a game of poker with friends is less dangerous than playing a slot machine. This is in large part because of the slot machine's fast pace of action. Unlike a game of poker, which can take some time to complete, only seconds pass between each bet on a slot machine and knowing whether you won or lost. The experience of gambling on a slot machine therefore is more immersive and can lead to a "trancelike state called 'dark flow' in which [individuals] become completely absorbed by the game."<sup>3</sup> The rapid turnaround of bets "can closely link the act of pressing the button with the rush of dopamine of a potential win, conditioning a person to keep pulling the lever."<sup>4</sup>

56. States that have legalized online gambling have seen dramatic increases in calls to gambling addiction helplines. According to Keith Whyte, the executive director of the National Council on Problem Gambling, there is "every reason to believe the growth of online sports betting is a major contributing factor to the increase in gambling problems."<sup>5</sup>

57. Pennsylvania is no exception. In November 2025 alone, Pennsylvania's Council on Compulsive Gambling, the Commonwealth's gambling addiction hotline, received more than 2,700 calls. This is more than double the total number of calls received in a single year in 2020.<sup>6</sup>

---

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> Katie Mogg & Aria Bendix, *Gambling Addiction Hotlines Say Volume is Up and Callers Are Younger as Online Sports Betting Booms*, NBC NEWS (Apr. 5, 2024) (available at <https://www.nbcnews.com/health/mental-health/gambling-addiction-hotline-calls-online-sports-betting-rcna145539>).

<sup>6</sup> Isaac Avilucea, *Pennsylvania's Problem Gambling Hotline Calls Soar in 2025*, AXIOS PHILA. (Dec. 17, 2025) (available at <https://www.axios.com/local/philadelphia/2025/12/17/pennsylvania-problem-gambling-hotline-calls-soar-in-2025>).

58. Most callers to the hotline cite struggles with online sports betting and casino games as the reason for calling. According to the hotline’s executive director, individuals are “getting in deeper, trying to win back early losses” and are subject to the “dopamine [drop] that’s propelling [them] into that next wager.”<sup>7</sup>

59. Gambling addiction is particularly prevalent in young men in their twenties and thirties, a key demographic for DraftKings and FanDuel.<sup>8</sup>

60. Men ages 25 to 34 account for more than two thirds of Pennsylvania’s hotline calls each year.<sup>9</sup>

### **B. Gambling moves from brick-and-mortar sports betting to online sportsbooks.**

61. For the majority of the United States’ history, opportunities for individuals to legally gamble on games of chance or sports exclusively occurred in brick-and-mortar outlets. To make a wager, a person had to physically go to a casino or a sports bookmaker’s establishment with their money in hand to place their bet.

62. That began to shift, slowly at first, in the mid-1990s and early 2000s, when the first virtual casinos were launched outside of the United States and began accepting American participation in traditional casino games like slots, blackjack, roulette, and poker, as well as sports betting.

63. In response to this development, in 2006, the United States government passed the Unlawful Internet Gambling Enforcement Act (“UIGEA”), which did not outright ban online

---

<sup>7</sup> Isaac Avilucea, *Pennsylvania’s Problem Gambling Hotline Calls Soar in 2025*, AXIOS PHILA. (Dec. 17, 2025) (available at <https://www.axios.com/local/philadelphia/2025/12/17/pennsylvania-problem-gambling-hotline-calls-soar-in-2025>).

<sup>8</sup> Meghan Gunn, *These Are the Real Dangers of the Sports Betting Boom for Young Men*, NEWSWEEK MAG. (updated Mar. 26, 2023) (available at <https://www.newsweek.com/2023/04/07/sports-betting-boom-linked-rising-gambling-addiction-anxiety-suicide-1789055.html>).

<sup>9</sup> Isaac Avilucea, *Pennsylvania’s Problem Gambling Hotline Calls Soar in 2025*, AXIOS PHILA. (Dec. 17, 2025) (available at <https://www.axios.com/local/philadelphia/2025/12/17/pennsylvania-problem-gambling-hotline-calls-soar-in-2025>).

gambling but prohibited banks and financial institutions from processing payments to unlicensed gambling websites.

64. Following a series of enforcement efforts pursuant to the UIGEA, discussions increased about regulating online gambling in the United States instead of banning it entirely, setting the stage for individual state action.

65. Notwithstanding the UIGEA, in 2013, three states passed laws to legalize online gambling within their states: New Jersey, Nevada, and Delaware. At first, the games offered online within these states were limited to traditional casino games of chance and/or poker.

66. In 2017, Pennsylvania legalized online gambling by passing the Expanded Gaming Act (“EGA”). The EGA legalized online gambling such as casino games, poker, and lotteries. It also paved the way for legalizing sports betting if and when the Professional and Amateur Sports Protection Act (“PASPA”), a federal law prohibiting sports betting, was ever overturned.

67. In 2018, the United States Supreme Court, in *Murphy v. National Collegiate Athletic Association*, 584 U.S. 453 (2018), did just that. *Murphy* overturned PASPA and held that a federal law could not prohibit Pennsylvania and other states from legalizing sports betting within their borders.

68. In Pennsylvania, the first online sportsbooks launched soon thereafter in May 2019 and the first online casinos launched in July 2019.

69. As a result of *Murphy*, the market for sports betting has exploded.

70. The total U.S. revenue for the sports betting industry (also referred to herein as “sportsbooks”) skyrocketed from \$430 million in 2018 to a record \$16.96 billion in 2025. In Pennsylvania from July 2024 through June 2025, sports betting generated nearly \$775 million in

revenue based on over \$8.7 billion in wagers of which \$8.2 billion in wagers were made online.<sup>10</sup>

**C. Defendants DraftKings and FanDuel supercharge gambling in Pennsylvania with live in-game microbetting.**

71. Due to their operational and technological constraints, traditional brick-and-mortar sports betting parlors historically could only offer a limited set of betting options based on the outcome of a sporting event. These wagers included bets on the “moneyline” (*i.e.* a bet on a team to win, where the amount of the payout is determined by the odds that such team is going to win), “over/under” (*i.e.* a bet on the total number of points scored in a game), and “spread” (*i.e.* a bet on the point margin that a team must win by or lose within).

72. Generally, customers at brick-and-mortar sports betting parlors needed to place these wagers before the game started due to the various physical, temporal, geographic, and technological limitations associated with (i) the time lapse between events occurring in the underlying game and the transmission of that data to the brick-and-mortar sports betting parlor, and (ii) a sports betting parlor’s ability to analyze game data, assess financial risk, establish and/or change odds based on probability models, communicate the odds to customers, and sell betting tickets on a person-by-person basis.

73. Indeed, due to the fluid and continuous nature of sporting events, every in-game event impacts the probability of a different event occurring or not-occurring.

74. For example, in a football game, when a team has the lead, every second that ticks off the clock increases the likelihood that they will win. In tennis, every time a player wins a point, it increases the probability that they will win the game, the set, and/or the match. In basketball, every basket increases the chance that a team will win the game or score a certain number of points

---

<sup>10</sup> Pennsylvania Gaming Control Board, Sports Wagering Report FY2024-2025 (*available at <https://gamingcontrolboard.pa.gov/sites/default/files/2025-07/FY2425%20Monthly%20Sports%20Wagering%20Report%20Summary.pdf>*).

before the game ends.

75. Traditionally, the pace of play prohibited offering in-game betting opportunities to customers; by the time an oddsmaker calculated and communicated the odds of, say, the next pitch being a strike or a ball, it had already been thrown.

76. However, DraftKings' and FanDuel's current online sports betting platforms are not bound by the same restrictions that hampered their forebears. That is because DraftKings and FanDuel now have access to sophisticated digital technology and software, including artificial intelligence and machine learning, that can automatically and instantaneously (i) access and analyze vast quantities of real-time sports data, (ii) assess probabilities and financial risk, (iii) set odds, (iv) offer wagers to customers, and (iv) accept customer bets.

77. As a result of technological developments, sports betting customers can do much more than make pre-game bets on whether a team will win or by how many points. Using data supplied by the NFL Defendants and Genius Sports, FanDuel and DraftKings can now offer thousands of bets on almost any aspect of a wide variety of sports, with odds that change at lightning speed and that can be accepted with the mere click of a button on a smartphone app.

78. The ability to instantly access and manipulate data has fundamentally reshaped the sports betting landscape by providing online sportsbooks like DraftKings and FanDuel with the ability to offer an entirely brand-new category of highly addictive betting options designed to make every instant of a sporting event a gambling opportunity: live in-game microbetting.

**D. The development and implementation of microbetting has transformed digital sports betting platforms into defective and unreasonably dangerous products that are intentionally designed to maximize addiction.**

79. Current online sportsbook products contain multiple design elements and product features that have been intentionally designed and implemented to be as addictive as possible, to ensure that customers spend as much time as possible in the "dark flow" of gambling, and to

prevent customers from understanding the risk of addiction that attends these products.

80. Perhaps the most pernicious and addictive dimension of these products is that they permit and are designed to encourage gambling customers to engage in microbetting.

81. “Microbets,” sometimes called flash bets, are a specific type of live in-game wager placed during the course of a sporting event where the odds for the wager change throughout the course of the event.

82. Microbetting enables sports gamblers to continuously make new wagers on the outcome of the game, and any portion thereof, as the game unfolds and as the odds for such wagers continue to change based on the real-time developments in the underlying sporting event.

83. In addition, microbetting enables customers to continuously make new proposition bets, or “prop” bets, as the game unfolds.

84. A “prop” bet is a wager not directly tied to the outcome of a game. For example, a prop bet on an NFL football game may be on what the score of a game will be at half-time, what the largest lead of the game will be, or how many third-downs both teams will successfully convert in total during a game.

85. For example, live in-game prop bets during an NFL football game might involve betting on whether the next play in the game will be a passing or running play, or whether the outcome of the next play will be yards gained, yards lost, an incompleting, a touchdown, or a turnover.

86. In baseball, live in-game prop bets allow customers to bet on whether the next pitch will be a ball or strike, or whether the next batter will get a hit or record an out.

87. Thus, microbetting enables gambling customers to make live in-game wagers that resolve at very rapid pace. Each live in-game prop bet is completed within a few minutes, or,

depending on the bet, seconds. That means a customer does not have to sit through an entire game to know whether they won or lost.

88. Microbets are akin to gambling on slot machines. Like with slot machines, microbets are resolved in a very short period of time, sometimes within seconds, and completely absorb users into the continuous process of “pulling the lever,” or clicking on the next microbet, in anticipation of the next win.

89. With microbetting, there are no offramps or pauses in the action; the action is non-stop and at break-neck speed.

90. Microbetting is therefore a high-risk form of gambling that can very quickly facilitate a gambler’s entrance into the three phases of problem gambling and ultimately result in full-blown gambling addiction. In fact, one recent study from Australia found that 78% of sports betters that bet on microbets met the criteria for problem gaming.<sup>11</sup>

91. By way of illustration, imagine a person places a wager on the outcome of an NFL football game on an online sportsbook platform. While waiting for the game to end and thus knowing the result of that wager, the platform notifies the customer of an available microbet on the outcome of the first field goal of the game. The customer places that bet and within seconds knows whether the field goal was successful and therefore whether they won or lost. The platform immediately notifies the customer of a new bet available on the next play. The customer makes another bet and, again, within seconds knows the outcome. As the rest of the 3-hour long football game ensues, the customer is notified of and places dozens of microbets on each play. By the end of the game, the user may have placed dozens of bets and lost hundreds or thousands of dollars separate from the original pre-game bet they made on the match’s final outcome.

---

<sup>11</sup> Alex M.T. Russell, et al., *Who Bets on Micro Events (Microbets) in Sports?*, 35 J. GAMBL. STUD. 205 (Mar. 2019) (available at <https://pubmed.ncbi.nlm.nih.gov/30386964/>).

92. Microbetting is a prominent and integral part of how the DraftKings and FanDuel sportsbook platforms operate. These features have become a ubiquitous and a highly profitable feature on both the DraftKings Sportsbook App and FanDuel Sportsbook App.

**E. Genius Sports and the NFL Defendants supply the data that makes microbetting possible.**

93. The proliferation of microbetting on DraftKings' and FanDuel's online platforms is possible only because the professional sports leagues, in this case the NFL, contemporaneously provide the needed in-game data, and then another company, Genius Sports, collects, processes, and transmits the data to sportsbooks.

94. DraftKings and FanDuel cannot legally and reliably offer microbetting opportunities absent the right to access officially-licensed game and player data from the sports leagues that own the rights associated with these events.

95. Genius Sports supplies online sportsbooks, including DraftKings and FanDuel, with access to live data feeds of the officially-licensed game and player data, as well as in-game oddsmaking, risk management, and other services.<sup>12</sup>

96. To provide online sportsbooks with a sufficient volume of sports data to facilitate wagering on their platforms, Genius Sports has entered into a broad portfolio of data and/or streaming rights agreements that cover over 230,000 events and over 200,000 live events.<sup>13</sup>

97. As Genius Sports itself touts, "it powers over 98% of the legalized U.S. sports betting market with official NFL data, driving innovations such as player props, microbetting, same-game parlays and personalized data-driven advertising content."<sup>14</sup>

---

<sup>12</sup> Genius Sports Limited, 424(B)(5) Prospectus Supplement (Jan. 14, 2025) at 6-7 (*available at* <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001834489/ae15a93f-4dfb-4705-be79-e2a67445fd02.pdf>).

<sup>13</sup> *Id.*

<sup>14</sup> NFL.com, *NFL extends strategic partnership with Genius Sports as exclusive official NFL data, Watch and Bet distribution partner* (Jul. 6, 2023) (*available at* <https://www.nfl.com/news/nfl-extends-strategic-partnership-with-genius-sports>).

98. Under the terms of an exclusive strategic partnership between Genius Sports and the NFL, online sportsbooks cannot offer microbetting opportunities on any aspect of an NFL game unless they license NFL data and statistics from Genius Sports.

**F. The NFL profits from gambling addiction.**

99. In addition to being a “strategic partner” of Genius Sports, the NFL is also one of the largest shareholders of Genius Sports. As a result, the NFL has a direct economic interest in attracting and addicting as many NFL fans as possible through microbetting.

100. The NFL/Genius Sports relationship dates back to April 2021. At that time, the NFL and Genius Sports entered into a long-term strategic partnership that granted Genius Sports the exclusive worldwide rights to distribute, *inter alia*, the NFL’s official real-time play-by-play statistics and official sports betting data feed to licensed online sportsbooks.

101. Specifically, on April 26, 2021, Genius and the NFL entered into a multi-year License Agreement (“2021 License Agreement”). Pursuant to the 2021 License Agreement, the NFL granted Genius Sports the right to serve as “(a) the worldwide exclusive distributor of NFL official data to the global regulated sports betting market; (b) the worldwide exclusive distributor of NFL official data to the global media market; (c) the NFL’s exclusive international distributor of live digital video to the regulated sports betting market (outside of the United States where permitted; and (d) the NFL’s exclusive sports betting and i-gaming advertising partner.”<sup>15</sup>

102. The 2021 License Agreement contemplated a six-year term, reflecting an initial four-year period, with the fifth and sixth years renewable by the NFL in one-year agreements.

103. However, unlike its agreements with other sports leagues, the 2021 License Agreement did not merely require Genius Sports to pay the NFL a fee in exchange for the exclusive

---

<sup>15</sup> Genius Sports Limited, Form 20-F (Apr. 28, 2021) at 90 (*available at* <https://www.sec.gov/Archives/edgar/data/1834489/000119312521134773/d179441d20f.htm>).

right to license and distribute NFL game and player data to sportsbooks.

104. Indeed, the 2021 License Agreement is unique because, as discussed below, Genius Sports also compensated the NFL by granting it a sizable equity stake in Genius Sports itself.

**G. DraftKings and FanDuel also profit from customers' gambling addictions.**

105. Using the instantaneous, licensed data supplied by Genius Sports and the NFL, DraftKings and FanDuel have made microbets a central design feature on their online sportsbook platforms. Microbets increase the length of a customer's session on the online sportsbook platforms, increase the amount a customer will wager overall, and attracts customers who are looking for instant results. The result is more bets on the online sportsbook platforms, and therefore more losses by customers, and more profits for DraftKings and FanDuel.

106. In 2025, live in-game wagers constituted 54% of the total amount of money wagered on the DraftKings Sportsbook App.<sup>16</sup>

107. Similarly, as of Q2 2025, live in-game wagering accounted for 50% of the total volume wagered on the FanDuel Sportsbook App.<sup>17</sup>

108. DraftKings offers customers, on average across every sport, 517 different types of bets that they can make during a game. That is 4 times the amount of average per game microbetting options that DraftKings offered in 2022.<sup>18</sup>

109. FanDuel similarly offers customers a wide variety of microbetting options. This portfolio includes a narrative-based form of microbetting called "The Pulse."

110. In FanDuel's own words, "The Pulse follows the biggest storylines in sports -- so

---

<sup>16</sup> DraftKings Investor Day 2026 at 29 (Mar. 2, 2026) (*available at* [https://ir.aboutdraftkings.com/files/doc\\_presentations/2026/03/DraftKings-2026-Investor-Day-Final.pdf](https://ir.aboutdraftkings.com/files/doc_presentations/2026/03/DraftKings-2026-Investor-Day-Final.pdf)).

<sup>17</sup> Flutter Q2 2025 Fact Sheet at 2 (*available at* <https://flutter.com/media/4vhlstib/q2-2025-earnings-factsheet.pdf>).

<sup>18</sup> DraftKings Investor Day 2026 at 38 (Mar. 2, 2026) (*available at* [https://ir.aboutdraftkings.com/files/doc\\_presentations/2026/03/DraftKings-2026-Investor-Day-Final.pdf](https://ir.aboutdraftkings.com/files/doc_presentations/2026/03/DraftKings-2026-Investor-Day-Final.pdf)).

you won't miss a beat when your favorite football team is lighting up the scoreboard or the opposing point guard is picking apart the defense. And best of all, new bets get added for all major sports as the action unfolds.”<sup>19</sup> Microbets through The Pulse are “available seven days a week during primetime and all day long on the weekend.”<sup>20</sup>

111. The Pulse tracks microbets in real-time with a narrative style or narrative-focused approach to betting, where a story is told through the wagering opportunities as the game progresses. This narrative-focused approach is designed to capture customers' attention and induce them to continue making microbets.

112. As a game progresses, The Pulse offers additional microbets based on what is happening in real-time during the game.

113. Unsurprisingly, the proliferation of microbets on the DraftKings Sportsbook App and FanDuel Sportsbook App has contributed significantly to DraftKings' and FanDuel's respective profits. DraftKings and FanDuel not only profit from their customers' losses, but they profit in direct proportion to the amount of wagering that occurs on their platform by virtue of the “vig” that DraftKings and FanDuel charge on each bet.

114. “Vig,” short for “vigorish,” is essentially a commission that FanDuel and DraftKings charge for each wager that customers make. The “vig” is charged to the customer through the odds that DraftKings and FanDuel offer for each bet.

115. For example, suppose FanDuel offers a bet on the opening coin toss of an NFL game at -110 odds for heads and -110 odds for tails, meaning that a better must wager \$110 on either side of the bet to win \$100. And suppose further that two customers each bet \$110 dollars

---

<sup>19</sup> FanDuel Staff, *Take Live Betting to the Next Level With FanDuel's New Feature: The Pulse*, FanDuel.com (available at <https://www.fanduel.com/research/take-live-betting-to-the-next-level-with-fanduel-s-new-feature-the-pulse>).

<sup>20</sup> *Id.*

on different sides of the bet, with Customer A betting on heads and Customer B betting on tails, reflecting \$220 in total wagers received by FanDuel. If the coin lands on heads, FanDuel pays nothing to Customer B, and pays \$210 to Customer A (reflecting the initial \$110 bet and \$100 in winnings). Thus, in this example, FanDuel earned \$10, reflecting a 4.76% “vig” (*i.e.* the amount it retained (\$10) divided by the total amount it paid out (\$210)).

116. As a result of the “vig” that FanDuel and DraftKings charge for each bet placed on their Sportsbook Apps, the more money that customers wager, the more revenue that FanDuel and DraftKings generate.

117. DraftKings’ and FanDuel’s ability to offer microbets has increased the number of wagers on the platforms by many multiples already and the numbers continue to increase.

118. For example, in a single NFL football game, there are a virtually limitless number of opportunities to wager, taking into account the number of plays in each game (each of which will continually change the potential outcomes and the live odds of such outcomes occurring) and each player’s activity in each game, all of which can be converted into a microbet. Extrapolating from those potential wagers to sports games of all kinds around the world that are happening at that time, the number of potential microbet wagers that a DraftKings or FanDuel customer can make at any given time skyrockets.

119. Furthermore, not only does the defective design of the FanDuel Sportsbook App and DraftKings Sportsbook App enable customers to make microbets, but these products allow, and in fact encourage, customers to group multiples of these wagers into a single “parlay.”

120. A “parlay” is a single bet that links two or more individual wagers together. A parlay can be comprised of multiple “legs” from different games, or multiple “legs” from the same game, *i.e.* a “same game parlay” or “SGP.” For the parlay to win, each of the individual “legs” that

constitute the parlay must all win.

121. For example, a three “leg” parlay could be a single bet on a Phillies v. Yankees game that (i) the Phillies will win the game, (ii) the Phillies will cover the 2.5 run “spread,” and (iii) the combined number of runs score will be more than 12. If any of these legs are unsuccessful—*i.e.* the Yankees win, the Phillies do not win the game by at least 3 runs, and/or the combined number of runs is less than 13, the parlay loses.

122. Parlays are a particularly dangerous and addictive form of gambling, even when they are comprised of pre-game bets such as the one described above, because of the “near-miss” effect.

123. “Near-miss” events are those where an unsuccessful wager appears close to a successful wager. For example, hitting four “7s” and one “cherry” on a slot machine payline—one “7” away from a jackpot—is a near-miss.

124. The effect of “near-misses” on gamblers has long been recognized. A 2009 study by the University of Cambridge found that “[a]s a consequence of near-misses, the gambler may feel that he is not constantly losing but constantly nearly winning.”<sup>21</sup> That study concluded that “near-misses,” despite being less pleasant than “full-misses,” increase a gambler’s desire to gamble through “recruitment of brain reward circuitry during near-miss outcomes[.]”<sup>22</sup>

125. The addictiveness of parlays is a further defect in the design of the Sportsbook Apps. Not only do these products enable customers to design their own parlays at the click of a button, they also permit customers to create parlays by combining a near limitless selection of microbets during the game.

---

<sup>21</sup> Luke Clark, et al., *Gambling near-misses enhance motivation to gamble and recruit win-related brain circuitry*, 61 *Neuron* 481 (Feb. 2009) (available at <https://pmc.ncbi.nlm.nih.gov/articles/PMC2658737/#sec2>).

<sup>22</sup> *Id.*

126. The Sportsbook Apps supercharge addiction by combining the dopamine payoffs associated with fast-resolving in-game bets with the psychological reinforcement caused by near-misses.

127. Parlays are highly profitable for online sportsbooks. Indeed, online sportsbooks' profit margins on parlays are 5-6 times larger than the profit margins from single bets, because the more legs one adds to the parlay, the more the house's statistical edge increases. The online sportsbooks do not increase their payouts to customers to account for the increase in the house edge.

128. Moreover, microbets and parlays are not just passively available to customers who proactively search for them on online sportsbooks. Critical features of the DraftKings and FanDuel Sportsbook Apps include push notifications and in-app communications about the availability of betting opportunities, including microbets, parlays, and promotions that these companies constantly send customers.

129. Push notifications are an extremely effective tool for driving customers to the FanDuel Sportsbook App and DraftKings Sportsbook App. Data published by Microsoft shows that personalized push notification increase user engagement on mobile apps by up to 300%.<sup>23</sup> One company's analysis of 63 million app users found that users who receive at least one notification per day had a 820% higher app retention rate compared to users who received zero notifications.<sup>24</sup> And at least one study that has investigated push notifications in connection with online gambling found that they are "particularly influential" and "reliably linked to a greater likelihood of betting,

---

<sup>23</sup> *Mobile push notifications: Help or hindrance?*, Microsoft Azure (Mar. 3, 2016) (available at <https://azure.microsoft.com/en-us/blog/mobile-push-notifications-help-or-hindrance/>).

<sup>24</sup> *Benchmarks Report: How Push Notifications Impact Mobile App Retention Rates*, Airship (2019) at 3 (available at <https://grow.urbanairship.com/rs/313-QPJ-195/images/airship-how-push-notifications-impact-mobile-app-retention-rates.pdf>).

higher intended and actual betting expenditure, and spending more than intended.”<sup>25</sup>

130. These notifications are signals displayed on a customer’s digital device containing the DraftKings Sportsbook App or FanDuel Sportsbook App that alert the customer to events occurring on the app. The notifications are “pushed” to a customer’s phone screen even if the customer is not using the DraftKings Sportsbook App or FanDuel Sportsbook App, or if the customer is not using their phone.

131. DraftKings and FanDuel use these notifications as a ploy to ensure that their customers spend as much time on the Sportsbook Apps as possible by constantly promoting a seemingly endless list of exciting and often time-restricted betting opportunities and promotions.

132. For example, these notifications may alert gambling customers as to (i) sports news, (ii) a game that is about to start, or is underway, and betting opportunities associated with that game, including specific microbets, or (iii) various promotional offers, such as a “profit” or “odds” “boost”—*i.e.* where a sportsbook temporarily increases the odds of a microbet so that a customer receives an increased payout if they place their bet while the offer remains in effect.

133. DraftKings and FanDuel intentionally design these notifications to increase the likelihood that customers will see and respond to the alert by clicking on it, which routes them back into the app.

134. For example, a customer’s device will vibrate and make a sound once the notification is received.

135. To further grab customer attention, these notifications typically use emojis and/or language that contain a specific deadline or “call to action,” *i.e.* directing the customer to “bet

---

<sup>25</sup> Browne et. al., *The Impact of Exposure to Wagering Advertisements and Inducements on Intended and Actual Betting Expenditure: An Ecological Momentary Assessment Study*, 8(1) J. Behav. Addict. 146 (Mar. 28, 2019) (available at <https://pmc.ncbi.nlm.nih.gov/articles/PMC7044597/>).

now” or to take advantage of a promotion before it expires. This is no accident. One recent academic study that investigated the impact of mobile push notification design elements on user engagement found that the inclusion of emojis had a profound impact on whether the recipient opened the underlying app in response to the notification, and that this impact was further pronounced when the notification also included a deadline.<sup>26</sup>

136. The result of the constant pushing of microbets on users is a continuous stream of wagers a customer can make without ever pausing or even taking a breath. This is in stark contrast to placing sports bets in the traditional brick-and-mortar sports betting parlor context where there are inherent pauses in opportunities to wager and therefore multiple offramps to gambling that a customer can take to assess their circumstance and take a break from the action. This includes needing to wait until the end of a game to know the outcome of a bet and the start of the next game to make a new wager.

137. Nor did traditional sports betting parlors have the technical ability to continuously pester their customers throughout the day with frequent phone calls, faxes, pages and the like to advertise an endless series of sports betting wagers that could be made instantaneously upon receipt.

138. Moreover, both DraftKings and FanDuel use sophisticated analytic software that constantly collects and analyzes detailed behavioral data about their customers based upon how each customer uses their sportsbook products. Such data provides DraftKings and FanDuel with real-time insight into each customer’s wagering history, frequency of play, amounts wagered, timing and duration of their activity on the platform, preferred sports to bet on, preferred times to

---

<sup>26</sup> Wickaksana et. al., *Designing Effective Mobile Push Notifications: Machine Learning Insights into User Engagement*, 3 J. Digital Business Innovation Management (Dec. 2024) (available at <https://ejournal.unesa.ac.id/index.php/jdbim/article/view/65899/49297>).

bet, and response to promotions.

139. Upon information and belief, DraftKings' and FanDuel's analytical software and predictive algorithms monitor its customers' activity in real time and dynamically adjust the betting options, promotions, prompts, and customer notifications to ensure that the customer maximizes the amount of time spent, and money wagered, on their online sports gambling platforms.

140. As a result of the extensive data that DraftKings and FanDuel collects and analyzes, they are able to create detailed user profiles that reflect each customer's unique betting habits and preferences, risk tolerance, betting patterns, and engagement levels.

141. DraftKings and FanDuel leverage this information and AI functionality to present to customers personalized betting opportunities that are tailored to each customer based on their specific behavioral and wagering tendencies.

142. Upon information and belief, DraftKings and FanDuel have used this data to design and market personalized betting opportunities that are intended to encourage compulsive wagering and addiction, including by attempting to drive such customers to the most addictive types of wagers on their platforms, such as live in-game microbets and parlays.

143. For example, if a customer's wagering history shows a preference for pre-game moneyline bets on NFL games involving the Philadelphia Eagles, DraftKings and/or FanDuel may send such customer a push notification ten minutes before kickoff of the next Eagles game alerting them to the start of the game and offering them a personalized parlay composed of Philadelphia Eagles players, and at odds determined by the amount that such customer typically wagers.

144. These personalized offers are fundamentally different from generic sports betting options offered by brick-and-mortar sports betting parlors with respect to their ability to stimulate

compulsive gambling.

145. Indeed, in May 2022, Jason Park, DraftKings’ former Chief Financial Officer, publicly stated that DraftKings specifically designed its product so that DraftKings could “catchup to FanDuel” by exploiting each customer’s betting “proclivities” through betting personalization: “[W]e’ve invested in product and tech. Part of our product and tech investment is on Same Game Parlays. And it’s not so much the offering of Same Game Parlays. But there’s a lot of data science and customization at a player level to serve up parlays – Same Game Parlays to the customers that we think have a proclivity to engage with that type of bet.”<sup>27</sup>

146. Similarly, in a February 2026 shareholder letter, FanDuel, through Flutter CEO Peter Jackson, emphasized that FanDuel’s “sports-betting strategy” centers around “leveraging our scale, proprietary technology, and data advantages to deliver differentiated experiences competitors cannot easily replicate, including more intuitive bet building, smarter personalization, and richer live engagement. We are also continuing to invest in making every interaction – from login and payments to live betting and cash out – faster, simpler, and more reliable, because excellence in the fundamentals compounds into retention and lifetime value.”<sup>28</sup>

147. DraftKings’ and FanDuel’s ability to design, implement, and market such targeted betting options demonstrates why it is not merely a digital version of traditional sports betting, but rather a fundamentally different—and defective—product altogether. This data-driven customer targeting and personalization is only possible through a digital gambling product that can passively capture every aspect of a customer’s interaction in real-time through automated analytical tools,

---

<sup>27</sup> Transcript from DraftKings Presentation at MoffettNathanson Annual Media & Communications Summit (May 18, 2022) (*available at* <https://www.marketscreener.com/quote/stock/DRAFTKINGS-INC-61175285/news/Transcript-DraftKings-Inc-Presents-at-SVB-MoffettNathanson-s-Inaugural-Technology-Media-and-Tele-43868719/>).

<sup>28</sup> Flutter Q4 and FY 2025 Earnings (Feb. 26, 2026) at 6 (*available at* <https://flutter.com/media/hdshhmb/q4-2025-earnings-release.pdf>).

and then process the data through predictive algorithms to generate bets that are optimized to stimulate compulsive gambling.

148. Indeed, DraftKings' and FanDuel's ability to collect such vast amounts of data is inseparable from their operation as digital platforms. A traditional brick-and-mortar sports betting parlor simply has no way to feasibly collect, store, analyze, and process this amount of data to generate personalized betting options for each customer in-real time and at scale.

#### **H. How the NFL profits from gambling addiction.**

149. As part of the 2021 License Agreement, Genius Sports issued to the NFL an aggregate of up to 22,500,000 warrants. Each warrant conveyed the right to purchase a single ordinary share of Genius Sports at an exercise price of \$0.01 per share. The 2021 License Agreement further provided that 11,250,000 of such warrants vested immediately, whereas the remaining 11,250,000 warrants would vest over the course of the agreement and upon the occurrence of certain events.<sup>29</sup> The NFL was eligible to receive up to 18,500,000 warrants during the first four years (*i.e.* through the 2024-25 football season), and 2,000,000 additional warrants in each annual extension (*i.e.* through the 2025-26 and 2027-28 football seasons).<sup>30</sup> In addition, Genius Sports granted to the NFL one "stapled" voting-only share for each such warrant that reflected 1/10 of a vote and that would automatically be redeemed at par value (\$.0001) and cancelled upon the exercise of the corresponding "stapled" warrant.<sup>31</sup>

150. By December 31, 2023, all 18,500,000 of the warrants to which the NFL was entitled through the initial four-year term had vested.

151. On July 6, 2023, Genius Sports and the NFL extended the 2021 License Agreement

---

<sup>29</sup> Genius Sports Limited, Form 20-F (Mar. 18, 2022) at 53 (*available at* <https://www.sec.gov/ix?doc=/Archives/edgar/data/0001834489/000119312522079500/d238687d20f.htm>).

<sup>30</sup> *Id.*

<sup>31</sup> *Id.* at 77.

through the end of the 2027-28 season.<sup>32</sup> As part of that extension, the NFL granted Genius the exclusive international rights to distribute to online sportsbooks the official NFL live game video feeds called “Watch and Bet.” According to Genius Sports, this extension allowed it to “leverage its machine learning and live streaming technologies to power enhanced viewing experiences for NFL fans through Watch and Bet, and the development of its augmented live betting products.”

152. As of February 14, 2025, the NFL owned 18,500,000 shares of Genius Sports reflecting a 7.7% ownership stake, making it the single largest owner of the company at that time.<sup>33</sup>

153. On June 11, 2025, Genius and the NFL announced that they entered into another multi-year extension and expansion of their existing strategic partnership through the end of the 2029-30 NFL season (“2025 License Agreement”).

154. Pursuant to the 2025 License Agreement, Genius Sports, in addition to retaining its role as the exclusive distributor of official NFL data and “Watch and Bet” streaming rights, obtained the exclusive right to represent the NFL in connection with in-game advertising.

155. As with the 2021 License Agreement, Genius Sports, in addition to paying the NFL licensing fees, compensated the NFL through equity grants in the form of 9,500,000 additional warrants. Half of these warrants vested immediately. The remaining half are scheduled to vest on April 1, 2028.

156. In June 2025, the NFL reported that it was the beneficial owner of 19,000,000 shares of Genius Sports, reflecting an 8.2% ownership interest. At that time, the NFL remained the single largest shareholder of Genius Sports.

---

<sup>32</sup>

Genius Sports Limited, Form 20-F (Mar. 15, 2024) at 55 (*available at* <https://www.sec.gov/ix?doc=/Archives/edgar/data/0001834489/000119312524069118/d790257d20f.htm>).

<sup>33</sup> Genius Sports Limited, Form 20-F (Mar. 14, 2025) at 67 (*available at* <https://www.sec.gov/ix?doc=/Archives/edgar/data/0001834489/000095017025039412/geni-20241231.htm>).

157. As of February 17, 2026, the most recent date for which there is publicly available information concerning the NFL's ownership of Genius Sports, the NFL owns 15,344,471 shares of Genius, reflecting a 6.0% ownership stake in the company.<sup>34</sup>

158. The NFL/Genius Sports partnership has allowed live in-game microbetting to flourish on online sportsbooks, including the FanDuel and DraftKings Sportsbook Apps, resulting in increased profits for the online sportsbooks, Genius Sports, and the NFL.

159. The NFL and Genius Sports earn these profits directly from the gambling losses incurred by football fans making microbets on the DraftKings Sportsbook App and FanDuel Sportsbook App. That is because, upon information and belief, Genius Sports' contracts with DraftKings and FanDuel contain revenue-share provisions that entitle it to receive a percentage of the companies' Gross Gambling Revenue ("GGR") and/or Net Gambling Revenue ("NGR").

160. As Genius Sports itself states in its most recent annual SEC filing: "Our sportsbook contracts ... are typically structured with guaranteed minimum payments throughout the life of the term ... *and with upside levers and revenue share components that allow the Company to benefit as its partners grow through increased GGR*, expansion into new markets, utilization of more events, *and growth of in-play betting.*"<sup>35</sup> (emphasis added).

161. Not only does Genius Sports, and therefore the NFL, financially benefit from customers' gambling losses due to these revenue-share provisions, but they specifically "benefit from the growth of in-play betting," and are further incentivized to grow the microbetting market, because they receive a "higher revenue share derived from those bets vs. pre-match bets."<sup>36</sup>

---

<sup>34</sup> Genius Sports Limited, Form 20-F (Mary. 17, 2026) at 70 (*available at* <https://www.sec.gov/ix?doc=/Archives/edgar/data/0001834489/000119312526110749/geni-20251231.htm>).

<sup>35</sup> 2025 20-F at 33, <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001834489/9847e632-bec0-4e87-99c5-1f318280adca.pdf>.

<sup>36</sup> *Id.* at 37.

162. Genius Sports has developed, and is continuing to develop, products that are designed to create more repeat microbettors, with the foreseeable attendant consequence of creating more gambling addicts.

163. In 2025, Genius Sports recognized \$126,100,000 in commissions tied to its online sportsbook customers' GGR and NGR, reflecting approximately 19% of Genius Sports' total revenue for that year and 23% year-over-year growth in such revenue.

164. Live in-game betting now represents 30% of total NFL betting volume on online sportsbooks.<sup>37</sup> The more that customers make microbets on the DraftKings Sportsbook App and the FanDuel Sportsbook App, the more money Genius Sports makes. And the more money that Genius Sports makes, the more valuable the NFL's investment in Genius Sports becomes.

**I. Plaintiffs Sage and Thompson became addicted to gambling on the DraftKings Sportsbook App and FanDuel Sportsbook App exactly as Defendants intended.**

165. Plaintiff Sage was a recreational sports gambler before Pennsylvania legalized online sports gambling. That all changed once DraftKings and FanDuel hooked him into a painful cycle of addicted gambling on the Sportsbook Apps.

166. Plaintiff Sage made his first sports wager in 2003 when he was a senior in high school. To do so, he went in person to a brick-and-mortar sports betting parlor, to which he would return periodically to make additional wagers over the next 15 years.

167. The sports betting parlor had observed hours of operation, so if Plaintiff Sage did not make a bet before closing time, he was unable to make another bet until the parlor reopened.

168. Plaintiff Sage would wager on a range of sports, including football and tennis. At that time, he only made pre-game bets on spreads or over/under wagers.

---

<sup>37</sup> Genius Sports, *Third Quarter 2025 Earnings*, Genius Sports (Nov. 4, 2025) at 6 (*available at* [https://s27.q4cdn.com/552951210/files/doc\\_financials/2025/q3/GENI-Q325-Earnings-Presentation-vFF.pdf](https://s27.q4cdn.com/552951210/files/doc_financials/2025/q3/GENI-Q325-Earnings-Presentation-vFF.pdf)).

169. During this time, Plaintiff Sage's gambling did not create any problems in his life, and he did not suffer from gambling addiction. He took care of himself, was careful with his finances, maintained good relationships with his family members, and never lied to anyone about his gambling. The amount of money he gambled stayed consistent and did not result in any financial challenges. In short, his gambling was a sustainable recreational activity in his life that did not create any friction or problems.

170. That all changed after he started betting on the Sportsbook Apps.

171. Once FanDuel and DraftKings made live in-game microbetting available, Plaintiff Sage made nearly 100% of his bets on live in-game microbets. He became consumed by the rapid pace of the microbets and became uninterested in making a bet that did not resolve instantaneously, with barely any gap between wager and outcome.

172. Despite never previously struggling with gambling addiction, Plaintiff Sage soon found himself betting nearly 24 hours per day, 7 days a week. If he fell asleep, the first thing he did when he woke up was place a bet on the FanDuel Sportsbook App or DraftKings Sportsbook App. He would even place wagers in the bathroom and while showering. He placed wagers on the way to work, during work, and on his way home. He gambled in bed until he fell asleep. When he woke up, the cycle started all over again.

173. And when he gambled, he placed live in-game microbets on everything and anything available.

174. Tennis was his favorite sport. He would find a game and bet on every single point, a feature that simply did not exist before FanDuel and DraftKings made such microbetting available to him.

175. He also bet on NFL football, soccer, and baseball, making repeated wagers on the

next play, the next pitch, the next basket, and the next goal.

176. He frequently made multi-leg parlays comprised of various microbets.

177. If there were no U.S. games happening at a certain time, he would bet on international table tennis, again wagering repeatedly on every single point.

178. Even when Plaintiff Sage put his phone down, DraftKings and FanDuel lured him back to the Sportsbook Apps through a constant stream of push notifications from the DraftKings Sportsbook App and FanDuel Sportsbook App alerting him to various betting opportunities that were personalized to him. For example, he received numerous push notifications from the DraftKings Sportsbook App and FanDuel Sportsbook App as to the commencement of different tennis matches involving players on whom he had previously made wagers, as well as offering him various promotions, profit boosts, and customized bets, including parlays. Once received, Plaintiff Sage would almost always click on the notification, which immediately brought him back into the app where he would then continue to place wagers.

179. Plaintiff Sage was further induced to continue making wagers on the DraftKings Sportsbook App and FanDuel Sportsbook App due to the constant encouragement of the VIP Hosts that repeatedly plied him with free bonus bets and other gifts.

180. For the first three years after he received VIP status from FanDuel, Defendant Bryttanni Morgan served as his FanDuel VIP Host. Defendant Morgan would text him multiple times a week to ensure that he continued to wager on the FanDuel Sportsbook App, including by plying him with different gifts, bonus bets, and other promotional perks. These messages were designed to ingratiate Plaintiff Sage with Defendant Morgan by making it appear that they were “friends” and that she was “on his side.” If he lost a large amount of money during a certain stretch, Plaintiff Sage could expect to receive a commiserating text from Defendant Morgan, followed by

an exhortation to continue betting.

181. Defendant Morgan's encouragement frequently came in the form of an offer of gifts and free live experiences, such as free tickets to Phillies baseball games. On one occasion, Defendant Morgan helped Plaintiff Sage plan a bachelor party in Atlantic City by securing free accommodations at a hotel and casino, including a free event space for him and his friends to watch a UFC fight.

182. In or around October 2024, Defendant Michael Sonbeek took over as Plaintiff Sage's assigned FanDuel VIP Host. Defendant Sonbeek deployed the same tactics as Defendant Morgan; he repeatedly messaged Plaintiff Sage to encourage him to spend as much time as possible wagering on the FanDuel Sportsbook App, including through the offer of "free" betting credits and tickets to live events.

183. DraftKings also used VIP Hosts to profit from Plaintiff Sage's gambling addiction. In or around October 2024, DraftKings assigned Defendant Dyleisha Brown as his DraftKings VIP Host. Defendant Brown deployed the same tactics as Defendants Morgan and Sonbeek; she frequently messaged Plaintiff Sage to make it appear as though they were "friends," and offered him a steady stream of promotional offers and perks. She would even send him pictures of herself while she was out and about at different sporting events, including a golf outing. In reality, these and similar messages were part of a broader strategy by DraftKings to instill brand loyalty and thereby increase the likelihood that Plaintiff Sage would continue to wager and lose money on the DraftKings Sportsbook App.

184. On March 15, 2025, Plaintiff Sage placed himself on Pennsylvania's self-exclusion list. This did not deter Defendant Lewis, who continued to message him even after he self-excluded to lure him back to the DraftKings Sportsbook App.

185. As his financial losses from gambling inevitably piled up, Plaintiff Sage got desperate. He borrowed over \$40,000 from family members to fund his gambling so he could chase his losses. He started borrowing from several loan sharks on a weekly basis, totaling over \$25,000 at exorbitant interest rates. He took excess tax exemptions on his paycheck so that he would have more money with which to gamble, resulting in \$45,000 in unpaid federal taxes.

186. Due to his gambling addiction, he soon became unable to pay his bills. His truck was repossessed twice because he could no longer afford the payments. He almost lost his house to foreclosure after failing to make a single mortgage payments for three years because he diverted those funds toward online gambling.

187. Plaintiff Sage's gambling addiction negatively affected his relationships with his family and friends in profound ways. He stopped taking care of his health and physical appearance. He started to lie to everyone in his life, including his wife, to hide the depth of his gambling addiction and scope of his financial losses, something he had never done before he started gambling online with FanDuel and DraftKings. As a result, his relationships with his wife and kids became severely strained.

188. In total, Plaintiff Sage made more than \$1,645,000 worth of wagers on the FanDuel Sportsbook App, almost all of which consisted of live in-game microbets, resulting in a loss of more than \$133,000.

189. In addition, Plaintiff Sage made approximately \$360,000 worth of wagers on the DraftKings Sportsbook App, resulting in a loss of approximately \$42,000.

190. Plaintiff Sage's exposure to the DraftKings Sportsbook App and the FanDuel Sportsbook App also caused him to suffer physical harm in the form of his gambling addiction, as well as other physical and emotional harms such as acute anxiety, depression, insomnia, and

irritability.

191. Eventually, everything came to a head in the spring of 2025 when Plaintiff Sage's family made their last attempt to intervene and help him.

192. As stated above, Plaintiff Sage placed himself on Pennsylvania's self-exclusion list on March 15, 2025. That same month, Plaintiff Sage was formally diagnosed with a gambling addiction disorder.

193. Since he self-excluded, Plaintiff Sage has not gambled on the Sportsbook Apps, or any other online sportsbook. However, Plaintiff Sage continues to deal with the physical, mental, and financial effects of his gambling addiction, including paying off his financial debts, rebuilding the trust in his familial relationships, and regaining his physical health.

194. Like Plaintiff Sage, Plaintiff Thompson was also a recreational sports gambler before Pennsylvania legalized online sports gambling.

195. Plaintiff Thompson first started betting shortly after he graduated college, in or around 2001 to 2002.

196. At that time, he would place bets with neighborhood bookies. He exclusively bet on NFL and college football games, and he only made pre-game wagers on the final score of the game, such as bets on the moneyline, over/under, and spread.

197. For more than a decade since placing his first football bet, Plaintiff Thompson's gambling remained a sustainable, recreational activity that did not impair his physical or mental well-being, nor adversely affect his relationships with friends and family.

198. As with Plaintiff Sage, that all changed once FanDuel and DraftKings began offering him the ability to make live in-game microbets on football games.

199. He made his first online sports bet in or around October 2020 when he used the

FanDuel Sportsbook App to make a pre-game bet on the Philadelphia Eagles, his favorite team, to win the game outright.

200. Since making that initial bet, Plaintiff Thompson has spent practically every Sunday during each NFL season making multiple bets on multiple NFL games using the FanDuel Sportsbook App and DraftKings Sportsbook App, as well as during Monday night games, Thursday night games, and on weekends during the NFL playoffs. And when the NFL held games on a holiday, such as Thanksgiving, Plaintiff Thompson would not spend his time with his family, but in isolation, placing microbets with DraftKings and FanDuel.

201. Moreover, as a result of DraftKings' and FanDuel's microbetting features, Plaintiff Thompson no longer restricted his wagers to pre-game bets. Instead, he continuously tracked how the live odds changed for multiple different games, and continuously placed dozens of moneyline, over/under, and spread bets during multiple different games depending upon the movement of the lines, including by grouping these microbets into parlays. And, because of the defective and unreasonably dangerous design of the DraftKings Sportsbook App and FanDuel Sportsbook App, he was able to make multiple microbets based not only on what the score would be at the end of the game, but at the end of each possession, each quarter, and each half.

202. In addition, both FanDuel and DraftKings assigned Plaintiff Thompson VIP Hosts that further induced him to wager and lose money on their respective platforms.

203. As with Plaintiff Sage, and at all times relevant and material hereto, FanDuel assigned Defendant Bryttanni Morgan to be Plaintiff Thompson's FanDuel VIP Host.

204. Between 2021 and 2025, Defendant Morgan messaged Plaintiff Thompson hundreds of times as part of FanDuel's strategy to ensure that Plaintiff Thompson continued to gamble and lose money on the FanDuel Sportsbook App.

205. Defendant Morgan continually tried to ingratiate herself with Plaintiff Thompson to make it appear as though they were “friends.”

206. For example, upon becoming Plaintiff Thompson’s host, she immediately inquired as to his favorite sports team. Upon learning that Plaintiff Thompson was a Philadelphia Eagles fan, she would frequently discuss the Eagles with Plaintiff Thompson by celebrating their wins, bemoaning their losses, jeering their rivals, and critiquing individual player performances.

207. Defendant Morgan engaged with Plaintiff Thompson on a number of topics to further strengthen this “bond,” such as their favorite restaurants and bars in the Philadelphia area and their preferred brands of tequila, travel plans, vacations, and children.

208. On one occasion she sent Plaintiff Thompson a \$500 bottle of Champagne.

209. She frequently used language clearly designed to strengthen this “bond,” like saying she was “glad” that “we” are “on the same team.” This “we” language tended to appear whenever Plaintiff Thompson lost large sums of money, which usually prompted Defendant Morgan to provide Plaintiff Thompson with a bonus. For example, after one losing gambling session in November 2021, Defendant Morgan gave Plaintiff Thompson betting credits, before encouraging him to “Hit a crazy one! Get *us* on a good role!” (emphasis added). She used similar “we” and “us” language throughout their relationship, sending message like: “You were one of my biggest winners last month! I’m hoping *we* get back to that!!” (emphasis added), and “NICE WIN TERRY!!!! I knew *we* were due for one!!!!!!” (emphasis added).

210. In addition, Defendant Morgan constantly offered Plaintiff Thompson free tickets to live events, such as the Philadelphia Eagles, Philadelphia 76ers, and Philadelphia Flyers games, as well as thousands in “free” promotional betting credits.

211. In February 2022, Defendant Morgan secured Plaintiff Thompson and his son free

tickets and hotel accommodations for Super Bowl LVI in California, including special access that allowed them to walk on the field before the game and hobnob with celebrities, including comedian Chris Rock.

212. However, Defendant Morgan was not on Plaintiff Thompson's "team." The only team she was on was FanDuel's.

213. Moreover, Plaintiff Thompson's communications with Defendant Morgan demonstrate that FanDuel and Defendant Morgan knew that he had developed a serious gambling addiction.

214. Indeed, on several occasions, after "rough" streaks in which Plaintiff Thompson lost significant sums betting on the FanDuel Sportsbook App, Defendant Morgan suggested that he take a brief "break," only for her to continue facilitating his gambling addiction through additional bonuses and incentives.

215. For example, on December 18, 2022, Defendant Morgan suggested, "[W]hat do *we* think about taking a timeout and enjoying the holidays with the family and starting fresh after the new year?" (emphasis added). On December 19, 2022, Plaintiff Thompson informed Defendant Morgan that he had bet and lost additional money the previous day, and asked if there were any "free plays" available. In response, Defendant Morgan said that she did not have any free plays, and asked "Are *we* gonna take a little break and start fresh in the New Year?" (emphasis added), to which Plaintiff Thompson replied, "I'll try :)."

216. These messages show that FanDuel and Defendant Morgan knew that Plaintiff Thompson, due to his wagering history and significant financial losses, likely had a serious gambling problem. However, FanDuel and Defendant Morgan took no steps to limit or restrict his gambling, or to cease plying him with gambling incentives.

217. To the contrary, three weeks later, on January 13, 2023, Defendant Morgan asked Plaintiff Thompson to call her due to an “emergency.” The emergency in question? FanDuel’s offer of yet another Super Bowl gift package that included two tickets for Super Bowl LVII in Arizona, free hotel accommodations, two tickets to a FanDuel Super Bowl party, two tickets to a Sports Illustrated Super Bowl party, and free transportation during Super Bowl weekend.

218. Thereafter, Plaintiff Thompson continued to lose large sums of money on the FanDuel Sportsbook App, and Defendant Morgan continued to supply him with free tickets to Philadelphia sporting events and free betting credits to ensure that he would do so.

219. DraftKings also used VIP Hosts to facilitate and profit from Plaintiff Thompson’s gambling addiction.

220. Initially, in 2021, DraftKings, upon information and belief, assigned Defendant Peter Donahue as his VIP Host. In or around 2024, DraftKings assigned Defendant Shaun Gordon to be his VIP Host.

221. Defendants Donahue and Gordon deployed the same tactics as Defendants Morgan, Lewis, and Sonbeek; they frequently messaged Plaintiff Thompson to make it appear as though they were his “friends,” and offered him a steady stream of promotional offers and perks. These offers included invitations to DraftKings parties, such as a “2023 March Madness Watch Party” and 2023 Golf Tournament, as well as comped tickets to a Philadelphia Flyers game in DraftKings’ suite. If Plaintiff Thompson reduced his wagers on the DraftKings Sportsbook App for a period, Defendants Donahue and Gordon would message him to see if there was anything they could do to entice him back to the app, including providing free betting credits.

222. For years, Plaintiff Thompson lied to his family to hide the depth and extent of his gambling addiction. As Plaintiff Thompson’s gambling addiction grew more and more severe, he

began to take drastic actions to acquire additional funds so that he could continue gambling on the Sportsbook Apps, all of which he hid from his family. This included taking a second and third mortgage out on his home in amounts totaling \$300,000, almost all of which he used to gamble. Both mortgages are now in default. In addition, he stopped making payments on his primary mortgage, as he directed those funds toward gambling. As a result, his home is now in foreclosure.

223. By January 2026, Plaintiff Thompson had depleted nearly all of his family's assets due to his gambling addiction. As a last resort, he sold the shares in his investment company that he had owned and operated for nearly two decades for \$160,000. Over the next month, Plaintiff Thompson lost most of this money on the DraftKings Sportsbook App making microbets.

224. By February 25, 2026, Plaintiff Thompson had only \$20,000 of the \$160,000 remaining. He spent that entire day at a coffee shop wagering the last of his funds on the DraftKings Sportsbook App. Soon he was down to his final \$10,000. He used that money to make one final \$10,000 parlay. The bet lost, leaving him with nothing.

225. That night, after having finally lost all of his family's money, Plaintiff Thompson knew that he would not be able to hide his gambling addiction from his wife any longer. However, he was too humiliated and ashamed to tell his wife directly.

226. Instead, Plaintiff Thompson thought that it would be easier to reveal what he had done in a different way: by ending his own life.

227. Fortunately, after hours of seriously considering and making specific plans to commit suicide, Plaintiff Thompson ultimately chose a different path.

228. On February 26, 2026, he voluntarily placed himself into a psychiatric facility where he stayed for six days. During this time, he was formally diagnosed with a gambling addiction disorder.

229. As a result of his addiction, he has wagered and lost millions of dollars worth of microbets on the FanDuel Sportsbook App and DraftKings Sportsbook App.

230. In total, Plaintiff Thompson placed approximately \$18,500,000 worth of wagers on the FanDuel Sportsbook App, almost all of which consisted of microbets on NFL football games, resulting in a loss of approximately \$1,520,000.

231. In addition, Plaintiff Thompson placed approximately \$4,500,000 worth of wagers on the DraftKings Sportsbook App, almost all of which consisted of microbets on NFL football games, resulting in a loss of approximately \$336,000.

232. Like Plaintiff Sage, Plaintiff Thompson's exposure to the Sportsbook Apps caused Plaintiff Thompson to suffer physical harm in the form of his gambling addiction, as well as other physical and emotional harms such as acute anxiety, insomnia, irritability, and severe depression, which almost culminated in suicide.

### **COUNT 1**

#### **Pennsylvania Unfair Trade Practices and Consumer Protection Law (73 P.S. §§ 201 *et seq.*) Asserted Against All Defendants**

233. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

234. Plaintiffs purchased goods and/or services from DraftKings and FanDuel for personal use by downloading and placing microbets on the DraftKings Sportsbook App and FanDuel Sportsbook App.

235. DraftKings and FanDuel engaged in unfair and deceptive conduct by intentionally designing the DraftKings Sportsbook App and FanDuel Sportsbook App, and/or individual product features on the DraftKings Sportsbook App and FanDuel Sportsbook App, to encourage compulsive and addictive gambling, including through (i) rapid resolution microbets and high-frequency wagering features, (ii) persistent push notifications and other engagement prompts that

manipulated customers, including Plaintiffs, into continuous betting, and (iii) use of analytical tools and artificial intelligence to identify, create, and promote betting opportunities personalized to customers, including Plaintiffs, based on their unique gambling profile to inculcate and perpetuate customers', including Plaintiffs', continuous betting on their sports gambling platforms.

236. Genius Sports engaged in unfair or deceptive conduct by supplying DraftKings and FanDuel with officially-licensed live game and player data and statistics, including live NFL game and player data and statistics, which it knew was necessary for DraftKings and FanDuel to create microbetting opportunities as part of the design of their Sportsbooks Apps, and which it knew and knows has enabled DraftKings and FanDuel to (i) generate a broad portfolio of microbetting opportunities, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling profiles.

237. The NFL Defendants engaged in unfair or deceptive conduct by supplying DraftKings and FanDuel, through Genius Sports, with officially-licensed live NFL game and player data and statistics, which it knew was necessary for DraftKings and FanDuel to create microbetting opportunities as part of the design of their Sportsbooks Apps, and which it knew and knows has enabled DraftKings and FanDuel to (i) generate a broad portfolio of microbetting opportunities on NFL games and players, and (ii) personalize such wagers to customers, including the Plaintiffs, based on their unique gambling profiles.

238. The VIP Hosts also engaged in unfair and deceptive conduct, for which they, DraftKings, and FanDuel are liable, by encouraging Plaintiffs to continue making wagers on the DraftKings Sportsbook App and/or FanDuel Sportsbook App, including by repeatedly plying them with free betting credits, gifts, and tickets to live sporting events even though DraftKings, FanDuel, and the VIP Hosts knew, or should have known, that doing so would substantially increase the risk

that Plaintiffs would develop a gambling addiction and/or that Plaintiffs had in fact developed a gambling addiction.

239. In addition to fostering the Plaintiffs' gambling addictions, Defendants' unfair and deceptive conduct created a likelihood of confusion and misunderstanding among customers, including Plaintiffs, about the risk of compulsive or addictive gambling posed by the DraftKings Sportsbook App and FanDuel Sportsbook App.

240. Plaintiffs justifiably relied on DraftKings, FanDuel, Genius Sports, and the NFL Defendants not to create and sell a sports betting product that would cause them to become addicted, and suffer severe financial losses, and justifiably relied on the design of the DraftKings Sportsbook App and FanDuel Sportsbook App by continuing to place wagers on the Sportsbook Apps.

241. Plaintiffs also justifiably relied on the Defendants, including the VIP Hosts, not to unreasonably expose them to a constant stream of personalized betting opportunities, frequent notifications, and/or promotional offers that increased (i) the risk that Plaintiffs and other customers would become addicted to sports betting, (ii) the severity of such addiction, and (iii) the amount of financial losses incurred as a result of such addiction.

242. Defendants' unfair and deceptive conduct was a direct and proximate cause of and a substantial factor in the physical harm that each Plaintiff suffered, including the development of a gambling addiction disorder. Neither Plaintiff would have developed a gambling addiction disorder were it not for Defendants' unfair and deceptive conduct.

243. In addition, Defendants' unfair and deceptive conduct was a direct and proximate cause of and a substantial factor in each Plaintiff suffering an ascertainable loss of money, including losses incurred from repeated and addictive wagering on the DraftKings Sportsbook App

and FanDuel Sportsbook App. Plaintiffs would not have wagered as much or as frequently on sports betting through the DraftKings Sportsbook App and FanDuel Sportsbook App were it not for Defendants' unfair and deceptive conduct.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, multiple damages, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 2**  
**Design Defect (Strict Liability)**  
**Asserted Against DraftKings, Genius Sports, and the NFL Defendants**

244. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

245. The DraftKings Sportsbook App is unreasonably dangerous as designed, and contains product features that have been designed in ways that are unreasonably dangerous.

246. DraftKings defectively designed the DraftKings Sportsbook App to exploit the chemical reward system of customers' brains to create addictive engagement, compulsive use, and mental and physical harm, including through (i) rapid resolution microbets and high-frequency wagering features, (ii) persistent push notifications and other engagement prompts that manipulated customers, including Plaintiffs, into continuous betting, and (iii) deploying analytical tools and artificial intelligence to identify, create, and promote betting opportunities personalized to customers, including Plaintiffs, based on their unique gambling profile to inculcate and perpetuate customers', including Plaintiffs', continuous betting on their sports gambling platforms.

247. Genius Sports supplied DraftKings with officially-licensed live game and player data and statistics, including live NFL game and player data and statistics, which was necessary to enable DraftKings to (i) generate a broad portfolio of microbetting opportunities, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling

profiles, and which Genius Sports knew and knows enables DraftKings to do so.

248. The NFL Defendants, through Genius Sports, supplied DraftKings with officially-licensed live NFL game and player data and statistics, which was necessary to allow DraftKings to (i) generate a broad portfolio of microbetting opportunities on NFL games and players, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling profiles, and which the NFL Defendants knew and know enable DraftKings to do so.

249. The DraftKings Sportsbook App fails to meet ordinary consumers' expectations regarding the propensity of the product to cause addiction when used as intended or in a reasonably foreseeable manner.

250. Plaintiffs did not expect that the DraftKings Sportsbook App was designed to exploit their dopamine systems so that they continued to gamble regardless of financial resources or the effect on their physical and mental health.

251. The DraftKings Sportsbook App is also defectively designed because it creates an inherent risk of danger of addiction, compulsive use, and serious financial, professional, personal, and emotional consequences in its customers. This inherent risk is not a necessary component of online sports gambling and could be mitigated by reasonably feasible, cost-effective design changes including, without limitation, eliminating customers' ability to make microbets.

252. The risks inherent in the design of the DraftKings Sportsbook App significantly outweigh any benefit of such design or the burden or cost of taking precautions against those risks.

253. Alternative designs were available that would reduce customers' addictive and compulsive gambling on the DraftKings Sportsbook App, and which would have served effectively the legitimate purposes of the DraftKings Sportsbook App while reducing the gravity and severity of danger posed by the product's defects, such as by designing a sportsbook app that

restricted a customer's ability to make wagers after the start of a game.

254. Plaintiffs Sage and Thompson used the DraftKings Sportsbook App as intended or in reasonably foreseeable ways.

255. Plaintiff Sage's and Plaintiff Thompson's physical, emotional, and economic injuries were reasonably foreseeable to DraftKings when it developed, designed, advertised, marketed, promoted, and distributed the DraftKings Sportsbook App.

256. The DraftKings Sportsbook App was defective and unreasonably dangerous when DraftKings deployed it. The defects continued to exist through the DraftKings Sportsbook App's distribution to, and use by, Plaintiffs Sage and Thompson, who each used the DraftKings Sportsbook App without any substantial change in the product's condition.

257. DraftKings', Genius Sports', and the NFL Defendants' defective design of the DraftKings Sportsbook App was a direct and proximate cause and a substantial factor in the injuries sustained by Plaintiffs Sage and Thompson, including both economic injuries and non-economic pain and suffering injuries, not all of which can be wholly remedied by monetary relief.

258. As described above, DraftKings', Genius Sports', and the NFL Defendants' conduct was intentional, fraudulent, willful, wanton, reckless, malicious, oppressive, extreme, and outrageous, and displayed an entire want of care and a conscious and depraved indifference to the consequences of their conduct, including to the health, safety, and welfare of their customers, and warrants an award of punitive damages in an amount sufficient to punish DraftKings, Genius Sports, and the NFL Defendants and deter others from like conduct.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court

deems just and proper.

**COUNT 3**  
**Failure to Warn (Strict Liability)**  
**Against DraftKings, Genius Sports, and the NFL Defendants**

259. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

260. The DraftKings Sportsbook App is unreasonably dangerous as designed, and contains product features that have been designed in ways that are unreasonably dangerous.

261. DraftKings defectively designed the DraftKings Sportsbook App to exploit the chemical reward system of customers' brains to create addictive engagement, compulsive use, and mental and physical harm, including through (i) rapid resolution microbets and high-frequency wagering features, (ii) persistent push notifications and other engagement prompts that manipulated customers, including Plaintiffs, into continuous betting, and (iii) deploying analytical tools and artificial intelligence to identify, create, and promote betting opportunities personalized to customers, including Plaintiffs, based on their unique gambling profile to inculcate and perpetuate customers', including Plaintiffs', continuous betting on their sports gambling platforms.

262. Genius Sports supplied DraftKings with officially-licensed live game and player data and statistics, including live NFL game and player data and statistics, which was necessary to enable DraftKings to (i) generate a broad portfolio of microbetting opportunities, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling profiles, and which Genius Sports knew and knows enables DraftKings to do so.

263. The NFL Defendants, through Genius Sports, supplied DraftKings with officially-licensed live NFL game and player data and statistics, which was necessary to allow DraftKings to (i) generate a broad portfolio of microbetting opportunities on NFL games and players, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling

profiles, and which the NFL Defendants knew and know enable DraftKings to do so.

264. DraftKings, Genius Sports, and the NFL Defendants knew or should have known of the unreasonably dangerous properties of the DraftKings Sportsbook App, including its potential to induce gambling addictions and compulsive gambling habits and the harms associated with these conditions in its customers, including Plaintiffs.

265. The DraftKings Sportsbook App is dangerous to an extent beyond what an ordinary customer would contemplate. An ordinary customer would not reasonably expect that the DraftKings Sports App encourages and induces gambling addiction and compulsive wagering when used in a manner reasonably foreseeable to DraftKings, Genius Sports, and the NFL Defendants.

266. The DraftKings Sportsbook App is defective and unreasonably dangerous because, among other reasons described throughout this Complaint, DraftKings, Genius Sports, and the NFL Defendants failed to exercise reasonable care to inform customers that the use of the DraftKings Sportsbook App can cause gambling addiction and other physical harms, as well as emotional harm that accompany such physical injuries.

267. Even though gambling is a recognized addiction, and even though microbetting is highly addictive sports betting that can only be placed through online sportsbooks, DraftKings does not warn consumers, including Plaintiffs, on the DraftKings Sportsbook App or anywhere else as to the unique dangers associated with online gambling generally or microbetting in particular.

268. Similarly, Genius Sports and the NFL Defendants do not take any steps to warn DraftKings' customers, including Plaintiffs, (i) that the NFL's data and statistics are being used to offer microbetting on the DraftKings Sportsbook App, and (ii) that microbets are highly addictive

sports bets that can only be placed through online sportsbooks, and/or (iii) as to the unique dangers associated with online gambling generally or microbetting in particular.

269. Plaintiffs downloaded and started using the DraftKings Sportsbook App with the understanding that the betting experience on the app would mirror or replicate their previous sports gambling experience with traditional in-person sports betting. But in reality, unbeknownst to Plaintiffs, the DraftKings Sportsbook App was a fundamentally different product that DraftKings intentionally designed to inculcate and perpetuate customers', including Plaintiffs', gambling addiction. Had Plaintiffs Sage and Thompson received adequate warnings or instructions of the risks of using the DraftKings Sportsbook App, including of the increased risk of gambling addiction that use of the DraftKings Sportsbook App would cause, they would have observed the warning and avoided microbetting, and therefore would not have developed a gambling addiction disorder, nor suffered the consequences of such foreseeable physical harm.

270. DraftKings', Genius Sports', and the NFL Defendants' failure to adequately warn Plaintiffs about the risks of its defective DraftKings Sportsbook App was a direct and proximate cause of and a substantial factor in the significant physical harm sustained by each Plaintiff, including the development of a gambling addiction disorder, as well as the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

271. DraftKings', Genius Sports', and the NFL Defendants' conduct was intentional, fraudulent, willful, wanton, reckless, malicious, oppressive, extreme, and outrageous, and displayed an entire want of care and a conscious and depraved indifference to the consequences of their conduct, including to the health, safety, and welfare of their customers, and warrants an award of punitive damages in an amount sufficient to punish DraftKings, Genius Sports, and the NFL Defendants and deter others from like conduct.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 4**  
**Design Defect (Negligence)**  
**Asserted Against DraftKings, Genius Sports, the NFL Defendants**

272. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

273. DraftKings, Genius Sports, and the NFL Defendants each owed a duty of care to design the DraftKings Sportsbook App to be reasonably safe.

274. DraftKings, Genius Sports, and the NFL Defendants knew or could reasonably foresee that that the DraftKings Sportsbook App was designed in a way that made it unreasonably dangerous and likely to cause harm to a substantial portion of customers when used as intended.

275. The risks associated with the DraftKings Sportsbook App were knowable to DraftKings, Genius Sports, and the NFL Defendants in light of the fact that rates of sports gambling addiction were increasing as a result of the introduction of online sports gambling and the introduction and proliferation of microbetting, including through data such as rising calls to Pennsylvania's gambling addiction hotline, and rapid increases in the total percentage of the amount wagered on the DraftKings Sportsbook App related to live in-game microbetting.

276. DraftKings, Genius Sports, and the NFL Defendants knew, or, by the exercise of reasonable care, should have known, that ordinary consumers such as Plaintiffs Sage and Thompson would not have realized the potential risks and dangers of the DraftKings Sportsbook App when used as intended, including the risk of developing and exacerbating gambling addictions and the cascade of negative consequences that flow from such physical harm, including acute financial, physical, mental, and emotional distress.

277. DraftKings, Genius Sports, and the NFL Defendants breached this duty by negligently designing the DraftKings Sportsbook App to include features that are particularly addictive and likely to addict users who would not appreciate the risks posed by the product.

278. DraftKings, Genius Sports, and the NFL Defendants breached these duties by designing the DraftKings Sportsbook App to be less safe to use than an ordinary consumer would expect when used in an intended and reasonably foreseeable manner.

279. DraftKings, Genius Sports, and the NFL Defendants each breached their duty by failing to use reasonable care to use cost effective, reasonably feasible alternative designs, including without limitation eliminating microbetting, to minimize the harms described herein. Alternative designs that would reduce the addictive features of the DraftKings Sportsbook App that were available, would have served effectively the same purpose as the defectively designed DraftKings Sportsbook App, and would have reduced the gravity and severity of danger that the DraftKings Sportsbook App posed to customers, including Plaintiffs.

280. A reasonable company under the same or similar circumstances as DraftKings, Genius Sports, and the NFL Defendants would have designed a safer product.

281. DraftKings', Genius Sports', and the NFL Defendants' failure to design the DraftKings Sportsbook App in a reasonably safe manner was a direct and proximate cause of and a substantial factor in the significant physical harm sustained by each Plaintiff, including the development of a gambling addiction disorder, as well as the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court

deems just and proper.

**COUNT 5**  
**Failure to Warn (Negligence)**  
**Asserted Against DraftKings, Genius Sports, and the NFL Defendants**

282. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

283. DraftKings, Genius Sports, and the NFL Defendants owed a duty of care to all reasonably foreseeable customers, like Plaintiffs, to provide adequate warnings about the risk of using the DraftKings Sportsbook App that were known to them, or that they should have known through the exercise of reasonable care.

284. DraftKings, Genius Sports, and the NFL Defendants knew or could reasonably foresee that the DraftKings Sportsbook App was designed in a way that made it unreasonably dangerous and likely to cause harm to customers when used as intended.

285. The risks associated with the DraftKings Sportsbook App were knowable to DraftKings, Genius Sports, and the NFL Defendants in light of the fact that rates of sports gambling addiction were increasing as a result of the introduction of online sports gambling and the introduction and proliferation of microbetting, including through data such as rising calls to Pennsylvania's gambling addiction hotline, and rapid increases in the total percentage of amounts wagered on the DraftKings Sportsbook App related to in-game betting.

286. DraftKings, Genius Sports, and the NFL Defendants knew, or, by the exercise of reasonable care, could have known, that ordinary consumers such as Plaintiffs would not have realized the potential risks and dangers of the DraftKings Sportsbook App when used as intended, including the risk of developing and exacerbating gambling addictions and the cascade of negative consequences that flow from such addictions, including acute financial, physical, mental, and emotional distress.

287. Even though gambling is a recognized addiction, and even though microbets are highly addictive sports bets that can only be placed through online sportsbooks, DraftKings does not warn consumers, including Plaintiffs, on the DraftKings Sportsbook App or anywhere else as to the unique dangers associated with online gambling generally or microbetting in particular.

288. Similarly, Genius Sports and the NFL Defendants do not take any steps to warn DraftKings' customers, including Plaintiffs, (i) that the NFL's data and statistics are being used to offer microbetting on the DraftKings Sportsbook App, and (ii) that microbets are highly addictive sports bets that can only be placed through online sportsbooks, and/or (iii) as to the unique dangers associated with online gambling generally or microbetting in particular.

289. DraftKings, Genius Sports, and the NFL Defendants each breached their duty by failing to use reasonable care in providing adequate warnings of the DraftKings Sportsbook App's potential risk and dangerousness to customers, including Plaintiffs, as described above.

290. A reasonable company under the same or similar circumstances as DraftKings, Genius Sports, and the NFL Defendants would have provided adequate warnings to consumers as described herein.

291. DraftKings, Genius Sports, and the NFL Defendants could have provided adequate warnings to prevent the harms and injuries to Plaintiffs described herein.

292. DraftKings', Genius Sports', and the NFL Defendants' failure to provide adequate warnings was a direct and proximate cause of and a substantial factor in the significant physical harm sustained by each Plaintiff, including the development of a gambling addiction disorder, as well as the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of

suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 6**  
**Common Law Negligence**  
**Asserted Against DraftKings and DraftKings VIP Hosts**

293. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

294. DraftKings and the DraftKings VIP Hosts owe a duty of care to DraftKings' customers, including Plaintiffs, not to expose them to a reasonably foreseeable risk of injury.

295. DraftKings and the DraftKings VIP Hosts also owe a special duty of care to the customers to whom DraftKings assigns a VIP Host, including the Plaintiffs, to protect them from a foreseeable risk of injury.

296. DraftKings assigns VIP Hosts to provide customers who have wagered a significant amount with personalized, dedicated support, exclusive promotions, and access to special events.

297. That personalized, dedicated support includes keeping tabs on customers' wagers and identifying potential problems or compulsive gambling behavior.

298. DraftKings assigned Defendant Lewis to Plaintiff Sage as his VIP host. DraftKings assigned Defendants Donahue and Gordon to Plaintiff Thompson as his VIP Hosts.

299. Plaintiffs reasonably relied on DraftKings and their respective DraftKings VIP Hosts, who could see all of Plaintiffs' wagers in real time, to flag concerns about Plaintiffs' potential problem or compulsive gambling and/or to refrain from providing Plaintiffs with means or incentives to place additional wagers, including betting credits and promotions, once the DraftKings VIP Hosts knew or should have known that Plaintiffs were exhibiting signs or symptoms of gambling addiction disorder.

300. DraftKings and the DraftKings VIP Hosts breached their duties of care by

continuing to offer Plaintiffs betting credits, exclusive promotions, and other perks to encourage their wagering on the DraftKings Sportsbook App, even after DraftKings and the DraftKings VIP Hosts knew, or should have known, based on their gambling history, that Plaintiffs were exhibiting signs or symptoms of gambling addiction disorder.

301. DraftKings' and the DraftKings VIP Hosts' breach of their duties of care as described throughout this Complaint was a direct and proximate cause of and a substantial factor in the significant and foreseeable injuries that each Plaintiff suffered, including the physical harm that each Plaintiff sustained, such as the development of a gambling addiction disorder, and the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

302. DraftKings' and the DraftKings VIP Hosts' actions were done with wanton and willful disregard of persons who foreseeably might be harmed by their acts, including Plaintiffs.

303. In the alternative, DraftKings' and the DraftKings' VIP Hosts' negligence was reckless as to the foreseeable risk that their conduct would harm Plaintiffs.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 7**  
**Common Law Negligence**  
**Asserted Against DraftKings, Genius Sports, and the NFL Defendants**

304. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

305. DraftKings owes a duty of care to its customers, including Plaintiffs, to use the data and statistics that it licenses from sports leagues, including the NFL, in a reasonable manner that does not expose such customers to a foreseeable risk of injury.

306. Genius Sports and the NFL Defendants owe a duty of care to DraftKings'

customers, including Plaintiffs, to ensure that the data and statistics it licenses to sportsbooks, including DraftKings, is not used in a way that exposes those customers to a foreseeable risk of injury.

307. DraftKings breached its duty of care because it licensed live data and statistics from sports leagues, including the NFL, in order to make microbets available to customers, including Plaintiffs, on the DraftKings Sportsbook App even though it knew or should have known that making microbets available would foreseeably injure its customers by substantially increasing the likelihood that they would suffer physical harm, such as the development of a gambling addiction disorder, as well as emotional and financial harm.

308. Genius Sports and the NFL Defendants each breached their duty of care because they each knew or should have known that the data they licensed to DraftKings would be used by DraftKings to make microbets available to DraftKings' customers, including Plaintiffs, on the DraftKings Sportsbook App, and that this would foreseeably injure such customers by substantially increasing the likelihood that they would suffer physical harm, such as the development of a gambling addiction disorder, as well as emotional and financial harm.

309. DraftKings', Genius Sports', and the NFL Defendants' breach of their duties of care as described throughout this Complaint was a direct and proximate cause of, and a substantial factor in, the significant and foreseeable injuries that each Plaintiff suffered, including the physical harm that each Plaintiff sustained, such as the development of a gambling addiction disorder, and the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

310. DraftKings', Genius Sports', and the NFL Defendants' actions were done with wanton and willful disregard of persons who foreseeably might be harmed by their acts, including Plaintiffs.

311. In the alternative, DraftKings', Genius Sports', and the NFL Defendants' negligence was reckless as to the foreseeable risk that their conduct would harm Plaintiffs.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 8**  
**Design Defect (Strict Liability)**  
**Asserted Against FanDuel, Genius Sports, and the NFL Defendants**

312. Plaintiffs incorporate the allegations set forth above as if fully set forth herein

313. The FanDuel Sportsbook App is unreasonably dangerous as designed, and contains product features that have been designed in ways that are unreasonably dangerous.

314. FanDuel defectively designed the FanDuel Sportsbook App to exploit the chemical reward system of customers' brains to create addictive engagement, compulsive use, and mental and physical harm, including through (i) rapid resolution microbets and high-frequency wagering features, (ii) persistent push notifications and other engagement prompts that manipulated customers, including Plaintiffs, into continuous betting, and (iii) deploying analytical tools and artificial intelligence to identify, create, and promote betting opportunities personalized to customers, including Plaintiffs, based on their unique gambling profile to inculcate and perpetuate customers', including Plaintiffs', continuous betting on their sports gambling platforms.

315. Genius Sports supplied FanDuel with officially-licensed live game and player data and statistics, including live NFL game and player data and statistics, which is necessary to allow FanDuel to (i) generate a broad portfolio of microbetting opportunities, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling profiles.

316. The NFL Defendants, through Genius Sports, supplied FanDuel with officially-

licensed live NFL game and player data and statistics, which is necessary to allow FanDuel to (i) generate a broad portfolio of microbetting opportunities on NFL games and players, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling profiles.

317. The FanDuel Sportsbook App fails to meet ordinary consumers' expectations regarding the propensity of the product to cause addiction when used as intended or in a reasonably foreseeable manner.

318. Plaintiffs did not expect that the FanDuel Sportsbook App was designed to exploit their dopamine systems so that they continued to gamble regardless of financial resources or the effect on their physical and mental health.

319. The FanDuel Sportsbook App is also defectively designed because it creates an inherent risk of danger of addiction, compulsive use, and serious financial, professional, personal, and emotional consequences in its customers. This inherent risk is not a necessary component of online sports gambling and could be mitigated by reasonably feasible, cost-effective design changes including, without limitation, eliminating customers' ability to make microbets.

320. The risks inherent in the design of the FanDuel Sportsbook App significantly outweighs any benefit of such design or the burden or cost of taking precautions against those risks.

321. Alternative designs were available that would reduce customers' addictive and compulsive engagement with the FanDuel Sportsbook App, and which would have served effectively the legitimate purposes of the FanDuel Sportsbook App while reducing the gravity and severity of danger posed by the FanDuel Sportsbook App's defects, such as by designing a sportsbook app that restricted a customer's ability to make wagers after the start of a game.

322. Plaintiffs Sage and Thompson used the FanDuel Sportsbook App as intended or in reasonably foreseeable ways.

323. Plaintiff Sage's and Plaintiff Thompson's physical, emotional, and economic injuries were reasonably foreseeable to FanDuel when it developed, designed, advertised, marketed, promoted, and distributed the FanDuel Sportsbook App.

324. The FanDuel Sportsbook App was defective and unreasonably dangerous when FanDuel deployed it. The defects continued to exist through the FanDuel Sportsbook App's distribution to, and use by, Plaintiffs Sage and Thompson, who each used the FanDuel Sportsbook App without any substantial change in the FanDuel Sportsbook App's condition.

325. FanDuel's, Genius Sports', and the NFL Defendants' defective design of the FanDuel Sportsbook App was a direct and proximate cause and a substantial factor in the injuries sustained by Plaintiffs Sage and Thompson, including both economic injuries and non-economic pain and suffering injuries, not all of which can be wholly remedied by monetary relief.

326. As described above, FanDuel's, Genius Sports, and the NFL Defendants' conduct was intentional, fraudulent, willful, wanton, reckless, malicious, oppressive, extreme, and outrageous, and displayed an entire want of care and a conscious and depraved indifference to the consequences of their conduct, including to the health, safety, and welfare of its customers, and warrants an award of punitive damages in an amount sufficient to punish FanDuel, Genius Sports, and the NFL Defendants and deter others from like conduct.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 9**  
**Failure to Warn (Strict Liability)**  
**Asserted Against FanDuel, Genius Sports, and the NFL Defendants**

327. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

328. The FanDuel Sportsbook App, as a whole, is unreasonably dangerous as designed, and contains product features that have been designed in ways that are unreasonably dangerous.

329. FanDuel defectively designed the FanDuel Sportsbook App to exploit the chemical reward system of customers' brains to create addictive engagement, compulsive use, and mental and physical harm, including through (i) rapid resolution microbets and high-frequency wagering features, (ii) persistent push notifications and other engagement prompts that manipulated customers, including Plaintiffs, into continuous betting, and (iii) deploying analytical tools and artificial intelligence to identify, create, and promote betting opportunities personalized to customers, including Plaintiffs, based on their unique gambling profile to inculcate and perpetuate customers', including Plaintiffs', continuous betting on their sports gambling platforms.

330. Genius Sports supplied FanDuel with officially-licensed live game and player data and statistics, including live NFL game and player data and statistics, which is necessary to allow FanDuel to (i) generate a broad portfolio of microbetting opportunities, and (ii) personalize such wagers to Plaintiffs based on their unique gambling profiles.

331. The NFL Defendants, through Genius Sports, supplied FanDuel with officially-licensed live NFL game and player data and statistics, which is necessary to allow FanDuel to (i) generate a broad portfolio of microbetting opportunities on NFL games and players, and (ii) personalize such wagers to customers, including Plaintiffs, based on their unique gambling profiles.

332. FanDuel, Genius Sports, and the NFL Defendants knew or should have known of the unreasonably dangerous properties of the FanDuel Sportsbook App, including its potential to

induce gambling addictions and compulsive gambling habits and the harms associated with these conditions in its customers, including Plaintiffs.

333. The FanDuel Sportsbook App is dangerous to an extent beyond what an ordinary customer would contemplate. An ordinary customer would not reasonably expect to understand that the FanDuel Sportsbook App encourages and induces gambling addiction and compulsive wagering when used in a manner reasonably foreseeable to FanDuel, Genius Sports, and the NFL Defendants.

334. The FanDuel Sportsbook App is defective and unreasonably dangerous because, among other reasons described throughout this Complaint, FanDuel, Genius Sports, and the NFL Defendants failed to exercise reasonable care to inform customers that the use of the FanDuel Sportsbook App can cause gambling addiction and other physical harms, as well as emotional harm that accompany such physical injuries.

335. Even though gambling is a recognized addiction, and even though microbets are highly addictive sports bets that can only be placed through online sportsbooks, FanDuel does not warn consumers, including Plaintiffs, on the FanDuel Sportsbook App or anywhere else as to the unique dangers associated with online gambling generally or microbetting in particular.

336. Similarly, Genius Sports and the NFL Defendants do not take any steps to warn FanDuel's customers, including Plaintiffs, (i) that the NFL's data and statistics are being used to offer microbetting on the FanDuel Sportsbook App, and (ii) that microbets are highly addictive sports bets that can only be placed through online sportsbooks, and/or (iii) as to the unique dangers associated with online gambling generally or microbetting in particular.

337. Plaintiffs downloaded and started using the FanDuel Sportsbook App with the understanding that the betting experience on the app would mirror or replicate their previous sports

gambling experience with traditional in-person sports betting. But in reality, unbeknownst to Plaintiffs, the FanDuel Sportsbook App was a fundamentally different product that FanDuel intentionally designed to inculcate and perpetuate customers', including Plaintiffs', gambling addiction. Had Plaintiffs Sage and Thompson received adequate warnings or instructions of the risks of using the FanDuel Sportsbook App, including of the increased risk of gambling addiction that use of the FanDuel Sportsbook App would cause, they would have observed the warning and avoided microbetting, and therefore would not have developed a gambling addiction disorder, nor suffered the consequences of such foreseeable physical harm.

338. FanDuel's, Genius Sports', and the NFL Defendants' failure to adequately warn Plaintiffs about the risks of the defective FanDuel Sportsbook App was a direct and proximate cause of and a substantial factor in the significant physical harm sustained by each Plaintiff, including the development of a gambling addiction disorder, as well as the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

339. FanDuel's, Genius Sports, and the NFL Defendants' conduct was intentional, fraudulent, willful, wanton, reckless, malicious, oppressive, extreme, and outrageous, and displayed an entire want of care and a conscious and depraved indifference to the consequences of their conduct, including to the health, safety, and welfare of its customers, and warrants an award of punitive damages in an amount sufficient to punish FanDuel, Genius Sports, and the NFL Defendants and deter others from like conduct.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 10**  
**Design Defect (Negligence)**  
**Asserted Against FanDuel, Genius Sports, and the NFL Defendants**

340. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

341. FanDuel, Genius Sports, and the NFL Defendants each owed a duty of care to design the FanDuel Sportsbook App to be reasonably safe.

342. FanDuel, Genius Sports, and the NFL Defendants knew or could reasonably foresee that that the FanDuel Sportsbook App was designed in a way that made it unreasonably dangerous and likely to cause harm to a substantial portion of customers when used as intended.

343. The risks associated with the FanDuel Sportsbook App were knowable to FanDuel, Genius Sports, and the NFL Defendants in light of the fact that rates of sports gambling addiction were increasing as a result of the introduction of online sports gambling and the introduction and proliferation of microbetting, including through data such as rising calls to Pennsylvania's gambling addiction hotline, and rapid increases in the total percentage of amounts wagered on the FanDuel Sportsbook App related to in-game betting.

344. FanDuel, Genius Sports, and the NFL Defendants knew, or by the exercise of reasonable care, should have known, that ordinary consumers such as Plaintiffs Sage and Thompson would not have realized the potential risks and dangers of the FanDuel Sportsbook App when used as intended, including the risk of developing and exacerbating gambling addiction and the cascade of negative consequences that flow from such physical harm, including acute financial, physical, mental, and emotional distress.

345. FanDuel, Genius Sports, and the NFL Defendants breached this duty by negligently designing the FanDuel Sportsbook App to include features that are particularly addictive and likely to addict users who would not appreciate the risks posed by the product.

346. FanDuel, Genius Sports, and the NFL Defendants each breached their duty by designing the FanDuel Sportsbook App to be less safe to use than an ordinary consumer would expect when used in an intended and reasonably foreseeable manner.

347. FanDuel, Genius Sports, and the NFL Defendants each breached their duty by failing to use reasonable care to use cost effective, reasonably feasible alternative designs, including without limitation eliminating microbetting, to minimize the harms described herein. Alternative designs that would reduce the addictive features of the FanDuel Sportsbook App that were available, would have served effectively the same purpose as the defectively designed FanDuel Sportsbook App, and would have reduced the gravity and severity of danger that the FanDuel Sportsbook App posed to customers, including Plaintiffs.

348. A reasonable company under the same or similar circumstances as FanDuel, Genius Sports, and the NFL Defendants would have designed a safer product.

349. FanDuel, Genius Sports, and the NFL Defendants' failure to design the FanDuel Sportsbook App in a reasonably safe manner was a direct and proximate cause of and a substantial factor in the significant physical harm sustained by each Plaintiff, including the development of a gambling addiction disorder, as well as the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 11**  
**Design Defect (Failure to Warn)**  
**Asserted Against FanDuel, Genius Sports, and the NFL Defendants**

350. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

351. FanDuel, Genius Sports, and the NFL Defendants each owed a duty of care to all reasonably foreseeable customers, like Plaintiffs, to provide adequate warnings about the risk of using the FanDuel Sportsbook App that were known to them, or that they should have known through the exercise of reasonable care.

352. FanDuel, Genius Sports, and the NFL Defendants knew or could reasonably foresee that the FanDuel Sportsbook App was designed in a way that made it unreasonably dangerous and likely to cause harm to customers when used as intended.

353. The risks associated with the FanDuel Sportsbook App were knowable to FanDuel, Genius Sports, and the NFL Defendants in light of the fact that rates of sports gambling addiction were increasing as a result of the introduction of online sports gambling and the introduction and proliferation of microbetting, including through data such as rising calls to Pennsylvania's gambling addiction hotline, and rapid increases in the total percentage of amounts wagered on the FanDuel Sportsbook App related to in-game betting.

354. FanDuel, Genius Sports, and the NFL Defendants knew, or, by the exercise of reasonable care, could have known, that ordinary consumers such as Plaintiffs would not have realized the potential risks and dangers of the FanDuel Sportsbook App when used as intended, including the risk of developing and exacerbating gambling addictions and the cascade of negative consequences that flow from such addictions including acute financial, physical, mental, and emotional distress.

355. Even though gambling is a recognized addiction, and even though microbets are highly addictive sports bets that can only be placed through online sportsbooks, FanDuel does not

warn consumers, including Plaintiffs, on the FanDuel Sportsbook App or anywhere else as to the unique dangers associated with online gambling generally or microbetting in particular.

356. Similarly, Genius Sports and the NFL Defendants do not take any steps to warn FanDuel's customers, including Plaintiffs, (i) that the NFL's data and statistics are being used to offer microbets on the FanDuel Sportsbook App, and (ii) that microbets are highly addictive sports bets that can only be placed through online sportsbooks, and/or (iii) as to the unique dangers associated with online gambling generally or microbetting in particular.

357. FanDuel, Genius Sports, and the NFL Defendants each breached their duty by failing to use reasonable care in providing adequate warnings of the FanDuel Sportsbook App's potential risk and dangerousness to customers, including Plaintiffs, as described above.

358. A reasonable company under the same or similar circumstances as FanDuel, Genius Sports, and the NFL Defendants would have provided adequate warnings to consumers as described herein.

359. FanDuel, Genius Sports, and the NFL Defendants could have provided adequate warnings to prevent the harms and injuries to Plaintiffs described herein.

360. FanDuel's, Genius Sports', and the NFL Defendants' failure to provide adequate warnings was a direct and proximate cause of and a substantial factor in the significant physical harm sustained by each Plaintiff, including the development of a gambling addiction disorder, as well as the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 12**  
**Common Law Negligence**  
**Asserted Against FanDuel and FanDuel VIP Hosts**

361. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

362. FanDuel and the FanDuel VIP Hosts owe a duty of care to its customers, including Plaintiffs, not to expose them to a reasonably foreseeable risk of injury.

363. FanDuel and the FanDuel VIP Hosts also owe a special duty of care to the customers to whom FanDuel assigns a VIP Host, including the Plaintiffs, to protect them from a foreseeable risk of injury.

364. FanDuel assigns VIP Hosts to provide customers who have wagered a significant amount with personalized, dedicated support, exclusive promotions, and access to special events.

365. That personalized, dedicated support includes keeping tabs on customers' wagers and identifying potential problems or compulsive gambling behavior.

366. FanDuel assigned Defendants Morgan and Sonbeek to Plaintiff Sage as his VIP Host. FanDuel also assigned Defendant Morgan to Plaintiff Thompson as his VIP Host.

367. Plaintiffs reasonably relied on FanDuel and their respective FanDuel VIP Hosts, who could see all of Plaintiffs' wagers in real time, to flag concerns about Plaintiffs' potential problem or compulsive gambling and/or to refrain from supplying Plaintiffs with means or incentives to place additional wagers, including betting credits and promotions, once the FanDuel VIP Hosts knew or should have known that Plaintiffs were exhibiting signs or symptoms of gambling addiction disorder.

368. FanDuel and the FanDuel VIP Hosts breached their duties of care by continuing to offer Plaintiffs betting credits, exclusive promotions, and other perks to encourage their wagering on the FanDuel Sportsbook App, even after FanDuel and the FanDuel VIP Hosts knew, or should have known, based on their gambling history, that Plaintiffs were exhibiting signs or symptoms of

gambling addiction disorder.

369. FanDuel's and the FanDuel VIP Host's breach of their duties of care as described throughout this Complaint was a direct and proximate cause of and a substantial factor in the significant and foreseeable injuries that each Plaintiff suffered, including the physical harm that each Plaintiff sustained, such as the development of a gambling addiction disorder, and the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

370. FanDuel's and the FanDuel VIP Host's actions were done with wanton and willful disregard of persons who foreseeably might be harmed by their acts, including Plaintiffs.

371. In the alternative, FanDuel's and the FanDuel VIP Hosts' negligence was reckless as to the foreseeable risks that their conduct would harm Plaintiffs.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406, and such other relief as this Court deems just and proper.

**COUNT 13**  
**Common Law Negligence**  
**Asserted Against FanDuel, Genius Sports, and the NFL Defendants**

372. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

373. FanDuel owes a duty of care to its customers, including Plaintiffs, to use the data and statistics that it licenses from sports leagues, including the NFL, in a reasonable manner that does not expose such customers to a foreseeable risk of injury.

374. The Genius Sports and the NFL Defendants owe a duty of care to FanDuel's customers, including Plaintiffs, to ensure that the data and statistics it licenses to sportsbooks, including FanDuel, is not used in a way that exposes those customers to a foreseeable risk of injury.

375. FanDuel breached its duty of care because it licensed live data and statistics from

sports leagues, including the NFL, in order to make microbets available to customers, including Plaintiffs, on the FanDuel Sportsbook App even though it knew or should have known that making microbets available would foreseeably injure its customers by substantially increasing the likelihood that they would suffer physical harm, such as the development of a gambling addiction disorder, as well as emotional and financial harm.

376. Genius Sports and the NFL Defendants each breached their duty of care because they each knew or should have known that the data they licensed to FanDuel would be used by FanDuel to make microbets available to FanDuel's customers, including Plaintiffs, on the FanDuel Sportsbook App, and that this would foreseeably injure such customers by substantially increasing the likelihood that they would suffer physical harm, such as the development of a gambling addiction disorder, as well as emotional and financial harm.

377. FanDuel's, Genius Sports', and the NFL Defendants' breach of their duties of care as described throughout this Complaint was a direct and proximate cause of, and a substantial factor in, the significant and foreseeable injuries that each Plaintiff suffered, including the physical harm that each Plaintiff sustained, such as the development of a gambling addiction disorder, and the pain and suffering, emotional distress, and financial losses that each Plaintiff incurred.

378. FanDuel's, Genius Sports', and the NFL Defendants' actions were done with wanton and willful disregard of persons who foreseeably might be harmed by their acts, including Plaintiffs.

379. In the alternative, FanDuel's, Genius Sports', and the NFL Defendants' negligence was reckless as to the foreseeable risk that their conduct would harm Plaintiffs.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of

suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 14**  
**Intentional Infliction of Emotional Distress**  
**Asserted Against DraftKings and FanDuel**

380. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

381. As alleged herein, DraftKings and FanDuel engaged in extreme and outrageous conduct by taking a known addictive product, *i.e.* sports gambling, and distributing it through a mobile application that it designed in a manner intended to inculcate and perpetuate compulsive and addictive gambling behavior among its customers, including through the deliberate implementation of features such as microbetting, persistent push notifications, and deployment of VIP Hosts. Such conduct went beyond all possible bounds of decency and is utterly intolerable in a civilized community.

382. DraftKings and FanDuel knew and/or recklessly disregarded the fact that rates of sports gambling addiction were increasing as a result of the introduction of online sports gambling and the introduction and proliferation of microbetting, including through data such as rising calls to Pennsylvania's gambling addiction hotline, and rapid increases in the total percentage of amounts wagered related to in-game betting.

383. Despite this knowledge, DraftKings and FanDuel continued to expand and promote high-risk betting features, including microbetting, which constitute a majority of wagering volume on both platforms.

384. As a direct and proximate result of DraftKings' and FanDuel's extreme and outrageous conduct, DraftKings and FanDuel intentionally and/or recklessly caused Plaintiffs to suffer severe emotional distress.

WHEREFORE, Plaintiffs demand judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 15**  
**Aiding and Abetting Tortious Conduct**  
**Asserted Against NFL Defendants and Genius Sports**

385. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

386. The NFL Defendants and Genius Sports, individually and in concert with DraftKings and FanDuel, knowingly contributed to the defective design of the DraftKings Sportsbook App and FanDuel Sportsbooks App by supplying DraftKings and FanDuel with officially-licensed live game and player data and statistics, including live NFL game and player data and statistics, which is necessary to the implementation and distribution of microbetting on the DraftKings Sportsbook App and FanDuel Sportsbook App.

387. The NFL Defendants and Genius Sports knew or should have known that supplying DraftKings and FanDuel with live game and player data and statistics would result in an unreasonable increased risk of inculcating and perpetuating gambling addiction amongst customers, including Plaintiffs.

388. The NFL Defendants and Genius Sports gave substantial assistance and/or encouragement to DraftKings and FanDuel, including through the supply of live game and player data and statistics, and this substantial assistance and/or encouragement aided and abetted the defectiveness and dangerousness of the Sportsbook Apps.

389. As a direct and proximate result of the NFL Defendants' and Genius Sports' conduct, each Plaintiff suffered significant physical harm, including the development of a gambling addiction disorder, as well as pain and suffering, emotional distress and financial losses.

WHEREFORE, Plaintiffs demands judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

**COUNT 16**  
**Unjust Enrichment**  
**Asserted Against All Defendants**

390. Plaintiffs incorporate the allegations set forth above as if fully set forth herein.

391. As alleged herein, Defendants intentionally fostered, targeted, and manipulated Plaintiffs' and other customers' gambling by inducing them to continuously place bets on the DraftKings Sportsbook App and FanDuel Sportsbook App through microbetting despite knowing that the Sportsbook Apps significantly increased the risk that customers, including Plaintiffs, would develop compulsive or addictive gambling behavior.

392. As a result of Defendants' deceptive, unfair, and tortious conduct, Defendants caused Plaintiffs to develop a gambling addiction disorder. As a result, Plaintiffs have collectively wagered millions of dollars on the DraftKings Sportsbook App and FanDuel Sportsbook App, resulting in more than \$2 million in losses. Plaintiffs would not have wagered nor lost these amounts were it not for Defendants' deceptive, unfair, and tortious conduct.

393. As further alleged herein, Defendants have appreciated the benefits conferred by Plaintiffs.

394. DraftKings and FanDuel have been unjustly enriched in the amount that Plaintiffs lost on the DraftKings Sportsbook App and FanDuel Sportsbook App, respectively.

395. Genius Sports has been unjustly enriched with respect to every wager that Plaintiffs placed on the DraftKings Sportsbook App and/or FanDuel Sportsbook App that DraftKings and/or FanDuel generated based on live data licensed from Genius Sports, because Genius Sports receives

a commission with respect to such wagers.

396. The NFL Defendants, through their ownership interest in and contractual relationship with Genius Sports, have been unjustly enriched with respect to every wager that Plaintiffs placed on the DraftKings Sportsbook App and/or FanDuel Sportsbook App that DraftKings and/or FanDuel generated based on NFL game and/or player data that it licensed from Genius Sports, because Genius Sports is the NFL's exclusive licensor of such data, and receives a commission with respect to such wagers. Moreover, the NFL, through its various agreements with Genius Sports, received and/or continues to receive a licensing fee in exchange for the exclusive right to distribute NFL game and/or player data to online sportsbooks, including to DraftKings and FanDuel.

397. The VIP Hosts were unjustly enriched with respect to wagers that Plaintiffs made on the DraftKings Sportsbook App and/or FanDuel Sportsbook App during the time that each VIP Host was assigned to each Plaintiff, because each of the VIP Hosts received compensation tied to the amount that their assigned DraftKings and FanDuel customers, including Plaintiffs, made on the DraftKings Sportsbook App and/or FanDuel Sportsbook App during such time that they were assigned to each Plaintiff.

398. The money that Defendants have received was obtained under circumstances that were deceptive, unfair, and tortious and at the expense of Plaintiffs.

399. Therefore, it is inequitable and unjust for Defendants to retain the profit, benefit, or compensation without paying Plaintiffs back for the full value of the amounts that Plaintiffs conferred upon them.

400. As a direct and proximate result of Defendants' unjust enrichment, Plaintiffs are entitled to restitution, disgorgement, and/or the imposition of a constructive trust upon all profits,

benefits, and other compensation obtained by Defendants from its unfair, deceptive, and tortious conduct as alleged herein.

401. Plaintiffs plead this claim separately as well as in the alternative to their other claims, as without such claims they would have no adequate legal remedy.

WHEREFORE, Plaintiffs demands judgment in their favor, together with an award of compensatory damages, punitive damages, injunctive relief, attorneys' fees, interest, and costs of suit as specifically set forth in paragraphs 402 to 406 below, and such other relief as this Court deems just and proper.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs Sage and Thompson demand a jury trial on all claims so triable and judgment as follows:

402. Awarding Plaintiffs actual and/or compensatory, multiple, punitive (as available according to law), and statutory damages;

403. Enjoining Defendants from the wrongful conduct as described herein;

404. Awarding Plaintiffs their reasonable costs and expenses of suit, including attorneys' fees;

405. Awarding pre- and post-judgment interest to the extent the law allows; and

406. Awarding such further relief as this Court may deem just and proper.

#### **DEMAND FOR JURY TRIAL**

Plaintiff hereby demands trial by jury on all issues in this Complaint that are so triable.

For the Plaintiffs,

/s/ Alan Tauber

Alan Tauber  
Tauber Law  
718 Arch Street, Suite 702N  
Philadelphia, PA 19106  
(215) 575-0702  
atauber@atauberlaw.com

Andrew A. Rainer (MA Bar #542067)  
*(Pro Hac Vice forthcoming)*  
Jacob B. Wolk (MA Bar #699236)  
*(Pro Hac Vice forthcoming)*  
Amy R. Pearlman (MA Bar #704152)  
*(Pro Hac Vice forthcoming)*  
Mark Gottlieb (MA Bar #627008)  
*(Pro Hac Vice forthcoming)*  
Public Health Advocacy Institute  
360 Huntington Ave. #117CU  
Boston, MA 02115  
(617) 373-8487  
arainer@phaionline.org  
jacobwolk@phaionline.org  
apearlman@phaionline.org  
mark@phaionline.org

*Counsel for Plaintiffs*

**VERIFICATION**

Plaintiff Christopher Sage verifies that the statements made in the foregoing document are based on first-hand information and on information furnished to counsel and obtained by counsel in the course of their representation. The language of the document is that of counsel and not of the affiant. To the extent that the contents of the document are based on information furnished to counsel and obtained by counsel during the course of representation, the affiant has relied upon counsel in making this verification. All statements are founded on reasonable belief. This verification is made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Christopher Sage 03/22/2026

Name

A handwritten signature in black ink, appearing to read "Christopher Sage". The signature is written in a cursive style with a large initial "C".

Dated:

**VERIFICATION**

Plaintiff Terry Thompson verifies that the statements made in the foregoing document are based on first-hand information and on information furnished to counsel and obtained by counsel in the course of their representation. The language of the document is that of counsel and not of the affiant. To the extent that the contents of the document are based on information furnished to counsel and obtained by counsel during the course of representation, the affiant has relied upon counsel in making this verification. All statements are founded on reasonable belief. This verification is made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

  
\_\_\_\_\_

Name

Dated: 3/22/26