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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE**

STEVEN HORN, individually and on behalf of
all others similarly situated,

Plaintiff,

v.

AMAZON.COM, INC., a Delaware
corporation,

Defendant.

Case No.

COMPLAINT—CLASS ACTION

JURY DEMAND

Plaintiff Steven Horn brings this Class Action Complaint against Defendant Amazon.com, Inc. seeking restitution, damages, injunctive relief, and other appropriate relief from Amazon’s ongoing participation in an illegal internet gambling enterprise. Plaintiff alleges as follows:

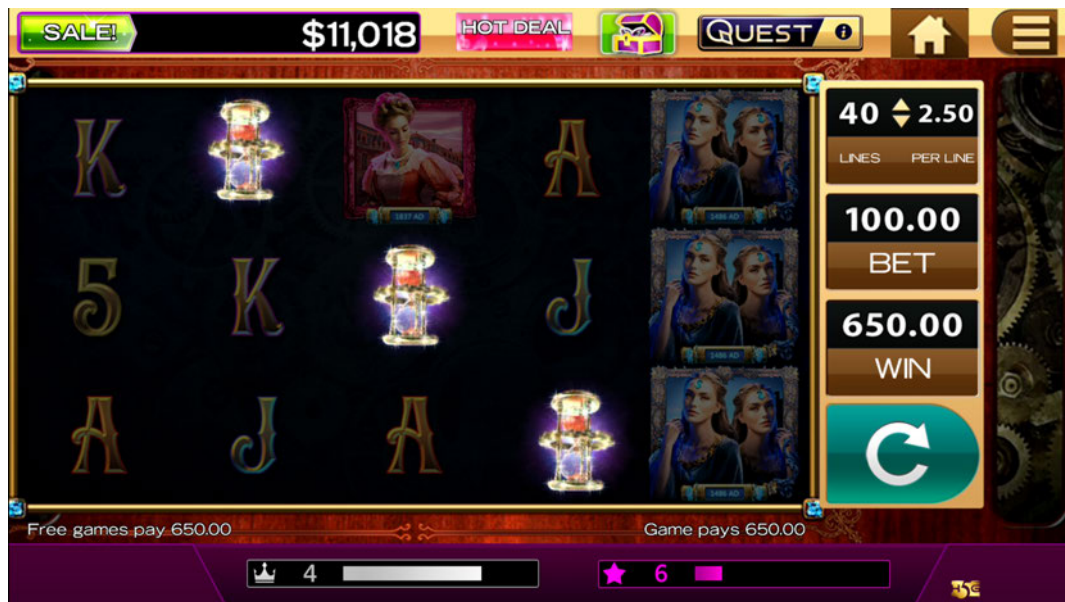
INTRODUCTION

1. Over the last decade, the world’s leading Las Vegas slot machine makers have teamed up with technology start-ups to develop a new product line: so-called “social casinos.”
2. Social casinos are apps, playable from smartphones, tablets, and internet browsers, that make the experience of slot machine gambling available to consumers anywhere and anytime.

1 By moving their casino games directly onto the phones and computers of players, and by leveraging
 2 an innocuous-sounding “free-to-play” model,¹ social casino companies, along with Defendant
 3 Amazon, have found a way to smuggle slot machines into the homes of consumers throughout the
 4 United States, 24 hours a day, 7 days a week, and 365 days a year.

5 3. Defendant Amazon owns and operates an app store where users can gamble on their
 6 mobile devices in Vegas-Style social casino apps. Amazon aggressively markets and distributes
 7 these social casino apps to consumers’ Amazon and Android devices.

8 4. Just like Las Vegas slot machines, social casinos allow users to purchase virtual
 9 “chips” in exchange for real money, and then gamble those chips at slot machine games in hopes of
 10 winning still more chips to keep gambling. In High 5 Casino, for example, players purchase virtual
 11 coins for use in betting, with set packages costing up to \$99.99. But unlike Las Vegas slots, social
 12 casinos do not allow players to cash out their chips. Instead, purchased chips and won chips alike
 13 can be used only for more slot machine “spinning.” See Figures 1-2.



(**Figure 1**, showing High 5 Casino gameplay, one of the social casinos available for download from Amazon.)

¹ This term is a misnomer. It refers to a business model by which the initial download of the game is free, but companies reap huge profits by selling “in-game” items (known generally as “in-app purchases”).



(**Figure 2**, showing an offer to purchase virtual currency with real money in High 5 Casino.)

5. Nevertheless, like Las Vegas slots, social casinos are extraordinarily profitable and highly addictive. Social casinos are so lucrative because they mix the addictive aspects of traditional slot machines with the power of Amazon to leverage big data and social network pressures to identify, target, and exploit consumers prone to addictive behaviors.²

6. Simply put, the social casino apps do not, and cannot, operate and profit at such a high level from these illegal games on their own. Their business of targeting, retaining, and collecting losses from addicted gamblers is inextricably entwined with Amazon. Not only does Amazon retain full control over allowing social casinos into its store, and their distribution and promotion therein, but it also shares directly in a substantial portion of the gamblers' losses, which are collected and controlled by Amazon.

7. Because Amazon is the center for distribution and payment, social casinos gain a critical partner to retain high-spending users and collect player data, a trustworthy marketplace to conduct payment transactions, and the technological means to update their apps with targeted new content designed to keep addicted players spending money.

² See, e.g., *How social casinos leverage Facebook user data to target vulnerable gamblers*, PBS NEWSHOUR (Aug. 13, 2019), <https://bit.ly/3tSHqMI>.

1 8. In 2020 alone, consumers purchased and gambled away an estimated \$6 billion in
2 social casino virtual chips.³

3 9. By utilizing Amazon for distribution and payment, the social casinos entered into a
4 mutually beneficial business partnership. In exchange for distributing the casino games, providing
5 them valuable data and insight about their players, and collecting money from consumers, Amazon
6 takes a 30-percent commission of every wager, earning billions in revenue. By comparison, the
7 “house” at a traditional casino only takes 1 to 15 percent, while also taking on significant risk of
8 loss in its operation. Amazon’s 30 percent take, on the other hand, is guaranteed for its ability to act
9 as the casino “house” and broker.

10 10. The result (and intent) of this dangerous partnership is that consumers become
11 addicted to social casino apps, maxing out their credit cards with purchases amounting to tens or
12 even hundreds of thousands of dollars. Consumers addicted to social casinos suffer a variety of non-
13 financial damages ranging from depression to divorce to attempted suicide.

14 11. Unsurprisingly, social casino apps are illegal under Washington gambling laws.

15 12. As the Ninth Circuit held in *Kater v. Churchill Downs Inc.*, 886 F.3d 784, 785 (9th
16 Cir. 2018):

17 In this appeal, we consider whether the virtual game platform “Big Fish Casino”
18 constitutes illegal gambling under Washington law. Defendant-Appellee Churchill
19 Downs, the game’s owner and operator, has made millions of dollars off of Big
20 Fish Casino. However, despite collecting millions in revenue, Churchill Downs,
21 like Captain Renault in *Casablanca*, purports to be shocked—shocked!—to find
22 that Big Fish Casino could constitute illegal gambling. We are not. We therefore
23 reverse the district court and hold that because Big Fish Casino’s virtual chips are
24 a “thing of value,” Big Fish Casino constitutes illegal gambling under Washington
25 law.

26 13. In other words, despite knowing that social casinos are illegal, Amazon continues to
maintain a 30% financial interest in the upside by brokering the slot machine games, driving

³ *Social casino market size worldwide from 2014 to 2026*, STATISTA (June 2021),
<https://www.statista.com/statistics/374575/social-casino-worldwide-market-size/>.

1 customers to them, and acting as the bank.

2 14. As such, Amazon is liable as a co-conspirator to an illegal gambling enterprise and
3 conspiracy.

4 15. Defendant Amazon, for its part, is a direct participant in an informal association and
5 enterprise of individuals and entities with the explicit purpose of knowingly devising and operating
6 an online gambling scheme to exploit consumers and reap billions in profits (the “Social Casino
7 Enterprise” or “Enterprise”).

8 16. This ongoing Enterprise necessarily promotes the success of each of its members:
9 social casino operators need Amazon to access consumers, promote their games, and broker all
10 payments for virtual chips. Amazon, for its part, needs developers to create profit-driven and
11 addictive applications on its platform to generate massive revenue streams.

12 17. Through this case, Plaintiff seeks to force Amazon to stop participating in, and to
13 return to consumers the money it has illegally profited from, the Social Casino Application
14 Enterprise.

15 18. Plaintiff, on behalf of the putative Class, brings claims for damages and for
16 injunctive relief under the Washington Return of Money Lost at Gambling Act, RCW § 4.24.070, *et*
17 *seq.* (“RMLGA”), the Washington Consumer Protection Act, RCW § 19.86.010, *et seq.* (“CPA”),
18 and the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. § 1961, *et seq.* (“RICO”).

19 **PARTIES**

20 19. Plaintiff Steven Horn is a natural person and a citizen of the State of Nevada.

21 20. Defendant Amazon.com, Inc. is a corporation existing under the laws of the State of
22 Delaware with its principal place of business located at 410 Terry Avenue N., Seattle, WA 98109.
23 Amazon regularly conducts and transacts business in this District, as well as throughout the United
24 States.

1 **JURISDICTION AND VENUE**

2 21. Federal subject-matter jurisdiction exists under 28 U.S.C. § 1332(d)(2) because (a) at
3 least one member of the proposed class is a citizen of a state different from Defendant, (b) the
4 amount in controversy exceeds \$5,000,000, exclusive of interests and costs, and (c) none of the
5 exceptions under that subsection apply to this action.

6 22. The Court has personal jurisdiction over Defendant because Defendant is
7 headquartered in this District and Defendant’s alleged wrongful conduct occurred in and emanated
8 from this District.

9 23. Venue is proper in this District under 28 U.S.C. § 1391(b) because a substantial part
10 of the events giving rise to Plaintiff’s claims occurred in and emanated from this District. Further,
11 Defendant Amazon’s Conditions of Use specifically require Plaintiff to bring any claims in this
12 District and state (“any dispute or claim relating in any way to your use of any Amazon Service will
13 be adjudicated in the state or Federal courts in King County, Washington, and you consent to
14 exclusive jurisdiction and venue in these courts.”).

15 **GENERAL ALLEGATIONS**

16 ***I. Social Casino Applications Constitute Illegal Gambling Under Washington Law***

17 24. Under Washington law, social casino applications—which are playable from
18 smartphones, tablets, and internet browsers—constitute illegal gambling.

19 25. In *Kater*, for example, the Ninth Circuit held that social casino applications are
20 illegal under Washington law because, while users cannot win money, social casino chips are
21 “things of value” given that they can be purchased for money, are awarded as prizes in social casino
22 slot machines, and then can be used to allow players to keep spinning social casino slot machines.

23 26. Washington aggressively regulates all forms of gambling and prohibits online
24 gambling. One reason it does so is to prevent consumers from being cheated by professional
25 gambling operations.
26

1 27. Because social casinos have previously operated as if they were not subject to
2 gambling regulations, they do not comply with any of the regulations that govern the operation of
3 physical casinos or slot machines.

4 28. Notably, while any legitimately operated slot machine must randomize its results,
5 social casino applications do not randomize their results. Instead, these tailor “wins” and “losses” in
6 such a way as to maximize addiction (and, in turn, revenues). A CEO of one social casino once
7 explained, “[o]ur games aren’t built to be bulletproof like you’d need to be if you’re a real gambling
8 company. We can do things to make our games more [fun] that if you were an operator in Vegas
9 you’d go to jail for, because we change the odds just for fun.”

10 29. In other words, social casinos are not just illegal under Washington law, but they
11 would not be legal slot machines under any state law as they cheat players out of a legitimately
12 randomized slot machine experience. Not only can players never actually win money, but their
13 financial losses are maximized by deceptive gameplay tweaks that would never be allowed in a
14 physical slot machine.

15
16 ***II. Amazon Promotes, Brokers Transactions On, and Profits From Illegal Social Casinos.***

17 30. Defendant Amazon has directly assisted in creating the unregulated market of virtual
18 casino games from the outset of the industry.

19 31. Before gaining access to Amazon’s app distribution platform, the Illegal Slots used
20 methods like loyalty cards to track data on how much gamblers spent, how frequently they played,
21 or how often they bet. The Amazon partnership upgraded their business model to an in-app payment
22 system and provided additional user data—which caused skyrocketing revenue for the Illegal Slots
23 by providing them with access to a whole new market of consumers.

24 32. The core marketing for the Illegal Slots is accomplished in concert with Amazon,
25 and their systems are inextricably linked. For example, according to SEC filings by SciPlay
26 Corporation (“SciPlay”), a subsidiary of Light & Wonder, Inc. (f/k/a Scientific Games Corp.) and

1 operator of the Illegal Slot game Quick Hit Slots, the company “reli[es] on third-party platforms and
 2 [its] ability to track data on those platforms” in the operation of its social casino app business.⁴
 3 SciPlay’s reliance on the platforms is so significant that its “expansion and prospects ... depend on
 4 [its] continued relationships with these providers.”⁵

5 33. Access to data through these app platforms and their tools is essential to the hyper-
 6 targeted nature of the social casino business model. For example, according to li

7 34. ’s CEO, the company uses its access to a large, platform-derived player base in order
 8 to mine them for data, analyze it, and use it to keep them addicted:

9 The secret sauce of Playtika is our ability to work with AI. We know
 10 exactly when a player is going to stop playing. We know exactly
 11 when they’re going to pay. We know how many times they come in
 12 each day. I can’t say we can predict with 100 percent accuracy, but
 13 we can predict, for most of our players, their activities in our games.
 14 That’s the real power behind the operations side. When you can
 predict this, you can find solutions to problems. If someone wants
 to move on from your game, to delete your app, you know how to
 handle that player. We sound the alarm. We know how to operate
 and make sure a player retains in the game.⁶

15 35. By moving to online platforms for marketing, distribution, and payments, the Illegal
 16 Slots entered into a mutually beneficial business partnership with Defendant Amazon. In exchange
 17 for pushing and distributing the social casino apps and collecting money from consumers, Amazon
 18 takes a 30-percent commission from every in-app purchase of, and Amazon Coin redemption for,
 19 virtual chips—earning them billions in revenue.

22 ⁴ SciPlay Corporation, Form 10-K at 3 (Mar. 1, 2022),
<https://www.sec.gov/Archives/edgar/data/1760717/000176071722000018/scpl-20220331.htm>.

23 ⁵ Light & Wonder, Inc., Form 10-K at 28 (Mar. 1, 2023), chrome-
 24 extension://efaidnbmnnnibpcajpcglclefindmkaj/https://app.quotemedia.com/data/downloadFiling?webmasterId=90423
 &ref=117301795&type=PDF&symbol=LNW&companyName=Light+%26+Wonder+Inc.&formType=10-
 K&formDescription=Annual+report+pursuant+to+Section+13+or+15%28d%29&dateFiled=2023-03-01.

25 ⁶ Dean Takahashi, *Playtika CEO Robert Antokol interview— Why player retention matters now*, VENTUREBEAT
 26 (Jan. 6, 2022), [https://venturebeat.com/games/playtika-ceo-robert-antokol-interview-why-player-retention-matters-
 now/](https://venturebeat.com/games/playtika-ceo-robert-antokol-interview-why-player-retention-matters-now/).

1 36. Prior to being featured in the Amazon Appstore, developers must submit their app
 2 for review. In this process, Amazon examines whether the app violates any company policies and
 3 demands that apps comply with all relevant laws within the jurisdiction where the app is available.
 4 Apps may be, and often are, removed at Amazon’s discretion for violating its policies and can be
 5 audited at any time.

6 37. Amazon purports to heavily regulate applications that involve gambling, providing a
 7 list of specific requirements that must be met by developers to permit a gambling-focused app in its
 8 Appstore. For example, Amazon prohibits apps from using its in-app purchasing to fund “an in-app
 9 wallet of real money” and requires the app to be rated as “Adult.” Nevertheless, Amazon features
 10 and profits from social casino apps.

11 38. As such, Defendant Amazon has an active role in reviewing and profiting from
 12 gambling apps. Amazon, through its app review process, is keenly aware of the illegal and
 13 deceptive nature of the Illegal Slots. Amazon knew of the unlawful nature of the Illegal Slots and
 14 nonetheless knowingly promoted the unlawful gambling apps, brokered illegal gambling payments,
 15 and reaped financial benefits from those illegal payments.

16 39. Furthermore, on information and belief, in the wake of the *Kater* decision, Amazon
 17 did not remove any social casinos from its offerings, signaling that it will continue to offer illegal
 18 social casino games.

19 **A. The Illegal Slots**

20 40. Each of the following non-exhaustive list of social casinos, among others offered by
 21 Amazon, constitutes illegal online gambling under Washington law.

#	Game Title	qui
1	Jackpot Party	https://www.amazon.com/Jackpot-Party-Casino-Slots-Vegas/dp/B00C7X0ZNU/
2	Goldfish Casino Slot Games	https://www.amazon.com/Gold-Fish-Casino-Slots-HD/dp/B00KCYMAWK/
3	MONOPOLY Slots - Casino Games	https://www.amazon.com/SG-Interactive-MONOPOLY-Slots/dp/B07229WRY6/

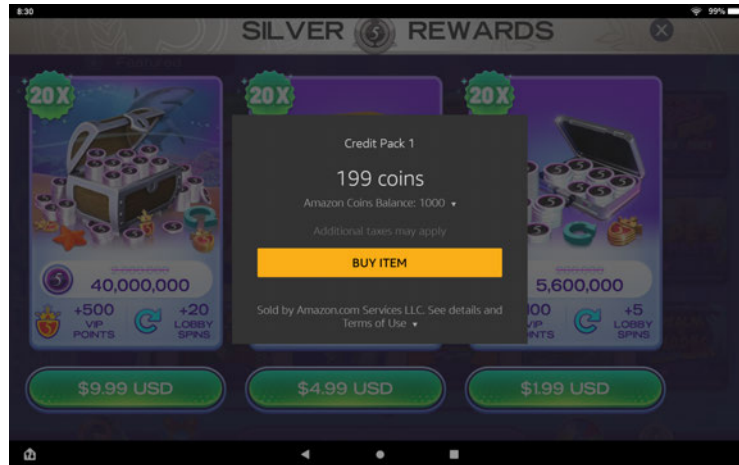
1	4	88 Fortunes Slots Casino Games	https://www.amazon.com/88-FortunesTM-Free-Slots-Casino/dp/B073ZLCVFY/
2	5	Hot Shot Casino Slot Games	https://www.amazon.com/SG-Interactive-Shot-Casino-SlotsTM/dp/B01HBX2W2C/
3	6	Lotsa Slots	https://www.amazon.com/Lotsa-Slots-Vegas-Casino-SLOTS/dp/B07PFXRD9G/
4	7	Jackpot World™ - Slots Casino	https://www.amazon.com/Grande-Games-Limited-DAFUTM-Casino/dp/B07WCW5BJZ/
5	8	Cash Frenzy	https://www.amazon.com/Cash-Frenzy-Casino-Slots-Games/dp/B07JHXZZKS/
6	9	Vegas Friends	https://www.amazon.com/Vegas-Friends-Casino-Slots-Free/dp/B08TZV96J5/
7	10	Jackpot Crush	https://www.amazon.com/Jackpot-Crush-Free-Vegas-Machines/dp/B08S2XBXBQ/
8	11	POP! Slots Vegas Casino Games	https://www.amazon.com/Slots-Play-Vegas-Casino-Machines/dp/B08KTDZM1N/
9	12	myVEGAS Slots	https://www.amazon.com/PlayStudios-Inc-myVEGAS-Slots/dp/B00GXH3TGG/
10	13	MyKONAMI Slots	https://www.amazon.com/PlayStudios-Inc-KONAMI-Slots/dp/B016FO3PVU/
11	14	Huuuge Casino Slots	https://www.amazon.com/Slots-Huuuge-Casino-Blackjack-Baccarat/dp/B015Q1RD0W/
12	15	Billionaire Casino	https://www.amazon.com/Billionaire-Casino-Slots-Games-Poker/dp/B01MEGJKCD/
13	16	Lightning Link Casino Slots	https://www.amazon.com/Lightning-Link-Casino-Slots-Games/dp/B07R2FPB34/
14	17	Cashman Casino Las Vegas Slots	https://www.amazon.com/Product-Madness-Cashman-Casino/dp/B01HBJ4MPQ/
15	18	Slots: Heart of Vegas Casino	https://www.amazon.com/Heart-Vegas-Free-Slots-Casino/dp/B0108G1FOA/
16	19	Jackpot Magic Slots	https://www.amazon.com/Big-Fish-Games-Jackpot-SlotsTM/dp/B071JWLHY6/
17	20	Big Fish Casino	https://www.amazon.com/Big-Fish-Casino-Vegas-Machines/dp/B0070YDOT8/
18	21	Jackpot Master	https://www.amazon.com/Zeroo-Gravity-Games-LLC-MasterTM/dp/B09M3P3S83/
19	22	Cash Tornado	https://www.amazon.com/Cash-Tornado-Slots-Vegas-Casino/dp/B081GVL84B/
20	23	DoubleU Casino	https://www.amazon.com/DoubleU-Casino-Vegas-Bonuses-Jackpot/dp/B00KQHVVWC/
21	24	Take 5 Vegas Slots	https://www.amazon.com/Take5-Vegas-Slots-Free-Casino/dp/B01N9E7GUU/
22	25	Black Diamond Casino	https://www.amazon.com/Zynga-Game-Network-SLOTS-Diamond/dp/B01A7HXF7U/
23	26		

1	26	Game of Thrones Slots Casino	https://www.amazon.com/Game-of-Thrones-Slots-Casino/dp/B07P6YKMV3/
2	27	Hit it Rich!	https://www.amazon.com/Hit-Rich-Free-Casino-Slots/dp/B00KSOQ66K/
3	28	Wizard of Oz Slots	https://www.amazon.com/Wizard-Oz-Magic-Match/dp/B01BPPA75Q/
4	29	Willy Wonka Vegas Casino Slots	https://www.amazon.com/Willy-Wonka-Slots-Machines-Classic/dp/B01C381NS4/
5	30	Slotomania Slots	https://www.amazon.com/Slotomania-Free-Slots-Casino-Games/dp/B007TBAQCK/
6	31	Caesar's Slots	https://www.amazon.com/Caesars-Slots-Free-Casino-Games/dp/B00GMIB004/
7	32	House of Fun	https://www.amazon.com/House-Fun-Vegas-Casino-Slots/dp/B00EC5ZFL8/
8	33	Slots and Words	https://www.amazon.com/Vegas-Downtown-Slots-Machines-Puzzle/dp/B019ZRIB3Q/
9	34	Quick Hit Slots	https://www.amazon.com/Quick-Hit-Slots-Free-Vegas/dp/B00XGNNN52/

12 41. The Illegal Slots all have the same thing in common: they allow users to purchase
13 virtual “chips” or “tokens” with real money and then gamble those chips at slot machine games in
14 hopes of winning still more chips to keep gambling.

15 42. Consumers may purchase “chips” or “tokens” directly through the Illegal Slots
16 mobile apps.

17 43. Amazon has also minted its own currency called “Amazon Coin” that consumers can
18 purchase and redeem at the Illegal Slots for “chips” and “tokens.” According to Amazon, Amazon
19 Coins have real value and consumers “can spend them the same as cash.” For example, Amazon
20 sells 1,000 Amazon Coins for \$9.70. Consumers can then redeem 199 Amazon Coins to purchase
21 5,600,000 chips for use at High 5 Casino, or, alternately, can directly pay High 5 Casino \$1.99 for
22 that coin package. See **Figure 3** below. As such, each Amazon Coin has roughly a USD value of
23 approximately \$0.01.



(**Figure 3**, showing Amazon’s offer to sell Amazon coins in lieu of High 5 Casino coins.)

44. As explained above, Amazon collects 30% of each in-app purchase and Amazon Coin redemption at the Illegal Slots.

B. Amazon’s Brokering Of, Promotion Of, and Control Over the Illegal Slots

45. As a preliminary matter, Amazon heavily promotes the download of the Illegal Slots via the Amazon Appstore and encourages consumers to spend money on “chips” and “tokens.” Indeed, Amazon created a category on the Amazon Appstore titled “The best casino games for Amazon Coins,” indicating to consumers that they can purchase Amazon Coins and redeem its cash value on “chips” and “tokens” for use on the Illegal Slots.

46. Amazon routinely brokers the success of the Illegal Slots by counseling the app developers through the app launch process and providing them with resources and business tools necessary to maximize their success on the Amazon Appstore. For instance, initiation on Amazon as an app developer includes immediate access to “Program Materials” including software, software development kits, libraries, application programming interfaces, sample code, templates, documentation, and more.⁷

⁷ *Amazon Developer Service Agreement*, AMAZON (Apr. 3, 2023), <https://developer.amazon.com/support/legal/da>.

1 47. The Illegal Slot companies and Amazon monitor the game activity and use the
2 collected data to increase user spending. This access to Amazon’s data is critical for the developers
3 since all financial transactions for virtual chips occur through third-party platforms exactly like
4 Amazon.

5 48. Indeed, Amazon obtains granular data about customers’ behavior on its platform and
6 provides developers like the Illegal Slot companies such data including past purchases, browsing
7 history, and, *inter alia*, consumer subscriptions (such as tiered levels of membership in the social
8 casinos).⁸

9 49. Because the Illegal Slots depend on the spending of a small, targeted audience, the
10 Illegal Slot companies and Amazon work together to target and exploit high-spending users, or
11 “whales,” as Illegal Slot companies refer to their top spenders. This exploitation is intentional and
12 openly flaunted: Zynga—one of the Illegal Slot companies—admits that “a small portion of our
13 players have historically been payers”⁹ and reveals that “[i]n order to sustain and grow our revenue
14 levels, we must attract, retain and increase the number of paying players or more effectively
15 monetize our players through advertising and other strategies.”¹⁰

16 50. The data that the Illegal Slot companies and Amazon collect on monetization
17 necessarily contributes to the structure and success of the Social Casino Enterprise.

18 51. Amazon encourages Illegal Slot companies to target high-spending users and
19 activate non-users alike. Amazon aids in the design and direction of targeted advertising through its
20 massive advertising platform which includes in-app advertising, display advertisements, video
21 advertisements, and sponsored display advertisements—all aimed at driving new customers to the
22 Illegal Slots and retaining current gamblers.

23 52. Likewise, because it acts as the “bank” for the Illegal Slots, Amazon is entirely

24 ⁸ *Reporting Overview*, AMAZON, <https://developer.amazon.com/docs/reports-promo/UI-reports-dashboard.html>
25 (last visited November 10, 2023).

26 ⁹ Zynga, Inc., Form 10-K at 3 (Feb. 26, 2021), available at
https://www.sec.gov/Archives/edgar/data/1439404/000156459021009477/znga-10k_20201231.htm.

¹⁰ *Id.* at 14.

1 aware that some consumers spend *hundreds of thousands* on the Illegal Slots. Amazon’s consumer
2 spending metrics are spectacularly comprehensive: there is no high-spending consumer whose
3 habits, buys, and losses are not intimately tracked by Amazon.

4 53. Additionally, because the Illegal Slots are required to use Amazon’s payment system
5 to process all in-game purchases, Amazon collects a 30 percent portion of every transaction. As
6 such, Amazon takes a portion of, and profits from, the same consumer cash that the Illegal Slots
7 extract from users.

8 54. If Amazon ever discovers an illegal or fraudulent transaction in breach of its terms or
9 policies, it can deny developers from redeeming the proceeds in its active balance. And yet, the
10 profits from Illegal Slots persist and only increase year-to-year.¹¹

11 55. Amazon has used its developer tools to take advantage of users with severe gambling
12 problems and as a result, has unlawfully made billions of dollars on the backs of consumers.

13 **FACTS SPECIFIC TO PLAINTIFF HORN**

14 56. Plaintiff Steven Horn purchased virtual “chips” and “tokens” from the Illegal Slots
15 as well as Amazon Coins which he redeemed on the Illegal Slots. When Steven Horn purchased
16 chips or tokens or redeemed Amazon Coins at the Illegal Slots, Amazon collected 30% of the
17 transaction value.

18 57. Plaintiff Horn has been addicted to various Illegal Slots such as Take 5 Vegas Slots,
19 Lightning Link Casino, and Quick Hit Slots. Plaintiff Horn would often play Quick Hit Slots for
20 several hours per day and spend large amounts of money to do so.

21 58. Plaintiff Horn made over 320 digital transactions for virtual chips on the Illegal Slots
22 between October 2022 and September 2023.

23 59. Playing the Illegal Slots has had a devastating impact on Plaintiff Horn’s life.

24
25
26 ¹¹ *Annual revenue generated by DoubleDown Interactive from 2018 to 2022*, STATISTA, April 2023,
<https://www.statista.com/statistics/513782/doubledown-interactive-annual-revenue/>.

1 D. Whether Defendant should be enjoined from further participation in the Social
2 Casino Enterprise;

3 E. Whether Defendant agreed to participate in the Social Casino Enterprise; and

4 F. Whether Defendant agreed to commit and/or has committed illegal predicate acts
5 under RICO, 18 U.S.C. § 1961, *et seq.*

6 64. **Typicality:** Plaintiff's claims are typical of the claims of other members of the Class
7 in that Plaintiff and the members of the Class sustained damages arising out of Defendant's
8 wrongful conduct.

9 65. **Adequate Representation:** Plaintiff will fairly and adequately represent and protect
10 the interests of the Class and has retained counsel competent and experienced in complex litigation
11 and class actions. Plaintiff's claims are representative of the claims of the other members of the
12 Class, as Plaintiff and each member of the Class lost money playing the Illegal Slots. Plaintiff also
13 has no interests antagonistic to those of the Class, and Defendant has no defenses unique to
14 Plaintiff. Plaintiff and his counsel are committed to vigorously prosecuting this action on behalf of
15 the Class and have the financial resources to do so. Neither Plaintiff nor his counsel have any
16 interest adverse to the Class.

17 66. **Policies Generally Applicable to the Class:** This class action is appropriate for
18 certification because Defendant has acted or refused to act on grounds generally applicable to the
19 Class as a whole, thereby requiring the Court's imposition of uniform relief to ensure compatible
20 standards of conduct toward the members of the Class and making final injunctive relief appropriate
21 with respect to the Class as a whole. Defendant's policies that Plaintiff challenges apply and affect
22 members of the Class uniformly, and Plaintiff's challenge of these policies hinges on Defendant's
23 conduct with respect to the Class as a whole, not on facts or law applicable only to Plaintiff. The
24 factual and legal bases of Defendant's liability to Plaintiff and to the other members of the Class are
25 the same.
26

1 67. **Superiority:** This case is also appropriate for certification because class proceedings
2 are superior to all other available methods for the fair and efficient adjudication of this controversy.
3 The harm suffered by the individual members of the Class is likely to have been relatively small
4 compared to the burden and expense of prosecuting individual actions to redress Defendant’s
5 wrongful conduct. Absent a class action, it would be difficult for the individual members of the
6 Class to obtain effective relief from Defendant. Even if members of the Class themselves could
7 sustain such individual litigation, it would not be preferable to a class action because individual
8 litigation would increase the delay and expense to all parties and the Court and require duplicative
9 consideration of the legal and factual issues presented. By contrast, a class action presents far fewer
10 management difficulties and provides the benefits of single adjudication, economy of scale, and
11 comprehensive supervision by a single Court. Economies of time, effort, and expense will be
12 fostered and uniformity of decisions will be ensured.

13 68. Plaintiff reserves the right to revise each of the foregoing allegations based on facts
14 learned through additional investigation and in discovery.

15
16 **FIRST CAUSE OF ACTION**
17 **Violations of Revised Code of Washington § 4.24.070**
18 **(On behalf of Plaintiff and the Class)**

19 69. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

20 70. Plaintiff, members of the Class, and Defendant are all “persons” as defined by RCW
21 § 9.46.0289.

22 71. The state of Washington’s “Recovery of money lost at gambling” statute, RCW
23 § 4.24.070, provides that “all persons losing money or anything of value at or on any illegal
24 gambling games shall have a cause of action to recover from the dealer or player winning, or from
25 the proprietor for whose benefit such game was played or dealt, or such money or things of value
26 won, the amount of the money or the value of the thing so lost.”

 72. “Gambling,” defined by RCW § 9.46.0237, “means staking or risking something of

1 value upon the outcome of a contest of chance or a future contingent event not under the person’s
2 control or influence.”

3 73. The “chips” sold for use in the Illegal Slots are “things of value” under RCW
4 § 9.46.0285.

5 74. The Illegal Slots are illegal gambling games because they are online games at which
6 players wager things of value (the chips), and by an element of chance (*e.g.*, by spinning an online
7 slot machine), are able to obtain additional entertainment and extend gameplay (by winning
8 additional chips).

9 75. Defendant Amazon is a proprietor for whose benefit the Illegal Slot online gambling
10 games are played because it realizes a significant profit from Plaintiff and the Class, who stake or
11 risk chips in the Illegal Slot games.

12 76. As such, Plaintiff and the Class gambled when they purchased chips to wager at one
13 of the Illegal Slot company’s online gambling games. Plaintiff and each member of the Class staked
14 money, in the form of chips purchased with money, at the Illegal Slot company’s games of chance
15 for the chance of winning additional things of value (*e.g.*, chips that extend gameplay without
16 additional charge).

17 77. In addition, the Illegal Slots are not “pinball machine[s] or similar mechanical
18 amusement device[s]” as contemplated by the statute because:

- 19 A. the games are electronic rather than mechanical;
- 20 B. the games confer replays but they are recorded and can be redeemed on separate
21 occasions (*i.e.*, they are not “immediate and unrecorded”); and
- 22 C. the games contain electronic mechanisms that vary the chance of winning free
23 games or the number of free games which may be won (*e.g.*, the games allow for
24 different wager amounts).

25 78. RCW § 9.46.0285 states that a: “‘thing of value,’ as used in this chapter, means any
26 money or property, any token, object or article exchangeable for money or property, or any form of

1 credit or promise, directly or indirectly, contemplating transfer of money or property or of any
2 interest therein, or involving extension of a service, entertainment or a privilege of playing at a
3 game or scheme without charge.”

4 79. The “chips” Plaintiff and the Class had the chance of winning at the Illegal Slots are
5 “things of value” under Washington law because they are credits that involve the extension of
6 entertainment and a privilege of playing a game without charge.

7 80. The Illegal Slots are “Contest[s] of chance,” as defined by RCW § 9.46.0225,
8 because they are “contest[s], game[s], gaming scheme[s], or gaming device[s] in which the
9 outcome[s] depend[] in a material degree upon an element of chance, notwithstanding that skill of
10 the contestants may also be a factor therein.” The Illegal Slots are programmed to have outcomes
11 that are determined entirely upon chance and a contestant’s skill does not affect the outcomes.

12 81. RCW § 9.46.0201 defines “Amusement game[s]” as games where “[t]he outcome
13 depends in a material degree upon the skill of the contestant,” among other requirements. The
14 Illegal Slots games are not “Amusement games” because their outcomes are dependent entirely
15 upon chance and not upon the skill of the player and because the games are contests of chance, as
16 defined by RCW § 9.46.0225.

17 82. As a direct and proximate result of the Illegal Slots, Plaintiff and each member of the
18 Class have lost money wagering at the Illegal Slot companies’ games of chance and enriched
19 Defendant Amazon. Plaintiff, on behalf of himself and the Class, seeks an order awarding the
20 recovery of all lost monies, interest, and reasonable attorneys’ fees, expenses, and costs to the extent
21 allowable.

22 **SECOND CAUSE OF ACTION**
23 **Violations of the Washington Consumer Protection Act, RCW § 19.86.010, *et seq.***
24 **(On behalf of Plaintiff and the Class)**

25 83. Plaintiff incorporates the foregoing allegations as if fully set forth herein.
26

1 84. Washington’s Consumer Protection Act, RCW § 19.86.010, *et seq.* (“CPA”),
2 protects both consumers and competitors by promoting fair competition in commercial markets for
3 goods and services.

4 85. To achieve that goal, the CPA prohibits any person from using “unfair methods of
5 competition and unfair or deceptive acts or practices in the conduct of any trade or commerce[.]”
6 RCW § 19.86.020.

7 86. The CPA states that “a claimant may establish that the act or practice is injurious to
8 the public interest because it . . . [v]iolates a statute that contains a specific legislative declaration of
9 public interest impact.” *Id.* § 19.86.093.

10 87. Defendant violated RCW § 9.46.010, *et seq.* which declares:
11 The public policy of the state of Washington on gambling is to keep
12 the criminal element out of gambling and to promote the social
13 welfare of the people by limiting the nature and scope of gambling
14 activities and by strict regulation and control.

15 It is hereby declared to be the policy of the legislature, recognizing
16 the close relationship between professional gambling and organized
17 crime, to restrain all persons from seeking profit from professional
18 gambling activities in this state; to restrain all persons from
19 patronizing such professional gambling activities; to safeguard the
20 public against the evils induced by common gamblers and common
21 gambling houses engaged in professional gambling; and at the same
22 time, both to preserve the freedom of the press and to avoid
23 restricting participation by individuals in activities and social
24 pastimes, which activities and social pastimes are more for
25 amusement rather than for profit, do not maliciously affect the
26 public, and do not breach the peace.

21 88. Defendant has violated RCW § 9.46.010, *et seq.*, because the Illegal Slot games are
22 illegal online gambling games which are played for Defendant’s benefit as described herein.

23 89. Defendant’s wrongful conduct occurred in the conduct of trade or commerce— i.e.,
24 while Defendant was engaged in promoting and brokering for the Illegal Slots.

25 90. Defendant’s acts and practices were and are injurious to the public interest because
26 Defendant, in the course of its business, continuously advertised to and solicited the general public

1 in Washington state and throughout the United States to play the Illegal Slots. This was part of a
2 pattern or generalized course of conduct on the part of Defendant. Many consumers have been
3 adversely affected by Defendant’s conduct and the public is at risk.

4 91. Defendant has profited immensely from the operation of unlawful games of chance,
5 amassing hundreds of millions of dollars from the losers of its games of chance.

6 92. As a result of Defendant’s conduct, Plaintiff and the Class members were injured in
7 their business or property—i.e., economic injury—in that they lost money wagering on the Illegal
8 Slots.

9 93. Defendant’s unfair or deceptive conduct proximately caused Plaintiff’s and the Class
10 members’ injury because, but for the challenged conduct, Plaintiff and the Class members would
11 not have lost money wagering at or on the Illegal Slots, and they did so as a direct, foreseeable, and
12 planned consequence of that conduct.

13 94. Plaintiff, on their own behalf and on behalf of the Class, seeks to enjoin further
14 violation and recover actual damages and treble damages, together with the costs of suit, including
15 reasonable attorneys’ fees.

16 **THIRD CAUSE OF ACTION**
17 **Violations of 18 U.S.C. § 1962(c)**
18 **Racketeering Activities and Collection of Unlawful Debts**
19 **(On behalf of Plaintiff and the Class)**

20 95. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

21 96. At all relevant times, Defendant Amazon is and has been a “person” within the
22 meaning of 18 U.S.C. § 1961(3), because it is capable of holding, and does hold, “a legal or
23 beneficial interest in property.”

24 97. Plaintiff is a “person,” as that term is defined in 18 U.S.C. § 1961(3), and has
25 standing to sue as he was injured in his business and/or property as a result of the Social Casino
26 Enterprise’s wrongful conduct described herein, including but not limited to Defendant Amazon and
the Illegal Slots (1) having unlawfully taken and received money from Plaintiff and the Class; (2)
having never provided Plaintiff and members of the Class a fair and objective chance to win—they

1 could only lose; and (3) having directly and knowingly profited from, on information and belief,
2 rigged and manipulated slot machines.

3 98. Section 1962(c) makes it unlawful “for any person employed by or associated with
4 any enterprise engaged in, or the activities of which affect, interstate or foreign commerce, to
5 conduct or participate, directly or indirectly, in the conduct of such enterprise’s affairs through a
6 pattern of racketeering activity or collection of unlawful debt.” 18 U.S.C. § 1962(c).

7 99. 18 U.S.C. § 1961(1) defines “racketeering activity” to include, among other things,
8 (i) any act which is indictable under Title 18, Section 1084 of the United States Code (relating to the
9 transmission of gambling information); and (ii) any act which is indictable under Title 18, Section
10 1955 of the United States Code (relating to the prohibition of illegal gambling businesses).

11 100. Because illegal gambling is indictable under both Section 1084 and Section 1955 of
12 Title 18 of the United States Code, the Social Casino Enterprise is engaged in “racketeering
13 activity.”

14 101. 18 U.S.C. § 1961(6) defines “unlawful debt” as a debt “(A) incurred or contracted in
15 gambling activity which was in violation of the law of the United States, a State or political
16 subdivision thereof,” and “(B) which was incurred in connection with the business of gambling in
17 violation of the law of the United States, a State or political subdivision thereof.”

18 102. Because the Social Casino Enterprise collects debts incurred from gambling activity
19 in violation of Washington law, as described herein, its profits derived from its ownership and
20 maintenance constitute “unlawful debt” as defined in Section 1961(6).

21 103. Amazon violated 18 U.S.C. § 1962(c) and § 1962(d) by participating in, brokering,
22 or conducting the affairs of the Social Casino Enterprise through a pattern of racketeering activity
23 composed of indictable offenses under the Revised Code of Washington § 4.24.070 and
24 § 19.86.010.

25 104. The affiliation between the Defendant Amazon and the Illegal Slot companies
26 constitutes a conspiracy to use an enterprise for the collection of unlawful debt in violation of 18

1 U.S.C. § 1962(d).

2 **The Social Casino Enterprise**

3 105. RICO defines an enterprise as “any individual, partnership, corporation, association,
4 or other legal entity, and any union or group of individuals associated in fact although not a legal
5 entity.” 18 U.S.C. § 1961(4).

6 106. Under 18 U.S.C. § 1961(4), a RICO “enterprise” may be an association-in-fact that,
7 although it has no formal legal structure, has (i) a common purpose, (ii) relationships among those
8 associated with the enterprise, and (iii) longevity sufficient to pursue the enterprise’s purpose. *See*
9 *Boyle v. United States*, 556 U.S. 938, 946 (2009).

10 107. The Social Casino Enterprise is an association-in-fact composed of at least Amazon
11 and the Illegal Slot companies who are engaged in, and whose activities affect, interstate commerce,
12 and which have affected and damaged interstate commercial activity. This Enterprise exists
13 separately from the otherwise legitimate business operations of each individual participant and
14 separately from legitimate portions of Amazon’s and the developers’ business relationship. For
15 example, at least some of the developers of the Illegal Slots also create legal apps that are available
16 on Amazon’s platform.

17 108. The pattern of racketeering activity conducted by the members of the Social Casino
18 Enterprise is distinct from the Social Casino Enterprise itself, as each act of racketeering is a
19 separate offense committed by an entity while the Social Casino Enterprise itself is an association-
20 in-fact of legal entities. The Social Casino Enterprise has an informal structure of app developers
21 and platforms (like Amazon) with continuing functions or responsibilities.

22 109. For approximately a decade, the Social Casino Enterprise has collaborated together
23 to operate and broker transactions on Illegal Slots and to target and retain high-spending users in its
24 online gambling scheme throughout the country.

25 110. At the very latest, following the Ninth Circuit’s March 28, 2018 holding in *Kater*,
26 Defendant Amazon and the Illegal Slot companies, on information and belief, mutually agreed to

1 continue their Enterprise through their ongoing collection of unlawful debts, functioning as a
2 cohesive unit with the purpose of gaining illicit gambling profits.

3 **Structure of the Social Casino Enterprise**

4 111. The Social Casino Enterprise consists of the Illegal Slot companies and Amazon.
5 Each participant agreed to conduct and carry out the affairs and goals of the Social Casino
6 Enterprise:

- 7 A. The Illegal Slot companies agreed to conduct the affairs of the Social Casino
8 Enterprise by developing, updating, and operating the Illegal Slot machines: the
9 “gambling devices.” The Illegal Slot companies operate as the principals, forming
10 the necessary business partnerships with Amazon for the successful execution of
11 their unlawful gambling scheme. The Illegal Slot companies fundamentally rely
12 on Amazon to broker their games, access consumers, and collect revenue. Upon
13 constructive notice of the unlawful nature of the virtual social gambling
14 applications, the Illegal Slot companies agreed with all Enterprise participants to
15 uphold their roles in the Social Casino Enterprise and to continue functioning as a
16 single unit with the common purpose of collecting unlawful debts from online
17 gambling activity.
- 18 B. Amazon agreed to conduct the affairs of the Social Casino Enterprise by serving
19 as the gambling premises, brokering the virtual social gambling applications and
20 profiting from all in-app transactions in exchange for a share in the gamblers’
21 losses. Additionally, upon notice of the unlawful nature of the virtual social
22 gambling applications, Amazon agreed with all participants to uphold their roles
23 in the Social Casino Enterprise and to continue functioning as a single unit with
24 the common purpose of collecting unlawful debts from online gambling activity.

1 112. At all relevant times, each Social Casino Enterprise participant was aware of the
2 conduct of the Social Casino Enterprise, was a knowing and willing participant in that conduct, and
3 reaped profits from that conduct through in-app sales.

4 113. The persons engaged in the Social Casino Enterprise are systematically linked
5 through contractual relationships, financial ties, and continuing coordination of activities.

6 114. All members of the Social Casino Enterprise coordinate and maintain their respective
7 roles in order to enrich themselves and to further the common interests of the whole.

8 115. Each Social Casino Enterprise participant participated in the operation and
9 management of the Social Casino Enterprise by directing its affairs as described herein.

10 116. The wrongful conduct of the Social Casino Enterprise has been and remains part of
11 the Social Casino Enterprise's ongoing way of doing business and constitutes a continuing threat to
12 the Plaintiff's and the Class's property. Without the repeated illegal acts and intentional
13 coordination between all participants, the Social Casino Enterprise's scheme would not have
14 succeeded and would not pose a threat to Plaintiff and the Class into the future.

15 **Pattern of Racketeering Activity**

16 117. The affairs of the Social Casino Enterprise were conducted in such a way as to form
17 a pattern of racketeering activity. The Social Casino Enterprise's general pattern of activity consists
18 of designing and operating illegal internet-based slot machines and repeatedly violating public
19 policy against gambling by:

- 20 A. Developing Illegal Slot machine games and disguising them as innocuous video
21 game entertainment;
- 22 B. Distributing and operating Illegal Slot machine games that are, on information
23 and belief, rigged and manipulated;
- 24 C. Concealing the scope and deceptive nature of their gambling applications despite
25 knowledge of their predatory design and business model;
- 26 D. Providing virtual place for unlicensed gambling activity;

- 1 E. Injuring the public interest by continuously advertising to, and soliciting the
2 general public to play, Illegal Slot machines;
- 3 F. Conspiring to uphold the Social Casino Enterprise; and
- 4 G. Unjustly collecting unlawful debts and retaining the profits from their illegal
5 social gambling applications.

6 118. Pursuant to and in furtherance of their fraudulent scheme, Amazon committed
7 multiple predicate act violations of Washington law as previously alleged herein, including
8 violations of RCW § 4.24.070 and § 19.86.010.

9

10 **FOURTH CAUSE OF ACTION**
11 **Violations of 18 U.S.C. § 1962(d)**
12 **Conspiracy to Engage in Racketeering Actives and Collection of Unlawful Debts**
13 **(On behalf of Plaintiff and the Class)**

14 119. Plaintiff incorporates by reference the foregoing allegations as fully set forth herein.

15 120. 18 U.S.C. § 1962(d) states that “[i]t shall be unlawful for any person to conspire to
16 violate any of the provisions of subsection (a), (b), or (c) of this section.”

17 121. As described throughout, and in detail in the First Cause of Action, even if it did not
18 direct or manage the affairs of the Social Casino Enterprise, Defendant Amazon conspired to
19 commit predicate acts in violation of § 1962(c), including violations of RCW § 4.24.070 and
20 § 19.86.010.

21 122. Defendant Amazon acted knowingly at all times when agreeing to conduct the
22 activities of the Social Casino Enterprise. Amazon agreed to and indeed did participate in the
23 requisite pattern of racketeering activity which constitutes this RICO claim, collected unlawful
24 debts, engaged in racketeering activities, and intentionally acted in furtherance of the conspiracy by
25 conducting the pattern of racketeering and unlawful debt collection as described above.

26 123. At the very latest, Amazon had notice of the illegality of the Social Casino Enterprise
as of the Ninth Circuit’s 2018 holding in *Kater*. Amazon’s post-*Kater* participation in the Social

1 Casino Enterprise demonstrates its commitment to upholding and operating the structure of the
2 Social Casino Enterprise.

3 124. As a result of Amazon's conduct, Plaintiff and Members of the Class were deprived
4 of money and property that they would not otherwise have lost.

5 125. Under 18 U.S.C. § 1964(c), the Class is entitled to treble their damages, plus interest,
6 costs, and reasonable attorneys' fees.

7 **PRAYER FOR RELIEF**

8 Plaintiff Steven Horn, individually and on behalf of all others similarly situated, respectfully
9 requests that this Court enter an Order:

- 10 A. Certifying this case as a class action on behalf of the Class defined above, appointing
11 Plaintiff Horn as representative of the Class, and appointing his counsel as Class
12 Counsel;
- 13 B. Declaring that Defendant's conduct, as set out above, is unlawful under the RCW;
- 14 C. Declaring that Defendant's conduct, as set out above, constitutes racketeering activities,
15 collection of unlawful debts, and conspiracy to engage in the same;
- 16 D. Entering judgment against Defendant Amazon, in the amount of the losses suffered by
17 Plaintiff and each member of the Class;
- 18 E. Enjoining Defendant from continuing the challenged conduct;
- 19 F. Awarding damages to Plaintiff and the Class members in an amount to be determined at
20 trial, including trebling as appropriate;
- 21 G. Awarding restitution to Plaintiff and Class members in an amount to be determined at
22 trial;
- 23 H. Requiring disgorgement of all of Amazon's ill-gotten gains;
- 24 I. Awarding reasonable attorneys' fees and expenses;
- 25 J. Awarding pre- and post-judgment interest, to the extent allowable;
- 26 K. Requiring injunctive and/or declaratory relief as necessary to protect the interests of

1 Plaintiff and the Class; and

2 L. Awarding such other and further relief as equity and justice require, including all forms
3 of relief provided for under the RCW.

4 **JURY DEMAND**

5 Plaintiff requests a trial by jury of all claims that can be so tried.

6 Respectfully Submitted,

7 **STEVEN HORN**, individually and on behalf of all
8 others similarly situated,

9 By: /s/ Todd Logan
One of Plaintiff's Attorneys

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