

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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PEOPLE OF THE STATE OF NEW YORK,
by LETITIA JAMES, Attorney General
of the State of New York,

VERIFIED PETITION

Petitioner,

- against -

Index No.

GEMINI TITAN, LLC,

Respondent.
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Petitioner, the People of the State of New York, by its attorney, Letitia James, Attorney General of the State of New York (“OAG” or “Petitioner”), alleges upon the records and documents contained in the files of the offices of OAG:

NATURE OF THE ACTION

1. Petitioner brings this action pursuant to [New York Executive Law \(“Executive Law”\) § 63\(12\)](#).
2. Gambling is illegal in New York with certain limited exceptions.
3. New York allows certain gambling businesses to operate once licensed by the New York State Gaming Commission.
4. Respondent Gemini Titan, LLC (“Respondent”), in conjunction with its parent corporation and affiliates, operates as a business a website and mobile device application through which its customers may engage in a variety of transactions. On December 10, 2025, Respondent announced plans to enter the “prediction markets” space by offering “event contracts” as part of an effort “towards building a one-stop financial super app for customers.”

5. On December 15, 2025, Respondent announced that “Gemini Predictions” was live across all 50 U.S. states, including to bettors in New York.

6. Respondent’s prediction markets allow bettors to gamble on a variety of sports and other events from Respondent’s website and a mobile device application.

7. For example, Respondent has offered bettors the ability to wager on whether the New York Mets would win a baseball game by more than 1.5 runs, or who would win the February 8, 2026, Super Bowl or college basketball games such the February 25, 2026, game between St. John’s University and the University of Connecticut.

8. Respondent seeks to avoid the legal and financial consequences of New York’s close regulation of gambling by offering what is quintessentially wagering under the guise of offering “event contracts” on a “prediction market.”

9. Respondent accepts wagers from members of the public as a gambling business in New York in flagrant disregard of New York’s state constitution, penal laws, and other statutes.

10. Respondent has never been licensed with the New York State Gaming Commission in any capacity.

11. OAG consequently seeks an order from this Court finding that Respondent has engaged in repeated and persistent illegality.

12. Specifically, Respondent has engaged in repeated and persistent illegal acts under [Executive Law § 63\(12\)](#), including: (a) violating [New York State Constitution Article I, Section 9 \(NY CLS Const Art I, § 9\)](#) by operating a platform that enables bettors to risk or stake something of value upon the outcome of a future contingent event not under the bettor’s control or influence, upon an agreement or understanding that the bettor will receive something of value in the event of a certain outcome; (b) violating [New York Penal Law § 225.05](#) by knowingly advancing and

profiting from unlawful gambling activity, and [New York Penal Law § 225.10](#) by receiving and accepting in any one day more than five bets totaling more than \$5,000; (c) violating [New York Penal Law § 225.20](#) by, with knowledge of the contents thereof, possessing any writing, paper, instrument or article of a kind commonly used in the operation or promotion of a bookmaking scheme or enterprise and constituting, reflecting or representing more than five bets totaling more than \$5,000; (d) violating [Section 1367\(16\)\(a\) of the New York Racing, Pari-Mutuel Wagering and Breeding Law \(hereinafter “Racing Law”\)](#) by knowingly offering or attempting to offer unauthorized sports wagering or mobile sports wagering in New York; (e) violating [Racing Law § 1367-a\(2\)\(a\)](#) by administering, managing, or otherwise making available a mobile sports wagering platform to persons located in New York without a license; (f) violating [Racing Law § 1367-a\(4\)\(b\)](#) by directly or indirectly operating an unlicensed sports wagering platform in New York and by advertising or promoting the unlicensed platform to persons located in New York; and (g) violating the Federal Interstate Wire Act, [18 U.S.C. § 1084\(a\)](#) (“Wire Act”), by its use of wire communication facilities for the transmission in interstate commerce of (1) bets or wagers, (2) information assisting in the placing thereof on a sporting event or contest, or (3) of a wire communication confirming payments resulting from bets or wagers.

13. Petitioner seeks an order and judgment: (a) permanently enjoining Respondent from continuing to operate a gambling business in New York without being licensed by the New York State Gaming Commission; (b) permanently enjoining Respondent and its principals, agents, and employees from violating the Constitution and laws of the state of New York, including [Executive Law § 63\(12\)](#), [Penal Law §§ 225.05, 225.10, 225.20](#), [Racing Law §§ 1367\(16\)\(a\), 1367-a\(2\)\(a\), 1367-a\(4\)\(b\)](#), and [18 U.S.C. § 1084\(a\)](#); (c) directing Respondent to produce an accounting of all bets placed, monies lost by customers in connection with its gambling business, and monies

paid to Respondent in connection with its gambling business; (d) directing Respondent to pay restitution, disgorgement, damages, and penalties; (e) pursuant to [Penal Law § 80.10](#), directing Respondent to pay a penalty of three times the amount of Respondent's gain from the illegal practices alleged herein; (f) pursuant to [Racing Law § 1367\(16\)\(a\)](#), directing Respondent to pay a penalty of \$100,000 for each offer or attempt to offer sports wagering or mobile sports wagering in New York without authorization; (g) pursuant to [CPLR § 8303\(a\)\(6\)](#), granting costs to New York of \$2,000; and (h) granting such other and further relief as the Court deems just and proper.

PARTIES

14. Petitioner is the People of the State of New York, by its attorney Letitia James, Attorney General of the State of New York. The State of New York has an interest in upholding the laws of the State, and OAG is charged with enforcing those laws. OAG brings this action on behalf of the People of the State of New York pursuant to, among other authorities, [Executive Law § 63\(12\)](#).

15. Respondent Gemini Titan, LLC is a Delaware limited liability company headquartered in New York, New York. Respondent operates Gemini Predictions, a gambling platform, and promotes, accepts, and receives wagers on a variety of sports, culture, election, and other events. Respondent is an affiliate and wholly-owned subsidiary of Gemini Space Station Inc., a Nevada corporation with its principal executive offices in New York, New York. Respondent has never been licensed with the New York State Gaming Commission in any capacity.

JURISDICTION AND VENUE

16. Petitioner brings this special proceeding pursuant to [Executive Law § 63\(12\)](#) to enjoin Respondent's illegal business practices. Petitioner also seeks an accounting, restitution, disgorgement, damages, civil penalties, and costs, as authorized by law, to be paid to New York.

17. [Executive Law § 63\(12\)](#) authorizes OAG to apply for an order enjoining the continuation of repeated fraudulent or illegal acts in the carrying on, conducting or transacting of business affecting the interests of the public within New York. [Executive Law § 63\(12\)](#) expressly authorizes OAG to make such application by "action or proceeding." [Executive Law § 63\(12\)](#) also empowers OAG to seek restitution, disgorgement, damages, injunctive relief, and costs when any person or business entity has engaged in repeated fraudulent or illegal acts or has otherwise demonstrated persistent fraud or illegality in the carrying on, conducting or transacting of business.

18. The Court has jurisdiction over the subject matter of this action, personal jurisdiction over the Respondent, and authority to grant the relief requested pursuant to [Executive Law § 63\(12\)](#).

19. Pursuant to [CPLR § 503](#) venue is proper in New York County because OAG's New York office is located in New York County and Respondent's headquarters is located in New York County.

FACTS

I. New York Closely Regulates Gambling

20. New York has policed gambling within its borders for over 250 years, since 1771.

See Saratoga County Chamber of Commerce, Inc. v Pataki, 100 NY2d 801, 825-830 (2003)

(Smith, J., concurring in part) (history of New York’s anti-gaming laws).

21. The New York Constitution prohibits gambling in all forms not specifically enumerated in Article I. The New York Constitution states:

[E]xcept as hereinafter provided, no lottery or the sale of lottery tickets, pool-selling, book-making, or any other kind of gambling, except lotteries operated by the state . . . , except pari-mutuel betting on horse races . . . , and except casino gambling at no more than seven facilities . . . shall hereafter be authorized or allowed within this state; and the legislature shall pass appropriate laws to prevent offenses against any of the provisions of this section.

NY CLS Const Art I, § 9.

22. New York’s Penal Law similarly has long recognized crimes for promoting gambling activity, *Penal Law §§ 225.05, 225.10*, and crimes for possession of gambling records, *Penal Law §§ 225.15, 225.20*.

23. Gambling is specifically defined under New York Penal Law. A person “engages in gambling when he stakes or risks something of value upon the outcome of a contest of chance or a future contingent event not under his control or influence, upon an agreement or understanding that he will receive something of value in the event of a certain outcome.” *Penal Law § 225.00(2)*.

24. In 2019, following the U.S. Supreme Court’s recognition of states’ rights to authorize and regulate sports wagering within their borders, *see Murphy v NCAA*, 584 US 453 (2018), New York enacted a comprehensive regulatory regime for mobile sports wagering. *See Racing Law §§ 1367, 1367-a*.

25. The New York State Gaming Commission has general jurisdiction over all gaming activities within New York and over the corporations, associations and persons engaged therein, including, specifically, the regulation of sports wagering. [Racing Law §§ 104\(1\), \(24\)](#). New York’s nine mobile sports licensees are subject to significant statutory and regulatory requirements under [Section 1367-a of the Racing Law](#). Mobile sports wagers made through virtual or electronic means must be made through mobile sports wagering licensees from a location within the state and transmitted to and accepted by electronic equipment located at a licensed commercial casino gaming facility in the state. [See Racing Law §§ 1367\(2\)\(d\), 1367-a\(2\)\(d\)](#).

26. Under the Racing Law, sports wagering is defined as wagering on sporting events or any portion thereof, or on the individual performance statistics of athletes participating in a sport event, or combination of sporting events, by any system or method of wagering. [Racing Law § 1367\(1\)\(x\)](#).

27. New York prohibits sports wagering by minors. [Racing Law § 1367\(2\)\(d\)](#). New York’s Racing Law defines “minors” as anyone under the age of 21. [Racing Law § 1367\(1\)\(j\)](#). The Racing Law prohibits any mobile sports wagering licensee from permitting sports wagering by anyone they know, or should have known, to be a prohibited sports bettor. [Racing Law § 1367-a\(4\)\(d\)](#). The Racing Law further states that “[a]s a condition of licensure, each mobile sports wagering operator shall . . . prohibit minors from participating in any sports wagering pursuant to rules and regulations promulgated by the commission.” [Racing Law § 1367-a\(4\)\(a\)\(iii\)](#).

28. New York also prohibits sports wagering on events in which New York college teams participate, and even duly licensed mobile sports wagering licensees are prohibited from offering such wagering. New York’s Racing Law defines a “prohibited sports event” to include “a sport or athletic event in which any New York college team participates regardless of where the

event takes place.” [Racing Law § 1367\(1\)\(s\)](#). The Racing Law prohibits any mobile sports wagering licensee from offering any sports wagering based on any prohibited sports event. [Racing Law § 1367-a\(4\)\(c\)](#). The Racing Law further states that “[a]s a condition of licensure, each mobile sports wagering operator shall . . . ensure no sports wagering shall be based on a prohibited sports event.” [Racing Law § 1367-a\(4\)\(a\)\(xi\)](#).

29. New York receives significant tax revenue from licensed casinos and mobile sports wagering licensees, the latter of which are taxed at a rate of approximately 51% of gross revenues. *See de Urioste Aff.* ¶ 2, Ex. 1 (New York State Gaming Commission website).¹ Sports wagering revenue taxes are primarily used for public school funding as well as sports programs for underserved youth and problem gambling education and treatment. *Id.* In 2024, mobile sports wagering operators generated approximately \$2 billion in gross gaming revenue, paying more than \$1 billion in state taxes. *de Urioste Aff.* ¶ 2, Ex. 2 at 12.

II. Respondent’s Unlicensed Gambling Platform

A. Respondent Promotes Gambling

30. On December 10, 2025, Respondent announced plans to enter the “prediction markets” space by offering “event contracts” as part of an effort by its corporate parent “towards building a one-stop financial super app for customers.” *de Urioste Aff.* ¶ 3, Ex. 3 (blog post).

31. Respondent’s prediction market allows bettors in New York to place wagers on a variety of events, including sports, culture, and election events from Respondent’s website and an associated mobile device application (collectively, the “Platform”). *Metz. Aff.* ¶¶ 8-9. Respondent operates the Platform as a business headquartered in New York. *de Urioste Aff.* ¶ 4, Ex. 33.

¹ References herein to “de Urioste Aff.” refer to the Affirmation of Alejandra de Urioste filed in support of this Petition and its accompanying exhibits (“Ex.”). “Metz Aff.” refer to the Affirmation of Brian Metz filed in support of this Petition and its accompanying exhibits.

32. On December 15, 2025, Respondent announced via a post to X.com that “Gemini Predictions” was “now live across all 50 US states.” de Urioste Aff. ¶ 4, Ex. 4 (X.com post).

33. Thereafter, Respondent repeatedly advertised and solicited gambling on its Platform to persons located in New York and elsewhere via the internet, including through social media sites such as X.com and TikTok. For example, Respondent posted numerous advertisements on X.com leading up to the February 8, 2026, Super Bowl between the New England Patriots and Seattle Seahawks. de Urioste Aff. ¶ 5, Exs. 5A-5C (X.com posts).

34. Similarly, on February 8, 2026, Tyler Winklevoss (the Chief Executive Officer of Respondent’s corporate parent) posted to X.com to promote gambling on Respondent’s Platform by tweeting about his own gambling on Respondent’s Platform, stating: “Have placed my Super Bowl prediction on the @Gemini app, now I’m monitoring the situation,” which was subsequently re-tweeted by Respondent. de Urioste Aff. ¶ 6, Ex. 6 (X.com post).

35. As an inducement to participate in its gambling Platform, Respondent has offered various promotions and made them available to persons in New York and elsewhere. For example, on January 8, 2026, Respondent advertised on its website that it was now offering contracts for college football playoff games and that “for a limited time, eligible users in the US can earn up to \$250 for hitting specific trading benchmarks.” de Urioste Aff. ¶ 7, Ex. 7 (blog post).

36. On January 9, 2026, Respondent advertised in a TikTok video that “for every \$10 you put in the prediction market, we’re giving \$10 to you.” de Urioste Aff. ¶ 8, Exs. 8A-8B (TikTok website capture, video).

37. On February 3, 2026, a few days before the Super Bowl, Respondent advertised that for every \$50 bet on a prediction, the bettor would earn one entry in a promotion to win \$1,000. de Urioste Aff. ¶ 9, Ex. 9 (X.com post).

38. On February 8, 2026, Respondent promised that if the Seattle Seahawks won the Super Bowl, it would give “\$250 in BTC to one winner.” de Urioste Aff. ¶ 10, Ex. 10 (X.com post).

39. Respondent has also advertised and solicited gambling on its Platform in New York and directly to New Yorkers. For example, on February 3, 2026, a representative of Respondent appeared in person at a competitor prediction market’s promotional event in New York, New York, and offered to pay an attendee \$100 if they downloaded the Gemini Predictions mobile device application and left the event. de Urioste Aff. ¶ 11, Exs. 11A-11B (X.com post and video).

40. In another example, Respondent advertised that “Everyone Loves a Long Shot” on a 150-foot billboard near the intersection of Park Avenue and 22nd Street in New York City to promote gambling on Respondent’s Platform during the March 2026 NCAA basketball tournament and posted about it on X.com on March 25, 2026. de Urioste Aff. ¶ 12, Ex. 12 (X.com post).

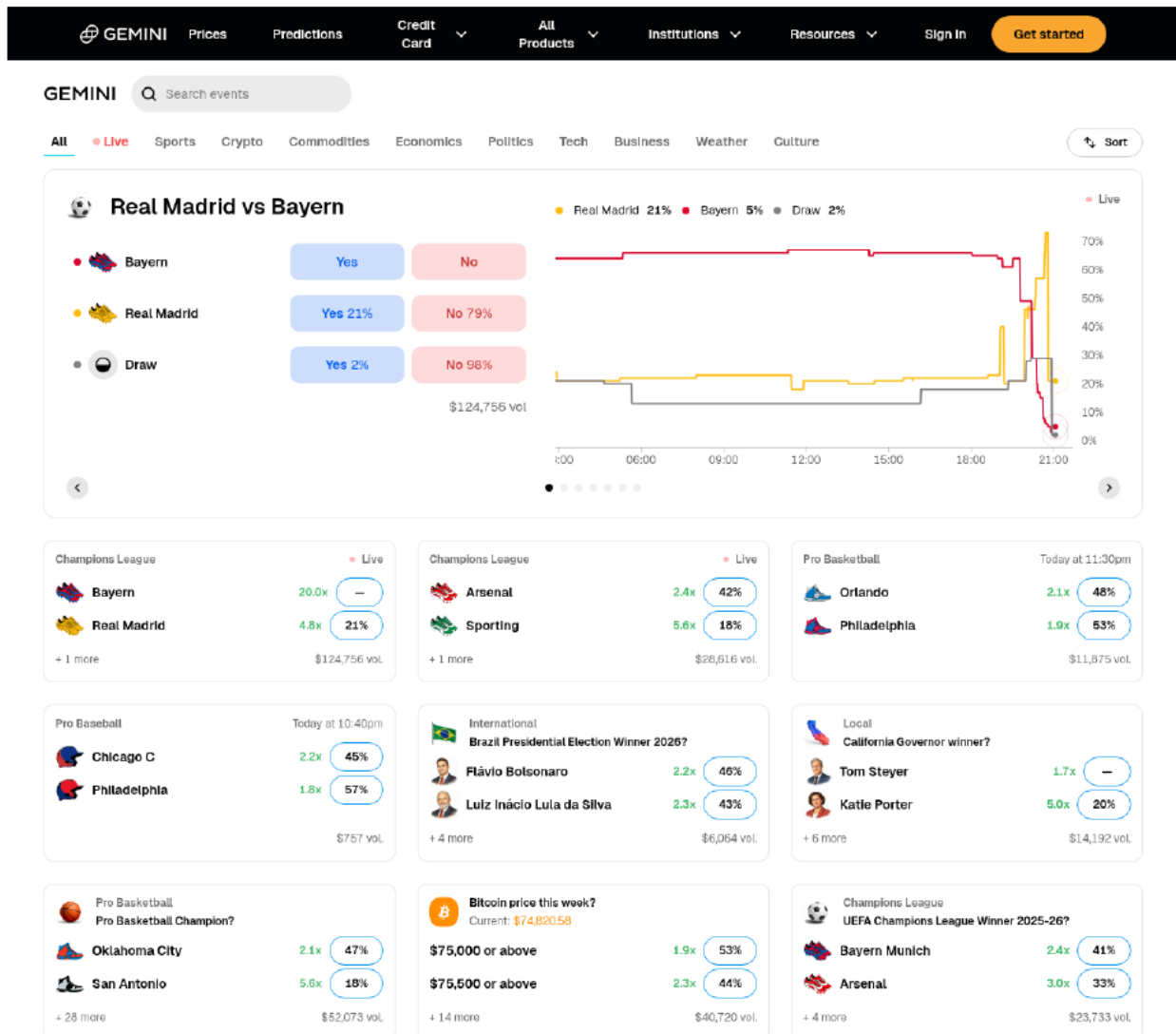
41. Respondent also advertises and promotes betting on sports events in which New York teams participate. For example, on January 9, 2026, Respondent posted to X.com a solicitation to bet on the January 9, 2026, New York Knicks versus Phoenix Suns professional basketball game. de Urioste Aff. ¶ 13, Ex. 13 (X.com post).

42. Similarly, on February 10, 2026, Respondent posted on X.com an advertisement to “trade the Indiana vs. New York game today,” with a graphic that included a link to bet on the outcome of the February 10, 2026, Indiana Pacers versus New York Knicks professional basketball game on Respondent’s Platform. de Urioste Aff. ¶ 14, Ex. 14 (X.com post).

B. Overview of Respondent’s Platform

43. Respondent, through its Platform, allows bettors in New York and elsewhere to place bets on the outcomes of future contingent events for which the outcome is uncertain and outside the control of the bettor.

44. Respondent does so by offering for sale through its Platform contracts on events such as sports events. de Urioste Aff. ¶ 15, Ex. 15 (website capture), Ex. 16 (mobile device application capture).



45. Beyond sports-related events, Respondent also offers wagering on culture and election events such as “Who will win Survivor Season 50?” or “Which party will win the U.S. Senate?” Metz. Aff. ¶¶ 8, 22 & Exs. 13A-13C (screenshots); de Urioste Aff. ¶ 16 & Ex. 17 (election contracts).

46. The contracts allow a bettor to take a “Yes” or “No” position on whether a future, real-life event will occur by purchasing a “Yes” or “No” contract with prices in cents that reflect the probability assigned to each outcome. If the bettor’s predicted event occurs, the contracts provide for Respondent to pay the bettor \$1.00; if it does not occur, the bettor receives no payment. de Urioste Aff. ¶ 17 & Exs. 18 (support page Q&A), 19 (website capture).

47. Each contract is a bet.

48. In each case, the bettor’s return is determined by an outcome or future contingent event outside their control or influence.

49. For example, on or around January 27, 2026, a bettor could buy a “Yes” contract on Respondent’s Platform for \$0.34 that would pay out \$1 if New England defeated Seattle in the February 8, 2026 Super Bowl. Metz Aff. ¶ 10 & Ex. 1 (screenshot).

50. Respondent generally charges the bettor a fee for placing wagers.

51. Respondent has repeatedly and persistently offered wagering through its Platform since December 15, 2025, and wagering on professional and college sports events through its Platform since at least January 8, 2026. de Urioste Aff. ¶ 18, Exs. 7 (blog post), 20 (blog post).

52. The sports events for which Respondent makes wagering available include, but are not limited to, professional and college basketball games, professional and college football games, professional hockey games, and professional tennis matches. Metz Aff. ¶ 12 & Exs. 1, 4A-4C (screenshots).

53. The sports events for which Respondent makes wagering available also include sports or athletic events in which New York college teams participate. For example, Respondent, through its Platform, offered sports wagering on the February 24, 2026, college basketball game between the University at Buffalo and the University of Akron and the February 25, 2026, college basketball game between St. John's University and the University of Connecticut. Metz Aff. ¶¶ 13-15 & Exs. 5-7 (screenshots).

54. Respondent offers sports wagering and mobile sports wagering through its Platform by electronic means including a mobile device application and an internet website accessible via a mobile device or computer. Metz Aff. ¶¶ 5, 12.

55. Respondent has never been licensed by the New York State Gaming Commission in any capacity. de Urioste Aff. ¶ 19, Ex. 21 (Burns affirmation).

C. Opening an Account on Respondent's Platform

56. Bettors located in New York are able to access the Platform by opening an account through Respondent's website or mobile application. Metz Aff. ¶¶ 3-6.

57. When opening an account, Respondent may require a bettor to enter certain personal information, including a home address and date of birth. Metz Aff. ¶ 6.

58. Respondent may require a bettor to agree to certain documents, including Respondent's user agreement, self-clearing member agreement, and rulebook. Metz Aff. ¶ 16 & Ex. 8 (user agreement), Ex. 9 (self-clearing member agreement); de Urioste Aff. ¶ 20 & Ex. 22 (rulebook).

59. Respondent permits bettors under the age of 21, but at least 18 years of age to open an account. de Urioste Aff. ¶ 21, Ex. 23 (website support page).

60. Once a bettor has an account with Respondent, the bettor can access the Platform, deposit funds, and place wagers through electronic means including the use of the internet or a mobile device application. Metz Aff. ¶ 5.

D. Betting on Respondent's Platform

61. Respondent allows bettors to place wagers from New York and elsewhere via Respondent's website or mobile device application. Metz Aff. ¶¶ 2-3, 33-34.

62. A bettor enters wagers on Respondent's Platform by staking or risking money that the bettor gives to Respondent, which Respondent accepts or receives, for the bettor to place the wager.

63. A bettor generally pays a fee to Respondent for each wager entered. The fee is paid at the same time the bettor places the wager. The amount of the fee may vary.

64. Respondent debits bettor accounts for each wager placed.

65. Respondent credits bettor accounts for successful wagers, paying \$1.00 on each successful contract purchased.

66. For example, on January 27, 2026, Respondent offered a contract on who would win the 2026 Women's Australian Open tennis tournament. As of approximately 10am ET on January 27, 2026, a bettor could place a "Yes" wager that Amanda Anisimova would win the 2026 Women's Australian Open at a price of \$0.12 per wager plus fees. Each wager would pay the bettor \$1.00 if Anisimova won the 2026 Women's Australian Open, or nothing if Anisimova did not win the 2026 Women's Australian Open. Metz Aff. ¶ 17 & Exs. 10A-10C (screenshots), 11 (video).

67. In the above example, on January 27, 2026, a bettor in New York with a New York-based account placed on Respondent's Platform seven "Yes" wagers for Amanda Anisimova to

win the 2026 Women's Australian Open. Respondent accepted and received the wagers. Respondent charged a fee of \$0.05 total for placing the seven wagers. Respondent debited the bettor's account a total of \$0.89. Because Anisimova did not win the Australian Open, the bettor received no payout. Metz Aff. ¶ 18 & Exs. 10A-10C, Ex. 11 (video), Ex. 12 (email confirmation).

68. In another example, on or around March 25, 2026, Respondent offered a contract on "Who will win Survivor Season 50," the popular reality television competition. As of approximately 1pm ET, a bettor could place a "Yes" wager that contestant Aubry Bracco would win Survivor Season 50 by selecting the "Yes" wager on Bracco winning the Survivor Season 50 at a price of \$0.88 per wager plus fees. Each wager would pay the bettor \$1.00 if Bracco won Survivor Season 50, or nothing if Bracco did not win Survivor Season 50. Metz Aff. ¶ 22 & Exs. 13A-13C (screenshots).

69. In the above example, on March 25, 2026, a bettor in New York with a New York-based account placed on Respondent's Platform seven "Yes" wagers for Aubry Bracco to win Survivor Season 50. Respondent accepted and received the wagers. Respondent charged a fee of \$0.05 total for placing the seven wagers. Respondent debited the bettor's account a total of \$6.21. Metz Aff. ¶ 23 & Exs. 13A-13C (screenshots), Ex. 14 (email confirmation).

70. As another example, on March 25, 2026, Respondent offered a contract on who would win the 2026 Texas Republican primary election for the U.S. Senate seat. As of approximately 1pm ET, a bettor could place a "Yes" wager that any of several candidates would win the primary election. Each wager would pay the bettor \$1.00 if the chosen candidate won the primary election. Metz Aff. ¶ 26 & Ex. 15 (screenshot).

71. Respondent does not prohibit bettors between the ages of 18 and 21 from placing wagers on its Platform. *See* Metz Aff. Ex. 8 (user agreement), Ex. 9 (self-clearing agreement); de Urioste Aff. ¶ 22 & Ex. 22 (rulebook).

72. Respondent accepts and receives bets and wagers in New York from bettors located in other states and provides information on its contracts from New York to bettors located in other states, including communications concerning winning bets and wagers entitling the recipient to payment. Metz Aff. ¶¶ 33-34 & Exs. 20A-20C (screenshots), Ex. 21 (email confirmations).

E. Respondent's Bookmaking Activity

73. Respondent engages in bookmaking in that it unlawfully accepts bets from members of the public as a business, upon the outcomes of future contingent events.

74. Respondent's website shows multiple contracts that had over \$5,000 in trading volume, including over \$5,000 in trading volume for professional and college sports contracts. *See, e.g.*, Metz Aff. ¶ 35 & Exs. 22A-22B (screenshots).

75. On March 30, 2026, a bettor in New York with a New York-based account placed on Respondent's Platform over five bets totaling over \$5,000, exclusive of fees. Respondent accepted and received the wagers. Metz Aff. ¶ 28 & Ex. 16 (email confirmations).

76. On the day of the Super Bowl, February 8, 2026, Respondent posted on X.com that it had attained over \$1 million in volume in a single prediction contract. de Urioste Aff. ¶ 23, Ex. 24 (X.com post).

77. In a February 5, 2026 blog post, Tyler and Cameron Winklevoss, the CEO and President, respectively, of Respondent's corporate parent, stated that "10,000+ users hav(e) traded over \$24m since we launched Gemini Predictions in mid-December (2025)." de Urioste Aff. ¶ 24, Ex. 25 (blog post).

78. Respondent's trade data also reflects that Respondent has received or accepted in one day more than five bets totaling more than \$5,000 in wagering. Metz Aff. ¶ 36 & Ex. 23 (trade data excerpt).

F. Respondent's Possession of Gambling Records

79. Respondent sends bettors via email a written confirmation after their wagers have been placed, including confirming the event wagered upon, the bettor's wager, the number of wagers placed, the amount wagered, the fees charged, a bet identification number, and the date and time of the bet. Metz Aff. ¶ 37 & Exs. 24A-24B (email confirmations).

80. Respondent also provides bettors access through Respondent's website or mobile device application to electronic records of their bets on Respondent's Platform. Respondent maintains and provides information on open wagers that have been placed (including, for example, identifying the event wagered upon, the bettor's wager, and the payout if the bettor wins) and historic wagers that have been completed (including identifying the event wagered upon, the bettor's wager, the amount wagered, and payouts on successful wagers). Metz Aff. ¶ 38 & Exs. 25A-25D (screenshots).

81. Respondent's Rulebook states that it maintains an electronic record of all orders and all executed trades, including (1) key order information such as the order direction (buy/yes or sell/no), price, and quantity; (2) a user identification; and (3) the date and time that the transaction was completed. de Urioste Aff. ¶ 25 & Ex. 22 (rulebook).

82. Respondent makes available on its website daily "trade data" that reflects electronic records of contracts wagered on a daily basis, including the time and date of each transaction, the contract wagered upon, the price per wager, and the quantity of wagers placed. Metz Aff. ¶ 36 & Ex. 23 (trade data excerpt).

83. Respondent's email confirmations, electronic records, and trade data are each a writing, paper, instrument or article of a kind commonly used in the operation and promotion of a bookmaking scheme or enterprise.

84. Respondent's records reflect or represent more than five bets totaling more than \$5,000. Metz Aff. ¶ 28 & Ex. 16 (email confirmations); *id.* ¶ 36 & Ex. 23 (trade data); *id.* ¶¶ 38-39.

* * *

85. As described above, what Respondent offers through its Platform is quintessentially gambling: it allows a bettor to stake or risk a thing of value upon the outcome of a contest of chance or a future contingent event not under the bettor's control or influence, upon an agreement or understanding that he will receive something of value in the event of a certain outcome.

86. The outcome of Respondent's contracts depends to a material degree upon an element of chance, which in fact predominates over any skill of the bettor, notwithstanding that the skill of the bettor may also be a factor.

87. Respondent engages in conduct that materially aids gambling activity, including through the creation of its Platform; by offering its Platform in New York and to New Yorkers and others; by soliciting and inducing persons to participate in gambling activity; by providing a means for gambling activity to occur; and by managing, administering, or controlling sports wagering on its Platform.

III. Respondent's Unlicensed Gambling Platform Causes Harm to New York

88. Respondent harms New York by offering wagers on its Platform.

89. As an unlicensed gambling business, Respondent operates without implementing required consumer protections and internal controls that are part of New York's strict regulation

of licensed gambling. These protections include allocating resources to develop and fund programs to combat problem gambling, procedures to prevent underage gambling, restrictions to prevent predatory or deceptive advertising, procedures to identify bettors battling a gambling addiction, and guardrails to allow consumers to exclude themselves from the platform. *See generally* 9 NYCRR §§ 5300-5330.45.

90. New York State regulators prioritize consumer protection, implementing detailed measures for responsible gaming, age verification, and problem gambling prevention. *de Urioste Aff.* ¶ 26 & Ex. 26, at 3-4, 7-8 (New York State Gaming Commission and Office of Addiction Services and Supports report). For example, because sports wagering is prohibited for individuals under 21, licensed operators must have strict procedures to verify the age and identity of bettors. [9 NYCRR §§ 5329.8, 5329.19, 5330.10\(d\)\(5\)](#). Licensed operators must also verify the locations of bettors. 9 NYCRR § 5330.44. Moreover, New York restricts advertising, marketing, and promoting mobile sports wagering to underage persons, including prohibiting advertising set on college campuses, depicting students, and other restrictions. [Racing Law § 1367-a\(4\)\(e\); 9 NYCRR §§ 5329.37, 5330.45](#). Ads must display clear information and provide easy access to resources like 1-877-8-HOPENY. 9 NYCRR §§ 5325.6, 5329.37, 5330.34.

91. These and other numerous safety regulatory mechanisms not enumerated here exist for vital reasons. A report by the New York State Office of Addiction Services and Supports identified ages 18-24 as a “high-risk population” for gambling addictions. *de Urioste Aff.* ¶ 27, Ex. 27, at Table 1 (New York State Office of Addiction Services and Supports, [Addiction Data Bulletin, No. 2025-06 \(Apr. 2025\)](#)). Between 2000 and 2024, 1-877-8-HOPENY received more than 14,000 helpline calls. *See id. at Fig. 1*. “As of 2022, mobile sports betting surpassed casino

gambling as the primary reason for gambling-related helpline calls made by New Yorkers.” *Id.* at 1.

92. Gambling may cause harm to a bettor’s financial, emotional, and physical health. The American Psychiatric Association’s Diagnostic and Statistical Manual of Mental Disorders (“DSM 5-TR”) recognizes gambling disorder as a persistent and recurring pattern of problematic gambling behavior leading to significant distress or impairment. *Id.* Gambling disorder is the only behavioral addiction (as opposed to chemical substance use disorders) identified in DSM-5-TR. American Psychiatric Association, Internet Gaming, <https://www.psychiatry.org/patients-families/internet-gaming>, (last visited, April 19, 2026).

93. The disorder includes symptoms such as a need to gamble with increasing amounts of money to achieve desired excitement; unsuccessful efforts to stop or control gambling; chasing losses; and lying or concealing the extent of gambling involvement. *de Urioste Aff. Ex. 27*, at 1.

94. The National Council on Problem Gambling’s review of gambling addiction studies shows that “[t]he rate of gambling problems among sports bettors is at least twice as high as among gamblers in general,” and that when sports wagering takes place online, the rate of problems is even higher. *de Urioste Aff. ¶ 30, Ex. 28* (National Council on Problem Gambling, A Review of Sports Wagering & Gambling Addiction Studies Executive Summary).

95. The effects of gambling addiction can be devastating. A review of studies analyzing the links between gambling addiction and suicide noted that studies have consistently found that gambling addiction increases the likelihood of suicidality. *de Urioste Aff. ¶ 31, Ex. 29* (GamblingHarm.org article). Further, “legalized sports betting amplifies emotional cues, as evidenced by increased [intimate partner violence] when a fan’s home team unexpectedly loses.”

de Urioste Aff. ¶ 32, Ex. 30, at 18 (Emily Arnesen & Kyutaro Matsuzawa, Sports Betting Legalization Amplifies Emotional Cues & Intimate Partner Violence (Oct. 30, 2025)).

96. Prediction markets also create significant risks to the financial well-being of consumers. The financial industry has begun issuing reports of increased financial risks associated with prediction markets, including the “overextension of credit and rising loan defaults.” de Urioste Aff. ¶ 33, Ex. 31 (Forbes.com article). An economic research study also found: “The legalization of sports betting has far-reaching consequences for household financial health. It increases credit card balances, reduces available credit, increases lottery play, and decreases net investments in financial markets. These effects are particularly pronounced among financially constrained households.” de Urioste Aff. ¶ 34, Ex. 32, at 30 (Scott R. Baker *et al.*, Gambling Away Stability: Sports Betting’s Impact on Vulnerable Households, NBER Working Paper 33108 (Nov. 2024)).

97. Ultimately, it is these types of harms that the New York Constitution and gambling laws were intended to prevent in New York. Respondent is nonetheless subverting New York’s express regime by facilitating gambling in New York without required responsible gambling features mandated for licensed sports wagering operations, and without any oversight by the New York State Gaming Commission, which is exposing New Yorkers to gambling addiction with few, if any, safeguards.

CONCLUSION

98. Respondent, by operating an unlicensed gambling platform as a business, has engaged in repeated and persistent violations of the New York Constitution, New York Penal Law, the Racing Law, and the Wire Act.

99. OAG seeks an order and judgment: (a) permanently enjoining Respondent from continuing to operate a gambling business in New York without being licensed by the New York State Gaming Commission; (b) permanently enjoining Respondent and its principals, agents, and employees from violating the Constitution and laws of the state of New York, including [Executive Law § 63\(12\)](#), [Penal Law §§ 225.05, 225.10, 225.20](#), [Racing Law §§ 1367\(16\)\(a\), 1367-a\(2\)\(a\), 1367-a\(4\)\(b\)](#), and [18 U.S.C. § 1084\(a\)](#); (c) directing Respondent to produce an accounting of total bets placed, monies lost by customers in connection with its gambling business, and monies paid to Respondent in connection with its gambling business; (d) directing Respondent to pay restitution, disgorgement and damages; (e) pursuant to [Penal Law § 80.10](#), directing Respondent to pay a penalty of three times the amount of Respondent's gain from the illegal practices alleged herein; (f) pursuant to [Racing Law § 1367\(16\)\(a\)](#), directing Respondent to pay a penalty of \$100,000 for each offering or attempt to offer sports wagering or mobile sports wagering in New York without authorization; (g) pursuant to [CPLR § 8303\(a\)\(6\)](#), granting costs to New York of \$2,000; and (h) granting such other and further relief as the Court deems just and proper.

EVIDENCE

100. The Affirmation of Alejandra de Urioste, sworn to on April 21, 2026, filed herewith and exhibits thereto, summarizes Respondent's illegal business practices.

101. The Affirmation of Brian Metz, sworn to on April 17, 2026, filed herewith and exhibits thereto, summarizes Respondent's illegal business practices.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

*Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)
Violations of New York State Constitution Article I, Section 9*

102. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

103. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12) in that Respondent engaged in repeated illegal acts by violating Article I, Section 9 of the New York State Constitution.

104. Article I, Section 9 of the New York State Constitution prohibits “lotter[ies] or the sale of lottery tickets, pool-selling, book-making, or any other kind of gambling,” with certain exceptions.

105. As set forth above, Respondent violates Article I, Section 9 of the New York State Constitution by operating its gambling Platform.

106. Respondent’s Platform does not fall within any of the exceptions to the gambling prohibition set forth in Article I, Section 9 of New York’s Constitution.

107. By its actions in violation of Article I, Section 9 of the New York State Constitution, Respondent has engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

SECOND CAUSE OF ACTION

*Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)
Violations of New York Penal Law § 225.10*

108. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

109. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12) in that Respondent engaged in repeated illegal acts by violating Penal Law § 225.10.

110. Penal Law § 225.10 prohibits any person from promoting gambling in the first degree by knowingly advancing or profiting from unlawful gambling activity by engaging in bookmaking to the extent that he receives or accepts in any one day more than five bets totaling more than five thousand dollars.

111. As set forth above, Respondent violates Penal Law § 225.10 by knowingly advancing and profiting from unlawful gambling activity by receiving and accepting in any one day, and indeed on many days, more than five bets totaling more than five thousand dollars.

112. By its actions in violation of Penal Law § 225.10, Respondent has engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

THIRD CAUSE OF ACTION

*Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)
Violations of New York Penal Law § 225.05*

113. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

114. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12) in that Respondent engaged in repeated illegal acts by violating Penal Law § 225.05.

115. Penal Law § 225.05 prohibits any person from promoting gambling in the second degree by knowingly advancing or profiting from unlawful gambling activity.

116. As set forth above, Respondent violates Penal Law § 225.05 by knowingly advancing or profiting from unlawful gambling activity.

117. By its actions in violation of Penal Law § 225.05, Respondent has engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

FOURTH CAUSE OF ACTION

*Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)
Violations of New York Penal Law § 225.20*

118. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

119. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12) in that Respondent engaged in repeated illegal acts by violating Penal Law § 225.20.

120. Penal Law § 225.20 prohibits any person from possessing gambling records in the first degree when, with knowledge of the contents thereof, he possesses any writing, paper, instrument or article of a kind commonly used in the operation or promotion of a bookmaking scheme or enterprise, and constituting, reflecting or representing more than five bets totaling more than five thousand dollars.

121. As set forth above, Respondent violates Penal Law § 225.20 by, with knowledge of the contents thereof, possessing any writing, paper, instrument or article of a kind commonly used in the operation or promotion of a bookmaking scheme or enterprise and constituting, reflecting or representing more than five bets totaling more than five thousand dollars.

122. To wit, Respondent maintains email confirmations, electronic records, and trade data reflecting or representing more than five bets totaling more than five thousand dollars.

123. By its actions in violation of Penal Law § 225.20, Respondent has engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

FIFTH CAUSE OF ACTION

*Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)
Violations of Racing Law § 1367(16)(a)*

124. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

125. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12) in that Respondent engaged in repeated illegal acts by violating Racing Law § 1367(16)(a).

126. Section 1367(1)(x) of the Racing Law defines sports wagering to mean “wagering on sporting events or any portion thereof . . . by any system or method of wagering, including but not limited to . . . electronic communications through internet websites accessed via a mobile device or computer and mobile device applications . . . ”

127. Section 1367 of the Racing Law makes it a violation for any person, firm, corporation, association, agent, or employee, who is not authorized to offer sports wagering under Sections 1367 or 1367-a of the Racing Law to knowingly offer or attempt to offer sports wagering or mobile sports wagering in New York. Racing Law § 1367(16)(a).

128. Respondent is not licensed with the New York State Gaming Commission in any capacity and is not otherwise authorized to offer sports wagering under Sections 1367 or 1367-a of the Racing Law.

129. As set forth above, Respondent knowingly offers or attempts to offer sports wagering or mobile sports wagering in New York.

130. By its actions in violation of Section 1367(16)(a) of the Racing Law, Respondent has engaged in repeated and persistent illegal conduct, in violation of Executive Law § 63(12).

SIXTH CAUSE OF ACTION

*Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)
Violations of Racing Law § 1367-a(2)(a)*

131. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

132. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12) in that Respondent engaged in repeated illegal acts by violating Racing Law § 1367-a(2)(a).

133. Section 1367-a(2)(a) of the Racing Law prohibits any entity from “administer[ing], manag[ing], or otherwise mak[ing] available a mobile sports wagering platform to persons located in New York state” unless the entity is licensed with the New York State Gaming Commission.

134. Respondent is not licensed with the New York State Gaming Commission in any capacity.

135. As set forth above, Respondent is administering, managing, or otherwise making available a mobile sports wagering platform to persons located in New York.

136. Respondent’s conduct in violation of Section 1367-a(2)(a) includes making available and offering sports wagering based on prohibited sports events, which is prohibited.

137. Respondent’s conduct in violation of Section 1367-a(2)(a) includes making available and permitting sports wagering by persons Respondent knew, or should have known, to be a prohibited sports bettor, to wit, minors between the ages of 18 and 21, which is prohibited.

138. By its actions in violation of Section 1367-a(2)(a), Respondent has engaged in repeated and persistent illegal conduct, in violation of Executive Law § 63(12).

SEVENTH CAUSE OF ACTION

Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)

Violations of Racing Law § 1367-a(4)(b)

139. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

140. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12) in that Respondent engaged in repeated illegal acts by violating Racing Law § 1367-a(4)(b).

141. Section 1367-a(4)(b) of the Racing Law prohibits any entity from “directly or indirectly operat[ing] an unlicensed sports wagering platform in the state of New York.”

142. Section 1367-a(4)(b) of the Racing Law also prohibits any entity from “advertis[ing] or promot[ing] such unlicensed platform to persons located in the state of New York.”

143. Respondent is not licensed with the New York State Gaming Commission in any capacity.

144. As set forth above, Respondent has been directly or indirectly operating a sports wagering platform in New York since at least January 8, 2026.

145. As set forth above, Respondent advertises or promotes its unlicensed sports wagering platform to persons located in New York.

146. By virtue of its conduct alleged above, Respondent has engaged in repeated and persistent violations of Section 1367-a(4)(b) by operating an unlicensed sports wagering platform in the state of New York, in violation of Executive Law § 63(12).

147. By virtue of its conduct alleged above, Respondent has engaged in repeated and persistent violations of Section 1367-a(4)(b) by advertising or promoting such unlicensed platform to persons located in the state of New York, in violation of Executive Law § 63(12).

EIGHTH CAUSE OF ACTION

*Pursuant to Executive Law § 63(12) (Repeated and Persistent Illegality)
Violations of The Federal Interstate Wire Act, 18 U.S.C. § 1084(a)*

148. The Attorney General repeats and re-alleges the paragraphs above as if fully stated herein.

149. The acts and practices alleged herein constitute conduct proscribed by Executive Law § 63(12), in that Respondent engaged in repeated illegal acts by violating the Federal Interstate Wire Act, 18 U.S.C. § 1084(a).

150. The Federal Interstate Wire Act, 18 U.S.C. § 1084(a), prohibits those engaged in the business of betting or wagering from knowing use of a wire communication facility for the transmission in interstate commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers.

151. By virtue of its conduct alleged above, Respondent has engaged in the business of betting or wagering and has knowingly used a wire communication facility, namely, the internet, to transmit in interstate commerce bets or wagers or information assisting in the placing of bets or wagers on sporting events or contests, and has transmitted wire communications which entitled the recipients to receive money or credit as a result of bets or wagers in violation of 18 U.S.C. § 1084.

152. Respondent's violations of 18 U.S.C. § 1084 constitute repeated and persistent illegal conduct in violation of Executive Law § 63(12).

PRAYER FOR RELIEF

WHEREFORE, Petitioner respectfully demands that the Court issue an order and judgment against Respondent as follows:

- A. Permanently enjoining Respondent and its principals, agents, and employees from operating an unlawful gambling business, or otherwise advancing gambling activity or profiting from gambling activity, within or from New York or to persons in New York, without being licensed by the New York State Gaming Commission, including but not limited to, by;
- a. operating a business that offers contracts relating to sports, culture, elections, and other events, without obtaining all the required licenses from the New York State Gaming Commission;
 - b. permitting wagering by persons under the age of 21 in connection with any contract on those events; and
 - c. advertising, promoting, marketing, or soliciting participation, including promoting or advertising in college or university-owned news assets (e.g., school newspapers, radio, telecasts) or on college or university campuses, in connection with any contract on those events; and
- B. Permanently enjoining Respondent and its principals, agents, and employees from violating the New York State Constitution Article 1, Section 9; Penal Law §§ 225.05, 225.10, and 225.20; Pari-Mutuel Wagering and Breeding Law §§ 1367(a)(16), 1367-a(2)(a), and 1367-a(4)(b); the Wire Act, U.S.C. § 1084; and Executive Law § 63(12);
- C. Directing Respondent to produce an accounting identifying each of its customers, itemizing bets placed by customers, monies lost by customers, and gains received by Respondent in connection with or as a result of the violations of law alleged herein;
- D. Directing Respondent to make full restitution to customers who have engaged in betting on Respondent's platform;

- E. Directing Respondent to pay damages caused, directly or indirectly, by the repeated and persistent illegality complained of herein;
- F. Directing Respondent to disgorge all amounts obtained in connection with or as a result of the violations of law alleged herein;
- G. Directing Respondent to pay a penalty of three times the amount of its gain from the violations of law alleged herein, pursuant to [Penal Law § 80.10](#);
- H. Directing Respondent to pay a penalty of one hundred thousand dollars (\$100,000) for each offering or attempt to offer sports wagering or mobile sports wagering within or from New York without authorization, pursuant to [Racing Law § 1367\(16\)\(a\)](#);
- I. Directing Respondent to pay prejudgment interest
- J. Awarding costs to Petitioner of two thousand dollars (\$2,000) against Respondent pursuant to CPLR § 8303(a)(6)
- K. Authorizing Petitioner to docket as a money judgment any order issued by the Court on this motion fixing the amount of money owed by Respondent, including restitution, disgorgement, damages, penalties and costs, pursuant to CPLR § 2222; and
- L. Granting such other and further relief as the Court deems just and proper.

Dated: New York, New York
April 21, 2026

LETITIA JAMES
Attorney General of the State of New York

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Counsel for the People of the State of New York

VERIFICATION

Alejandra de Urioste, Esq., an attorney and member of the bar of this Court, being duly sworn, deposes and says:

1. I am an Assistant Attorney General in the office of Letitia James, Attorney General of the State of New York, and I am duly authorized to make this verification.

2. I affirm on this 21 day of April, 2026, under penalties of perjury under the laws of New York, which may include a fine or imprisonment, that the foregoing is true, except as to matters alleged on information and belief, and as to those matters I believe it to be true, and I understand that this document may be filed in an action or proceeding in a court of law.

3. The reason this verification is not made by Petitioner is that Petitioner is a body politic. The Attorney General is Petitioner's statutory representative.



Alejandra de Urioste

Word Count Certification Pursuant to NYCRR 202.8-b

I, Alejandra de Urioste, Esq., hereby certify that the word count of this document, as calculated by Microsoft Office, exclusive of the caption, table of contents, table of authorities, and signature block, is 8,117 words.



Alejandra de Urioste