IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

SHARON KING, on behalf of herself and all others similarly situated,	)	
Plaintiff,	)	
v.	)	**Case No. ___**
VGW, LTD; VGW HOLDINGS, US; VGW US, INC.; VGW HOLDINGS, LTD; VGW CANADA, INC.; VGW GP, LTD; VGW MALTA, LTD; VGW GAMES, LTD and VGW LUCKYLAND, INC.,	)	
Defendants.	)	

STATEWIDE CLASS ACTION COMPLAINT

Plaintiff Sharon King, an adult resident citizen of Gloucester County, New Jersey, on her own behalf and on behalf of all others similarly situated in the state of New Jersey, files this state-wide class action complaint against VGW, Ltd; VGW Holdings US; VGW US, Inc.; VGW Holdings, Ltd., VGW Luckyland, Inc., VGW GP Ltd., VGW Canada, Inc., VGW Games Ltd., and VGW Malta, Ltd. (collectively, "VGW" or "Defendants").

INTRODUCTION

1. This state-wide class action seeks recovery of illegal gambling losses by New Jersey residents who played VGW's illegal online gambling games. Plaintiff seeks, on her own behalf and on behalf of all similarly situated New Jersey residents,

(1) a declaratory judgment that VGW's games violate federal law, and that VGW's online terms of service set out the terms and conditions under which the illegal gambling is conducted are therefore unenforceable in a federal court;

(2) a declaratory judgment that the online terms of service and the arbitration provision contained in the terms of service are each void as violative of New Jersey law;

(3) a determination that provisions in the VGW Terms of Service that prevent customers from effectively vindicating statutory rights are void and unenforceable.

(4) recovery under the New Jersey gambling loss recovery act, NJRS § 2A:40-5; and

(5) recovery under the New Jersey Consumer Fraud Act.

Plaintiff also seeks on his own behalf losses of New Jersey residents pursuant to NJRS § 2A:40-6 which are not recoverable by class members.

PARTIES, JURISDICTION, AND VENUE

2. Plaintiff Sharon King is an adult resident citizen of Gloucester County

New Jersey, within this district. She played the illegal gambling games described below in this district.

3. Defendant VGW. Ltd is a foreign corporation headquartered in Perth, Australia. It does business through its online gambling games in all counties in New Jersey, including plaintiff's resident county. It does not have a physical place of business in the state of New Jersey.

4. Defendants VGW Holdings US, Inc., VGW US, Inc., and VGW Luckyland, Inc., are each a corporation organized under the laws of the state of Delaware, with its principal place of business in Boulder, Colorado. They each do business through online gambling games in all counties in New Jersey, including Plaintiff's resident county. None of them have a physical place of business in the state of New Jersey.

5. Defendant VGW Canada is a corporation organized under Canadian law, with its principal place of business in Toronto, Ontario, Canada. It does not have a physical place of business in New Jersey.

6. Defendants VGW GP Limited, VGW Malta Limited, and VGW Games Limited are limited liability companies incorporated under Maltese Law, with their principal places of business in Birkirkara, Malta. None has a physical place of business in New Jersey.

7. The events giving rise to plaintiff's claims occurred in this district, such that venue is proper in this forum pursuant to 42 U.S.C. § 1391(b)(2).

8. Plaintiff, the plaintiff class, and defendants are citizens of different States and foreign states, and the aggregated amount in controversy in this class action exceeds $5 million, exclusive of interest and costs. This Court therefore has diversity subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2).

9. Plaintiff also brings an individual claim with more than $75,000 at issue under New Jersey Revised Statutes § 2A:40-6. Thus, the Court also has diversity subject matter jurisdiction pursuant to 28 U.S.C. § 1332(a).

10. This Court has personal jurisdiction over VGW because the company has sufficient minimum contacts to support specific personal jurisdiction in the state, and those contacts are directly related to Plaintiff's claims. See International Shoe Co. v. Washington, 326 U.S. 310 (1945).

11. VGW's minimum contacts with the state of New Jersey include ongoing contractual relationships created by the terms and conditions on the Defendants' websites, which include Chumba Casino and Luckyland. VGW required Plaintiff and all other New Jersey customers to agree to these terms. Both the Third Circuit and the United States Supreme Court, among many others, have found that personal jurisdiction is proper where a defendant "knowingly conducts business with forum state residents via the site". Toys "R" Us, Inc. v. Step Two,

S.A., 318 F.3d 446, 452 (3d Cir. 2003); see also Burger King Corp. v. Rudzewicz, 471 U.S. 462, 472 (1985); Zippo Mfg. Co. v. Zippo Dot Com, Inc., 952 F. Supp. 1119 (W.D. Pa. 1997).

12. VGW's contacts with New Jersey also include direct solicitations and other communications, instituted by the company, with customers in New Jersey. These include in-game messages and advertisements sent to players. Further, social and sweeps casino companies specifically target individuals who spend money on the apps, including by sending them direct, targeted advertisements to play the game, purchase coins, or participate in particular features of the games. See "How social casinos leverage Facebook user data to target vulnerable gamblers," PBS News Hour, available at https://www.pbs.org/newshour/show/how-social-casinos-leverage-facebook-user-data-to-target-vulnerable-gamblers (last accessed July 11, 2025). These communications and advertisements specifically directed by VGW to particular current and prospective players in New Jersey constitute purposeful contacts with the state.

RELEVANT FACTS

A. Defendants' Gambling Games

13. VGW is a game developer that has created games that simulate slot machines and other gambling games, including Chumba Casino and Luckyland,

which it makes available to the public at www.chumbacasino.com and www.luckylandslots.com.

14. VGW's games operate with two forms of virtual coins. The first are called gold coins. Gold coins when won cannot be redeemed for real-world currency. However, when users play with gold coins and win more gold coins, the gold coins won can be used to extend their playing time without having to purchase more coins, and thus they obtain more amusement, a valuable consideration under New Jersey gambling law. The New Jersey Supreme Court has long held that the ability to play for free is a thing of value under New Jersey law. See Hunter v. Mayor & Council of Teaneck Tp., 24 A.2d 553 (N.J. 1942).

15. The other virtual coins used by VGW's websites are called Sweeps Coins. VGW maintains that Sweeps Coins cannot be purchased. However, when individuals purchase packages of gold coins, they are "given" a set number of Sweeps Coins. Sweeps Coins can be redeemed for real-world currency. Thus, when customers play with them, they are gambling real money, whether the VGW describes it this way or not.

16. The games on VGW's websites are games of chance. They are available online through its websites, Chumba Casino and Luckyland, to the public in New Jersey through the websites www.chumbacasino.com and www.luckylandslots.com. Here is an example of one of VGW's games:

17. Plaintiff Sharon King spent money on packages including gold coins and sweeps coins, played VGW's gambling games, and lost money on the games within the six months preceding the filing of this complaint.

B. Defendants' Games Have Gravely Harmed the Class and the State of New Jersey.

18. The social ills caused by "social casino" and "sweeps casino" games are well-documented. Media reports how gambling addicts spend enormous, and completely unaffordable, amounts of money on these casino games. One nurse in Houston is reported to play a slot machine game similar to defendants' here for a minimum of two hours a day. (Ex. 1, https://www.nbcnews.com/tech/technews/addicted-losing-how-casino-apps-have-drained-people-millions-n1239604 (last accessed on Aug. 19, 2024)). Between her and her husband, who plays the game with her, she estimates they have lost $150,000. She asked NBC News to withhold her name "so her family does not find out how much money they have spent on the game." (Id.). She said her and her husband "lie in bed next to each other, we have two tablets, two phones and a computer and all these apps spinning Reel Rivals at the same time. We normalize it with each other." (Id.). This is not an isolated instance.

19. NBC News spoke to 21 people, including Shellz [the Houston nurse] and her husband, who said they were hooked on the casino-style games and spent significant sums of money. They described feelings of helplessness and wanting to

quit but found themselves addicted to the games and tempted by the company's aggressive marketing tactics. "Most of the 21 players wished to remain anonymous, as they were ashamed of their addictions and did not want their loved ones to find out about their behavior." (Id.). For example, a "42-year-old Pennsylvania woman said she felt saddened that she spent $40,000 [on a social casino app that competes with defendants'] while working as an addiction counselor. 'The whole time I was working as an addiction counselor, I was addicted to gambling and with no hope of winning any money back,' she said." Such problems are only exacerbated by "sweeps casinos," where users have access to gambling games where they can win cash money, and not just additional play-time, twenty-four hours a day, seven days a week.

20. Anecdotal reports of gambling addictions in connection with social casino and sweeps casino games like defendants' are buttressed by recent scientific studies that confirm that such apps not only appeal to gambling addicts, but have a particular appeal to teenagers. One of the more troubling statistics comes from studies that show that 30% of users of these games between the ages of 12 and 18 later become regular gamblers. Hollingshead, et al., "Motives for playing social casino games and the transition from gaming to gambling (or vice versa): social casino game play as harm reduction?" 46 Journal of Gambling Issues 43 (2021).

21. Companies in the social casino and sweeps casino industry, including defendants, have extracted tens of millions of dollars from New Jersey's economy in the last five years, all without adding anything to the economy of the state or paying a dime in taxes to New Jersey's treasury. Instead, the money extracted from New Jersey's economy ends up in not only in Defendants' home country of Australia, but also in places like Hong Kong, Gibraltar, Israel, and Cyprus, where other major companies in the industry are headquartered. According to research on the industry as a whole, social casinos and sweeps casinos had estimated 2024 revenues of 7.1 billion and 10.6 billion, respectively. https://kpmg.com/kpmg-us/content/dam/kpmg/pdf/2025/sweepstakes-gaming-emerging-industry-primer.pdf. Revenue in the sweeps casino segment has been growing at a rapid pace, with projections of 2025 gross revenues above $14 billion and net revenues of almost $5 billion. Id. Even if New Jersey consumers represent but a percentage of that total, the reality is that a great deal of money is being siphoned from the state's economy each year.

CLASS ALLEGATIONS

22. Plaintiff seeks to certify and represent a class pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure. The class sought to be certified is defined as follows:

> All New Jersey residents who spent money on VGW's websites (www.chumbacasino.com and www.luckylandslots.com) within the

> applicable statute of limitations for each of the class claims set forth below and continuing to a date to be set by the Court following certification. All employees of the Court, and plaintiff's counsel, and their families, are excluded.

23. This class action satisfies the numerosity requirement of Rule 23(a)(1) because joinder of all members of the plaintiff class is impracticable. There are thousands of New Jersey residents who are members of the class.

24. This class also satisfies the commonality requirement of Rule 23(a)(2) because there are central questions of fact and law that are common to the class. Such common questions include, at a minimum, (a) whether VGW's games are games of chance; (b) whether free play is a thing of value under New Jersey law, (c) whether individuals playing with Sweeps Coins can recover real money; (d) whether VGW's games constitute illegal gambling under New Jersey law; (e) whether class members are entitled to recover their losses pursuant to Section 2A:40-5 of the New Jersey Revised Statutes; (f) whether VGW represented on its website or in advertisements that its gambling games do not constitute "real money gambling;" (g) whether VGW represented on its website or in advertisements that its gambling games are legal in New Jersey; (h) whether these misrepresentations constitute deceptive trade practices under New Jersey law; (i) whether VGW was unjustly enriched by its illegal activities; (j) whether VGW's terms of service are unenforceable under federal law because they set forth the terms and conditions under which illegal gambling under federal law occurs; and (k) whether VGW's

terms of service, and the arbitration agreement contained therein, are each void under New Jersey law.

25. The proposed class satisfies the typicality requirement of Rule 23(a)(3) because the named plaintiff's claims are typical of the claims of the class members. Both plaintiff and the class members lost money in an effort to win either money (with sweeps coins) or additional playing time and amusement (with gold coins) on these illegal gambling games.

26. The named plaintiff will fairly and adequately represent the interests of the class pursuant to Rule 23(a)(4). Plaintiff has no interests that conflict with the interests of the class. Furthermore, plaintiff has retained competent and experienced counsel with decades of experience litigating class cases.

27. Plaintiff seeks certification of the class pursuant to Rule 23(b)(3), which allows class treatment of a claim where:

> (3) the court finds that the questions of law or fact common to class members predominate over any questions affecting only individual members and that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy. The matters pertinent to these findings include:
>
> (A) the class members' interests in individually controlling the prosecution or defense of separate actions;
>
> (B) the extent and nature of any litigation concerning the controversy already begun by or against class members;

(C) the desirability or undesirability of concentrating the litigation of the claims in the particular forum; and

(D) the likely difficulties in managing a class action.

28. The common questions of law and fact in this case vastly predominate over any individual issues affecting only individual class members. The ***only*** individual issue presented by these class members is the exact amount of money damages to which each class member is entitled. Such damages issues are routinely held not to predominate over common questions in cases like this. Indeed, the individual damages issues can be quickly and accurately resolved by examining VGW's own records.

29. Class treatment is by far superior to individual litigation as a fair and efficient way to adjudicate this controversy. Given the relatively small individual amounts at issue, it is unlikely that there would be any adjudication of the class claims in this case at all absent their litigation in a class setting.

30. For this reason, none of the class members have any interest in controlling the prosecution of separate actions. Likewise, to our knowledge, no class member has commenced a pending action concerning this controversy.

31. It would be much more desirable to concentrate this case in one action rather than allow the prosecution of individual actions because, as noted, such individual actions would likely never be filed because class members would be unlikely to have any motivation to file an individual suit.

32. Plaintiff's counsel foresee no particular difficulties in managing this case as a class action because all of the necessary information to compensate the individual class members is contained in VGW's own records concerning users' purchases and in the records of the platforms that facilitate the service. Defendants and the platforms defendants use to provide the games keep extensive records which will demonstrate not only the aggregate amounts lost by players in New Jersey, but the identities of the individual players and the amounts of their individual losses. This information is easily ascertainable in discovery.

VGW'S GAMES VIOLATE NEW JERSEY AND FEDERAL LAW

33. Unregulated gambling is illegal in New Jersey, and there is a strong public policy against unregulated gambling in this state. The state's strong public policy against gambling includes a statutory right of persons who lose money or other things of value on illegal gambling to recover their money or thing of value.

34. Defendant's games are illegal in the state of New Jersey. Section 2A:40-1 of the New Jersey Revised Statutes outlaws all gambling outside of what is specifically authorized by the Casino Control Act:

> All wagers, bets or stakes made to depend upon any race or game, or upon any gaming by lot or chance, or upon any lot, chance, casualty or unknown or contingent event, shall be unlawful.

N.J.R.S. § 2A:40-1.

35. The New Jersey Supreme Court has long held that the ability to play for free is a thing of value under New Jersey gambling law. See Hunter v. Mayor & Council of Teaneck Tp., 24 A.2d 553 (N.J. 1942).

36. Because the gambling games are illegal in New Jersey, when such games are played in New Jersey, they are also illegal under federal law pursuant to 18 U.S.C. § 1955, as more fully set forth in Count One below.

CLAIMS FOR RELIEF

COUNT ONE: DECLARATORY ACTION THAT THE GAMBLING IS ILLEGAL UNDER FEDERAL LAW, MAKING DEFENDANTS' TERMS OF SERVICE UNENFORCEABLE IN FEDERAL COURT

37. Plaintiff incorporates the factual and legal averments of Paragraphs 2-36 by reference as if fully set forth in this count.

38. Plaintiff seeks, on behalf of himself and the class, a declaratory judgment that:

a. VGW's conduct in New Jersey is an "illegal gambling business" under 18 U.S.C. § 1955;

b. The "Terms of Service" found on VGW's websites (www.chumbacasino.com and www.luckylandslots.com) set out the terms and conditions under which VGW's illegal gambling is conducted; and

c. The Terms of Service are unenforceable in federal court.

39. The relevant language of 18 U.S.C. Section 1955 states:

(1) "illegal gambling business" means a gambling business which—

> **(i)** is a violation of the law of a State or political subdivision in which it is conducted;
>
> **(ii)** involves five or more persons who conduct, finance, manage, supervise, direct, or own all or part of such business; and
>
> **(iii)** has been or remains in substantially continuous operation for a period in excess of thirty days or has a gross revenue of $2,000 in any single day.

28 U.S.C. § 1955(b)(1).

40. As to the first element required to find an illegal gambling business, under section 1955, VGW's games, as played with both gold coins and sweeps coins, are in fact illegal gambling under New Jersey law.

41. As explained above, New Jersey law bans all bets or stakes made to depend upon a game of chance, outside of gambling explicitly authorized by the Casino Control Act. N.J.R.S. § 2A:40-1.

42. Notwithstanding VGW's misrepresentation to the contrary, when played with sweeps coins, VGW's games constitute real money gambling because users can get sweeps coins by spending real money, can risk those sweeps coins on games of chance to try and win more, and can redeem their sweeps coins for cash.

43. VGW's games also constitute illegal gambling when played with gold coins, because, notwithstanding VGW's misrepresentation to the contrary, they are redeemable for continued or additional amusement.

44. As to the second element under Section 1955, VGW certainly employs more than 5 persons who conduct, finance, manage, supervise, direct or own all or part of its business.

45. The third element of Section 1955 is also met. VGW has both been in business for more than 30 days in New Jersey, and has had gross revenue of more than $2000 in a single day. VGW has conducted business in New Jersey for multiple years, and has collected gross revenue of more than $2000 in a single day on multiple occasions.

46. Because all three elements of Section 1955 are met, VGW's conduct in New Jersey constitutes an illegal gambling business, and plaintiff's first request for declaratory judgment is due to be granted.

47. The second request for declaratory judgment should also be granted. The "Terms of Service" found on VGW's websites, do in fact set out the terms and conditions under which the illegal gambling thereon is conducted. Plaintiff expects VGW will challenge the words "illegal" and "gambling" in this request, but will likely not dispute the fact that its terms of service govern the operation of the games and all of the activity it conducts in New Jersey.

48. Because the contract embodied in the terms of service, as described above, is illegal pursuant to federal law, namely 18 U.S.C. § 1955, federal courts, pursuant to United States Supreme Court precedent, are not permitted to enforce the

contract in aid of such illegal activity. See Kaiser Steel Corp. v. Mullins, 455 U.S. 72, 84 (1982), which held:

> It is . . . well established . . . that a federal court has a duty to determine whether a contract violates federal law before enforcing it. "The power of the federal courts to enforce the terms of private agreements is at all times exercised subject to the restrictions and limitations of the public policy of the United States as manifested in . . . federal statutes. . . . Where the enforcement of private agreements would be violative of that policy, it is the obligation of courts to refrain from such exertions of judicial power."

(quoting Hurd v. Hodge, 334 U.S. 24, 34-35 (1948)).

COUNT TWO: DECLARATORY ACTION THAT DEFENDANTS' TERMS OF SERVICE AS A WHOLE AND THE ARBITRATION PROVISION ITSELF ARE EACH VOID UNDER NEW JERSEY LAW

49. Plaintiff incorporates the factual and legal averments of Paragraphs 2-48 by reference as if fully set forth in this count.

50. As set forth above, defendants' games are governed by terms of service that facilitate the illegal gambling. The terms of service are therefore void pursuant to Section 2A:40-3 of the New Jersey Revised Statutes, which states that "[a]ll promises, agreements, notes, bills, bonds, contracts, judgments, mortgages, leases or other securities or conveyances which shall be made, given, entered into or executed by any person, the whole or part of the consideration of which is for any money, property or thing in action whatsoever laid, won or bet in violation of section 2A:40-1 of this title, or for reimbursing or repaying any money knowingly lent or advanced to help or facilitate such violation, shall be utterly void and of no effect."

51. VGW's terms and conditions also contain provisions within the arbitration agreement that exist in aid of the illegal gambling conduct, and are thus void and unenforceable. For example, the terms attempt to prevent VGW's customers from both arbitrating or litigating any dispute concerning the losses of third parties. All claims pursuant to Section 2A:40-6 concern the losses of third parties, thus this provision attempts to exculpate VGW from the clear consequences of its intentional illegal activity in New Jersey. www.chumbacasino.com/documents/250731-POL-CHU-T&Cs-18-0.pdf) at 24.7; https://luckylandslots.com/terms at 24.7.

52. Plaintiff seeks on his own behalf and on behalf of the class, a declaration that VGW's terms of service, and, separately, the arbitration agreement contained therein, are each void under New Jersey law.

COUNT THREE: DECLARATORY ACTION THAT DEFENDANT'S TERMS OF SERVICE VIOLATE JAMS MINIMUM STANDARDS AND THE EFFECTIVE VINDICATION DOCTRINE

53. Plaintiff incorporates the factual and legal averments of Paragraphs 2-52 by reference as if fully set forth in this count.

54. As is explained in the Note on Arbitration below, Plaintiff and the members of the class are ostensibly subject to an arbitration agreement, which VGW requires each of its customers to assent to before playing the illegal gambling games.

This purported arbitration agreement names Judicial Arbitration and Mediation Services (JAMS) as the arbitration forum.

55. JAMS has promulgated "Minimum Standards for Arbitration Procedures" for use in consumer arbitrations, which are available online at https://www.jamsadr.com/consumer-minimum-standards/ (last accessed August 28, 2025).

56. Principle 3 of these Minimum Standards states that "[r]emedies that would otherwise be available to the consumer under applicable federal, state or local laws must remain available under the arbitration clause, unless the consumer retains the right to pursue the unavailable remedies in court." https://www.jamsadr.com/consumer-minimum-standards/ (last accessed August 28, 2025).

57. The United States Supreme Court has also explicitly found that arbitration agreements that are written to prevent a party from pursuing statutory remedies are invalid. American Exp. Co. v. Italian Colors Rest., 570 U.S. 228, 235 (2013) (citing, inter alia, Mitsubishi Motors v. Soler Chrysler-Plymouth, Inc., 473 U.S. 614, 637 (1985); Gilmer v. Interstate/Johnson Lane Corp., 500 U.S. 20, 28 (1991)).

58. The Italian Colors court, while holding that the exception did not apply to the case at bar, stated in strong terms that the effective vindication doctrine "would

certainly cover a provision in an arbitration agreement forbidding the assertion of certain statutory rights." 570 U.S. at 236.

59. VGW's Terms of Service explicitly attempt to forbid the assertion of certain rights in both arbitration and litigation. For example, the terms attempt to prevent VGW's customers from both arbitrating or litigating any dispute concerning the losses of third parties, a statutory right directly authorized by Section 2A:40-6 of the New Jersey Revised Statutes. www.chumbacasino.com/documents/250731-POL-CHU-T&Cs-18-0.pdf) at 24.7; https://luckylandslots.com/terms at 24.7.

60. These provisions of VGW's Terms of Service, including but not limited to the prohibition on actions for the recovery of the losses of third parties and private attorney general actions, run directly afoul of the JAMS Minimum Standards and the effective vindication doctrine set forth by the United States Supreme Court.

61. Plaintiff, on behalf of himself and the class, seeks a determination that provisions in the VGW Terms of Service that prevent customers from effectively vindicating statutory rights are void and unenforceable.

COUNT FOUR: CLASS CLAIMS FOR INDIVIDUAL LOSSES

62. Plaintiff incorporates the factual and legal averments of Paragraphs 2-61 by reference as if fully set forth in this count.

63. The New Jersey Revised Code provides a statutory civil cause of action to recover money paid and lost due to gambling. Section 2A:40-5 provides:

> If any person shall lose any money, goods, chattels or other valuable thing, in violation of section 2A:40-1 of this title, and shall pay or deliver the same or any part thereof to the winner, or to any person to his use, or to a stakeholder, such person may sue for and recover such money, or the value of such goods, chattels, or other valuable thing, from such winner, or from such depositary, or from such stakeholder, whether the same has been delivered or paid over by such stakeholder or not, in a civil action provided such action is brought within 6 calendar months after payment or delivery.

NJRS. § 2A:40-5.

64. On behalf of herself and all others similarly situated, Sharon King seeks for each class member recovery of the amount paid through purchases on VGW's websites within the six months preceding the filing of this complaint minus any amounts that player was actually paid back as a result of winnings, pursuant to Section 2A:40-5 of the New Jersey Revised Statutes.

COUNT FIVE: INDIVIDUAL CLAIM FOR THIRD PARTY LOSSES

65. Plaintiff incorporates the factual and legal averments of Paragraphs 2-64 by reference as if fully set forth in this count.

66. After the six-month period during which the losing gambler may recover his or her money, the New Jersey Revised Statutes provides that any person may then sue and recover the losses:

> If the person who shall lose and pay such money, or lose and deliver such thing or things as aforesaid, shall not, within the time aforesaid, without collusion, sue for the money or other thing or things so lost and paid, or delivered, any other person may sue for and recover the same, with costs of suit, from such winner, depositary or stakeholder as aforesaid; the one moiety thereof to the use of the person suing for the

> same, and the other moiety to the use of the state; provided the action is instituted within 6 calendar months from and after the expiration of the time limited in section 2A:40-5 of this title for the loser to sue for the same.

NJRS § 2A:40-6.

67. Pursuant to Section 2A:40-6 of the New Jersey Revised Statutes, Sharon King claims, on her own behalf, the total of the net losses by purchasers of virtual currency on VGW's websites that occurred more than six months prior to the filing of this complaint that are not, for any reason, recoverable by the class pursuant to counts five and six.

COUNT SIX: CLASS CLAIMS FOR VIOLATION OF THE NEW JERSEY CONSUMER FRAUD ACT

68. Plaintiff incorporates the factual and legal averments of Paragraphs 2-67 by reference as if fully set forth in this count.

69. The New Jersey Consumer Fraud Act, contained in Title 56 of the New Jersey Revised Statutes forbids, among other things, "any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing, concealment, suppression or omission, in connection with the sale or advertisement of" any goods or services. NJRS 56:8-2.

70. VGW represents on its terms and conditions that Sweeps Coins cannot be purchased, while acknowledging that they may be given "as a bonus" when a customer purchases gold coins. See https://play.luckylandslots.com/terms. In

reality, a player can purchase "packages" that clearly include a specific amount of sweeps coins, as the player is fully aware when the purchase is made. VGW advertises the sale of these packages by including the number of Sweeps Coins included:

71. VGW's representation that Sweeps Coins are not available for purchase, simply because one is required to purchase something else with them, is patently false.

72. VGW's representation that "The games and platform do not offer real money gambling" (see https://play.luckylandslots.com/terms at p.1) is equally false. VGW allows users to purchase Sweeps Coins in packages as described above, allows those coins to be risked on games on chance, and allows users to redeem the

coins for real money based on the results of those games of chance. That is gambling for real money.

73. Though the screenshots and quotes above are from Luckyland Slots, Chumba Casino's purchasing packages and terms are substantively identical in this respect. See https://www.chumbacasino.com/documents/250731-POL-CHU-T&Cs-18-0.pdf.

74. VGW's misrepresentation that the Sweeps Coins cannot be purchased and have no value, as well as its misrepresentation that the sites do not allow real money gambling, violate the New Jersey Consumer Fraud Act because they are deceptive to consumers, and because they each constitute a representation that a good or service has characteristics or standards that it does not have.

75. The New Jersey Consumer Fraud Act provides a private right of action, allowing consumers to recover money lost to deceptive practices, along with treble damages, attorneys' fees, and costs. NJRS § 56:8-19.

76. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and adopting the class allegations found in Paragraphs 22-32 above, Plaintiff seeks to recover for the class all money lost by a class of persons who played VGW's illegal gambling games during the six-year statute of limitations of the Consumer Fraud Act.

NOTE ON ARBITRATION

77. Plaintiff Sharon King and the members of the class are subject to arbitration agreements which VGW requires all of its users to agree to.

78. The arbitration agreements are found in the Terms of Service (or Terms and Conditions) of VGW's websites, Luckyland Slots and Chumba Casino, respectively.

79. It is for an arbitrator to determine whether these Terms and Conditions constitute an illegal contract that is void and unenforceable under New Jersey and federal law.

80. The United States Supreme Court has made it clear that the determination of illegality of a contract containing an arbitration clause is for the arbitrator in the first instance. See, e.g., Buckeye Check Cashing, Inc. v. Cardegna, 546 U.S. 440, 446 (2006).

81. The Supreme Court has also held that federal courts must stay, rather than dismiss, when a party requests a stay pending arbitration. Smith v. Spizzirri, 601 U.S. 472, 474 (2024) (noting that Section 3 of the Federal Arbitration Act does not "permit[] a court to dismiss the case instead of issuing a stay when the dispute is subject to arbitration and a party requests a stay pending arbitration.")

82. Plaintiff intends to file a motion to stay pending the outcome of that arbitration. Under Smith v. Spizzirri, this motion is due to be granted.

PRAYER FOR RELIEF

Pursuant to the legal and factual averments above, Plaintiff respectfully asks this court to:

1. Take jurisdiction of this cause;
2. Grant plaintiff's motion to stay the case pending the outcome of arbitration;
3. Following arbitration and discovery, certify counts one, two, three, four, and six of this complaint as a class action pursuant to Rule 23(b)(3);
4. Appoint the undersigned as Class Counsel and the named plaintiff as class representative;
5. Enter a final judgment against VGW awarding plaintiff and the class members a refund of their net losses on VGW's illegal gambling games in the period between six months prior to the complaint and the entry of judgment under New Jersey's gambling loss recovery statute;
6. Enter a final judgment against VGW awarding plaintiff and the class members a refund of their losses, trebled, unrecovered under count three, during the period between six years prior to the filing of the complaint and the entry of judgment, pursuant to the New Jersey Consumer Fraud Act;
7. Enter a final judgment against VGW awarding to plaintiff the amount of all money lost in VGW's illegal gambling games by New Jersey residents

during the period between one year prior to the filing of the complaint and six months prior to the filing of the complaint, to the extent that such losses have not been recovered under counts four and six;

8. Award Class Counsel reasonable attorneys' fees and expenses to be paid from the common fund judgment in favor of the class;
9. Award the named plaintiff a reasonable sum of money for his services in this case on behalf of the class, also to be paid out of the judgment in favor of the class;
10. Award interest and costs; and
11. Award any other relief to which the Court finds plaintiff and the class are entitled.

Respectfully submitted this 29th day of August, 2025,

/s/ Nicholas Conlon
Nicholas Conlon
Attorney for Plaintiff Sharon King

COUNSEL:

Nicholas Conlon
Jason T. Brown
Brown, LLC
111 Town Square Pl. 400
Jersey City, NJ 07310
Telephone: 877.561.000
nicholasconlon@jtblawgroup.com
jtb@jtblawgroup.com

Dargan M. Ware (*pro hac vice* anticipated)
John E. Norris (*pro hac vice* anticipated)
DAVIS & NORRIS, LLP
2154 Highland Avenue South
Birmingham, Alabama 35205
Telephone: 205.930.9900
Facsimile: 205.930.9989
dware@davisnorris.com
jnorris@davisnorris.com

JS 44 (Rev. 03/24)

CIVIL COVER SHEET

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

I. (a) PLAINTIFFS

Sharon King, on behalf of herself and all others similarly situated

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

(c) Attorneys *(Firm Name, Address, and Telephone Number)*
Brown, LLC

DEFENDANTS

VGW, LTD; VGW Holdings, US; VGW US, Inc.; VGW Holdings, Ltd.; VGW Canada, Inc.; VGW GP, Ltd; VGW

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

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

Attorneys *(If Known)*

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

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

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff and One Box for Defendant)*
(For Diversity Cases Only)

	PTF	DEF		PTF	DEF
Citizen of This State	☒ 1	☐ 1	Incorporated *or* Principal Place of Business In This State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated *and* Principal Place of Business In Another State	☐ 5	☒ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☒ 6

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

Click here for: Nature of Suit Code Descriptions.

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excludes Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☐ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury - Medical Malpractice

PERSONAL INJURY
- ☐ 365 Personal Injury - Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 445 Amer. w/Disabilities - Employment
- ☐ 446 Amer. w/Disabilities - Other
- ☐ 448 Education

PRISONER PETITIONS

Habeas Corpus:
- ☐ 463 Alien Detainee
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 General
- ☐ 535 Death Penalty

Other:
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee - Conditions of Confinement

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Management Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Employee Retirement Income Security Act

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 465 Other Immigration Actions

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

INTELLECTUAL PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 835 Patent - Abbreviated New Drug Application
- ☐ 840 Trademark
- ☐ 880 Defend Trade Secrets Act of 2016

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

OTHER STATUTES
- ☐ 375 False Claims Act
- ☐ 376 Qui Tam (31 USC 3729(a))
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 480 Consumer Credit (15 USC 1681 or 1692)
- ☐ 485 Telephone Consumer Protection Act
- ☐ 490 Cable/Sat TV
- ☐ 850 Securities/Commodities/ Exchange
- ☒ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Information Act
- ☐ 896 Arbitration
- ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

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

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

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing ***(Do not cite jurisdictional statutes unless diversity)***:
Class Action Fairness Act, 28 U.S.C. s. 1332(d), New Jersey Reveised Statutes 2A:40--5; 2A:40-6; 56:6-1 et seq.

Brief description of cause:
Class action to recover losses in illegal gambling pursuant to New Jersey Gambling Loss Recovery Act

VII. REQUESTED IN COMPLAINT:

☒ CHECK IF THIS IS A **CLASS ACTION** UNDER RULE 23, F.R.Cv.P.

DEMAND $ $5,000,000+

CHECK YES only if demanded in complaint:
JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE n/a DOCKET NUMBER

DATE August 29, 2026

SIGNATURE OF ATTORNEY OF RECORD /s/ Nicholas Conlon

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

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

I.(a) **Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) **County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) **Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. **Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below**; NOTE: federal question actions take precedence over diversity cases.**)

III. **Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

IV. **Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: Nature of Suit Code Descriptions.

V. **Origin.** Place an "X" in one of the seven boxes.
Original Proceedings. (1) Cases which originate in the United States district courts.
Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.

VI. **Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service.

VII. **Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

VIII. **Related Cases.** This section of the JS 44 is used to reference related cases, if any. If there are related cases, insert the docket numbers and the corresponding judge names for such cases.

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