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REC'D & FILED
2026 FEB -2 PM 3:09
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**IN THE FIRST JUDICIAL DISTRICT COURT OF
THE STATE OF NEVADA IN AND FOR CARSON CITY**

STATE OF NEVADA ex rel. NEVADA
GAMING CONTROL BOARD,

Plaintiff,

vs.

COINBASE FINANCIAL MARKETS,
INC.,

Defendant.

Case No. 26 OC 00030 JB

Dept. No. II

COMPLAINT FOR PERMANENT INJUNCTION AND DECLARATORY RELIEF
COMES NOW, Plaintiff, STATE OF NEVADA, ex rel. NEVADA GAMING CONTROL
BOARD, by and through its attorneys, files this Complaint for COINBASE FINANCIAL
MARKETS, INC.'s violations of State of Nevada gaming laws and hereby asserts and
alleges as follows:

PARTIES

1. At all times relevant hereto, STATE OF NEVADA, ex rel. NEVADA GAMING
CONTROL BOARD ("BOARD") was and is a political subdivision of the State of Nevada
established pursuant to NRS 463.030. The BOARD is charged with the responsibility of

1 strictly regulating gaming in the State of Nevada because it is vitally important to the
2 State, its economy, and the general welfare of its inhabitants.

3 2. At all times relevant hereto, COINBASE FINANCIAL MARKETS, INC.
4 (“COINBASE”) was and is a financial services company incorporated in Delaware with its
5 principal place of business in New York. COINBASE is a CFTC-registered Futures
6 Commission Merchant (“FCM”) that serves as an intermediary for customers trading
7 regulated derivatives listed on a Designated Contract Market (“DCM”) operated by a third
8 party. COINBASE offers products referred to as event contracts for sale on its mobile app
9 to persons located in Nevada.

10 GENERAL ALLEGATIONS

11 **A. Nevada has a strong interest in regulating gaming in Nevada.**

12 3. The State of Nevada has a long history of gambling regulation and is the
13 leader in gambling regulation in the United States.

14 4. In 1931, the Nevada Legislature legalized gambling in the State.

15 5. The Nevada Gaming Control Act of 1949 shifted gaming licensing from local
16 government to state government.

17 6. With the passage of the Nevada Gaming Control Act, Nevada became the first
18 State in the nation to legalize sports betting.

19 7. “It is established beyond question that gaming is a matter of privilege
20 conferred by the State rather than a matter of right.” *State v. Rosenthal*, 93 Nev. 36, 40,
21 559 P.2d 830, 833 (1977).

22 8. Nevada’s public policy, as expressed by the Legislature, is that “[t]he gaming
23 industry is vitally important to the economy of the State and the general welfare of the
24 inhabitants” and that “[a]ll establishments where gaming is conducted . . . must therefore
25 be licensed, controlled and assisted to protect the public health, safety, morals, good order
26 and general welfare of the inhabitants of the State, to foster the stability and success of
27 gaming and to preserve the competitive economy and policies of free competition of the
28 State of Nevada.” NRS 463.0129(1)(a)-(d).

1 9. The Legislature has conclusively determined that “[p]ublic confidence and
2 trust can only be maintained by strict regulation of all persons, locations, practices,
3 associations and activities related to the operation of licensed gaming establishments,”
4 NRS 463.0129(1)(c), and that any activity that reflects “discredit upon the State of Nevada
5 or the gaming industry” may be deemed an unsuitable method of operation by the BOARD
6 and the Nevada Gaming Commission (“COMMISSION”), Nev. Gaming Comm’n Reg.
7 5.011(1).

8 10. Currently, the State of Nevada has a two-tiered regulatory structure to
9 regulate gaming within the State involving the BOARD and COMMISSION.

10 11. Nevada law requires that all gaming activity be strictly regulated and
11 licensed, as the gaming industry is “vitally important to the economy of the State and the
12 general welfare of the inhabitants.” NRS 463.0129(1)(a).

13 12. Pursuant to Nevada law, the continued growth and success of gaming in the
14 State of Nevada is “dependent upon public confidence and trust that licensed gaming” is
15 “conducted honestly and competitively.” NRS 463.0129(1)(b).

16 13. Pursuant to Nevada law, “public confidence and trust can only be maintained
17 by strict regulation of all persons, locations, practices, associates, and activities related” to
18 the operation of gaming in Nevada. NRS 463.0129(1)(c) (emphasis added).

19 14. Pursuant to Nevada law, all entities making gaming available in Nevada
20 must “be licensed, controlled and assisted to protect the public health, safety, morals, good
21 order and general welfare of the inhabitants of the State.” NRS 463.0129(1)(d).

22 15. Lack of enforcement of Nevada gaming laws against entities that make
23 gaming accessible to persons within the State will severely impact Nevada’s ability to
24 strictly regulate gaming in Nevada and foster Nevada’s gaming industry, which is vitally
25 important to its economy and citizens.

26 ///

27 ///

28 ///

1 **B. COINBASE operates a gambling game and/or sports pool and accepts**
2 **wagers in or from Nevada.**

3 16. “Gaming” in Nevada is synonymous with “gambling” and includes any
4 regulated game. NRS 463.0153.

5 17. A “game” subject to regulation in Nevada includes “any game played with . . .
6 equipment or any mechanical or electronic device or machine for money . . . or any
7 representative of value” that is accessible in Nevada. NRS 463.0152.

8 18. COINBASE’s products meet the requirements of NRS 463.0152 because a
9 person accesses COINBASE’s market through COINBASE’s mobile app or website and the
10 use of the Internet and enters wagers through COINBASE’s market with the payment of
11 money. Moreover, COINBASE uses electronic devices such as computers and servers to
12 make its wagers available on its mobile app and the Internet.

13 19. A game subject to regulation in Nevada includes a “sports pool.” NRS 463.160.
14 A “sports pool” is “the business of accepting wagers on sporting events or other events by
15 any system or method of wagering.” NRS 463.0193. A “wager” is “a sum of money or
16 representative of value that is risked on an occurrence for which the outcome is uncertain.”
17 NRS 463.01962.

18 20. COINBASE’s products meet the requirement of NRS 463.160 and NRS
19 463.0193 because COINBASE’s market allows users to wager on the outcomes of sporting
20 events and other events for which the outcome is uncertain. These sporting events and
21 other events include, but are not limited to, college basketball games, college and
22 professional football games, and elections.

23 21. COINBASE’s event contracts are wagers: A user spends a sum of money to
24 buy an event contract on an outcome of an event and receives a payout if the outcome occurs
25 and not if the outcome does not occur. For example, as of February 1, 2026, a user could
26 buy an event contract for \$100 that would pay out \$303 if the New England Patriots win
27 the Superbowl—essentially, approximately 3/1 odds. COINBASE, *The Big Game*,

1 <https://www.coinbase.com/predictions/trending/the-big-game> (last accessed February 2,
2 2026).

3 22. A “game” subject to regulation in Nevada includes a “percentage game.” NRS
4 463.1052. A “percentage game” exists where the “house” does not directly participate in a
5 wager and its only stake is a commission derived from wagers. *See Hughes Props. v. State*,
6 100 Nev. 295, 297 (1984).

7 23. COINBASE’s products meet this requirement because COINBASE takes a
8 commission, or percentage, on the wagers placed through its market. COINBASE takes a
9 percentage of money wagered through its market in the form of commissions styled as fees.
10 COINBASE, *How do fees work?*, <https://www.coinbase.com/predictions/event/KXSB-26>
11 (last accessed February 2, 2026).

12 24. In taking a percentage of the wagers placed through its market, COINBASE
13 accepts wagers on sporting events and other events.

14 **C. COINBASE’s operation in Nevada cause harm to Nevada.**

15 25. Despite making wagers, sports betting, and other gaming activity (“gaming”)
16 accessible in the State of Nevada, COINBASE is not licensed in Nevada by the BOARD or
17 COMMISSION and does not comply with Nevada gaming law.

18 26. Nevada law requires every entity that makes gaming activities, including
19 wagers, accessible in Nevada to be subject to a rigorous licensing process and an in-depth
20 investigation of all entities and natural persons who directly or indirectly have an
21 ownership interest in the entity offering the wagers.

22 27. COINBASE has not undergone Nevada’s rigorous licensing process for its
23 wagering activities.

24 28. Entities conducting gaming activities in the State of Nevada must pay taxes
25 on gross gaming revenue derived from gaming activities accessible in the State.

26 29. COINBASE does not pay taxes on gross gaming revenue derived from gaming
27 activities, including wagers, accessible in the State of Nevada.
28

30. Entities accepting wagers from persons in the State of Nevada must have a physical location in Nevada.

31. COINBASE does not have a physical location in Nevada for its wagering activity.

32. Entities accepting wagers in the State of Nevada on sporting events may not allow persons under 21 years of age to place wagers.

33. COINBASE allows persons under the age of 21 years of age to place wagers on its market. Specifically, it allows anyone over the age of 18 to create an account and trade on its platform. COINBASE, *Account Setup*, <https://www.coinbase.com/legal/user-agreement/united-states> (last accessed February 2, 2026).

34. Entities accepting wagers in the State of Nevada on sporting events must employ safeguards to ensure that wagers are not being placed on an event by owners, coaches, players, or officials participating in the event, and must communicate with Nevada gaming regulatory authorities about potential evidence of match fixing or point shaving.

35. On information and belief, COINBASE does not employ adequate safeguards to ensure that wagers are not being placed on an event from owners, coaches, players, or officials participating in the event, and does not communicate about potential evidence of match fixing or point shaving with Nevada gaming regulatory authorities.

D. COINBASE's market violates NRS 463.160.

36. Pursuant to NRS 463.160, it is unlawful for a person to expose a game or a sports pool for play in Nevada without the required gaming licenses.

37. COINBASE's market exposes a percentage game for play in Nevada.

38. COINBASE's market exposes a sports pool for play in Nevada.

39. COINBASE does not possess a Nevada gaming license.

40. COINBASE does not possess a Nevada sports pool approval.

41. COINBASE, in making its market available to persons located in Nevada, has violated, and continues to violate, NRS 463.160.

E. COINBASE's market violates NRS 463.350.

42. Pursuant to NRS 463.350, a person under the age of 21 may not play, be allowed to play, place wagers at, or collect winnings from any game or sports pool.

43. COINBASE's market does not restrict persons under the age of 21 from participating.

44. COINBASE's market constitutes a percentage game and/or sports pool.

45. COINBASE, in making its market available to persons located in Nevada who are under the age of 21, has violated, and continues to violate, NRS 463.350.

F. COINBASE's market violates NRS 465.086.

46. Pursuant to NRS 465.086(1), it is unlawful for any person to directly or indirectly receive any compensation or any percentage or share of the money played for accepting or facilitating any wager upon the result of any sporting event without a gaming license.

47. COINBASE is not licensed in the State of Nevada to accept wagers.

48. COINBASE's market accepts wagers.

49. In addition to accepting wagers on the results of sporting events and other events, COINBASE's market facilitates wagers on sporting events and other events between individual participants in its market.

50. As set out above, these wagers are on sporting events and other events, including elections.

51. COINBASE takes a percentage of money wagered through its market in the form of commissions.

52. COINBASE, in making event-based contracts concerning the outcomes, or partial outcomes, of sporting or other events available on its market in Nevada, is a person directly or indirectly receiving compensation or a percentage or share of the money played for accepting or facilitating wagers on the results of sporting events and other events without a gaming license. As a result, it has violated, and continues to violate, NRS 465.086.

1 **G. COINBASE's market violates NRS 465.092.**

2 53. Pursuant to NRS 465.092, it is unlawful for a person to knowingly accept a
3 wager from a person inside of Nevada through a medium of communication unless the
4 person accepting the wager is licensed pursuant to Nevada law and otherwise complies
5 with applicable Nevada laws and regulations concerning wagering.

6 54. COINBASE's market accepts wagers on sporting events and other events.

7 55. COINBASE's market accepts wagers from persons inside of Nevada.

8 56. The Internet is a medium of communication. NRS 465.091.

9 57. COINBASE's market uses the Internet for wagering activities.

10 58. COINBASE is not and has never been licensed to accept wagers in Nevada.

11 59. COINBASE, in making event-based contracts concerning the outcomes, or
12 partial outcomes, of sporting or other events available on its market in Nevada without a
13 license to accept such wagers, is a person knowingly accepting wagers from persons inside
14 of Nevada through a medium of communication and has violated, and continues to violate,
15 NRS 465.092.

16 **FIRST CLAIM FOR RELIEF**

17 **(Declaratory and Injunctive Relief - NRS 463.343 and 463.346)**

18 60. The BOARD repeats, realleges, and incorporates each and every paragraph
19 contained in the General Allegations above as though fully set forth herein.

20 61. Pursuant to NRS 463.343, the BOARD may bring an action for declaratory
21 judgment in this Court to obtain "a judicial determination of any question of construction
22 or validity arising under" NRS chapter 463. NRS 463.343(1).

23 62. Pursuant to NRS 463.346, the BOARD may institute a civil action in this
24 Court "to restrain a violation" of NRS chapters 463 and 465. NRS 463.346(1).

25 63. The Court "shall give priority over other civil actions to an action brought
26 pursuant to" NRS 463.346. NRS 463.345.

27 64. A justiciable controversy exists as to the application of NRS 463.160 and
28 463.350 to the activities of COINBASE as they relate to the State of Nevada.

1 65. The BOARD's and COINBASE's interests are adverse.

2 66. The BOARD has a strong legal interest in this controversy as it directly
3 impacts the BOARD's ability to carry out its legislative charge to strictly regulate gaming
4 because it is vitally important to Nevada, its economy, and the general welfare of its
5 inhabitants.

6 67. The issue involved in this controversy is ripe for judicial determination.

7 68. The Court is required to construe all statutes at issue in this claim for relief
8 in a manner consistent with the declared public policy of Nevada. NRS 463.343(3).

9 69. The BOARD is entitled to a declaration from this Court that NRS 463.160
10 prohibits COINBASE from making event-based contracts concerning the outcomes, or
11 partial outcomes, of sporting or other events available on its market in Nevada without
12 obtaining the required gaming licenses.

13 70. The BOARD is entitled to a declaration from this Court that NRS 463.350
14 prohibits COINBASE from making event-based contracts concerning the outcomes, or
15 partial outcomes, of sporting or other events available on its market to persons under the
16 age of 21.

17 71. The BOARD is entitled to an injunction enjoining COINBASE from making
18 event-based contracts concerning the outcomes, or partial outcomes, of sporting or other
19 events available on its market in Nevada unless and until COINBASE obtains the
20 appropriate gaming licenses.

21 72. The BOARD is entitled to an injunction enjoining COINBASE from making
22 event-based contracts concerning the outcomes, or partial outcomes, of sporting or other
23 events available on its market to persons under the age of 21.

24 **SECOND CLAIM FOR RELIEF**

25 **(Declaratory and Injunctive Relief - NRS 30.030)**

26 73. The BOARD repeats, realleges, and incorporates each and every paragraph
27 contained in the General Allegations above as though fully set forth herein.
28

74. Pursuant to NRS 30.030, this Court has the “power to declare rights, status and other legal relations whether or not further relief is or could be claimed.” NRS 30.030. The declaration “may be either affirmative or negative in form and effect” and “shall have the force and effect of a final judgment or decree.” *Id.*

75. A justiciable controversy exists as to the application of NRS 465.086 and 465.092 to the activities of COINBASE as they relate to Nevada.

76. The BOARD's and COINBASE's interests are adverse.

77. The BOARD has a strong legal interest in this controversy as it directly impacts the BOARD's ability to carry out its legislative charge to strictly regulate gaming because it is vitally important to Nevada, its economy, and the general welfare of its inhabitants.

78. The issue involved in this controversy is ripe for judicial determination.

79. The BOARD is entitled to a declaration from this Court that NRS 465.086 and 465.092 prohibit COINBASE from making event-based contracts concerning the outcomes, or partial outcomes, of sporting or other events available on its market in Nevada without obtaining the required gaming licenses.

80. The BOARD is entitled to an injunction enjoining COINBASE from making event-based contracts concerning the outcomes, or partial outcomes, of sporting or other events available on its market in Nevada unless and until COINBASE obtains the appropriate gaming licenses.

PRAYER FOR RELIEF

WHEREFORE, the BOARD prays for judgment against COINBASE as follows:

1. For a declaration that NRS 463.160, 465.086, and 465.092 prohibit COINBASE from making event-based contracts concerning the outcomes, or partial outcomes, of sporting or other events available on its market in Nevada without obtaining the required gaming licenses;

2. For a declaration that NRS 463.350 prohibits COINBASE from making event-based contracts concerning the outcomes, or partial outcomes, of sporting or other events available on its market to persons under the age of 21;

3. For an injunction enjoining COINBASE from making event-based contracts concerning the outcomes, or partial outcomes, of sporting or other events available on its market in Nevada unless and until COINBASE obtains the appropriate gaming licenses;

4. For an injunction enjoining COINBASE from making event-based contracts concerning the outcomes, or partial outcomes, of sporting or other events available on its market to persons under the age of 21;

5. For reasonable attorneys' fees and costs of suit incurred herein; and

6. For such other and further relief as the Court deems just and proper.

AFFIRMATION
(Pursuant to NRS 239B.030)

The undersigned does hereby affirm that the foregoing document does not contain the social security number of any person.

Dated: February 2, 2026.

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CERTIFICATE OF SERVICE

I certify that I am an employee of the Office of the Attorney General, State of Nevada, and that on February 2, 2026, I deposited for mailing in the United States Mail, first-class postage prepaid, at Carson City, a true and correct copy of the foregoing document, addressed to the following:

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