

MANFRED STERNBERG & ASSOCIATES, P.C.

ATTORNEYS AT LAW
4550 POST OAK PLACE, SUITE 119
HOUSTON, TEXAS 77027
manfred@msternberg.com

MANFRED STERNBERG, JR.
DANA L. KIRKPATRICK
* Board Certified: Consumer Law
Also admitted in Louisiana

TELEPHONE: (713)622-4300
FACSIMILE: (713)622-9899

September 18, 2014

Texas Lottery Commission
P.O. Box 16630
Austin, TX 78761-6630

customer.service@lottery.state.tx.us
bob.biard@lottery.state.tx.us
and via US Mail

RE: Instant Game No. 1592, "FUN 5'S". Notice of winning tickets claim

Gentlemen:

Our law firm represents _____ "client" in connection with the above-referenced matter. Our client recently purchased two (2) Texas Lottery Fun 5's scratch tickets. It appears they have winning tickets in a total amount of \$1,000,000 based on the verbiage that you drafted and printed on the tickets. Our client hereby demands their prize money.

The Texas Lottery should honor the face value of the Fun 5's scratch tickets, nevertheless, it refuses to acknowledge that these tickets are valid winning tickets based on its interpretation of the plain meaning of the sentence of instruction appearing on the face of the ticket.

The Texas Lottery is engaging in deceptive business practices with the Fun 5's scratch ticket game. The ticket consists of a total of five (5) separate games to play. The play style is officially described as "multiple games". The play instructions found on the face of the ticket describes nine ways to win - four game instructions contain 2 sentences. All instructions begin with the word "Reveal." None of the instructions for the games indicate that you must win one part of the game in order to win another.

Game 5's play instructions state, "Reveal three "5" symbols in any one row, column or diagonal, win PRIZE in PRIZE box. Reveal a Money Bag symbol in the 5X BOX, win 5 times that PRIZE." (emphasis added) It is noteworthy that these are two separate sentences and are not grammatically or practically conjoined. If they were to be conjoined, the instructions should have made into one sentence or at a minimum conjoined the two instructions by simply inserting the word "and".

The Texas Lottery could have pulled this game or halted sales when it first learned of the players perceptions. But it chose to continue selling the product. By making this decision, the

Texas Lottery actions evidence that it intentionally and maliciously decided too continue engaging in this deceptive trade practice.

Undoubtedly, you are aware of your liability to our client for breaching the express warranties and implied warranties arising from the contract entered into with our client and under principles of common law. Your conduct is an unconscionable course of action to a consumer purchaser's detriment, takes advantage of the lack of knowledge, ability, experience, or capacity of the consumer to a grossly unfair degree and constitutes false, misleading and deceptive acts in violation of the Texas Deceptive Trade Practices Act. including but not limited to :

Engaging in a sales contest that misrepresents the participant's chance of winning a prize, creating misleading scratch game instructions, conducting a deceptive sales contest; and making a materially false or misleading statement.

As applied to the facts of this case, Texas law makes it undeniably clear that you are liable to our client. Accordingly, on behalf of our client, demand is hereby made that within 60 days of your receipt of this letter, you pay the following expenses reasonably incurred by our client in asserting this claim. Of course, we will present the original tickets to you for inspection and verification in accord with your existing verification process.

1. \$1,000,000.00 in prize money per the winning tickets purchased by our clients and
3. \$5,000.00 for expenses, including attorney's fees.

Please understand that this demand is made in the spirit of compromise. According to our analysis, the demand represents a tremendous savings to you given your potential exposure to our client and other consumers who purchased these tickets for legal expenses as well as the negative publicity you are already receiving and will continue to receive as a result of this breach of contract and deceptive trade practice. We hope you view this demand as a good faith, conservative effort on our part to expeditiously resolve this potential litigation on amicable terms.

If payment is not received as requested above, our client has authorized us to bring a lawsuit against you for all appropriate remedies under Section 17.41 et seq. of the Texas Deceptive Trade Practices Act. We would expect to recover not only our actual damages, but also prejudgment interest, attorney's fees, and perhaps additional damages.

We trust you will immediately respond, in writing, to this formal demand letter and/or schedule a mutually convenient time and date to discuss this matter in person.

DECEPTIVE TRADE PRACTICES NOTICE LETTER

If you have any questions regarding this matter or need additional information, please contact the undersigned or have your attorney contact us. Please do not contact our client either orally or in writing without our prior express written permission. Thank you for your time and consideration. We look forward to your response.

Sincerely,

Manfred Sternberg
manfred@msternberg.com

SAMPLE