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CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

IS
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 on behalf of
himself and all others similarly
situated,

Plaintiff,

v.

BIDZ.COM, INC., and DAVID
ZINBERG

Defendants.

Case No.

CV09-3216 CBM (Ex)

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

1 on massive volume of over 6 million shares on November 26, 2007, over 13
2 million shares on November 27, 2007 and over 11.5 million shares on November
3 28, 2007, compared to an average trading volume of just a few hundred thousand
4 shares per day. As a result, investors have lost millions of dollars as a result of the
5 acts and omissions complained of herein.

6 **JURISDICTION AND VENUE**

7 5. This Court has jurisdiction over this action pursuant to: (a) Section 27
8 of the Exchange Act, 15 U.S.C. § 78aa; and (b) 28 U.S.C. §§ 1331 and 1337.

9 6. This action arises under and pursuant to: (a) Section 10(b) of the
10 Exchange Act, 15 U.S.C. § 78j(b); (b) Rule 10b-5 promulgated thereunder, 17
11 C.F.R. § 240.10b-5; and (c) Section 20(a) of the Exchange Act, 15 U.S.C. §
12 78t(a).

13 7. Venue is proper in this District pursuant to Section 27 of the
14 Exchange Act, 15 U.S.C. § 78aa.

15 8. In furtherance of and in connection with the acts alleged herein,
16 Defendants directly or indirectly, used the means and instrumentalities of
17 interstate commerce, including, but not limited to, the mails, interstate telephonic
18 communications, the Internet, and the facilities of the Nasdaq, a national securities
19 exchange.

20 **PARTIES**

21 9. Plaintiff purchased the Company's securities during the Class Period,
22 as set forth in the attached Certification, and was damaged thereby. Plaintiff
23 resides in San Antonio, Texas.

24 10. Defendant Bidz.com, Inc. ("Bidz" or the "Company") is a
25 corporation organized under the laws of the state of Delaware. It maintains its
26 principal place of business at 3562 Eastham Drive, Culver City, California 90232.
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1 Net revenue for the second quarter of 2007 was \$39.1 million, a
 2 20.6% increase compared with \$32.4 million reported for the second
 3 quarter of 2006. This increase was due primarily to the growth in
 4 demand for the Company's jewelry products and the increase in the
 5 average order value, which grew by 28.6% year-over-year to \$171.
 6 During the second quarter, the Company had an average of nearly
 7 2,700 orders per day as compared to an average of 2,800 orders per
 8 day in the prior year's quarter, and the acquisition cost per new buyer
 9 declined to \$38 versus \$49 in the second quarter of 2006.

		Three months ended		
		2007	June 30, 2006	Change
12	Average order value	\$ 171	\$ 133	28.6%
13	Average orders per day	2,678	2,832	-5.4%
13	Average items sold per day	8,678	7,730	12.3%
14	Acquisition cost per new buyer	\$ 38	\$ 49	-22.4%
14	Number of new buyers	53,637	57,520	-6.8%

15 The Company's pre-tax income for the second quarter of 2007 was
 16 \$3.7 million, above the Company's original guidance of \$2.8-\$3.3
 17 million, and compared to \$151,000 in the prior period in 2006. Net
 18 income for the second quarter of 2007 increased to \$2.9 million, or
 19 \$0.12 per fully diluted share on 24.1 million weighted average shares
 20 outstanding, compared to net income of \$147,000, or \$0.01 per fully
 21 diluted share on 23.8 million weighted average shares outstanding in
 22 the same period of 2006. The increase in net income was due
 23 primarily to the increase in net revenue, higher gross profit margins
 24 and non-recurring costs related to the Company's withdrawn initial
 25 public offering of \$1.2 million in the 2006 second quarter.

26 "The second quarter was an exciting one for Bidz.com as our stock
 27 began trading on the Nasdaq in June, and we are proud to be reporting
 28

1 strong sales and earnings growth to our shareholders," said David
2 Zinberg, President and Chief Executive Officer of Bidz.com. "Traffic
3 to our site continues to grow driving an increasing number of items
4 sold and importantly, the average order value in the second quarter
5 increased approximately 29% year-over-year."

6 Mr. Zinberg continued, "We are very pleased with the momentum we
7 are seeing and particularly the leverage and scalability of our model
8 which resulted in a significant increase in our bottom-line. We are
9 keenly focused on continuing to achieve strong growth and
10 profitability and further leveraging our model to deliver earnings, cash
11 flow and shareholder returns."

12 In the second quarter, gross profit increased 41.4% to \$10.9 million
13 from \$7.7 million in the second quarter of 2006. Gross margin in the
14 second quarter of 2007 was 27.8%, compared with 23.7% in the same
15 period of 2006. The gross margin improvement versus a year ago is
16 attributable to the higher prices from auction sales and not continuing
17 the Company's free shipping promotion which ended at the end of
18 January 2007.

19 Operating expenses in the second quarter 2007 decreased 6.1% year-
20 over-year to \$7.1 million. Net operating income for the second quarter
21 of 2007 was \$3.8 million or 9.6% of sales compared to \$110,000 or
22 0.3% of sales in the second quarter of 2006. Included in the prior year
23 period are \$1.2 million of public offering costs related to the
24 Company's withdrawn initial public offering.

25 For the six months ended June 30, 2007, revenues were \$83.8 million,
26 a 24.9% increase compared with \$61.7 million reported for the six
27 months ended 2006. Gross profit increased 30.4% to \$22.0 million
28 from \$16.9 million in the six months ended June 30, 2006. Gross

1 margin for the first half of 2007 was 26.2% versus 25.1% in the first
2 half of 2006. Operating expense leverage improved for the first six
3 months of 2007 as operating expenses were \$14.6 million, or 17.4%
4 of sales. In the same period in 2006, operating expenses were \$13.4
5 million, or 19.9% of sales. Income from operations in the first six
6 months of 2007 was \$7.4 million or 8.8% of sales as compared to \$3.5
7 million or 5.2% of sales in the same period a year ago.

8 Net income for the six months ended June 30, 2007 was \$6.3 million,
9 or \$0.27 per fully diluted share on 23.9 million weighted average
10 shares outstanding, compared to \$3.4 million, or \$0.14 per fully
11 diluted share on 23.8 million weighted average shares outstanding, in
12 the same period of 2006.

13 As of June 30, 2007, the Company had \$1.8 million in cash and no
14 long-term debt. The Company's outstanding balance on its revolving
15 line of credit at June 30, 2007 was \$316,000 of the available \$15
16 million. As of August 10, 2007, the Company has no outstanding
17 balance on its revolving line of credit.

18 Business Outlook

19 The Company expects revenues for the third quarter of 2007 to be in
20 the range of \$37-39 million, and expects income before income tax of
21 approximately \$3.0-3.2 million. For the full year of 2007, the
22 Company confirms its revenue guidance of \$170-\$180 million, and
23 anticipates gross margin of approximately 25-26%. The Company
24 expects income before income tax for 2007 of \$14-\$15 million. The
25 Company expects its effective tax rate for the full year of 2007 to be
26 approximately 11%, and expects to end the year with approximately
27 24.5 million shares outstanding.

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1 15. On November 12, 2007, the Company announced its third quarter
2 2007 financial results. According to a press release issued that day:

3 **Bidz.com, Inc. Announces Record Third Quarter 2007 Financial**
4 **Results**

5 -- Third quarter net revenue of \$40.1 million, up 48% year-over-year -
6 - Key business metrics continue to improve -- Record gross margin of
7 approximately 31.7% -- Raising 2007 guidance

8 LOS ANGELES, Nov 12, 2007 (BUSINESS WIRE) -- Bidz.com, Inc.
9 (NASDAQ:BIDZ), a leading online auctioneer of jewelry, today
10 reported strong financial results for the third quarter and nine months
11 ended September 30, 2007.

12 Net revenue for the third quarter of 2007 was \$40.1 million, a 48%
13 increase compared with \$27.1 million reported for the third quarter of
14 2006. This increase was mainly due to the growth in demand for its
15 jewelry products and the increase in average sales amount per order.
16 During the third quarter, the Company lowered its acquisition cost per
17 new buyer and increased the number of new buyers, orders per day,
18 and significantly increased its average order value.

	Three months ended September 30, 2007		
	2007	2006	Change
Average order value	\$ 173	\$124	39.5%
Average orders per day	2,699	2,587	4.3%
Average items sold per day	8,814	7,293	20.9%
Acquisition cost per new buyer	\$ 43	\$ 51	-15.7%
Number of new buyers	55,423	49,412	12.2%

24 The Company's pre-tax income for the third quarter of 2007 was \$5.2
25 million, above the Company's original guidance of \$3.0-\$3.2 million,
26 and compared to \$1.0 million in the prior period in 2006. Net income
27 for the third quarter of 2007 increased to \$3.6 million, or \$0.14 per
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1 fully diluted share on 26.3 million weighted average shares
2 outstanding, compared to net income of \$997,000, or \$0.04 per fully
3 diluted share on 23.8 million weighted average shares outstanding in
4 the same period of 2006. The increase in net income was due
5 primarily to higher gross profit margins on increased revenues.

6 "We are very pleased to announce such strong results for the third
7 quarter," said, David Zinberg, President and Chief Executive Officer
8 of Bidz.com. "Our unique value proposition and continued focus on
9 executing our business and achieving results has driven this
10 performance. Our new initiatives have significantly increased sales
11 and resulted in record gross margins for the quarter."

12 Mr. Zinberg continued, "Looking forward, we continue to innovate to
13 further drive sales growth and profitability. We are optimistic about
14 the upcoming holiday period and as a result have increased our
15 guidance for the year. We look forward to continuing to diligently
16 execute our strategic plan in 2008 and beyond."

17 In the third quarter, gross profit increased 90.6% to \$12.7 million
18 from \$6.7 million in the third quarter of 2006. Gross margin in the
19 third quarter of 2007 was 31.7%, compared with 24.6% in the same
20 period of 2006. Gross margin benefited from the amortized co-op
21 marketing contributions that reduced our cost of sales by \$833,000 or
22 2.1% of net revenue. The co-op marketing contributions are amortized
23 as a reduction to cost of sales over the estimated inventory turnover
24 period. We expect gross margins for the fourth quarter to continue to
25 improve over the corresponding prior year period as a result of
26 continued receipt of co-op marketing dollars and continued
27 elimination of any major shipping promotions.

1 Operating expenses in the third quarter 2007 increased year-over-year
2 to \$7.5 million from \$5.7 million. Net operating income for the third
3 quarter of 2007 was \$5.2 million compared to \$1.0 million in the third
4 quarter of 2006.

5 For the nine months ended September 30, 2007, revenues were \$123.9
6 million, a 31.5% increase compared with \$94.2 million reported for
7 the nine months ended 2006. Gross profit increased 47.5% to \$34.7
8 million from \$23.5 million in the nine months ended September 30,
9 2006. Operating expense leverage improved for the first nine months
10 of 2007 as operating expenses were \$22.1 million, or 17.9% of sales,
11 compared to \$19.0 million, or 20.2% of sales in the same period a
12 year ago. Income from operations in the first nine months of 2007 was
13 \$12.6 million, or 10.1% of sales, as compared to \$4.5 million, or 4.8%
14 of sales in the same period a year ago.

15 The net income for the nine months ended September 30, 2007 was
16 \$9.9 million, or \$0.40 per fully diluted share on 25.0 million weighted
17 average shares outstanding, compared to \$4.4 million, or \$0.19 per
18 fully diluted share on 23.8 million weighted average shares
19 outstanding, in the same period of 2006.

20 As of September 30, 2007, the Company had \$1.1 million in cash. The
21 Company has working capital of \$18.7 million and no long-term debt.
22 The Company has no outstanding balance on its \$15 million revolving
23 line of credit.

24 Business Outlook

25 The Company expects revenues for the fourth quarter of 2007 to be in
26 the range of \$56-\$58 million, and expects pre-tax income of
27 approximately \$5.6-\$6.0 million. For the full year of 2007, the
28 Company has increased its revenue guidance to \$180-\$182 million

1 and has increased its expected gross margin guidance to
2 approximately 27-28%. The Company now expects pre-tax income
3 for 2007 of \$18.0-\$18.5 million. The Company expects its effective
4 tax rate for the full year of 2007 to be approximately 20.2%, and
5 expects to end the year with approximately 26.4 million fully diluted
6 shares outstanding.

7 The Company is introducing new guidance for 2008 and expects
8 revenues to be in the range of \$225-\$230 million, pre-tax income of
9 approximately \$23.5-\$25.5 million and gross margin of approximately
10 27-28%. The Company expects its effective tax rate for the full year
11 of 2008 to be approximately 40%, and expects to end the year with
12 approximately 30.0 million fully diluted shares outstanding. The
13 Company expects fully taxed 2008 GAAP EPS of \$0.47-\$0.51.

14 ***The Truth is Revealed***

15 16. The above listed statements were false and misleading and caused the
16 Company's stock price to rise from roughly \$8 per share to roughly \$22 per share
17 during the Class Period. These statements were false because the Company was
18 relying upon unethical and fraudulent business practices to generate operating
19 margins, revenues and profits.

20 17. On November 26, 2007, Citron issued an article wherein it identified
21 numerous "red flags" and undisclosed material problems with the Company.
22 Then again, on November 28, 2007, Citron issued a second article wherein it
23 provided additional details regarding material deficiencies at the Company.

24 18. According to Citron, the Company engaged in "*shill bidding*" in
25 order to artificially raise the auction price of its products. Among others, Citron
26 cited a \$6,000 flashlight/TV combo, an \$11,000 Television, and another television
27 with an MSRP of \$1,499 and a current bid of \$2,776. According to Citron:
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1 In an informal study, Citron offers the linked table, which outlines not
2 only the obvious irregular bidding above, but also a pattern in the
3 auction of over 30 TV's over more than 3 months. Most of these TV's
4 are bid on hundreds of times by the same three bidders.

5 Click To View Recent TV Auctions Table

6 What makes this attached spreadsheet so interesting is that all of these
7 televisions were sold by Clear Solution Partners. The owner of Clear
8 Solution Partners is Bidz.com co-founder Matthew Mills. Not only is
9 he the co-founder and vendor of these televisions, he has also been an
10 outspoken proponent of the stock as evident in the Barron's Blog.
11 [http://blogs.barrons.com/techtraderdaily/2007/09/28/bidzcom-roth-](http://blogs.barrons.com/techtraderdaily/2007/09/28/bidzcom-roth-capital-starts-coverage-withbuy-rating/)
12 [capital-starts-coverage-withbuy-rating/](http://blogs.barrons.com/techtraderdaily/2007/09/28/bidzcom-roth-capital-starts-coverage-withbuy-rating/)

13 The hundreds of unique bidders over \$500,000 for the big yellow
14 diamond ring on BIDZ homepage has now been the topic of much
15 discussion and there is no need to restate those questions... Jewelry is
16 an item that thwarts direct comparison pricing, especially on the
17 internet. The question that investors are left with is: Are the patterns
18 of bidding on the televisions any indication of patterns of bidding on
19 jewelry? Do the hundreds of repetitive bids on the TV's (often by the
20 same bidder on separate auctions at nearly the same second) represent
21 flying fingers of a rogue actor, or a feature of the auction software that
22 only company insiders know about?

23 19. In addition, Citron also concluded that Company was not candid
24 regarding the "retail value" or "appraised value" of its products. According to
25 Citron:

26 All of the jewelry from BIDZ shows an appraisal from AIG Labs.
27 This appraisal makes consumers feel as if they are getting a good deal
28 on a credible piece of jewelry that might have a decent resale value.

1 Going to the website of AIG we see their name on a big building,
2 which conveys an illusion of credibility. [http://www.aiglabs.com/
3 about.php](http://www.aiglabs.com/about.php)

4 Citron paid a visit to AIG labs and an illusion it is. There is no name
5 on the building (except in Photoshop...). As a matter of fact, the only
6 signage they have is a white piece of paper on the front door to
7 identify them. It appears to Citron that AIG is more of an "appraisal
8 mill", that enables Bidz.com to sell low priced items to an unknowing
9 public.

10 20. On news of the revelations of Bidz.com's fraudulent practices, the
11 Company's stock price dropped from a closing price of \$19.94 on Friday,
12 November 23, 2007, to a low of \$10.10 on Wednesday, November 28, a loss of
13 nearly 50% on massive volume greatly exceeding its historic daily trading
14 averages. As a result, investors have lost millions of dollars as a result of the acts
15 and omissions complained of herein.

16 **APPLICABILITY OF PRESUMPTION OF RELIANCE:
17 FRAUD-ON-THE-MARKET DOCTRINE**

18 21. At all relevant times, the market for Bidz common stock was an
19 efficient market for the following reasons, among others:

- 20 a. Bidz stock was listed and actively traded, on the Nasdaq, a highly
21 efficient market;
- 22 b. As a regulated issuer, the Company filed periodic public reports
23 with the SEC and was covered by stock analysts; and
- 24 c. Bidz regularly issued press releases which were carried by
25 national news wires. Each of these releases was publicly available
26 and entered the public marketplace

27 22. As a result, the market for Bidz securities promptly digested current
28 information with respect to the Company from all publicly-available sources and

1 reflected such information in the Company's stock price. Under these
2 circumstances, all purchasers of Bidz common stock during the Class Period
3 suffered similar injury through their purchase of stock at artificially inflated prices
4 and a presumption of reliance applies.

5 **NO SAFE HARBOR**

6 23. The statutory safe harbor provided for forward-looking statements
7 under certain circumstances does not apply to any of the allegedly false statements
8 pleaded in this complaint. To the extent that the specific statements pleaded
9 herein were identified as forward-looking statements, there were no meaningful
10 cautionary statements identifying important factors that could cause actual results
11 to differ materially from those in the purportedly forward-looking statements.
12 Alternatively, to the extent that the statutory safe harbor does apply to any
13 forward-looking statements pleaded herein, Defendants are liable for those false
14 forward-looking statements because at the time each of those forward-looking was
15 made the particular speaker knew that the particular forward-looking statement
16 was false, and/or the forward-looking statement was authorized and/or approved
17 by an executive officer of the Company who knew that those statements were
18 false when made.

19 **SCIENTER ALLEGATIONS**

20 24. As alleged herein, Defendants acted with scienter in that Defendants
21 knew that the public documents and statements, issued or disseminated by or in
22 the name of the Company were materially false and misleading; knew or
23 recklessly disregarded that such statements or documents would be issued or
24 disseminated to the investing public; and knowingly and substantially participated
25 or acquiesced in the issuance or dissemination of such statements or documents as
26 primary violators of the federal securities laws. As set forth elsewhere herein in
27 detail, Defendants, by virtue of their receipt of information reflecting the true facts
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1 regarding the Company and its business practices, their control over and/or receipt
2 of the Company's allegedly materially misleading misstatements and/or their
3 associations with the Company which made them privy to confidential proprietary
4 information concerning Bidz were active and culpable participants in the
5 fraudulent scheme alleged herein. Defendants knew and/or recklessly disregarded
6 the falsity and misleading nature of the information which they caused to be
7 disseminated to the investing public. This case does not involve allegations of
8 false forward-looking statements or projections but instead involves false
9 statements concerning the Company's business, finances, and operations. The
10 ongoing fraudulent scheme described in this complaint could not have been
11 perpetrated over a substantial period of time, as has occurred, without the
12 knowledge and complicity of the personnel at the highest level of the Company,
13 including Defendants.

14 25. Defendants engaged in such a scheme to inflate the price of Bidz
15 common stock in order to: (a) protect and enhance their executive positions and
16 the substantial compensation and prestige they obtained thereby; (b) enhance the
17 value of their personal holdings of Bidz common stock and options; and, (c) to use
18 the Company's stock as currency for further corporate acquisitions.

19 **CLASS ACTION ALLEGATIONS**

20 26. Plaintiff brings this action as a class action pursuant to Rules 23(a)
21 and (b)(3) of the Federal Rule of Civil Procedure on behalf of a Class, consisting
22 of all persons who purchased or otherwise acquired Bidz common stock between
23 August 13, 2007 through November 26, 2007, inclusive, and who were damaged
24 thereby. Excluded from the Class are Defendants, members of the immediate
25 family of each of the Defendants, any subsidiary or affiliate of Bidz and the
26 directors, officers, and employees of Bidz or its subsidiaries or affiliates, or any
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1 entity in which any excluded person has a controlling interest, and the legal
2 representatives, heirs, successors and assigns of any excluded person.

3 27. The members of the Class are so numerous that joinder of all
4 members is impracticable. While the exact number of Class members is unknown
5 to Plaintiff at this time and can only be ascertained through appropriate discovery,
6 Plaintiff believes that there are thousands of members of the Class located
7 throughout the United States. Record owners and other members of the Class may
8 be identified from records maintained by the Company and/or its transfer agents
9 and may be notified of the pendency of this action by mail, using a form of notice
10 similar to that customarily used in securities class actions.

11 28. Plaintiff's claims are typical of the claims of the other members of
12 the Class as all members of the Class were similarly affected by Defendants'
13 wrongful conduct in violation of federal law that is complained of herein.

14 29. Plaintiff will fairly and adequately protect the interests of the
15 members of the Class and has retained counsel competent and experienced in class
16 and securities litigation.

17 30. Common questions of law and fact exist as to all members of the
18 Class and predominate over any questions solely affecting individual members of
19 the Class. Among the questions of law and fact common to the Class are:

20 a. whether the federal securities laws were violated by
21 Defendants' acts and omissions as alleged herein;

22 b. whether Defendants participated in and pursued the common
23 course of conduct complained of herein;

24 c. whether documents, press releases, and other statements
25 disseminated to the investing public and the Company's shareholders during the
26 Class Period misrepresented material facts about the business, finances, financial
27 condition, and prospects of Bidz;

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1 d. whether statements made by Defendants to the investing public
2 during the Class Period misrepresented and/or omitted to disclose material facts
3 about the business, finances, value, performance, and prospects of the Company;

4 e. whether the market price of Bidz common stock during the
5 Class Period was artificially inflated due to the material misrepresentations and
6 failures to correct the material misrepresentations complained of herein; and

7 f. the extent to which the members of the Class have sustained
8 damages and the proper measure of damages.

9 31. A class action is superior to all other available methods for the fair
10 and efficient adjudication of this controversy since joinder of all members is
11 impracticable. Furthermore, as the damages suffered by individual Class
12 members may be relatively small, the expense and burden of individual litigation
13 make it impossible for members of the Class to individually redress the wrongs
14 done to them. There will be no difficulty in the management of this suit as a class
15 action.

16 FIRST CLAIM

17 (Violations Of Section 10(b) Of The Exchange Act And Rule 10b-5 18 Promulgated Thereunder Against All Defendants)

19 32. Plaintiff repeats and realleges each and every allegation contained
20 above.

21 33. Each of the Defendants: (a) knew or recklessly disregarded material
22 adverse non-public information about the Company's financial results and then
23 existing business conditions, which was not disclosed; and (b) participated in
24 drafting, reviewing and/or approving the misleading statements, releases, reports,
25 and other public representations of and about Bidz.

26 34. During the Class Period, Defendants, with knowledge of or reckless
27 disregard for the truth, disseminated or approved the false statements specified
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1 above, which were misleading in that they contained misrepresentations and failed
2 to disclose material facts necessary in order to make the statements made, in light
3 of the circumstances under which they were made, not misleading.

4 35.

5 36. Defendants have violated § 10(b) of the Exchange Act and Rule 10b-
6 5 promulgated thereunder in that they: (a) employed devices, schemes and
7 artifices to defraud; (b) made untrue statements of material facts or omitted to
8 state material facts necessary in order to make statements made, in light of the
9 circumstances under which they were made, not misleading; or (c) engaged in
10 acts, practices and a course of business that operated as a fraud or deceit upon the
11 purchasers of Bidz stock during the Class Period. Plaintiff and the Class have
12 suffered damage in that, in reliance on the integrity of the market, they paid
13 artificially inflated prices for Bidz stock. Plaintiff and the Class would not have
14 purchased Bidz stock at the prices they paid, or at all, if they had been aware that
15 the market prices had been artificially and falsely inflated by Defendants' false
16 and misleading statements.

17 **SECOND CLAIM**

18 **(Violation Of Section 20(a) Of The Exchange Act**

19 **Against Individual Defendant Zinberg)**

20 37. Plaintiff repeats and realleges each and every allegation contained
21 above.

22 38. The Individual Defendant acted as a controlling person of the
23 Company within the meaning of § 20(a) of the Exchange Act. By reason of his
24 senior executive position he had the power and authority to cause the Company to
25 engage in the wrongful conduct complained of herein.

26 39. By reason of such wrongful conduct, the Individual Defendant is
27 liable pursuant to § 20(a) of the Exchange Act. As a direct and proximate result
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1 of his wrongful conduct, Plaintiff and the other members of the Class suffered
2 damages in connection with their purchases of Bidz stock during the Class Period.

3 **PRAYER FOR RELIEF**

4 WHEREFORE, Plaintiff prays for relief and judgment, as follows:

5 1. Determining that this action is a proper class action and certifying
6 Plaintiff as class representative under Rule 23 of the Federal Rules of Civil
7 Procedure;

8 2. Awarding compensatory damages in favor of Plaintiff and the other
9 Class members against all Defendants, jointly and severally, for all damages
10 sustained as a result of Defendants' wrongdoing, in an amount to be proven at
11 trial, including interest thereon;

12 3. Awarding Plaintiff and the Class their reasonable costs and expenses
13 incurred in this action, including counsel fees and expert fees; and

14 4. Such other and further relief as the Court may deem just and proper.

15 **JURY TRIAL DEMANDED**

16 Plaintiff demands a trial by jury.

17 DATED: May 7, 2009
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