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13 **SUPERIOR COURT OF ARIZONA**
14 **IN MARICOPA COUNTY**

15 STATE OF ARIZONA, *ex rel.* MARK
16 BRNOVICH, Attorney General,
17
18 Plaintiff,
19
20 v.
21
22 STUBHUB, INC.,
23
24 Defendant.

Case No.:

STIPULATED CONSENT JUDGMENT

(Assigned to _____)

25 The State of Arizona, *ex rel.* Mark Brnovich, the Attorney General (the “State”), filed a
26 Complaint alleging violations of the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521 to -1534
27 (the “ACFA”) against Defendant, StubHub, Inc. (“StubHub”) (collectively, the “Parties”). The
28 Parties have agreed to the stipulations and terms of this Stipulated Consent Judgment
 (“Judgment”) as the final adjudication of this civil action by the Court without the taking of proof
 and without trial, without this Judgment constituting evidence of or an admission by StubHub,
 regarding any issue of law or fact alleged in the Complaint, and without StubHub admitting any
 liability, and with all parties having waived their right to appeal.

...

1 This Judgment is entered in connection with the State’s investigation of StubHub pursuant
2 to the ACFA. This Judgment is entered into solely for the purposes of settlement and to avoid
3 incurring costs associated with litigation.

4 **PARTIES**

5 1. The State is authorized to enforce the ACFA as alleged in the Complaint.

6 2. StubHub is a Delaware corporation with its principal office or place of business
7 located at 199 Fremont Street, San Francisco, California 94105.

8 **DEFINITIONS**

9 3. For purposes of this Judgment, the following definitions apply:

10 a. “Buyer” means any individual who purchased one or more event tickets on
11 StubHub’s ticket marketplace: (1) on or before March 25, 2020 and (2) resided in
12 Arizona at the time of purchase or purchased a ticket for an event in Arizona.

13 b. “Clear and Conspicuous” means that a disclosure is made in such size (i.e., shall
14 be of at least equal prominence to the representation triggering the disclosure),
15 color, contrast, location, duration, and/or audibility that it is difficult to miss (i.e.,
16 easily noticeable, readable, understandable, and/or capable of being heard). A
17 disclosure may not contradict or be inconsistent with any other information with
18 which it is presented. If a disclosure modifies, explains or clarifies other
19 information with which it is presented, then the disclosure must be presented in
20 proximity to the information it modifies, explains, or clarifies, in a manner that is
21 readily noticeable, readable, and understandable, and not obscured in any
22 manner. In addition:

23 i. The disclosure must be made through the same means, whether audio,
24 visual, or both, through which the representation triggering the disclosure is
25 made;

26 ii. An audio disclosure shall be delivered in a volume and cadence sufficient
27 for a consumer to hear and comprehend it;
28

1 complaints from consumers about StubHub’s policy change. On November 10, 2020, the State
2 commenced a formal investigation against StubHub. On December 7, 2020, the State sent
3 StubHub a civil investigative demand, requesting information and documents regarding its refund
4 policy and its decision to change the same. On or about May 3, 2021, StubHub announced that it
5 would provide Eligible Buyers a cash refund, with the ability to elect an account credit in lieu of
6 a refund (“StubHub Refund Program”). StubHub has provided nearly \$2 million dollars in cash
7 refunds to Arizona’s Eligible Buyers and \$253,252.24 worth of credit in lieu of refunds.

8 5. StubHub represents and warrants to the State that it is providing restitution to
9 Eligible Buyers consistent with the StubHub Refund Program and Paragraph 9 of this Judgment.

10 6. StubHub contends that it was unable to refund all Eligible Buyers prior to May 3,
11 2021 due to the unforeseen impact that the COVID-19 pandemic had on its business and the live
12 in-person event industry, including a near complete loss of revenue, an inability to recoup cash
13 refunds from ticket sellers, and an order from the United Kingdom’s Competition and Markets
14 Authority preventing StubHub from merging or even communicating about StubHub’s business
15 with its new parent company, viagogo, which purchased StubHub in February 2020.

16 7. The Parties agree to and do not contest the entry of this Judgment and further agree
17 that this Court has jurisdiction over this matter and waive all rights to appeal or otherwise
18 challenge or contest the validity of this Judgment.

19 8. At all times relevant to this matter StubHub engaged in commerce affecting
20 consumers in Arizona. Therefore, StubHub is subject to the ACFA.

21 **INJUNCTIVE RELIEF**

22 NOW, THEREFORE, THE RELIEF IN PARAGRAPHS 9 THROUGH 15 IS
23 ORDERED, ADJUDGED AND DECREED:

24 **Arizona Refund Program**

25 9. Within 60 days of StubHub verifying that an event for which an Eligible Buyer
26 purchased tickets prior to March 25, 2020, has been cancelled, or that an Eligible Buyer’s tickets
27 will not be honored because of capacity restrictions, StubHub shall initiate payment of a cash
28 refund to the Eligible Buyer for the full amount of the ticket order, including any taxes and fees

1 (less any of the amount already redeemed from the credit), unless, prior to the initiation of the
2 payment of the cash refund, an Eligible Buyer informs StubHub that the Eligible Buyer prefers a
3 credit. Notwithstanding the foregoing, StubHub shall initiate payment of a cash refund within
4 15 days of an express request for a cash refund made by an Eligible Buyer through StubHub's
5 standard customer service channels.

6 10. No later than 90 days after the entry of this Judgment, StubHub must submit to the
7 State a detailed report regarding the StubHub Refund Program. The report shall include, at a
8 minimum, the following information for each Eligible Buyer included in the StubHub Refund
9 Program:

- 10 a. the name, address, email address, and phone number of each Eligible Buyer who
- 11 purchased the ticket(s);
- 12 b. the name of the event for which the ticket(s) was/were purchased;
- 13 c. the date of the event for which the ticket(s) was/were purchased;
- 14 d. the number of tickets purchased by the Eligible Buyer;
- 15 e. the purchase price of the ticket(s);
- 16 f. the amount of any refund paid to the consumer;
- 17 g. the amount of any credit the consumer elected to receive; and
- 18 h. the date that any refund or credit was issued.

19 11. StubHub shall notify the State at least 30 days prior to any change in the corporation
20 that may affect compliance obligations arising under this Judgment, including, but not limited to:
21 a dissolution, assignment, sale, merger, or other action that would result in the emergence of a
22 successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages
23 in any acts or practices subject to this Judgment; the proposed filing of a bankruptcy petition; or
24 a change in the corporate name or address.

25 12. One year after the date of the entry of this Judgment, StubHub must submit a
26 compliance report, sworn under penalty of perjury, in which StubHub must:

- 27 a. Identify the primary physical, postal, and email address and telephone number, as
28 designated points of contact, which the State may use to communicate with
StubHub;

...

- 1 b. Identify all of the StubHub’s businesses by all of their names, telephone numbers,
2 and physical, postal, email, and Internet addresses;
- 3 c. Describe the activities of each business, including the products and services
4 offered, the means of advertising, marketing, and sales, and refund or credit
5 policies; and,
- 6 d. Describe in detail whether and how StubHub is in compliance with each provision
7 of this Judgment, including a discussion of all of the changes StubHub has made
8 to comply with the Judgment.

9 **Compliance with the ACFA**

10 13. StubHub shall not make any misrepresentation, expressed or implied, about any
11 material aspect of the nature or terms of any refund, cancellation, exchange, or credit policy,
12 including, but not limited to, the ability of a consumer to obtain a full or partial refund, or the
13 circumstances in which a full or partial refund will be granted to the consumer.

14 14. StubHub shall honor its refund, cancellation, exchange, credit, or repurchase
15 policy, express or implied, in effect at the time of each sale, unless such refund policy has been
16 subsequently modified by agreement between StubHub and the consumer with the consumer’s
17 Express Informed Consent.

18 15. StubHub shall comply with the ACFA in connection with the advertising,
19 promotion, offering for sale, or sale of tickets for live events and shall not make
20 misrepresentations regarding its cancellation or refund policies, including the total costs; any
21 material restrictions, limitations, or conditions; or any other material aspect of the policies.

22 **RELEASE**

23 16. The State hereby releases StubHub and its principals in their capacities as officers,
24 directors, or employees of StubHub from any and all civil claims that could be asserted by the
25 State under the ACFA, and rules adopted pursuant to the ACFA prior to the effective date of this
26 Judgment that relate to, or are based on StubHub’s failure to refund Eligible Buyers who
27 purchased tickets to live events using StubHub’s marketplace prior to March 25, 2020, whose
28 events were subsequently cancelled (“Released Claims”). Nothing contained in this paragraph

1 shall be construed to limit the ability of the State to enforce the obligations that StubHub, its
2 officers, subsidiaries, affiliates, agents, representatives, employees, successors, and assigns have
3 under this Judgment, including any claim for costs, attorneys' fees, and any other relief the State
4 is entitled to seek pursuant to the ACFA as part of an action brought to enforce this Judgment.

5 17. The State specifically reserves and excludes the following forms of ACFA liability
6 from the Released Claims:

- 7 a. Any violation of the ACFA in connection with the StubHub Refund Program; and,
- 8 b. A Buyer's inability to use credits provided pursuant to the StubHub Refund
9 Program due to event cancellations and capacity restrictions.

10 18. Notwithstanding any term of this Judgment, any and all of the following forms of
11 liability are specifically reserved and excluded from the Released Claims:

- 12 a. Any criminal liability that StubHub has or may have in the State of Arizona;
- 13 b. Any civil or administrative liability that StubHub has or may have to the State of
14 Arizona under any statute, regulation or rule not expressly covered by the release
15 in the preceding paragraph 16, including but not limited to, any and all of the
16 following claims:
 - 17 i. State or federal antitrust violations;
 - 18 ii. State or federal securities violations; and
 - 19 iii. State or federal tax claims.

20 19. This release shall be binding only upon StubHub and does not extend to, release,
21 cover, or in any way apply to any entities on whose behalf StubHub acted as an agent or business
22 associate or on whose behalf it engaged in debt collection activities.

23 **PAYMENT TO STATE**

24 20. Judgment is hereby rendered against StubHub and in favor of the State in the total
25 amount of three hundred thirty-four thousand five hundred and fifty dollars (\$334,550). Any
26 money received by the State pursuant to this paragraph may be used for purposes that may
27 include, but are not limited to, attorneys' fees, and other costs of investigation and litigation, or
28 be placed in, or applied to, any consumer protection law enforcement fund, including future

1 consumer protection enforcement, consumer education, litigation or local consumer aid fund or
2 revolving fund, used to defray the costs of the inquiry leading hereto, or for other uses permitted
3 by state law, at the sole discretion of the State.

4 21. Collection of the monetary amount described in paragraph 20 above is suspended
5 subject to the provisions noted below:

- 6 a. The State's agreement to suspend collection of this Judgment is premised on the
7 truth and accuracy of the information StubHub provided.
- 8 b. Suspension of Judgment will be lifted if, upon motion filed by the State on or before
9 18 months from the date of the entry of this Judgment, this Court finds that
10 StubHub has failed to comply with the requirements of paragraphs 9 through 15.
- 11 c. If the suspension is lifted, the Judgment amount shall become immediately due and
12 payable to the State.

13 22. Unless a motion is filed by the State pursuant to paragraph 21(b) of this Judgment
14 within 18 months after the date of the entry of this Judgment, the suspended payment shall be
15 deemed satisfied and permanently forgiven.

16 **NOTICES**

17 23. Unless otherwise provided, any notices or documents required to be sent to the
18 Parties pursuant to this Judgment (including requests related to the Cooperation requirements of
19 paragraphs 10 through 12) shall be sent to the following address via overnight courier and
20 electronic mail (unless after the Effective Date, a different address is communicated in writing
21 by the party requesting a change of designee or address):

22 a. **For the State:**

23 Syreeta Tyrell, Assistant Attorney General
24 Consumer Protection and Advocacy Section, Civil Litigation Unit
25 2005 N. Central Ave.
26 Phoenix, AZ 85004

27 b. **For StubHub:**

28 Marty Linne, General Counsel
StubHub, Inc.

1 199 Fremont Street, 4th Floor
2 San Francisco, CA 94105
3 mlinne@stubhub.com

4 **GENERAL PROVISIONS**

5 24. The terms of this Judgment are not intended to be construed as an admission or
6 concession or evidence of liability or wrongdoing on the part of StubHub.

7 25. The terms of this Judgment shall not be construed as an admission or concession
8 or any other evidence that the ACFA applies to StubHub or StubHub's business activities.

9 26. Acceptance and entry of this Judgment is not an approval by the State of any of
10 StubHub's business practices and StubHub is enjoined from making any representations
11 regarding approval.

12 27. StubHub will not participate in any activity to form a separate entity for the purpose
13 of engaging in acts or practices prohibited by this Judgment or for any other purpose that would
14 circumvent this Judgment.

15 28. Subject to the release included herein, nothing in this Judgment shall be construed
16 to limit the authority of the State to protect the interests of the State of Arizona or its citizens, or
17 to enforce any laws, regulations, or rules against StubHub.

18 29. Subject to the release recited herein, this Judgment does not affect any private right
19 of action that any consumer, person, entity, or federal, state, or local governmental entity may
20 have against StubHub.

21 30. Nothing in this Judgment waives or affects any claims of sovereign immunity by
22 the State.

23 31. StubHub expressly waives any rights, remedies, appeals, or other interests related
24 to a jury trial or any related or derivative rights under the Arizona or United States Constitutions
25 or other laws as to this Judgment.

26 32. If any provision of this Judgment shall be held unenforceable, the Judgment shall
27 be construed as if such provision did not exist.

1 **StubHub, Inc.**

2
3 By:


4 Marty Linne, General Counsel

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7 **APPROVED AS TO FORM AND CONTENT:**

8 **MARK BRNOVICH**
9 **Attorney General**

Counsel for Defendant, StubHub, Inc.

10
11
12 By:



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