

IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

DISTRICT OF COLUMBIA,
a municipal corporation
441 4th Street, N.W.
Washington, D.C. 20001,

Plaintiff,

v.

STUBHUB, INC.
199 Fremont Street, Floor 4
San Francisco, CA 94105,

Defendants.

Case No.:

JURY TRIAL DEMANDED

COMPLAINT FOR VIOLATIONS OF THE CONSUMER PROTECTION
PROCEDURES ACT

Plaintiff District of Columbia (“the District”), through the Office of the Attorney General, brings this action against Defendant StubHub, Inc. (“StubHub”), for violations of the District’s Consumer Protection Procedures Act (“CPPA”), D.C. Code §§ 28-3901, *et seq.* StubHub offers and sells on the secondary market tickets to sports, concerts, theater, and other live events through its online marketplace at www.stubhub.com and on its mobile apps. StubHub’s secondary ticket sales were backed by its “FanProtect” guarantee, which promised that if an event was canceled and not rescheduled, StubHub would provide consumers with a full refund of the amount they paid for their tickets, including any fees and shipping/handling charges. In early March 2020, COVID-19 was declared a global pandemic and there was widespread cancellation of live in-person events, including events for which District consumers had purchased tickets through StubHub’s marketplace. On March 25, 2020, without notice to consumers, StubHub unilaterally changed its refund policy, no longer offering consumers refunds for canceled events, instead, offering

consumers a credit that could be applied toward future purchases on StubHub’s marketplace. StubHub’s actions with respect to its “FanProtect” guarantee were unfair and deceptive. The District has commenced this action to enjoin StubHub from engaging in unfair or deceptive trade practices in connection with its offer and sale of secondary tickets, to obtain relief for consumers victimized by StubHub’s unfair or deceptive trade practices, and to seek civil penalties for StubHub’s unlawful conduct.

Jurisdiction

1. This Court has jurisdiction over the subject matter of this case pursuant to D.C. Code §§ 11-921 and 28-3909.

2. This Court has personal jurisdiction over Defendant StubHub pursuant to D.C. Code § 13-423(a).

3. The Attorney General for the District of Columbia brings this action pursuant to the authority granted by D.C. Code § 28-3909.

The Parties

4. Plaintiff District of Columbia (“District”), a municipal corporation empowered to sue and be sued, is the local government for the territory constituting the permanent seat of the government of the United States. The District is represented by and through its chief legal officer, the Attorney General for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest. D.C. Code § 1-301.81(a)(1). The Attorney General is specifically authorized to enforce the District’s consumer protection laws, including the CPPA, pursuant to D.C. Code § 28-3909.

5. The Defendant is StubHub, Inc., a Delaware corporation with its principal office or

place of business at 199 Fremont Street, San Francisco, CA 94105. StubHub is a foreign entity that regularly advertises, markets, and sells its services to consumers in the District of Columbia.

Allegations of Fact

6. StubHub operates a secondary marketplace, online and through its mobile apps, in which individuals or organizations that have purchased tickets to upcoming live events (“Sellers”) can resell those tickets to individuals who wish to purchase them (“Buyers”). Tickets sold in the StubHub marketplace, referred to as secondary tickets, include tickets to live sporting events, musical concerts, theatrical performances, comedy shows, conventions, and exhibitions.

7. The purchase price of tickets offered for sale in StubHub’s marketplace is determined by the Seller. When a Buyer purchases tickets to an event through StubHub’s marketplace, StubHub manages the entire transaction, taking payment from the Buyer, ensuring that the Seller’s tickets are delivered to the Buyer, and remitting funds to the Seller.

8. Because StubHub’s marketplace is a secondary market, a Buyer who purchases tickets through StubHub to an event that is subsequently canceled will not normally receive a refund directly from the event organizer. If an event is canceled and the event organizer issues refunds, the ticket Seller, not the Buyer, will receive the refund.

9. In order to assure Buyers that they will receive refunds for their purchase of secondary tickets on StubHub’s marketplace if an event is canceled, StubHub has offered refund guarantees to Buyers. For example, until March 5, 2020, StubHub represented to Buyers through its “FanProtect” guarantee that if an event for which the Buyer purchased tickets was canceled and not rescheduled, it would provide the Buyer with a full refund (including any fees and shipping and handling charges). StubHub made similar representations in its advertising and other public

statements.

10. In March 2020, the outbreak of coronavirus disease 2019 (“COVID-19”) was declared a global pandemic by the World Health Organization. Stay-at-home orders, bans on large gatherings, and similar public health measures resulted in the widespread cancellation of live, in-person events, including events for which Buyers had purchased tickets on StubHub.

11. On or about March 6, 2020, StubHub began sending emails to Buyers whose events had been canceled as a result of COVID-19. In those emails, StubHub reassured consumers that Buyers “are always protected by our “FanProtect” guarantee, and that the Buyer would receive a “full refund for the amount paid” unless the Buyer affirmatively requested, in lieu of a refund, a coupon worth 120 percent of the Buyer’s original order. StubHub sent a similar email on or about March 20, 2020, again offering the consumers the option of a full refund or a coupon worth 120 percent of their original order.

12. However, on or about March 25, 2020, StubHub, contrary to its prior representations, revised its “FanProtect” guarantee and subsequently informed Buyers that because of COVID-19’s impact on live events and the large number of event cancellations, StubHub had updated its Buyer policies and would no longer issue refunds to Buyers for canceled events. In fact, StubHub refused to pay refunds to the hundreds of thousands of Buyers nationwide, including thousands of District consumers, who had previously purchased tickets on StubHub’s marketplace under terms that included the “FanProtect” guarantee.

13. StubHub’s representations to consumers that it would provide them full refunds to canceled events when, in fact, it did not honor its “FanProtect” guarantee were misrepresentations that were capable of misleading consumers.

14. StubHub did not inform consumers who purchased tickets under terms that included its “FanProtect” guarantee that it would not honor its guarantee to pay refunds under some circumstances, including during a pandemic, a fact that was material to consumers.

15. StubHub’s refusal to pay refunds to consumers who bought tickets under terms that included its “FanProtect” guarantee when the events for which they purchase their tickets were canceled substantially harmed consumers. Consumers could not reasonably avoid the harm because they did not know StubHub would not honor its refund guarantee. Guaranteeing refunds to consumers and then refusing to pay the promised refunds is a practice that does not benefit the marketplace.

Violations of the Consumer Protection Act

16. The District incorporates paragraphs 1 through 15 as if they were fully alleged herein.

17. The CPPA is a remedial statute that is to be broadly construed. It establishes an enforceable right to truthful information from merchants about consumer goods and services that are or would be purchased, leased or received in the District of Columbia.

18. The resale of secondary tickets StubHub offered through its marketplace constitutes the offer and sale of consumer goods and services, because the tickets are purchased for personal, family or household purposes.

19. StubHub in the ordinary course of business, offers to sell or supply consumer goods and services and is therefore a merchant.

20. The CPPA prohibits unlawful trade practices in connection with the offer, sale and supply of consumer goods and services.

21. Under Section 28-3904 of the CPPA, it is an unlawful trade practice for any person to:

(e) misrepresent as to a material fact which has a tendency to mislead;

(f) fail to state a material fact if such failure tends to mislead.

22. StubHub's representations to consumers that it would refund their payments for canceled events, as set forth above, is a misrepresentation concerning a material fact that has a tendency to mislead consumers and is an unlawful trade practice that violates the CPPA, D.C. Code § 28-3904(e).

23. StubHub's failure to inform consumers that it would not provide promised refunds for canceled events is an omission of material fact that misled consumers and is an unlawful trade practice that violates the CPPA, D.C. Code § 28-3904(f)

24. StubHub's offer and sale of tickets under its "FanProtect" guarantee and subsequent failure to provide refunds for canceled events is an unfair trade practice that violates the CPPA, D.C. Code § 28-3904.

Prayer for Relief

WHEREFORE, the District of Columbia respectfully requests this Court enter a judgment in its favor and grant relief against Defendant StubHub as follows:

(a) Preliminarily or permanently enjoin Defendant, pursuant to D.C. Code § 28-3909(a), from violating the CPPA;

(b) Order Defendant to pay restitution and damages pursuant to D.C. Code § 28-3909(a) and (b);

(c) Order the payment of civil penalties against Defendant as permitted by statute pursuant to D.C. Code § 28-3909(b);

(d) Award the District the costs of this action and reasonable attorney's fees pursuant to D.C. Code § 28-3909(b); and

(e) Grant such further relief as the Court deems just and proper.

Jury Demand

The District of Columbia demands a trial by jury by the maximum number of jurors permitted by law.

Respectfully submitted,

Dated: September 14, 2021

KARL A. RACINE
Attorney General for the District of Columbia

KATHLEEN KONOPKA
Deputy Attorney General
Public Advocacy Division

/s/ Benjamin Wiseman
BENJAMIN WISEMAN [1005442]
Director, Office of Consumer Protection
Public Advocacy Division

/s/ Lindsay Marks
LINDSAY MARKS [1618037]
Assistant Attorney General
Office of the Attorney General
441 Fourth Street, N.W., Suite 600 South
Washington, D.C. 20001
(202) 724-6649
lindsay.marks@dc.gov

Attorneys for the District of Columbia



Superior Court of the District of Columbia
CIVIL DIVISION
Civil Actions Branch
500 Indiana Avenue, N.W., Suite 5000 Washington, D.C. 20001
Telephone: (202) 879-1133 Website: www.dccourts.gov

_____ Plaintiff

vs.

Case Number _____

_____ Defendant

SUMMONS

To the above named Defendant:

You are hereby summoned and required to serve an Answer to the attached Complaint, either personally or through an attorney, within twenty one (21) days after service of this summons upon you, exclusive of the day of service. If you are being sued as an officer or agency of the United States Government or the District of Columbia Government, you have sixty (60) days after service of this summons to serve your Answer. A copy of the Answer must be mailed to the attorney for the plaintiff who is suing you. The attorney's name and address appear below. If plaintiff has no attorney, a copy of the Answer must be mailed to the plaintiff at the address stated on this Summons.

You are also required to file the original Answer with the Court in Suite 5000 at 500 Indiana Avenue, N.W., between 8:30 a.m. and 5:00 p.m., Mondays through Fridays or between 9:00 a.m. and 12:00 noon on Saturdays. You may file the original Answer with the Court either before you serve a copy of the Answer on the plaintiff or within seven (7) days after you have served the plaintiff. If you fail to file an Answer, judgment by default may be entered against you for the relief demanded in the complaint.

Clerk of the Court

 Name of Plaintiff's Attorney

By _____
 Deputy Clerk

 Address

Date _____

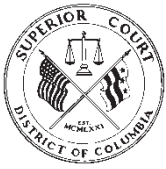
 Telephone

如需翻译,请打电话 (202) 879-4828 Veuillez appeler au (202) 879-4828 pour une traduction Để có một bản dịch, hãy gọi (202) 879-4828
 번역을 원하시면, (202) 879-4828로 전화하십시오. የአማርኛ ትርጉም ለማግኘት (202) 879-4828 ይደውሉ

IMPORTANT: IF YOU FAIL TO FILE AN ANSWER WITHIN THE TIME STATED ABOVE, OR IF, AFTER YOU ANSWER, YOU FAIL TO APPEAR AT ANY TIME THE COURT NOTIFIES YOU TO DO SO, A JUDGMENT BY DEFAULT MAY BE ENTERED AGAINST YOU FOR THE MONEY DAMAGES OR OTHER RELIEF DEMANDED IN THE COMPLAINT. IF THIS OCCURS, YOUR WAGES MAY BE ATTACHED OR WITHHELD OR PERSONAL PROPERTY OR REAL ESTATE YOU OWN MAY BE TAKEN AND SOLD TO PAY THE JUDGMENT. IF YOU INTEND TO OPPOSE THIS ACTION, DO NOT FAIL TO ANSWER WITHIN THE REQUIRED TIME.

If you wish to talk to a lawyer and feel that you cannot afford to pay a fee to a lawyer, promptly contact one of the offices of the Legal Aid Society (202-628-1161) or the Neighborhood Legal Services (202-279-5100) for help or come to Suite 5000 at 500 Indiana Avenue, N.W., for more information concerning places where you may ask for such help.

See reverse side for Spanish translation
 Veá al dorso la traducción al español



TRIBUNAL SUPERIOR DEL DISTRITO DE COLUMBIA
DIVISIÓN CIVIL
Sección de Acciones Civiles
500 Indiana Avenue, N.W., Suite 5000, Washington, D.C. 20001
Teléfono: (202) 879-1133 Sitio web: www.dccourts.gov

_____ Demandante
 contra

Número de Caso: _____

_____ Demandado

CITATORIO

Al susodicho Demandado:

Por la presente se le cita a comparecer y se le requiere entregar una Contestación a la Demanda adjunta, sea en persona o por medio de un abogado, en el plazo de veintiún (21) días contados después que usted haya recibido este citatorio, excluyendo el día mismo de la entrega del citatorio. Si usted está siendo demandado en calidad de oficial o agente del Gobierno de los Estados Unidos de Norteamérica o del Gobierno del Distrito de Columbia, tiene usted sesenta (60) días, contados después que usted haya recibido este citatorio, para entregar su Contestación. Tiene que enviarle por correo una copia de su Contestación al abogado de la parte demandante. El nombre y dirección del abogado aparecen al final de este documento. Si el demandado no tiene abogado, tiene que enviarle al demandante una copia de la Contestación por correo a la dirección que aparece en este Citatorio.

A usted también se le requiere presentar la Contestación original al Tribunal en la Oficina 5000, sito en 500 Indiana Avenue, N.W., entre las 8:30 a.m. y 5:00 p.m., de lunes a viernes o entre las 9:00 a.m. y las 12:00 del mediodía los sábados. Usted puede presentar la Contestación original ante el Juez ya sea antes que usted le entregue al demandante una copia de la Contestación o en el plazo de siete (7) días de haberle hecho la entrega al demandante. Si usted incumple con presentar una Contestación, podría dictarse un fallo en rebeldía contra usted para que se haga efectivo el desagravio que se busca en la demanda.

SECRETARIO DEL TRIBUNAL

Nombre del abogado del Demandante _____

Por: _____
 Subsecretario

Dirección _____

Fecha _____

Teléfono _____

如需翻译,请打电话 (202) 879-4828 Veuillez appeler au (202) 879-4828 pour une traduction Để có một bản dịch, hãy gọi (202) 879-4828
 반역어를 전화하여 (202) 879-4828 電話で問い合わせ (202) 879-4828 የአማርኛ ትርጉም ለማግኘት (202) 879-4828 ይደውሉ

IMPORTANTE: SI USTED INCUMPLE CON PRESENTAR UNA CONTESTACIÓN EN EL PLAZO ANTES MENCIONADO O, SI LUEGO DE CONTESTAR, USTED NO COMPARECE CUANDO LE AVISE EL JUZGADO, PODRÍA DICTARSE UN FALLO EN REBELDÍA CONTRA USTED PARA QUE SE LE COBRE LOS DAÑOS Y PERJUICIOS U OTRO DESAGRAVIO QUE SE BUSQUE EN LA DEMANDA. SI ESTO OCURRE, PODRÍA RETENÉRSELE SUS INGRESOS, O PODRÍA TOMÁRSELE SUS BIENES PERSONALES O BIENES RAÍCES Y SER VENDIDOS PARA PAGAR EL FALLO. SI USTED PRETENDE OPONERSE A ESTA ACCIÓN, NO DEJE DE CONTESTAR LA DEMANDA DENTRO DEL PLAZO EXIGIDO.

Si desea conversar con un abogado y le parece que no puede pagarle a uno, llame pronto a una de nuestras oficinas del Legal Aid Society (202-628-1161) o el Neighborhood Legal Services (202-279-5100) para pedir ayuda o venga a la Oficina 5000 del 500 Indiana Avenue, N.W., para informarse sobre otros lugares donde puede pedirayuda al respecto.

Vea al dorso el original en inglés
 See reverse side for English original

Superior Court of the District of Columbia

CIVIL DIVISION- CIVIL ACTIONS BRANCH INFORMATION SHEET

District of Columbia

Case Number: _____

vs

Date: September 14, 2021

StubHub, Inc.

One of the defendants is being sued
in their official capacity.

Name: <i>(Please Print)</i> Lindsay Marks	Relationship to Lawsuit
Firm Name: Office of the Attorney General for the District of Columbia	<input checked="" type="checkbox"/> Attorney for Plaintiff
Telephone No.: 202-727-3400 Six digit Unified Bar No.: 1618037	<input type="checkbox"/> Self (Pro Se)
	<input type="checkbox"/> Other: _____

TYPE OF CASE: Non-Jury 6 Person Jury 12 Person Jury
 Demand: \$ _____ Other: permanent injunction from violating the CPPA, restitution, and civil penalties

PENDING CASE(S) RELATED TO THE ACTION BEING FILED
 Case No.: _____ Judge: _____ Calendar #: _____

Case No.: _____ Judge: _____ Calendar#: _____

NATURE OF SUIT: <i>(Check One Box Only)</i>		
A. CONTRACTS	COLLECTION CASES	
<input type="checkbox"/> 01 Breach of Contract	<input type="checkbox"/> 14 Under \$25,000 Pltf. Grants Consent	<input type="checkbox"/> 16 Under \$25,000 Consent Denied
<input type="checkbox"/> 02 Breach of Warranty	<input type="checkbox"/> 17 OVER \$25,000 Pltf. Grants Consent	<input type="checkbox"/> 18 OVER \$25,000 Consent Denied
<input type="checkbox"/> 06 Negotiable Instrument	<input type="checkbox"/> 27 Insurance/Subrogation	<input type="checkbox"/> 26 Insurance/Subrogation
<input type="checkbox"/> 07 Personal Property	Over \$25,000 Pltf. Grants Consent	Over \$25,000 Consent Denied
<input type="checkbox"/> 13 Employment Discrimination	<input type="checkbox"/> 07 Insurance/Subrogation	<input type="checkbox"/> 34 Insurance/Subrogation
<input type="checkbox"/> 15 Special Education Fees	Under \$25,000 Pltf. Grants Consent	Under \$25,000 Consent Denied
	<input type="checkbox"/> 28 Motion to Confirm Arbitration Award (Collection Cases Only)	
B. PROPERTY TORTS		
<input type="checkbox"/> 01 Automobile	<input type="checkbox"/> 03 Destruction of Private Property	<input type="checkbox"/> 05 Trespass
<input type="checkbox"/> 02 Conversion	<input type="checkbox"/> 04 Property Damage	
<input type="checkbox"/> 07 Shoplifting, D.C. Code § 27-102 (a)		
C. PERSONAL TORTS		
<input type="checkbox"/> 01 Abuse of Process	<input type="checkbox"/> 10 Invasion of Privacy	<input type="checkbox"/> 17 Personal Injury- (Not Automobile, Not Malpractice)
<input type="checkbox"/> 02 Alienation of Affection	<input type="checkbox"/> 11 Libel and Slander	<input type="checkbox"/> 18 Wrongful Death (Not Malpractice)
<input type="checkbox"/> 03 Assault and Battery	<input type="checkbox"/> 12 Malicious Interference	<input type="checkbox"/> 19 Wrongful Eviction
<input type="checkbox"/> 04 Automobile- Personal Injury	<input type="checkbox"/> 13 Malicious Prosecution	<input type="checkbox"/> 20 Friendly Suit
<input checked="" type="checkbox"/> 05 Deceit (Misrepresentation)	<input type="checkbox"/> 14 Malpractice Legal	<input type="checkbox"/> 21 Asbestos
<input type="checkbox"/> 06 False Accusation	<input type="checkbox"/> 15 Malpractice Medical (Including Wrongful Death)	<input type="checkbox"/> 22 Toxic/Mass Torts
<input type="checkbox"/> 07 False Arrest	<input type="checkbox"/> 16 Negligence- (Not Automobile, Not Malpractice)	<input type="checkbox"/> 23 Tobacco
<input type="checkbox"/> 08 Fraud		<input type="checkbox"/> 24 Lead Paint

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Information Sheet, Continued

C. OTHERS

- | | |
|---|---|
| <input type="checkbox"/> 01 Accounting | <input type="checkbox"/> 17 Merit Personnel Act (OEA) |
| <input type="checkbox"/> 02 Att. Before Judgment | (D.C. Code Title 1, Chapter 6) |
| <input type="checkbox"/> 05 Ejectment | <input type="checkbox"/> 18 Product Liability |
| <input type="checkbox"/> 09 Special Writ/Warrants
(DC Code § 11-941) | <input type="checkbox"/> 24 Application to Confirm, Modify,
Vacate Arbitration Award (DC Code § 16-4401) |
| <input type="checkbox"/> 10 Traffic Adjudication | <input type="checkbox"/> 29 Merit Personnel Act (OHR) |
| <input type="checkbox"/> 11 Writ of Replevin | <input type="checkbox"/> 31 Housing Code Regulations |
| <input type="checkbox"/> 12 Enforce Mechanics Lien | <input type="checkbox"/> 32 Qui Tam |
| <input type="checkbox"/> 16 Declaratory Judgment | <input type="checkbox"/> 33 Whistleblower |

II.

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| <input type="checkbox"/> 03 Change of Name | <input type="checkbox"/> 15 Libel of Information | <input type="checkbox"/> 21 Petition for Subpoena
[Rule 28-I (b)] |
| <input type="checkbox"/> 06 Foreign Judgment/Domestic | <input type="checkbox"/> 19 Enter Administrative Order as
Judgment [D.C. Code § | <input type="checkbox"/> 22 Release Mechanics Lien |
| <input type="checkbox"/> 08 Foreign Judgment/International | 2-1802.03 (h) or 32-151 9 (a)] | <input type="checkbox"/> 23 Rule 27(a)(1)
(Perpetuate Testimony) |
| <input type="checkbox"/> 13 Correction of Birth Certificate | <input type="checkbox"/> 20 Master Meter (D.C. Code § | <input type="checkbox"/> 24 Petition for Structured Settlement |
| <input type="checkbox"/> 14 Correction of Marriage
Certificate | 42-3301, et seq.) | <input type="checkbox"/> 25 Petition for Liquidation |
| <input type="checkbox"/> 26 Petition for Civil Asset Forfeiture (Vehicle) | | |
| <input type="checkbox"/> 27 Petition for Civil Asset Forfeiture (Currency) | | |
| <input type="checkbox"/> 28 Petition for Civil Asset Forfeiture (Other) | | |

D. REAL PROPERTY

- | | |
|--|--|
| <input type="checkbox"/> 09 Real Property-Real Estate | <input type="checkbox"/> 08 Quiet Title |
| <input type="checkbox"/> 12 Specific Performance | <input type="checkbox"/> 25 Liens: Tax / Water Consent Granted |
| <input type="checkbox"/> 04 Condemnation (Eminent Domain) | <input type="checkbox"/> 30 Liens: Tax / Water Consent Denied |
| <input type="checkbox"/> 10 Mortgage Foreclosure/Judicial Sale | <input type="checkbox"/> 31 Tax Lien Bid Off Certificate Consent Granted |
| <input type="checkbox"/> 11 Petition for Civil Asset Forfeiture (RP) | |

Lindsay Marks

Attorney's Signature

September 14, 2021

Date