CANADA

PROVINCE OF QUÉBEC DISTRICT OF MONTREAL

NO: 500-06-001153-218

(Class Action) SUPERIOR COURT



Applicant

VS.

TICKETMASTER CANADA LP, limited partnership having an establishment at 7001 Saint-Laurent boulevard, Montreal, District of Montreal, Quebec, H2S 3E3

and

TICKETMASTER CANADA HOLDINGS ULC, legal person having an establishment at 7001 Saint-Laurent boulevard, Montreal, District of Montreal, Quebec, H2S 3E3

and

TICKETMASTER CANADA ULC, legal person having an establishment at 7001 Saint-Laurent boulevard, Montreal, District of Montreal, Quebec, H2S 3E3

and

TICKETMASTER LLC, legal person having a place of business at 9348 Civic Center Drive, Beverly Hills, California, 90210, U.S.A.

Defendants

APPLICATION TO AUTHORIZE THE BRINGING OF A CLASS ACTION AND TO APPOINT THE STATUS OF REPRESENTATIVE PLAINTIFF

(ARTICLES 571 AND FOLLOWING C.C.P.)

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN AND FOR THE DISTRICT OF MONTREAL, YOUR APPLICANT STATES AS FOLLOWS:

I. <u>INTRODUCTION</u>

1. The Applicant wishes to institute a class action on behalf of the following class, of which he is a member, namely:

All consumers and merchants within the meaning of Quebec's Consumer Protection Act who purchased a resale ticket from Ticketmaster's website or mobile application at a price above the one advertised for that ticket on the primary market;

or any other class to be determined by the Court.

(hereinafter referred to as the "Class")

Tous les consommateurs et commerçants au sens de la *Loi sur la protection du consommateur* du Québec qui ont acheté un billet de revente sur le site Web ou l'application mobile de Ticketmaster à un prix supérieur à celui annoncé pour ce billet sur le marché primaire;

ou toute autre groupe à être déterminé par le Tribunal.

(ci-après le « Groupe »)

- 2. The Applicant is a consumer within the meaning of Quebec's *Consumer Protection Act* (the "**CPA**");
- 3. The Defendants Ticketmaster Canada LP, Ticketmaster Canada Holdings ULC, Ticketmaster Canada ULC and Ticketmaster LLC (hereinafter collectively "Ticketmaster") are merchants operating websites, mobile applications and call centers and act as the agent for Ticket sales, on the primary and secondary markets, to those who provide events, such as venues, teams, artist representatives, fan clubs, promoters and leagues. Ticketmaster's parent company, Live Nation Entertainment Inc. is a multibillion-dollar corporation that trades publicly on the New York Stock Exchange (NYSE: LYV). On its (https://www.livenation.com/ticketmaster/), Live Nation boasts that "Ticketmaster is the global leader in ticket management for large-scale sports and entertainment, specializing in sales, marketing, and distribution. As the largest ticket marketplace in the world, Ticketmaster is also the number one event search platform trusted by billions of live event fans";
- Ticketmaster does business in the province of Quebec and when Class members purchase tickets from Ticketmaster the contract is deemed to be entered into in Quebec (s. 54.2 CPA). Ticketmaster's activities are governed by the CPA, among other legislation;
- 5. An extract of the enterprise's information statement from the Quebec enterprise register for Ticketmaster Canada LP is disclosed as **Exhibit P-1**;

- 6. Ticketmaster enables Class members to purchase resale tickets on its "Fan-to-Fan Resale" platform, as it appears from **Exhibit P-2**;
- 7. On June 6, 2019, Live Nation announced that "Ticketmaster will serve as the primary and resale ticketing partner for the Montreal Canadiens, Bell Centre, Place Bell, MTelus, the Corona Theatre and more, providing a safe and secure platform for fans to buy, sell and transfer verified tickets. The deal also includes numerous high-profile festivals including Osheaga, Heavy Montreal, and Ile Soniq", as it appears from **Exhibit P-3**;
- 8. The Quebec legislator recently amended the CPA and, in particular, added rules governing the resale of tickets on the secondary market by a merchant authorized to do so, such as Ticketmaster (*An Act to amend various legislative provisions concerning consumer protection*, SQ 2018, c 14). The relevant CPA provisions include:
- **2.2.** Despite section 2, sections 236.1, 236.2, 236.4, 261 and 263 to 267, Chapter III of Title IV and Title V also apply, with the necessary modifications, where a merchant enters or proposes to enter into a contract for the resale of tickets with other merchants.
- 2.2. Malgré l'article 2, les articles 236.1, 236.2, 236.4, 261 et 263 à 267 ainsi que le chapitre III du titre IV et le titre V s'appliquent également, compte tenu des adaptations nécessaires, dans le cas où un commerçant conclut ou offre de conclure un contrat de revente de billets de spectacle avec d'autres commerçants.
- **54.4.** Before a distance contract is entered into, the merchant must disclose the following information to the consumer:

. . .

(*d*.1) if applicable, the information required under subparagraph *c* of the second paragraph of section 236.1 and under section 236.3;

. . .

The merchant must present the information prominently and in a comprehensible manner and bring it expressly to the consumer's attention; in the case of a written offer, the merchant must present the information in a manner that ensures that the consumer is able to easily retain it and print it.

54.4. Avant la conclusion du contrat à distance, le commerçant doit divulguer au consommateur les renseignements suivants:

. . .

(d.1) le cas échéant, l'information exigée par le paragraphe c du deuxième alinéa de l'article 236.1 et par l'article 236.3;

• • •

Le commerçant doit présenter ces renseignements de manière évidente et intelligible et les porter expressément à la connaissance du consommateur; lorsqu'il s'agit d'une offre écrite, il doit présenter ces renseignements de façon à ce que le consommateur puisse aisément les conserver et les imprimer sur support papier.

236.1. No merchant may sell a ticket to a consumer at a price above that announced

236.1. Aucun commerçant ne peut exiger d'un consommateur, pour la vente d'un billet de spectacle, un prix supérieur à

by the vendor authorized to sell the tickets by the producer of the event.

The prohibition set out in the first paragraph does not apply to a merchant who

. .

- (c) clearly informs the consumer before reselling the ticket
- of the identity of the authorized vendor referred to in the first paragraph, of the fact that tickets may be available from the latter and of the advertised price of the tickets;

celui annoncé par le vendeur autorisé par le producteur du spectacle.

L'interdiction prévue au premier alinéa ne s'applique pas à un commerçant qui satisfait aux conditions suivantes:

...

- c) il informe clairement le consommateur avant la revente:
- i. de l'identité du vendeur autorisé visé au premier alinéa, du fait que des billets pourraient être disponibles auprès de ce dernier et du prix annoncé pour ces billets;
- 9. Before reselling tickets for above face value on its website and mobile application, Ticketmaster does not "clearly inform" Class members of the original advertised price of the tickets (the "Face Value") contrary to s. 236.1(c)(i) and does not "present the information prominently" and "bring it expressly to the consumer's attention" as required pursuant to s. 54.4(d.1) CPA;
- Section 236.1(c)(i) was adopted several years prior to s. 54.4(d.1). During the parliamentary debates Jean-Marc Fournier, Quebec's Minister of Justice at the time, discussed the purpose of this amendment (September 28, 2011 - Vol. 42 N° 18):
 - M. Fournier: Mais revenons sur la revente, parce que là on l'expose à la revente. Qu'est-ce qui est important quand le racheteur, appelons-le comme ça, là, qu'est-ce qui est important pour le racheteur? C'est de savoir gu'est-ce gu'il achète. Il achète un ticket qui a déjà été vendu au marché primaire à un prix qui était un prix du marché primaire, puis là on lui dit: Sois bien clair, c'est clair, que tu es sur un site de revente, mon racheteur, là, en ce moment, là... ce qui n'était pas toujours le cas, là, on ne voyait pas toujours... Là, on le précise: tu es sur un site de revente, tu es en train de racheter un billet qui initialement n'était pas au prix que je te demande, là, puis, «by the way», ce que je te vends, c'est le billet du producteur; moi, j'ai l'autorisation du producteur, c'est un vrai billet. Le consommateur, face à ça, il a un choix à faire. Je n'ai pas nationalisé les prix. Dans le projet initial, on ne disait pas: Le producteur doit vendre tous les billets dans la salle au même prix.

L'objectif du projet de loi, c'est de dire que celui qui rachète, il faut qu'il sache qu'est-ce qu'il rachète. Alors, s'il n'y a pas d'entente avec le producteur, on disait: Regarde, s'il

n'y a pas d'entente, tu ne le paieras pas plus cher, mais, s'il y a une entente avec le producteur, aux conditions du producteur, voici les éléments d'information que tu as de besoin ou qu'on veut que tu aies. Alors, on peut imaginer tous les cas de... ils revendent ou ils ne revendent pas, mais ça va toujours se faire à ces conditions-là. L'exemple que vous preniez, s'il se trouve un partenaire, si le marché primaire se trouve un partenaire de marché secondaire vers lequel il y a une diversion de billets, bien lui-même décide, comme mise en marché, de faire ça, il est déjà en rachat, il va falloir que les informations soient données, comme la loi le dit ici.

- 11. This class action demands a reduction of the price paid by Class members for the secondary market tickets resold to them by Ticketmaster in violation of sections 54.4(d.1), 219, 228 and 236.1(c)(i), pursuant to s. 272(c) CPA. It also seeks punitive damages of \$500.00 per member for the exploitation of Quebec consumers;
- 12. Given that the CPA is of public order and that Ticketmaster intentionally does not clearly and prominently display the original Face Value for its own financial gain, the damages to Class members in this case is the aggregate of the price paid minus the original Face Value of the tickets (alternately a disgorgement of profits), in addition to their claim for punitive damages;
- 13. Ticketmaster generates substantial commissions by selling tickets on the secondary market on its "Fan-to-Fan Resale" platform, amounts that it does not clearly mention anywhere on its website. Applicant's tests, however, show that Ticketmaster earns a markup of more than 48% when a ticket is resold on its platform, by taking 15% from the person listing the tickets and adding 26% to the price it charges to the final purchaser, as it appears from the screenshots disclosed *en liasse* as **Exhibit P-4**;
- 14. In the example in Exhibit P-4, the Applicant was able to figure out Ticketmaster's markup by performing the following test on Ticketmaster's platform: he relisted the tickets that he initially purchased from Ticketmaster's Fan-to-Fan Resale platform for \$837.90 each at a price where he would "break-even". In order to break-even, he would have to list his tickets for \$986.00 each (at which price Ticketmaster would pay him \$838.10 per ticket after the 15% commission it would charge him). Ticketmaster's profit doesn't stop there though, as it adds an additional 26% on top of the price of the Applicant's asking price of \$986 and charges the final customer \$1,242.36 for a ticket which costs Ticketmaster \$838.10;
- 15. Therefore, Ticketmaster clearly has a direct financial interest in its customers paying the highest price possible for resale tickets (i.e. tickets sold on the secondary market). One way that Ticketmaster increases its profits is by hiding the Face Value of the tickets and by confusing Class members as to what the real Face Value is;
- 16. Worse yet, Ticketmaster artificially inflates the price of the tickets it sells on the secondary market by unilaterally setting a floor at which its customers can relist

tickets on the secondary market. In many cases, this floor is significantly greater than the real Face Value of the tickets on the primary market, forcing consumers to pay much higher prices (this is discussed at demonstrated at paragraphs 54 to 60 below);

17. The May 28, 2021 *La Presse* article titled "*De 1150* \$ à 12 300 \$ pour voir jouer le Canadien" highlights the problem consumers face – caused by Ticketmaster's scheme – and appears to confirm that most of the profit generated from a resale ticket is kept by Ticketmaster, Applicant disclosing **Exhibit P-5**:

Les billets pour le match de ce samedi coûtaient au minimum 1150 \$ chacun en fin de journée vendredi sur le site de revente officiel Ticketmaster. Les billets les plus chers étaient offerts à 12 300 \$ sur Ticketmaster.

. . .

« On fixe le prix des billets sur le marché primaire, pour ceux qui veulent s'en procurer. On n'a aucun contrôle [sur le prix des billets revendus] », dit France Margaret Bélanger, vice-présidente exécutive et chef des affaires commerciales du Canadien de Montréal.

. . .

En vertu de l'entente faisant de Ticketmaster son revendeur officiel, le Canadien de Montréal touche un petit pourcentage du profit réalisé sur la revente des billets sur le site (le Canadien ne touche ce petit pourcentage que sur l'excédent par rapport au prix original du billet).

- 18. It is safe for Applicant to assume that Ticketmaster has generated gross sales in the millions of dollars since becoming the exclusive resale ticketing partner for the Montreal Canadiens in June 2019 (the issue is not limited to hockey games, but also to concerts and other events in and out of the province of Quebec, as it appears from Exhibit P-6);
- II. <u>CONDITIONS REQUIRED TO AUTHORIZE THIS CLASS ACTION AND TO APPOINT THE STATUS OF REPRESENTATIVE PLAINTIFF (SECTION 575 CCP):</u>

A) THE FACTS ALLEGED APPEAR TO JUSTIFY THE CONCLUSIONS SOUGHT:

- 19. The Applicant is a consumer as defined in the CPA. He is a die-hard Montreal Canadiens fan and goes by the name "*Habsera*" on social media;
- 20. On June 18, 2021, the Applicant decided to purchase tickets to Game 4 of the NHL playoff semi-finals series between the Montreal Canadiens and the Las Vegas Golden Knights scheduled for June 20, 2021 at the Bell Centre in Montreal, Quebec;
- 21. The Applicant purchased 2 tickets in section 334 row AA ("White Upper Bowl") for

- \$837.90 each (for a total of \$1,675.80), as it appears from his purchase confirmation email from Ticketmaster disclosed as **Exhibit P-7**;
- 22. He purchased these tickets because he wanted to bring his father to the game for Father's Day and also because he had not been to the Bell Center for more than a year due to the pandemic;
- 23. The Applicant purchased his tickets from Ticketmaster on the secondary market, because there were no tickets available on the primary market;
- 24. The Face Value of the "White Upper Bowl" tickets he purchased is \$350.00 each. This is the price at which these tickets were advertised by the Montreal Canadiens on the primary market, as it appears from the email sent by the Montreal Canadiens to its clients on June 9, 2021 disclosed as **Exhibit P-8**:



Price including taxes

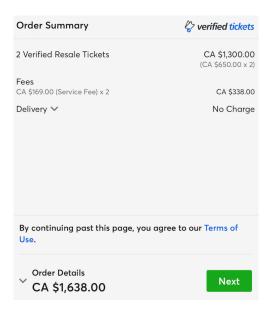
- 25. Ticketmaster did not "clearly" or "prominently" display the Face Value of \$350.00 to the Applicant prior to his purchase;
- 26. Worse, Ticketmaster indicated the wrong "Ticket Face Value" as \$665.00 on the Applicant's ticket, as it appears from a copy of said ticket disclosed as **Exhibit P-9**, a portion of which is reproduced below:

Ticket Type Resale Ticket	
Ticket Price	
Ticket Face Value	\$665.00
Fee	\$172.90
GRAND TOTAL	\$837.90

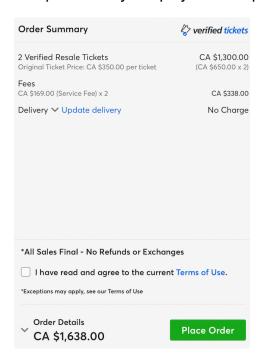
- 27. The Applicant submits that Ticketmaster does this intentionally, so as not to appear that it is price gouging Class members (otherwise it would simply indicate the real Face Value of \$350.00);
- 28. The Applicant communicates Ticketmaster's Purchase Policy as **Exhibit P-10**;

i. Simulation of the Applicant's purchase process on Ticketmaster

- 29. To begin his search, the Applicant searched for "Montreal Canadiens" in the Ticketmaster mobile application, Applicant disclosing a step-by-step simulation of his mobile purchase process *en liasse* as **Exhibit P-11**;
- 30. The Applicant clicked on the June 20, 2021 "Montreal Canadiens" game starting at 8:00 pm (Exhibit P-11, at **Step 1** on page 4);
- 31. The Applicant is then directed to a page displaying the seating chart and inventory of secondary market tickets being resold by Ticketmaster for the Montreal Canadiens game, which displays the prices, but never indicates the Face Value, even though 100% of the tickets were being sold at above the Face Value at the time of his purchase on June 18, 2021 and of the simulation in Exhibit P-11 on June 20, 2021;
- 32. The Applicant selected the cheapest seats available, which for the purposes of the simulation were in section 320 Row BB ("Lower Upper Bowl") advertised on Ticketmaster for \$819.00 each (Exhibit P-11, at **Step 2** on page 6);
- 33. This selection redirects the Applicant to the next page showing the asking price of these tickets and disclosing in two places "Verified Resale Ticket" (Exhibit P-11, at **Step 3** on page 8). However, there is no mention at all of the Face Value of the tickets as required under ss. 54.4(d.1) and 236.1(c)(i) CPA;
- 34. The Applicant clicked on the green "Next" button and was directed to yet another page titled "Delivery" (Exhibit P-11, at **Step 4** on page 10). This page asks the Applicant to select his country and delivery option and at the bottom contains an "Order Summary", as well as disclosures that these are "Verified Resale Tickets" and that the total price for 2 tickets is \$1,638.00. However, despite being at the **fourth step** of the purchase process, there is still no mention at all of the Face Value of the tickets as required under ss. 54.4(d.1) and 236.1(c)(i) CPA (an extract of the fourth step of the purchase process from Exhibit P-11 is reproduced below):



35. The Applicant clicked on the green "Next" button and was directed to the final page of the purchase process titled "Payment". The Applicant is asked to complete his credit card information and billing information and to click on the green "Place Order" box at the bottom of the page. The "Order Summary" section looks identical to the previous step, but this time contains a very subtle mention – in smaller font and lighter shade than the rest of the text – that the original ticket price is \$350.00 (Exhibit P-11, at **Step 5** on page 16). The Applicant did not see this mention and it is not reasonable for him or any consumer to expect that Ticketmaster would sneak in information that the law deems essential at the very last step, especially when the webpage of Step 4 looks identical to the webpage of Step 5. In brief, the mention is certainly not "clearly" and "prominently" displayed as required by law:



- 36. It is worth noting that the same line that discretely mentions that the Face Value is \$350.00 also mentions "(CA \$650.00 x 2)" adding an element of confusion as to what a credulous consumer would understand this line to mean, even if they saw it snuck in by Ticketmaster into the last step of a multiple-step purchase process. Also, the price on the Applicant's tickets indicated Face Value \$665.00 (Exhibit P-9), so the situation is anything but "clear", contrary to s. 236.1(c)(i) CPA;
- 37. The Applicant discloses herewith the purchase process on Ticketmaster's desktop website (www.ticketmaster.com) for the same game as **Exhibit P-12**. The situation is the same for both mobile and desktop purchases on Ticketmaster;
- 38. Ticketmaster will argue that its very subtle disclosure in the fine print at the last step of its purchase process should suffice to exonerate it from liability, which is wrong;
- 39. Ticketmaster's disclosure in fine print and in a smaller and lighter font which the Applicant never saw prior to his purchase contravenes s. 54.4 al. 2 CPA, which stipulates that Ticketmaster must display the ticket's Face Value "prominently" and in a comprehensible manner and bring it "expressly" to the Applicant's attention, which it intentionally does not do;
- 40. Ticketmaster also fails in its obligation to mention an important fact, namely the Face Value of the ticket, in violation of section 228 CPA;
- 41. The Superior Court has already authorized a class action based on sections 54.4 and 228 CPA where the defendant also a ticket reseller did not display the currency of its transactions until the very last step of the purchase process ("specified a few lines above the order button, in bold letters"), which is almost identical to what Ticketmaster does with the Face Value, but here it is even worse since Ticketmaster does not use bold letters, rather lighter shade letters! The Court also found that on the merits it would be "relevant to assess the impact of the time when the information is disclosed, if that impact is exacerbated in the case of a contract entered into on a computer, which generally accelerates the pace at which a contract is entered into (Nicolas c. Vivid Seats, 2018 QCCS 3938, paras. 26-29);
- 42. The Applicant's damages are a direct and proximate result of Ticketmaster's failure to respect the law and, in these circumstances where the law says that Ticketmaster must clearly and prominently display the Face Value and it does not, the Applicant's claim for compensatory damages as being the difference between the price paid and the Face Value is justified (otherwise there is no consequence to Ticketmaster for not respecting the disclosure requirements under a law of public order). Alternately, there should be a disgorgement of the 48% profit that Ticketmaster generated from each of these secondary market transactions;
- 43. As a result of the foregoing, the Applicant is justified in claiming, for himself and on behalf of Class members, compensatory damages, as well as punitive damages based on repeated violations of ss. 54.4(d.1), 219, 228 and 236.1(c)(i) CPA (pursuant to s. 272 CPA);

ii. Applicant's claim for punitive damages (s. 272 CPA)

- 44. Ticketmaster's overall conduct before, during and after the violation, is lax, careless, passive and ignorant with respect to consumers' rights and to its own obligations;
- 45. In this case, Ticketmaster breaches consumer protection legislation in Quebec, even though it is very well aware of the requirements of s. 236.1(c)(i) CPA;
- 46. The Applicant alleges that the reason why Ticketmaster sneaks in the disclosure at the very last step of a 5-step purchase process in smaller and lighter font is so that consumers do not see it and do not realize how much over Face Value they are actually paying, as it would influence their purchase decision (as discussed during the parliamentary debates cited above at paragraph 10);
- 47. Notwithstanding the preceding paragraph, as it concerns the issue of Ticketmaster's duty to inform under the CPA, the Court of Appeal held that the answer cannot be nuanced or deferred from one consumer to another: either Ticketmaster complies with the law or not, as the fault Ticketmaster is accused of here is objective and statutory (*Apple Canada inc. c. Badaoui*, 2021 QCCA 432, par. 45);
- 48. Ticketmaster's complete disregard for consumers' rights and to its own obligations under the CPA is in and of itself an important reason for this Court to enforce measures that will punish Ticketmaster, as well as deter and dissuade others from engaging in similar reprehensible conduct to the detriment of Quebec consumers;
- 49. The reality is that Ticketmaster has likely generated millions of dollars in profits by engaging in this prohibited practice to the detriment of Quebec consumers;
- 50. Punitive damages have a preventive objective, that is, to discourage the repetition of such undesirable conduct:
- 51. Ticketmaster's violations are intentional and calculated;
- 52. The Applicant is accordingly entitled to claim and does hereby claim on behalf of Class members from Ticketmaster \$500.00 per member on account of punitive damages;
- 53. Ticketmaster's patrimonial situation is so significant that the foregoing amount of punitive damages is appropriate in the circumstance;

iii. Applicant had to resell his tickets

54. Although the Applicant was very excited and impatiently looking forward to attend the game, his father ultimately decided not to go due to concerns regarding COVID and his wife, also concerned, asked him not to go to the game in the end. On the evening of Sunday, June 20, 2021 (around 6:30 p.m.), the Applicant eventually decided not to attend and relisted his tickets on Ticketmaster's Fan-to-Fan resale;

55. Given that the game was starting 90 minutes later at 8:00 p.m., the Applicant tried to list his tickets for \$500 (which is still \$150.00 more than the Face Value), but Ticketmaster refused to let him sell the tickets for less than "\$665.01", because it falsely indicated the amount of \$665.00 as the "Ticket face value", as it appears from **Exhibit P-13**:

PRICE YOUR TICKET

Ticket face value \$665.00

\$500.00

You can only enter amount between \$665.01 and \$20000.00

- 56. This conduct is unfair, in bad faith and artificially inflates secondary market ticket prices to the detriment of fans and consumers. The Applicant was prepared to list his tickets for \$500.00 in order to mitigate his damages, but Ticketmaster prevented him from listing the tickets for anything less than \$665.01. This meant that there was a risk that nobody would purchase his tickets. With no other choice, the Applicant listed his tickets for \$665.01 each. Ticketmaster informed him that at this price he would be paid \$565.26 per ticket, as it appears from **Exhibit P-14**;
- 57. Ticketmaster in turn listed these tickets on its platform for \$837.91 (the Applicant had no control of how much Ticketmaster would list his tickets for after he set his price and noticed that the price for his tickets on Ticketmaster fluctuated between approximately \$810.00 to \$840.00 from 6:30 p.m. to about 7:15 p.m.), as it appears from **Exhibit P-15**;
- 58. On June 20, 2021, at 7:17 p.m., the Applicant received an email from Ticketmaster confirming that his Tickets were sold (presumably for the \$837.91 each that appears in Exhibit P-15) and that he would be paid \$1,130.52 for both tickets, as it appears from **Exhibit P-16**:
- 59. This means that Ticketmaster sold both tickets for \$1,675.82 (i.e. \$837.91 x 2) and will pay the Applicant \$1,130.52, for a markup of 48.23%. This was also the third time, at least, that Ticketmaster was selling and profiting from these same tickets:
- 60. In the Applicant's personal case, his loss was mitigated and crystalized in the amount of \$545.28 (i.e. \$1,675.80 \$1,130.52), notwithstanding his collective claim for punitive damages;
- 61. The Applicant reiterates that, in light of the allegations above (see paras. 26, 36, 55, 56 and Exhibits P-9, P-13 and P-14), the general impression that Ticketmaster gives is that the Face Value of the tickets he purchased was \$665.00, not the real Face Value of \$350.00. Therefore, the general impression did not conform to the reality;

B) THE CLAIMS OF THE MEMBERS OF THE CLASS RAISE IDENTICAL, SIMILAR OR RELATED ISSUES OF LAW OR FACT:

- 62. The questions of fact and law raised and the recourse sought by this Application are identical with respect to each member of the Class, namely:
 - a) Does Ticketmaster violate s. 236.1(c)(i) CPA?
 - b) Does Ticketmaster violate s. 54.4(d.1) CPA?
 - c) Does Ticketmaster violate ss. 219 and 228 CPA?
 - d) If there has been a violation of one or more of these provisions, can the members of the class action claim compensatory and punitive damages from Ticketmaster? If so, in what amount?
 - e) Should an injunctive remedy be ordered to prohibit Ticketmaster from continuing to perpetrate the unfair, deceitful and illegal practice?
- 63. The claims of every Class member are founded on very similar facts to the Applicant's claim since, as mentioned above, the question as to whether Ticketmaster complies with the law or not is objective and statutory, and does not vary between one consumer to another (*Apple Canada inc. c. Badaoui*, 2021 QCCA 432, para. 45);
- 64. By reason of Ticketmaster's unlawful conduct, the Applicant and every Class member have suffered damages, which they may collectively claim against Ticketmaster;

C) THE COMPOSITION OF THE CLASS

- 65. The composition of the Class makes it difficult or impracticable to apply the rules for mandates to take part in judicial proceedings on behalf of others or for consolidation of proceedings;
- 66. Class members include consumers and merchants in Quebec who purchased a ticket from Ticketmaster above Face Value for events (sporting, cultural, concert, etc.) in and out of the province of Quebec;
- 67. While Ticketmaster does subtly mention the Face Value at the last step of the purchase process for events in Quebec (which the Applicant alleges in manifestly insufficient and in violation of the law), it does not mention at all the Face Value for events outside of Quebec. This leaves no doubt that Ticketmaster does not comply with the disclosure requirement, as it appears from screen captures of the simulation of the purchase process on Ticketmaster's website from Quebec for the purchase of tickets to game 5 in Las Vegas, Nevada, disclosed *en liasse* as **Exhibit P-17**;
- 68. The Applicant presumes that Ticketmaster has an important number of customers

- in Quebec. While he is unaware of the total number, he estimates that it is likely in the tens of thousands;
- 69. The names and addresses of all the other members included in the Class are not known to the Applicant, however, are all in the possession of Ticketmaster since the orders must be placed online with a valid email;
- 70. Class members are numerous and are dispersed across the province;
- 71. These facts demonstrate that it would be impractical, if not impossible, to contact each and every Class member to obtain mandates and to join them in one action;
- 72. In these circumstances, a class action is the only appropriate procedure for all of the members of the Class to effectively pursue their respective rights and have access to justice without overburdening the court system;

D) THE CLASS MEMBER REQUESTING TO BE APPOINTED AS REPRESENTATIVE PLAINTIFF IS IN A POSITION TO PROPERLY REPRESENT THE CLASS

- 73. The Applicant requests that he be appointed the status of representative plaintiff for the following main reasons:
 - a) He is a member of the Class and has a personal interest in seeking the conclusions that he proposes herein;
 - b) He is competent, in that he has the potential to be the mandatary of the action if it had proceeded under article 91 of the *Code of Civil Procedure*;
 - c) His interests are not antagonistic to those of other Class members;
- 74. The Applicant adds that he participated in the drafting of the present application and has reviewed the exhibits;
- 75. He is taking this action so that he and all Class members can be compensated and to hold Ticketmaster accountable;

III. DAMAGES

- 76. Ticketmaster has breached several obligations imposed on it by consumer protection legislation in Quebec, notably Quebec's CPA, including ss. 54.4(d.1), 215, 219, 228 and 236.1(c)(i), thus rendering s. 272 applicable;
- 77. In light of the foregoing, the following damages may be claimed collectively against Ticketmaster:
 - a) compensatory damages in the aggregate of the difference between the price paid and the Face Value (alternately a disgorgement of profits); and
 - b) punitive damages of \$500.00 per Class member for the intentional breach

of obligations imposed on Ticketmaster pursuant to s. 272 CPA;

IV. NATURE OF THE ACTION AND CONCLUSIONS SOUGHT

- 78. The action that the Applicant wishes to institute on behalf of the members of the Class is an action in damages and for injunctive relief;
- 79. The conclusions that the Applicant wishes to introduce by way of an originating application are:
 - 1. **GRANT** the Representative Plaintiff's action against the Defendants:
 - 2. ORDER the Defendants to disclose the Face Value of the tickets it sells on the secondary market in a manner that is in conformity with sections 54.4 and 236.1 CPA:
 - CONDEMN the Defendants, solidarily, to pay to the Representative Plaintiff and the members of the Class an amount to be determined in compensatory damages, and ORDER the collective recovery of these sums;
 - **4. CONDEMN** the Defendants, solidarily, to pay to the members of the Class \$500.00 each in punitive damages, and **ORDER** collective recovery of these sums;
 - **5. CONDEMN** the Defendants, solidarily, to pay interest and the additional indemnity on the above sums according to law from the date of service of the *Application to Authorize the Bringing of a Class Action and to Appoint the Status of Representative Plaintiff*;
 - **6. ORDER** the Defendants, solidarily, to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;
 - **7. ORDER** that the claims of individual Class members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;
 - 8. CONDEMN the Defendant to bear the costs of the present action including the cost of notices, the cost of management of claims and the costs of experts, if any, including the costs of experts required to establish the amount of the collective recovery orders;
 - 9. **RENDER** any other order that this Honourable Court shall determine;

V. JURISDICTION

80. The Applicant requests that this class action be exercised before the Superior Court in the district of Montreal, notably because he is a consumer and resides in this district.

FOR THESE REASONS, MAY IT PLEASE THE COURT:

- 1. **GRANT** the present Application;
- 2. AUTHORIZE the bringing of a class action in the form of an originating application in damages;
- **3. APPOINT** the Applicant the status of representative plaintiff of the persons included in the Class herein described as:

All consumers and merchants within the meaning of Quebec's Consumer Protection Act who purchased a resale ticket from Ticketmaster's website or mobile application at a price above the one advertised for that ticket on the primary market:

or any other class to be determined by the Court.

(hereinafter referred to as the "Class")

Tous les consommateurs et commerçants au sens de la *Loi sur la protection du consommateur* du Québec qui ont acheté un billet de revente sur le site Web ou l'application mobile de Ticketmaster à un prix supérieur à celui annoncé pour ce billet sur le marché primaire;

ou toute autre groupe à être déterminé par le Tribunal.

(ci-après le « Groupe »)

- **4. IDENTIFY** the principle questions of fact and law to be treated collectively as the following:
 - a) Does Ticketmaster violate s. 236.1(c)(i) CPA?
 - b) Does Ticketmaster violate s. 54.4(d.1) CPA?
 - c) Does Ticketmaster violate ss. 219 and 228 CPA?
 - d) If there has been a violation of one or more of these provisions, can the members of the class action claim compensatory and punitive damages from Ticketmaster? If so, in what amount?
 - e) Should an injunctive remedy be ordered to prohibit Ticketmaster from continuing to perpetrate the unfair, deceitful and illegal practice?
- **5. IDENTIFY** the conclusions sought by the class action to be instituted as being the following:
 - 1. **GRANT** the Representative Plaintiff's action against the Defendants;
 - ORDER the Defendants to disclose the Face Value of the tickets it sells on the secondary market in a manner that is in conformity with sections 54.4 and 236.1 CPA;

- CONDEMN the Defendants, solidarily, to pay to the Representative Plaintiff and the members of the Class an amount to be determined in compensatory damages, and ORDER the collective recovery of these sums;
- **4. CONDEMN** the Defendants, solidarily, to pay to the members of the Class \$500.00 each in punitive damages, and **ORDER** collective recovery of these sums;
- **5. CONDEMN** the Defendants, solidarily, to pay interest and the additional indemnity on the above sums according to law from the date of service of the *Application to Authorize the Bringing of a Class Action and to Appoint the Status of Representative Plaintiff*;
- **6. ORDER** the Defendants, solidarily, to deposit in the office of this Court the totality of the sums which forms part of the collective recovery, with interest and costs;
- 7. ORDER that the claims of individual Class members be the object of collective liquidation if the proof permits and alternately, by individual liquidation;
- **8. CONDEMN** the Defendant to bear the costs of the present action including the cost of notices, the cost of management of claims and the costs of experts, if any, including the costs of experts required to establish the amount of the collective recovery orders;
- 9. **RENDER** any other order that this Honourable Court shall determine;
- **6. DECLARE** that all members of the Class that have not requested their exclusion, be bound by any judgement to be rendered on the class action to be instituted in the manner provided for by the law;
- 7. FIX the delay of exclusion at thirty (30) days from the date of the publication of the notices to Class members, date upon which the members of the Class that have not exercised their means of exclusion will be bound by any judgement to be rendered herein;
- **8. ORDER** the publication of a notice to the members of the Class in accordance with article 579 C.C.P. within sixty (60) days from the judgement to be rendered herein by e-mail to each Class member, to their last known e-mail address, with the subject line "Notice of a Class Action";
- 9. THE WHOLE with costs including publication fees.

Montreal, June 21, 2021

(s) LPC Avocat Inc.

LPC AVOCAT INC.

Mtre Joey Zukran Attorney for the Applicant 276 Saint-Jacques Street, Suite 801 Montréal, Québec, H2Y 1N3 T: (514) 379-1572 / F: (514) 221-4441

Email: jzukran@lpclex.com

SUMMONS

(ARTICLES 145 AND FOLLOWING C.C.P)

Filing of a judicial application

Take notice that the Applicant has filed this *Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff* in the office of the Superior Court in the judicial district of **Montreal**.

Defendant's answer

You must answer the application in writing, personally or through a lawyer, at the courthouse of Montreal situated at 1 Rue Notre-Dame E, Montréal, Quebec, H2Y 1B6, within 15 days of service of the Application or, if you have no domicile, residence or establishment in Québec, within 30 days. The answer must be notified to the Applicant's lawyer or, if the Applicant is not represented, to the Applicant.

Failure to answer

If you fail to answer within the time limit of 15 or 30 days, as applicable, a default judgement may be rendered against you without further notice and you may, according to the circumstances, be required to pay the legal costs.

Content of answer

In your answer, you must state your intention to:

- negotiate a settlement;
- propose mediation to resolve the dispute;
- defend the application and, in the cases required by the Code, cooperate with the Applicant in preparing the case protocol that is to govern the conduct of the proceeding. The protocol must be filed with the court office in the district specified above within 45 days after service of the summons or, in family matters or if you have no domicile, residence or establishment in Québec, within 3 months after service:
- propose a settlement conference.

The answer to the summons must include your contact information and, if you are represented by a lawyer, the lawyer's name and contact information.

Change of judicial district

You may ask the court to refer the originating Application to the district of your domicile or residence, or of your elected domicile or the district designated by an agreement with the applicant.

If the application pertains to an employment contract, consumer contract or insurance

contract, or to the exercise of a hypothecary right on an immovable serving as your main residence, and if you are the employee, consumer, insured person, beneficiary of the insurance contract or hypothecary debtor, you may ask for a referral to the district of your domicile or residence or the district where the immovable is situated or the loss occurred. The request must be filed with the special clerk of the district of territorial jurisdiction after it has been notified to the other parties and to the office of the court already seized of the originating application.

Transfer of application to Small Claims Division

If you qualify to act as a plaintiff under the rules governing the recovery of small claims, you may also contact the clerk of the court to request that the application be processed according to those rules. If you make this request, the plaintiff's legal costs will not exceed those prescribed for the recovery of small claims.

Calling to a case management conference

Within 20 days after the case protocol mentioned above is filed, the court may call you to a case management conference to ensure the orderly progress of the proceeding. Failing this, the protocol is presumed to be accepted.

Exhibits supporting the application

In support of the Application for Authorization to Institute a Class Action and to Appoint the Status of Representative Plaintiff, the Applicant intends to use the following exhibits:

Exhibit P-1: Copy of the enterprise's information statement from the Quebec

enterprise register for Ticketmaster Canada LP;

Exhibit P-2: Screen capture of Ticketmaster's "Fan-to-Fan Resale" webpage

https://www.ticketmaster.ca/verified;

Exhibit P-3: Copy June 6, 2019 press release by Live Nation;

Exhibit P-4: En liasse, screen captures showing Ticketmaster's 48% markup for

reselling a ticket;

Exhibit P-5: Copy of the May 28, 2021 *La Presse* article titled "*De 1150* \$ à 12

300 \$ pour voir jouer le Canadien";

Exhibit P-6: En liasse, screen captures showing the purchase process for the

Weeknd concert in Montreal:

Exhibit P-7: Copy of Applicant's purchase confirmation email from Ticketmaster;

Exhibit P-8: Copy of the email sent by the Montreal Canadiens to its clients on

June 9, 2021;

Exhibit P-9: Copy of Applicant's ticket showing Face Value of \$665.00;

Exhibit P-10: Copy of Ticketmaster's Purchase Policy;

Exhibit P-11: En liasse, screen captures of the simulation of the Applicant's

purchase process on Ticketmaster's mobile app;

Exhibit P-12: En liasse, screen captures of the simulation of the purchase process

on Ticketmaster's desktop website;

Exhibit P-13: Screen capture of Ticketmaster creating a floor price above \$665.00;

Exhibit P-14: Screen capture of Applicant listing his tickets for \$665.01;

Exhibit P-15: Screen capture of Applicant's tickets being sold on Ticketmaster for

\$837.91 on June 20, 2021 around 6:41 p.m.;

Exhibit P-16: Copy of the email from Ticketmaster on June 20, 2021 confirming

sale;

Exhibit P-17: En liasse, screen captures of the simulation of the purchase process

on Ticketmaster's website from Quebec for the purchase of tickets to an event outside of Quebec (Las Vegas Knights home game).

These exhibits are available on request.

Notice of presentation of an application

If the application is an application in the course of a proceeding or an application under Book III, V, excepting an application in family matters mentioned in article 409, or VI of the Code, the establishment of a case protocol is not required; however, the application must be accompanied by a notice stating the date and time it is to be presented.

Montreal, June 21, 2021

(s) LPC Avocat Inc.

LPC AVOCATING.

Mtre Joey Zukran, for the Applicant 276 Saint-Jacques Street, Suite 801 Montréal, Québec, H2Y 1N3 T: (514) 379-1572 F: (514) 221-4441

Email: jzukran@lpclex.com

NOTICE OF PRESENTATION

(articles 146 and 574 al. 2 C.C.P.)

TO: TICKETMASTER CANADA LP

7001 SAINT-LAURENT BOULEVARD MONTREAL, QUEBEC, H2S 3E3

TICKETMASTER CANADA HOLDINGS ULC

7001 SAINT-LAURENT BOULEVARD MONTREAL, QUEBEC, H2S 3E3

TICKETMASTER CANADA ULC

7001 SAINT-LAURENT BOULEVARD MONTREAL, QUEBEC, H2S 3E3

TICKETMASTER LLC

9348 CIVIC CENTER DRIVE BEVERLY HILLS, CALIFORNIA, 90210, U.S.A.

Defendants

TAKE NOTICE that Applicant's Application to Authorize the Bringing of a Class Action and to Appoint the Status of Representative Plaintiff will be presented before the Superior Court at 1 Rue Notre-Dame E, Montréal, Quebec, H2Y 1B6, on the date set by the coordinator of the Class Action chamber.

GOVERN YOURSELVES ACCORDINGLY.

Montreal, June 21, 2021

(s) LPC Avocat Inc.

LPC AVOCAT INC.

Mtre Joey Zukran Attorney for the Applicant 276 Saint-Jacques Street, Suite 801 Montréal, Québec, H2Y 1N3

Telephone: (514) 379-1572 Telecopier: (514) 221-4441 Email: <u>jzukran@lpclex.com</u>

500-06-001153-218

DISTRICT OF MONTREAL (Class Action) SUPERIOR COURT

STEVE ABIHSIRA

Applicant

TICKETMASTER CANADA LP ET ALS.

>

Defendants

APPLICATION TO AUTHORIZE THE BRINGING OF A CLASS ACTION AND TO APPOINT THE STATUS OF REPRESENTATIVE PLAINTIFF (ARTICLES 571 AND FOLLOWING C.C.P.)

ORIGINAL

Mtre Joey Zukran

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N/D: JZ-229