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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

_____, Individually and On Behalf
of All Others Similarly Situated,

Plaintiff,

v.

EVENTBRITE, INC., JULIA HARTZ,
RANDY BEFUMO, KATHERINE
AUGUST-DEWILDE, ROELOF BOTHA,
ANDREW DRESKIN, KEVIN HARTZ,
SEAN P. MORIARTY, LORRIE M.
NORRINGTON, HELEN RILEY,
STEFFAN C. TOMLINSON, GOLDMAN
SACHS & CO. LLC, J.P. MORGAN
SECURITIES LLC, ALLEN &
COMPANY LLC, RBC CAPITAL
MARKETS, LLC, SUNTRUST
ROBINSON HUMPHREY, INC., and
STIFEL, NICOLAUS & COMPANY,
INCORPORATED,

Defendants.

Case No.:

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

JURY TRIAL DEMANDED

1 Plaintiff _____ (“Plaintiff”), individually and on behalf of all others similarly
2 situated, by and through his attorneys, alleges the following upon information and belief, except as
3 to those allegations concerning Plaintiff, which are alleged upon personal knowledge.
4 Plaintiff’s information and belief is based upon, among other things, his counsel’s
5 investigation, which includes without limitation: (a) review and analysis of regulatory filings
6 made by Eventbrite, Inc. (“Eventbrite” or the “Company”) with the United States (“U.S.”)
7 Securities and Exchange Commission (“SEC”); (b) review and analysis of press releases and
8 media reports issued by and disseminated by Eventbrite; and (c) review of other publicly
9 available information concerning Eventbrite.

10 NATURE OF THE ACTION AND OVERVIEW

11 1. This is a class action on behalf of persons and entities that: a) purchased or
12 otherwise acquired Eventbrite securities pursuant and/or traceable to the Company’s false and/or
13 misleading registration statement and prospectus (collectively, the “Registration Statement”)
14 issued in connection with the Company’s September 2018 initial public offering (“IPO” or the
15 “Offering”); and/or b) purchased or otherwise acquired Eventbrite securities between September
16 20, 2018 and March 7, 2019, inclusive (the “Class Period”). Plaintiff pursues claims against the
17 Defendants, under the Securities Act of 1933 (the “Securities Act”) and the Securities Exchange
18 Act of 1934 (the “Exchange Act”).

19 2. Eventbrite purportedly provides a platform to enable creators to plan, promote, and
20 produce live events.

21 3. In September 2017, Eventbrite acquired Ticketfly, LLC (“Ticketfly”) from Pandora
22 Media, Inc. for \$201.1 million purportedly to expand the Company’s solutions for music-related
23 events.

24 4. On September 20, 2018, the Company filed its prospectus on Form 424B4 with the
25 SEC, which forms part of the Registration Statement. In the IPO, the Company sold 11.5 million
26 shares of Class A common stock at a price of \$23.00 per share. The Company received proceeds
27 of approximately \$246.0 million from the Offering, net of underwriting discounts and
28 commissions. The proceeds from the IPO were purportedly to be used to repay certain debts,

1 including \$30 million of indebtedness incurred to finance the Company's acquisition of Ticketfly,
2 and for working capital and other general corporate purposes.

3 5. On March 7, 2019, in connection with its full year 2018 results, the Company
4 stated that integrating Ticketfly would be a headwind impacting the Company's future growth and
5 revenue.

6 6. On this news, the Company's share price fell \$7.96 per share, or over 24%, to close
7 at \$24.46 per share on March 8, 2019, on unusually high trading volume.

8 7. The Registration Statements were false and misleading and omitted to state
9 material adverse facts. Throughout the Class Period, Defendants made materially false and/or
10 misleading statements, as well as failed to disclose material adverse facts about the Company's
11 business, operations, and prospects. Specifically, Defendants failed to disclose to investors: (1)
12 that the Company's migration of customers from Ticketfly to Eventbrite was progressing slower
13 than expected; (2) that, as a result, the Ticketfly integration would take longer than expected; (3)
14 that, as a result, the Company's revenue and growth would be negatively impacted; and (4) that, as
15 a result of the foregoing, Defendants' positive statements about the Company's business,
16 operations, and prospects, were materially misleading and/or lacked a reasonable basis.

17 8. As a result of Defendants' wrongful acts and omissions, and the precipitous decline
18 in the market value of the Company's securities, Plaintiff and other Class members have suffered
19 significant losses and damages.

20 **JURISDICTION AND VENUE**

21 9. The claims asserted herein arise under and pursuant to Sections 11 and 15 of the
22 Securities Act (15 U.S.C. §§ 77k and 77o), and Sections 10(b) and 20(a) of the Exchange Act (15
23 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. §
24 240.10b-5).

25 10. This Court has jurisdiction over the subject matter of this action pursuant to 28
26 U.S.C. § 1331, Section 22 of the Securities Act (15 U.S.C. § 77v), and Section 27 of the Exchange
27 Act (15 U.S.C. § 78aa).

28 11. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b) and

1 Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). The Company has offices in this district.

2 12. In connection with the acts, transactions, and conduct alleged herein, Defendants
3 directly and indirectly used the means and instrumentalities of interstate commerce, including the
4 United States mail, interstate telephone communications, and the facilities of a national securities
5 exchange.

6 **PARTIES**

7 13. Plaintiff _____, as set forth in the accompanying certification,
8 incorporated by reference herein, purchased Eventbrite securities during the Class Period and/or
9 pursuant and/or traceable to the Registration Statement issued in connection with the Company’s
10 IPO, and suffered damages as a result of the federal securities law violations and false and/or
11 misleading statements and/or material omissions alleged herein.

12 14. Defendant Eventbrite is incorporated under the laws of Delaware with its principal
13 executive offices located in San Francisco, California. Eventbrite’s Class A common stock trades
14 on the New York Stock Exchange (“NYSE”) under the symbol “EB.”

15 15. Defendant Julia Hartz (“Hartz”) was, at all relevant times, the Chief Executive
16 Officer and a Director of the Company, and signed or authorized the signing of the Company’s
17 Registration Statement filed with the SEC.

18 16. Defendant Randy Befumo (“Befumo”) was, at all relevant times, the Chief
19 Financial Officer of the Company, and signed or authorized the signing of the Company’s
20 Registration Statement filed with the SEC.

21 17. Defendants Hartz and Befumo, (collectively the “Individual Defendants”), because
22 of their positions with the Company, possessed the power and authority to control the contents of
23 the Company’s reports to the SEC, press releases and presentations to securities analysts, money
24 and portfolio managers and institutional investors, *i.e.*, the market. The Individual Defendants
25 were provided with copies of the Company’s reports and press releases alleged herein to be
26 misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent
27 their issuance or cause them to be corrected. Because of their positions and access to material
28 non-public information available to them, the Individual Defendants knew that the adverse facts

1 specified herein had not been disclosed to, and were being concealed from, the public, and that the
2 positive representations which were being made were then materially false and/or misleading. The
3 Individual Defendants are liable for the false statements pleaded herein.

4 18. Defendant Katherine August-deWilde (“August-deWilde”) was a director of the
5 Company and signed or authorized the signing of the Company’s Registration Statement filed with
6 the SEC.

7 19. Defendant Roelof Botha (“Botha”) was a director of the Company and signed or
8 authorized the signing of the Company’s Registration Statement filed with the SEC.

9 20. Defendant Andrew Dreskin (“Dreskin”) was a director of the Company and signed
10 or authorized the signing of the Company’s Registration Statement filed with the SEC.

11 21. Defendant Kevin Hartz (“Kevin Hartz”) was a director of the Company and signed
12 or authorized the signing of the Company’s Registration Statement filed with the SEC.

13 22. Defendant Sean P. Moriarty (“Moriarty”) was a director of the Company and
14 signed or authorized the signing of the Company’s Registration Statement filed with the SEC.

15 23. Defendant Lorrie M. Norrington (“Norrington”) was a director of the Company and
16 signed or authorized the signing of the Company’s Registration Statement filed with the SEC.

17 24. Defendant Helen Riley (“Riley”) was a director of the Company and signed or
18 authorized the signing of the Company’s Registration Statement filed with the SEC.

19 25. Defendant Steffan C. Tomlinson (“Tomlinson”) was a director of the Company and
20 signed or authorized the signing of the Company’s Registration Statement filed with the SEC.

21 26. Defendants Hartz, Befumo, August-deWilde, Botha, Dreskin, Kevin Hartz,
22 Moriarty, Norrington, Riley, and Tomlinson are collectively referred to hereinafter as the
23 “Securities Act Individual Defendants.”

24 27. Defendant Goldman Sachs & Co. LLC (“Goldman Sachs”) served as an
25 underwriter for the Company’s IPO.

26 28. Defendant J.P. Morgan Securities LLC (“J.P. Morgan”) served as an underwriter
27 for the Company’s IPO.

28 29. Defendant Allen & Company LLC (“Allen”) served as an underwriter for the

1 Company's IPO.

2 30. Defendant RBC Capital Markets, LLC ("RBC Capital") served as an underwriter
3 for the Company's IPO.

4 31. Defendant SunTrust Robinson Humphrey, Inc. ("SunTrust") served as an
5 underwriter for the Company's IPO.

6 32. Defendant Stifel, Nicolaus & Company, Incorporated ("Stifel") served as an
7 underwriter for the Company's IPO.

8 33. Defendants Goldman Sachs, J.P. Morgan, Allen, RBC Capital, SunTrust, and Stifel
9 are collectively referred to hereinafter as the "Underwriter Defendants."

10 **SUBSTANTIVE ALLEGATIONS**

11 **Background**

12 34. Eventbrite purportedly provides a platform to enable creators to plan, promote, and
13 produce live events.

14 35. In September 2017, Eventbrite acquired Ticketfly, LLC ("Ticketfly") from Pandora
15 Media, Inc. for \$201.1 million to expand the Company's solutions for music-related events.

16 **The Company's False and/or Misleading**
17 **Registration Statement and Prospectus**

18 36. On September 18, 2018, the Company filed its final amendment to the Registration
19 Statement with the SEC on Form S-1/A, which forms part of the Registration Statement. The
20 Registration Statement was declared effective on September 19, 2018.

21 37. On September 20, 2018, the Company filed its prospectus on Form 424B4 with the
22 SEC, which forms part of the Registration Statement. In the IPO, the Company sold 11.5 million
23 shares of Class A common stock at a price of \$23.00 per share. The Company received proceeds
24 of approximately \$246.0 million from the Offering, net of underwriting discounts and
25 commissions. The proceeds from the IPO were purportedly to be used to repay certain debts,
26 including \$30 million of indebtedness incurred to finance the Company's acquisition of Ticketfly,
27 and for working capital and other general corporate purposes.

28

1 38. The Registration Statement was negligently prepared and, as a result, contained
2 untrue statements of material facts or omitted to state other facts necessary to make the statements
3 made not misleading, and was not prepared in accordance with the rules and regulations governing
4 its preparation.

5 39. Under applicable SEC rules and regulations, the Registration Statements were
6 required to disclose known trends, events or uncertainties that were having, and were reasonably
7 likely to have, an impact on the Company’s continuing operations.

8 40. Under “Risk Factors,” the Registration Statement stated, in relevant part:

9 ***Acquisitions, investments or significant commercial arrangements could result in***
10 ***operating and financial difficulties.***

11 We have acquired or entered into commercial arrangements with a number of
12 businesses in the past. For example, since 2015 we have acquired seven companies,
13 including ticketscript and Ticketfly in 2017 and Ticketea and Picatic in 2018. Our
14 future growth may depend, in part, on future acquisitions, investments or
15 significant commercial arrangements, any of which could be material to our results
16 of operations and financial condition. Financial and operational risks related to
17 acquisitions, investments and significant commercial arrangements that may have
18 an impact on our business include:

- 19 ▪ use of cash resources and incurrence of debt and contingent liabilities in
20 funding acquisitions may limit other potential uses of our cash, including for
21 retirement of outstanding indebtedness, stock repurchases and dividend
22 payments;
- 23 ▪ difficulties and expenses in assimilating the operations, products, data,
24 technology, privacy, data protection systems and information security systems,
25 information systems or personnel of the acquired company;
- 26 ▪ failure of the acquired company to achieve anticipated benefits, revenue,
27 earnings or cash flows or our failure to retain key employees from an acquired
28 company;
- the assumption of known and unknown risks, debt and liabilities of the acquired
 company, deficiencies in systems or internal controls, impairment of goodwill
 or other intangible assets and costs associated with litigation or other claims
 arising in connection with the acquired company;
- failure to properly and timely integrate acquired companies and their
 operations, reducing our ability to achieve, among other things, anticipated
 returns on our acquisitions through cost savings and other synergies;
- adverse market reaction to acquisitions;
- failure to consummate such transactions; and

- 1 ▪ other expected and unexpected risks with pursuing acquisitions, including
2 litigation or regulatory exposure, unfavorable accounting treatment, increases in
3 taxes due, a loss of anticipated tax benefits, costs or delays to obtain
4 governmental approvals, diversion of management’s attention or other
5 resources from our existing business and other adverse effects on our business,
6 results of operations or financial condition.

7 When we acquire companies or other businesses, we face the risk that creators of
8 the acquired companies or businesses may not migrate to our platform or may
9 choose to decrease their level of usage of our platform post migration. We have
10 previously experienced customer loss in the process of integrating and migrating
11 acquired companies for a variety of reasons. The pace and success rate of migration
12 may be influenced by many factors, including the pace and quality of product
13 development, our ability to operationally support the migrating creators and our
14 adoption of business practices outside of our platform that matter to the creator.

15 Moreover, we rely heavily on the representations and warranties and related
16 indemnities

17 Our failure to address these risks or other problems encountered in connection with
18 past or future acquisitions, investments and significant commercial arrangements
19 could cause us to fail to realize the anticipated benefits of such transactions, incur
20 unanticipated liabilities and harm our business, results of operations and financial
21 condition.

22 41. Under “Quarterly Trends,” the Registration Statement noted the “positive impact”
23 of the Ticketfly acquisition:

24 Our quarterly revenue increased for all periods presented, except the second quarter
25 of 2018, primarily due to increases in paid ticket volume, both organically and
26 through our acquisitions. Historically, we have experienced a higher increase in
27 sequential organic net revenue growth in the first quarter of a year compared to the
28 sequential organic net revenue growth in other quarters of that year. ***We acquired
ticketscript in the first quarter of 2017 and Ticketfly in the third quarter of 2017,
which had a positive impact on our net revenue growth in each of those quarters.***
The decrease in quarterly net revenue in the second quarter of 2018 was a result of
the contra revenue amount of \$6.3 million which we recognized related to the
Ticketfly incident [i.e. when the Ticketfly platform was disabled following a data
breach].

29 42. The Registration Statement was materially false and misleading and omitted to
30 state: (1) that the Company’s migration of customers from Ticketfly to Eventbrite was progressing
31 slower than expected; (2) that, as a result, the Ticketfly integration would take longer than
32 expected; (3) that, as a result, the Company’s revenue and growth would be negatively impacted;
33 and (4) that, as a result of the foregoing, Defendants’ positive statements about the Company’s
34 business, operations, and prospects, were materially misleading and/or lacked a reasonable basis.

1 **Materially False and Misleading**
2 **Statements Issued During the Class Period**

3 43. The Class Period begins on September 20, 2018. On that day, the Company
4 completed its IPO.

5 44. Then, on November 12, 2018, the Company announced its third quarter 2018
6 financial results, disclosing the following in a letter to shareholders:

- 7 • Revenues grew by 45.1% to \$73.6 million in the third quarter, with both
8 Eventbrite platform growth and acquired businesses contributing to the overall
9 increase in total sales.
- 10 • Paid tickets grew by 32.2% to 23.9 million in the third quarter.
- 11 • Gross profit increased by 41.7% to \$42.2 million. Gross margin was 57.2%, down
12 140 basis points year-over-year due to amortization related to the Ticketfly
13 platform.
- 14 • Operating loss was (\$13.1) million in the third quarter compared to an operating
15 loss of (\$10.4) million in the same period last year. Operating loss was negatively
16 impacted by increased stock-based compensation expense in the quarter related to
17 our initial public offering.
- 18 • Adjusted EBITDA was \$11.2 million, up from \$1.0 million in the same period
19 last year.

20 * * *

21 Our strategy is to operate a single technical platform globally, which means that we
22 work to migrate customers from acquired platforms to the Eventbrite platform. This
23 migration process has historically taken 12 to 24 months, over which the Eventbrite
24 team engages with customers to support this process. In general, we strive to retain
25 the majority of net revenue while migrating customers in order to realize the
26 important synergies of operating a single technical platform. Migration efforts have
27 typically resulted in modest customer losses which tend to cluster around the time
28 we deprecate the acquired platform.

21 45. On November 14, 2018, the Company filed its quarterly report on Form 10-Q with
22 the SEC for the period ended September 30, 2018, which reaffirmed the previously reported third
23 quarter 2018 financial results.

24 46. The above statements identified in ¶¶43-45 were materially false and/or misleading,
25 and failed to disclose material adverse facts about the Company's business, operations, and
26 prospects. Specifically, Defendants failed to disclose to investors: (1) that the Company's
27 migration of customers from Ticketfly to Eventbrite was progressing slower than expected; (2)
28 that, as a result, the Ticketfly integration would take longer than expected; (3) that, as a result, the

1 Company's revenue and growth would be negatively impacted; and (4) that, as a result of the
2 foregoing, Defendants' positive statements about the Company's business, operations, and
3 prospects, were materially misleading and/or lacked a reasonable basis.

4 **The Truth is Revealed**

5 47. On March 7, 2019, post-market, the Company issued a letter to shareholders that
6 announced its fourth quarter 2018 financial results and provided 2019 guidance. Therein, the
7 Company indicated that its growth rate would be negatively impacted while it integrated Ticketfly:

8 Since we last updated you, we have made substantial progress toward integration
9 and migration of Ticketfly creators. We made a deliberate decision when we
10 acquired the company to integrate it into the Eventbrite platform, which made for a
11 more complex and time-consuming integration process. During this process, our
12 team has been focused on migrating existing customers, which creates tremendous
13 value for our business but does not result in near-term revenue growth. We believe
14 in this strategy because it will enable us to build the leading, global independent
15 music platform.

16 We anticipate finishing the last integration work to support creator migration in the
17 second quarter of 2019. In the second half of the year we aim to complete creator
18 migration and sunset the Ticketfly platform. *Therefore, we believe that growth*
19 *rates of our North American music business will begin to accelerate by early*
20 *2020.*

21 (Emphasis added.)

22 48. The Company also stated that migration headwinds would offset "continued growth
23 self sign-on and international for the first quarter of 2019." The Company forecast first quarter
24 2019 revenue between \$80.0 and \$84.0 million, but analysts had expected \$91 million based on
25 the Company's prior statements.

26 49. On this news, the Company's share price fell \$7.96 per share, or over 24%, to close
27 at \$24.46 per share on March 8, 2019, on unusually high trading volume.

28 **CLASS ACTION ALLEGATIONS**

50. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil
Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and entities that
purchased or otherwise acquired Eventbrite securities: a) issued in connection with the Company's
IPO; and/or b) between September 20, 2018 and March 7, 2019, inclusive, and who were damaged
thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of the

1 Company, at all relevant times, members of their immediate families and their legal
2 representatives, heirs, successors, or assigns, and any entity in which Defendants have or had a
3 controlling interest.

4 51. The members of the Class are so numerous that joinder of all members is
5 impracticable. Throughout the Class Period, Eventbrite's common shares actively traded on the
6 NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can
7 only be ascertained through appropriate discovery, Plaintiff believes that there are at least
8 hundreds or thousands of members in the proposed Class. Millions of Eventbrite Class A
9 common stock were traded publicly during the Class Period on the NYSE. Record owners and
10 other members of the Class may be identified from records maintained by Eventbrite or its transfer
11 agent and may be notified of the pendency of this action by mail, using the form of notice similar
12 to that customarily used in securities class actions.

13 52. Plaintiff's claims are typical of the claims of the members of the Class as all
14 members of the Class are similarly affected by Defendants' wrongful conduct in violation of
15 federal law that is complained of herein.

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

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

21 (a) whether the federal securities laws were violated by Defendants' acts as alleged
22 herein;

23 (b) whether statements made by Defendants to the investing public during the Class
24 Period omitted and/or misrepresented material facts about the business, operations, and prospects
25 of Eventbrite; and

26 (c) to what extent the members of the Class have sustained damages and the proper
27 measure of damages.
28

1 other members of the Class purchasing the Company's securities at artificially inflated prices, thus
2 causing the damages complained of herein when the truth was revealed.

3 **LOSS CAUSATION**

4 59. Defendants' wrongful conduct, as alleged herein, directly and proximately caused
5 the economic loss suffered by Plaintiff and the Class.

6 60. During the Class Period, Plaintiff and the Class purchased Eventbrite's securities at
7 artificially inflated prices and were damaged thereby. The price of the Company's securities
8 significantly declined when the misrepresentations made to the market, and/or the information
9 alleged herein to have been concealed from the market, and/or the effects thereof, were revealed,
10 causing investors' losses.

11 **SCIENTER ALLEGATIONS**

12 61. As alleged herein, Defendants acted with scienter since Defendants knew that the
13 public documents and statements issued or disseminated in the name of the Company were
14 materially false and/or misleading; knew that such statements or documents would be issued or
15 disseminated to the investing public; and knowingly and substantially participated or acquiesced
16 in the issuance or dissemination of such statements or documents as primary violations of the
17 federal securities laws. As set forth elsewhere herein in detail, the Individual Defendants, by
18 virtue of their receipt of information reflecting the true facts regarding Eventbrite, their control
19 over, and/or receipt and/or modification of Eventbrite's allegedly materially misleading
20 misstatements and/or their associations with the Company which made them privy to confidential
21 proprietary information concerning Eventbrite, participated in the fraudulent scheme alleged
22 herein.

23 **APPLICABILITY OF PRESUMPTION OF RELIANCE**
24 **(FRAUD-ON-THE-MARKET DOCTRINE)**

25 62. The market for Eventbrite's securities was open, well-developed and efficient at all
26 relevant times. As a result of the materially false and/or misleading statements and/or failures to
27 disclose, Eventbrite's securities traded at artificially inflated prices during the Class Period. On
28 September 28, 2018, the Company's share price closed at a Class Period high of \$37.97 per share.

1 Plaintiff and other members of the Class purchased or otherwise acquired the Company's
2 securities relying upon the integrity of the market price of Eventbrite's securities and market
3 information relating to Eventbrite, and have been damaged thereby.

4 63. During the Class Period, the artificial inflation of Eventbrite's shares was caused by
5 the material misrepresentations and/or omissions particularized in this Complaint causing the
6 damages sustained by Plaintiff and other members of the Class. As described herein, during the
7 Class Period, Defendants made or caused to be made a series of materially false and/or misleading
8 statements about Eventbrite's business, prospects, and operations. These material misstatements
9 and/or omissions created an unrealistically positive assessment of Eventbrite and its business,
10 operations, and prospects, thus causing the price of the Company's securities to be artificially
11 inflated at all relevant times, and when disclosed, negatively affected the value of the Company
12 shares. Defendants' materially false and/or misleading statements during the Class Period resulted
13 in Plaintiff and other members of the Class purchasing the Company's securities at such
14 artificially inflated prices, and each of them has been damaged as a result.

15 64. At all relevant times, the market for Eventbrite's securities was an efficient market
16 for the following reasons, among others:

17 (a) Eventbrite shares met the requirements for listing, and was listed and actively
18 traded on the NYSE, a highly efficient and automated market;

19 (b) As a regulated issuer, Eventbrite filed periodic public reports with the SEC and/or
20 the NYSE;

21 (c) Eventbrite regularly communicated with public investors via established market
22 communication mechanisms, including through regular dissemination of press releases on the
23 national circuits of major newswire services and through other wide-ranging public disclosures,
24 such as communications with the financial press and other similar reporting services; and/or

25 (d) Eventbrite was followed by securities analysts employed by brokerage firms who
26 wrote reports about the Company, and these reports were distributed to the sales force and certain
27 customers of their respective brokerage firms. Each of these reports was publicly available and
28 entered the public marketplace.

1 Eventbrite who knew that the statement was false when made.

2 **FIRST CLAIM**
3 **Violation of Section 11 of the Securities Act**
4 **(Against All Defendants)**

5 68. Plaintiff repeats and re-alleges each and every allegation contained above as if fully
6 set forth herein, except any allegation of fraud, recklessness or intentional misconduct.

7 69. This Count is brought pursuant to Section 11 of the Securities Act, 15 U.S.C. §
8 77k, on behalf of the Class, against the Defendants.

9 70. The Registration Statement for the IPO was inaccurate and misleading, contained
10 untrue statements of material facts, omitted to state other facts necessary to make the statements
11 made not misleading, and omitted to state material facts required to be stated therein.

12 71. Eventbrite is the registrant for the IPO. The Defendants named herein were
13 responsible for the contents and dissemination of the Registration Statements.

14 72. As issuer of the shares, Eventbrite is strictly liable to Plaintiff and the Class for the
15 misstatements and omissions.

16 73. None of the Defendants named herein made a reasonable investigation or possessed
17 reasonable grounds for the belief that the statements contained in the Registration Statements were
18 true and without omissions of any material facts and were not misleading.

19 74. By reasons of the conduct herein alleged, each Defendant violated, and/or
20 controlled a person who violated Section 11 of the Securities Act.

21 75. Plaintiff acquired Eventbrite shares pursuant and/or traceable to the Registration
22 Statement for the IPO.

23 76. Plaintiff and the Class have sustained damages. The value of Eventbrite Class A
24 common stock has declined substantially subsequent to and due to the Defendants' violations.

25 **SECOND CLAIM**
26 **Violation of Section 15 of the Securities Act**
27 **(Against the Securities Act Individual Defendants)**

28 77. Plaintiff repeats and re-alleges each and every allegation contained above as if fully
set forth herein, except any allegation of fraud, recklessness or intentional misconduct.

1 securities in an effort to maintain artificially high market prices for Eventbrite's securities in
2 violation of Section 10(b) of the Exchange Act and Rule 10b-5. The Company and the Individual
3 Defendants are sued either as primary participants in the wrongful and illegal conduct charged
4 herein or as controlling persons as alleged below.

5
6 85. The Company and the Individual Defendants, individually and in concert, directly
7 and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails,
8 engaged and participated in a continuous course of conduct to conceal adverse material
9 information about Eventbrite's financial well-being and prospects, as specified herein.

10 86. These defendants employed devices, schemes and artifices to defraud, while in
11 possession of material adverse non-public information and engaged in acts, practices, and a course
12 of conduct as alleged herein in an effort to assure investors of Eventbrite's value and performance
13 and continued substantial growth, which included the making of, or the participation in the making
14 of, untrue statements of material facts and/or omitting to state material facts necessary in order to
15 make the statements made about Eventbrite and its business operations and future prospects in
16 light of the circumstances under which they were made, not misleading, as set forth more
17 particularly herein, and engaged in transactions, practices and a course of business which operated
18 as a fraud and deceit upon the purchasers of the Company's securities during the Class Period.

19
20 87. Each of the Individual Defendants' primary liability, and controlling person
21 liability, arises from the following facts: (i) the Individual Defendants were high-level executives
22 and/or directors at the Company during the Class Period and members of the Company's
23 management team or had control thereof; (ii) each of these defendants, by virtue of their
24 responsibilities and activities as a senior officer and/or director of the Company, was privy to and
25 participated in the creation, development and reporting of the Company's internal budgets, plans,
26 projections and/or reports; (iii) each of these defendants enjoyed significant personal contact and
27
28

1 familiarity with the other defendants and was advised of, and had access to, other members of the
2 Company's management team, internal reports and other data and information about the
3 Company's finances, operations, and sales at all relevant times; and (iv) each of these defendants
4 was aware of the Company's dissemination of information to the investing public which they
5 knew and/or recklessly disregarded was materially false and misleading.
6

7 88. The Company and the Individual Defendants had actual knowledge of the
8 misrepresentations and/or omissions of material facts set forth herein, or acted with reckless
9 disregard for the truth in that they failed to ascertain and to disclose such facts, even though such
10 facts were available to them. Such defendants' material misrepresentations and/or omissions were
11 done knowingly or recklessly and for the purpose and effect of concealing Eventbrite's financial
12 well-being and prospects from the investing public and supporting the artificially inflated price of
13 its securities. As demonstrated by the Company and the Individual Defendants' overstatements
14 and/or misstatements of the Company's business, operations, financial well-being, and prospects
15 throughout the Class Period, these defendants, if they did not have actual knowledge of the
16 misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by
17 deliberately refraining from taking those steps necessary to discover whether those statements
18 were false or misleading.
19

20 89. As a result of the dissemination of the materially false and/or misleading
21 information and/or failure to disclose material facts, as set forth above, the market price of
22 Eventbrite's securities was artificially inflated during the Class Period. In ignorance of the fact
23 that market prices of the Company's securities were artificially inflated, and relying directly or
24 indirectly on the false and misleading statements made by the Company and the Individual
25 Defendants, or upon the integrity of the market in which the securities trades, and/or in the
26 absence of material adverse information that was known to or recklessly disregarded by the
27
28

1 Company and the Individual Defendants, but not disclosed in public statements by these
2 defendants during the Class Period, Plaintiff and the other members of the Class acquired
3 Eventbrite's securities during the Class Period at artificially high prices and were damaged
4 thereby.

5
6 90. At the time of said misrepresentations and/or omissions, Plaintiff and other
7 members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff
8 and the other members of the Class and the marketplace known the truth regarding the problems
9 that Eventbrite was experiencing, which were not disclosed by the Company and the Individual
10 Defendants, Plaintiff and other members of the Class would not have purchased or otherwise
11 acquired their Eventbrite securities, or, if they had acquired such securities during the Class
12 Period, they would not have done so at the artificially inflated prices which they paid.

13
14 91. By virtue of the foregoing, the Company and the Individual Defendants have
15 violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

16
17 92. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the
18 other members of the Class suffered damages in connection with their respective purchases and
19 sales of the Company's securities during the Class Period.

20 **FOURTH CLAIM**
Violation of Section 20(a) of the Exchange Act
(Against the Individual Defendants)

21
22 93. Plaintiff repeats and re-alleges each and every allegation contained above as if fully
23 set forth herein.

24
25 94. The Individual Defendants acted as controlling persons of Eventbrite within the
26 meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level
27 positions, and their ownership and contractual rights, participation in and/or awareness of the
28 Company's operations and/or intimate knowledge of the false financial statements filed by the
Company with the SEC and disseminated to the investing public, the Individual Defendants had

1 the power to influence and control and did influence and control, directly or indirectly, the
2 decision-making of the Company, including the content and dissemination of the various
3 statements which Plaintiff contends are false and misleading. The Individual Defendants were
4 provided with or had unlimited access to copies of the Company's reports, press releases, public
5 filings and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these
6 statements were issued and had the ability to prevent the issuance of the statements or cause the
7 statements to be corrected.
8

9 95. In particular, each of these Defendants had direct and supervisory involvement in
10 the day-to-day operations of the Company and, therefore, is presumed to have had the power to
11 control or influence the particular transactions giving rise to the securities violations as alleged
12 herein, and exercised the same.
13

14 96. As set forth above, Eventbrite and the Individual Defendants each violated Section
15 10(b) and Rule 10b-5 by their acts and/or omissions as alleged in this Complaint. By virtue of
16 their positions as controlling persons, the Individual Defendants are liable pursuant to Section
17 20(a) of the Exchange Act. As a direct and proximate result of Defendants' wrongful conduct,
18 Plaintiff and other members of the Class suffered damages in connection with their purchases of
19 the Company's securities during the Class Period.
20

21 **PRAYER FOR RELIEF**

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

23 (a) Determining that this action is a proper class action under Rule 23 of the Federal
24 Rules of Civil Procedure;

25 (b) Awarding compensatory damages in favor of Plaintiff and the other Class members
26 against all defendants, jointly and severally, for all damages sustained as a result of Defendants'
27 wrongdoing, in an amount to be proven at trial, including interest thereon;

28 (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in

1 this action, including counsel fees and expert fees; and

2 (d) Such other and further relief as the Court may deem just and proper.

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4 **JURY TRIAL DEMANDED**

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6 Plaintiff hereby demands a trial by jury.

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