UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA
AUGUSTA DIVISION

FEDERAL TRADE COMMISSION, Plaintiff, v. **ELITE EVENTS AND TICKETS, LLC**, a Georgia limited liability company, also d/b/a smartscalpers.com; **KEVIN W. MCKERLEY**, individually and as an officer and manager of Elite Events and Tickets, LLC; and **AARON L. FERA**, individually and as an officer and manager of Elite Events and Tickets, LLC, Defendants.	Case No. 26-cv-00142 **COMPLAINT FOR PERMANENT INJUNCTION, CIVIL PENALTY JUDGMENT, AND OTHER RELIEF**

Plaintiff, the Federal Trade Commission ("FTC" or "Commission"), for its Complaint alleges:

1. The FTC brings this action for Defendants' violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the Better Online Ticket Sales Act, 15 U.S.C. § 45c. For these violations, the FTC seeks relief, including a permanent injunction and civil penalties, pursuant to Sections 5(m)(1)(A) and 13(b) of the FTC Act, 15 U.S.C. §§ 45(m)(1)(A), and 53(b), and the Better Online Ticket Sales Act, 15 U.S.C. § 45c.

SUMMARY OF THE CASE

2. Since 2022, Defendants have used illegal means to purchase millions of dollars of tickets from Ticketmaster, AXS, and other ticket issuers for major concerts, sporting events, and other live entertainment, such as concerts of Tate McRae and hundreds of other musical

performers, music festivals, stand-up comedy shows, professional and collegiate sporting events, NASCAR races, and major rodeo competitions. Defendants' purchases have regularly exceeded the posted ticket purchasing limits to these popular events.

3. To perpetrate their scheme, Defendants use (i) hundreds of Ticketmaster, AXS, and other ticket issuers' accounts, opened under fictitious names or in the names of employees or agents that Defendants recruited to harvest tickets; (ii) multiple virtual credit card accounts generating thousands of credit card numbers for their ticket purchases; and (iii) proxy IP addresses to mask the locations and identities of Defendants' ticket purchasing employees and agents. Through these tactics or methods, Defendants were able to circumvent security measures, access control systems, or other technological controls or measures on ticket issuers' websites that would have otherwise blocked or prevented them from purchasing tickets in excess of the ticket issuers' posted ticket purchase limits.

4. The events Defendants target for their ticket resale scheme are events in high demand and that have limited ticket inventory. For many of these events, ticket issuers limited ticket purchases to between 4 to 8 tickets per buyer or account holder. Defendants' business model is predicated on purchasing high demand tickets in the primary market before ordinary consumers can. Indeed, according to Defendants' "playbook" for ticket reselling—titled "Ticket Broker's Playbook: Finding Events That Sell Out Fast"—Defendants scour social media for the latest trends, subscribe to alerts from primary ticket sellers, utilize analytics software to track artists' popularity and tour information, and monitor the secondary marketplace trends.

5. Between July 2022 and August 2025, Defendants exceeded the maximum ticket purchasing limit on over 2,400 different events (from over 250 individual performers), amassing over 86,000 tickets. Defendants then resold these tickets on secondary marketplaces, such as

StubHub, Vivid Seats, SeatGeek, TickPick, ViaGogo and Gametime, for millions of dollars and at a significant mark-up, often charging consumers 100% to 500% more than the original purchase price.

6. Defendants' actions injured consumers who otherwise may have been able to purchase those tickets in the first instance from ticket issuers at lower prices. By circumventing ticket issuers' security measures, access control systems, or other technological controls or measures to buy tickets in excess of posted event ticket limits, and then selling or offering to sell the tickets, Defendants have violated and continue to violate the Better Online Ticket Sales Act and FTC Act.

JURISDICTION AND VENUE

7. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), 1345, and 1355.

8. Venue is proper in this District under 28 U.S.C. §§ 1391(b)(1), (b)(2), (c)(1), (c)(2), and (d), 1395(a), and 15 U.S.C. § 53(b).

PLAINTIFF

9. The FTC is an agency of the United States Government created by the FTC Act. 15 U.S.C. §§ 41–58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces the Better Online Ticket Sales Act, 15 U.S.C. § 45c, which Congress enacted in 2016 "[t]o prohibit the circumvention of control measures used by Internet ticket sellers to ensure equitable consumer access to tickets for any given event, and for other purposes." Pub. L. 114-274, pmbl.

DEFENDANTS

10. Defendant Elite Events and Tickets, LLC ("Elite Events"), also doing business as Smart Scalpers or smartscalpers.com, is a Georgia limited liability company, with its principal

place of business at 317 UN Court, Grovetown, Georgia, 30813. Elite Events transacts or has transacted business in this District and throughout the United States. At all times relevant to this Complaint, acting alone or in concert with others, Elite Events has purchased and then subsequently advertised, marketed, distributed, or sold event tickets to consumers throughout the United States.

11. Defendant Kevin McKerley ("McKerley"), is the chief executive officer and co-owner of Elite Events. At all times relevant to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, or had the authority to control, or participated in the acts and practices of Defendants, including the acts and practices described in this Complaint. As CEO, McKerley is responsible for overseeing Elite Events' operations, including, among other things, (i) managing its finance and accounting operations, (ii) procuring virtual credit card accounts, (iii) negotiating contract terms with third-party vendors and secondary marketplaces, and (iv) hiring and recruiting individual ticket purchasing agents (referred to as "pullers") to open ticket purchasing accounts to facilitate Elite Events' ticket resale operations. McKerley resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

12. Defendant Aaron Fera ("Fera"), is the chief operations officer and co-owner of Elite Events. At all times relevant to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled or had the authority to control, or participated in the acts and practices of Defendants, including the acts and practices described in this Complaint. As the chief operations officer, Fera is responsible for (i) negotiating contract terms with third-party vendors (such as IP proxy masking services), (ii) overseeing and managing Defendants' ticket resale operations, including directing and coordinating the ticket purchasing activities of Elite

Events' employees and agents, and (iii) arranging for ticket resales on the secondary marketplace. Fera resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

COMMERCE

13. At all times relevant to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

THE BETTER ONLINE TICKET SALES ACT

14. Under the Better Online Ticket Sales Act, it is unlawful for any person to: (A) "circumvent a security measure, access control system, or other technological control or measure on an Internet website or online service that is used by the ticket issuer to enforce posted event ticket purchasing limits or to maintain the integrity of posted online ticket purchasing order rules," 15 U.S.C. § 45c(a)(1)(A); or (B) "sell or offer to sell any event ticket in interstate commerce obtained in violation of [the Better Online Ticket Sales Act] if the person offering to sell or selling the ticket either (i) participated directly in or had the ability to control the conduct in violation of [the Better Online Ticket Sales Act]; or (ii) knew or should have known that the event ticket was acquired in violation of [the Better Online Ticket Sales Act]. 15 U.S.C. § 45c(a)(1)(B).

15. The Better Online Ticket Sales Act defines an "event" to mean "any concert, theatrical performance, sporting event, show, or similarly scheduled activity, taking place in a venue with a seating or attendance capacity exceeding 200 persons that—(A) is open to the general public; and (B) is promoted, advertised, or marketed in interstate commerce or for which event tickets are generally sold or distributed in interstate commerce." 15 U.S.C. § 45c note, Pub. L. 114-274, § 3.

16. The Better Online Ticket Sales Act defines "ticket issuer" to mean "any person who makes tickets available, directly or indirectly, to the general public, and may include—(1) the operator of the venue; (2) the sponsor or promoter of an event; (3) a sports team participating in an event or a league whose teams are participating in an event; (4) a theater company, musical group, or similar participant in an event; and (5) an agent for any such person." 15 U.S.C. § 45c note, Pub. L. 114-274, § 3.

17. A violation of the Better Online Ticket Sales Act is "a violation of a rule defining an unfair or a deceptive act or practice under Section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B))." 15 U.S.C. § 45c(b)(1). Thus, pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the Better Online Ticket Sales Act is an unfair or deceptive act or practice in or affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

DEFENDANTS' CIRCUMVENTION OF TICKET ISSUERS' SECURITY CONTROL MEASURES ON TICKET LIMITS OR OTHER PURCHASE ORDER RULES

18. Defendant Elite Events is a ticket broker. A significant portion of its business involves purchasing tickets from ticket issuers and then reselling those tickets to consumers on the secondary marketplace at a higher price.

19. Between July 2022, and continuing through the present, Defendants amassed over 100,000 tickets (through more than 42,000 ticket purchasing transactions) to over 5,700 events. For at least 2,431 of these events, Defendants purchased more than the maximum ticket limit (of eight), amassing a total of 86,869 tickets for these events, and made over $3.5 million in profits from reselling these tickets in the secondary marketplace.

20. Ticketmaster is a ticket issuer that has implemented security measures, access control systems, or other technological controls or measures on its websites to enforce posted

event ticket purchase limits and to maintain the integrity of posted online ticket purchasing order rules.

21. From January 2021 to at least July 2025, Ticketmaster maintained a "Purchase Policy" that was posted on its website and set forth rules that "applie[d] to any purchases on our Site made on or after January 1, 2021." Section 7 of this purchase policy, titled "Number of Tickets or 'Ticket Limits,'" stated that ticket limits were imposed "to discourage unfair ticket buying practices." This provision specifically required that "each account" used to purchase tickets "be linked to a unique individual[] and must contain valid and verifiable information" and prohibited the use of multiple accounts "to circumvent or exceed published ticket limits." Section 7 further stated that tickets cancelled because the purchaser violated posted ticket limits "may be refunded at face value (excluding fees)," and "[t]his includes orders associated with the same name, e-mail address, billing address, credit card number, or other information." Section 13 of this policy stated that ticket orders placed via accounts with false or misleading information, including information related to "name, address, email address, phone number, IP address, or other account or billing information," were subject to cancellation.

22. Ticketmaster's current purchase policy, which became effective August 12, 2025, also provides that "[t]icket limits combat unfair ticket buying practices" and "[u]sing multiple accounts, payment methods, email addresses, home addresses, or false information, or engaging in any behavior to circumvent the ticket limit or transfer restrictions, is prohibited."

23. Ticketmaster's website and app automatically prevent a single Ticketmaster accountholder from adding to their cart, or purchasing, more tickets than the posted limit in a single transaction. Ticketmaster uses a drop-down menu that allows the purchaser to select only up to the limit.

24. AXS is also a ticket issuer that has implemented security measures, access control systems, or other technological controls or measures on its websites to enforce posted event ticket purchase limits and to maintain the integrity of posted online ticket purchasing order rules.

25. AXS maintains a "Purchase Agreement" on its website that has been effective since at least August 2021 (and last updated on June 10, 2025), and "appl[ies] to all listings and transactions…and sale or use of tickets…whether issued by AXS" or its clients.

26. Within this agreement, there is a section titled "Limits on Tickets Per Customer," which states:

> In an effort to give all interested customers an opportunity to purchase tickets to an event or other items via the Service, our Clients often set limits on the number of seating and/or parking rights, or tickets one customer or household is allowed to purchase. You will be advised of any such limits during the purchase process, or by a system limitation on the number of tickets you may purchase during your online session. Tickets purchased for an event during multiple online sessions on the Service may be totaled to ensure that any limitations imposed by the Client is not exceeded. Exceeding these limits may result in cancellations of orders without notice.

27. Other ticket issuers have implemented similar policies, as well as security measures, access control systems, or other technological controls or measures on their websites to enforce posted event ticket purchase limits and to maintain the integrity of posted online ticket purchasing order rules.

28. When purchasing tickets from ticket issuers, Defendants have regularly circumvented security measures, access control systems, and other technological controls on Ticketmaster, AXS, and other ticket issuers' websites by, among other things, using: (i) hundreds of ticket purchasing accounts created with fictitious names, addresses and phone numbers, or with names, addresses and phone numbers belonging to Defendants' agents; (ii) numerous virtual credit card accounts to generate thousands of unique credit card numbers; (iii) computer

software and technologies designed to do so; and (iv) IP proxy services to utilize multiple IP addresses.

29. By their actions, Defendants have been able to purchase tickets in greater volume than a consumer who is not otherwise circumventing security measures, access control systems, or other technological controls or measures on ticket issuers' websites. Defendants have later resold or offered to resell many of the tickets they purchased on secondary ticketing websites, for a profit.

30. Since at least July 2022, Defendants have routinely circumvented the maximum ticket purchasing limit on over 2,400 different events (of over 250 separate performers) and resold tickets to these events on the secondary marketplace at a significant profit. Because Defendants mainly target and harvest tickets to concerts most likely to sell out and generate a high demand in the secondary marketplace, Defendants often charge consumers a 100% to 500% markup.

31. As one example, between November 2023 and December 2024, Defendants purchased hundreds of tickets to Tate McRae concerts in North America through Ticketmaster when these tickets were offered to the general public. The ticket purchasing limits for these concerts were between 4 to 8 tickets per event. Defendants used at least 55 different Ticketmaster accounts to purchase 409 tickets to Tate McRae's August 29, 2025, concert at Rocket Arena in Cleveland, Ohio, grossly exceeding this event's ticket purchasing limit. When these concert tickets were offered for pre-sale to Amex cardholders on November 19, 2024, Defendants immediately purchased 146 tickets (through 22 separate transactions) for the August 29, 2025 concert using multiple accounts opened by Defendants' employees and agents. When tickets for the same event were made available for sale to the general public on

November 22, 2024, Defendants purchased an additional 263 tickets (through 91 separate transactions) to this same concert. Defendants purchased these tickets from Ticketmaster for $50 to $75 per ticket and then resold them in the secondary marketplace for about $120 to $200 each.

32. Defendant Fera targeted the McRae concert tickets for purchase and coordinated Defendants' ticket purchasing activity. Using Discord channels and email communications, Fera instructed Defendants' employees and agents on which McRae concerts to buy—specifying the date and venue and providing links to the Ticketmaster purchase links—when to buy the tickets, and the price levels and seat sections to buy. On November 20, 2024, Fera emailed over fifty employees and agents for Elite Events and directed them to "buy all we can" to McRae's August 29, 2025, concert and to use a new account, a new card number, and a new email address if they had previously purchased tickets to that same event.

33. As a result of the shortages exacerbated by Defendants and other ticket scalpers, tickets to McRae's Miss Possessive tour concerts were sold out by February 2025 and many concertgoers had to resort to the secondary marketplace to purchase tickets at often twice or three times the original sale price from Ticketmaster.

34. Between January 2024 and May 2025, Defendants also purchased 1,012 tickets to various Benson Boone concerts in North America. Fera sent numerous instructions and purchase links to Ticketmaster and AXS websites where Defendants' employees and agents could purchase these concert tickets. When the tickets for Boone's October 14, 2024 concert at the Walmart Amphitheater in Rogers, Arkansas, went on sale to the general public, Defendants circumvented the applicable ticket limit restrictions by using 55 different email accounts to amass over 327 tickets, through 327 separate transactions, to this one concert. The ticket purchase limit for this event was six tickets per event. Defendants then resold most of these

tickets in the secondary marketplace for generally about 30% more than their original price, and up to 125% above their original price in some cases.

35. Similarly, between September 2024 to March 2025, Defendants used over 75 different accounts to purchase 277 tickets, through 109 transactions, to Metallica's May 7, 2025 concert at Virginia Tech University's Lane Stadium in Blacksburg, Virginia. The concert sold out quickly after the tickets were offered for sale. The ticket purchase limits for this event were (1) four tickets per person, per city, for fan club members (starting on September 23 and September 24, 2024), (2) two tickets per student account for presale to Virginia Tech enrolled students (starting on September 26, 2024), and (3) up to six tickets per person to the general public on September 27, 2024. On September 23, 2024, Fera sent an email to Defendants' employees and agents instructing them to target and purchase cheaper tickets to the May 7, 2025 concert during the pre-sale period and sending them a purchase link. Under Fera's direction, Defendants and their employees and agents purchased the bulk of these tickets in September 2024 (i.e., 207 tickets), with 113 of these tickets being purchased during the first two days of the pre-sale period. Defendants paid between $50 to $270 per ticket and resold them in the secondary marketplace for $100 to $400 per ticket, capturing a substantial profit.

36. From November 2022 to July 2025, Defendants purchased over 1,597 tickets to various Megan Moroney concerts in North America. Despite the ticket purchase limits for these concerts set between 4 to 6 tickets per event, Defendants exceeded the ticket purchasing limit on at least 35 separate shows. In particular, Defendants used 223 email accounts to amass 242 tickets, through 109 separate transactions, to Moroney's April 26, 2025 concert in Bentonville, Arkansas. Defendants purchased the bulk of these tickets during the first few days the tickets went on sale in September 2024. Defendants then used the same email accounts to purchase 293

tickets, through 157 transactions, to Moroney's July 4, 2025, concert at Cowboys Park in Calgary, Canada. Fera directed Defendants' ticket purchasing agents to these specific concerts and circulated the purchase links for each show.

37. These events are only a few examples of the thousands of different events where Defendants purchased tickets in excess of the ticket purchasing limits.

DEFENDANTS RECRUITED AND TRAINED TICKET PURCHASING AGENTS TO USE MULTIPLE ACCOUNTS TO FURTHER THEIR ILLEGAL TICKET SCALPING SCHEME

38. Since at least July 2022, Ticketmaster and other ticket issuers have maintained security measures, access control systems, or other technological controls or measures on their websites and apps designed to prevent individuals from purchasing more tickets than allowed under their posted event ticket limits.

39. These security measures or controls implemented by a ticket issuer, such as Ticketmaster, are intended to verify an account user's personal information to ensure, among other things, that a purchase falls within posted purchase limits and that a person is not using more than one account to make ticket purchases. The account verifying information typically includes: (a) the individual's name, (b) billing and email addresses, and (c) the IP address and digital cookies associated with the purchase. Ticket issuers, such as Ticketmaster, also monitor the credit card numbers used by a purchaser to ensure that a person is not using multiple accounts to purchase tickets to the same event.

40. Defendants have routinely circumvented these security measures or controls by using hundreds of ticket issuer accounts, thousands of credit card numbers generated through Defendants' virtual credit card accounts, and IP proxy services and multi-session browsers that enable Defendants to mask the identity and location of the account user.

41. To further its scheme, Defendants recruit and employ hundreds of ticket purchasing agents, which Defendants refer to as "pullers." Many of Defendants' ticket purchasing agents are located overseas in countries such as Egypt or the Philippines. To attract prospective ticket purchasing agents to work for Elite Events, Defendants post online job advertisements and testimonials on Defendants' websites at smartscalpers.com and eliteventsandtickets.com, on social media, or elsewhere. In these job advertisements, Defendants claim that an Elite Events ticket "puller" can earn between $400 to $600 in cash per week (for pulling between 80-120 tickets per week) during a "good" week, or $100 to $300 in cash per week during an "average" week.

42. When recruiting, Defendants have generally hired applicants who had prior experience using multiple ticket issuer accounts, virtual credit cards, IP proxy services, multiple phone numbers, and other software to purchase event tickets exceeding ticket purchase limits. In February 2024, for example, when a job applicant from the Philippines reached out to Elite Events about an employment opportunity, Defendants' recruiting manager asked the applicant: "Can you tell me how prepared you are technology-wise? We have pullers from the Philippines who are quite advanced with special browsers, proxies, multiple TM/AXS accounts, multiple phone numbers, etc. That is what we are looking for regarding our international workers." The applicant assured the recruiting manager that he had the requisite technology and experience, including a subscription to an IP proxy service and "multiple phone numbers … if needed for [one-time-password] verifications." The applicant was immediately hired after providing these assurances, and Defendants opened a Ticketmaster account for this applicant shortly after.

43. As soon as they are hired, Defendants' ticket purchasing agents are instructed to (1) sign a non-compete agreement with Elite Events and complete a W-9, (2) create new Gmail

account(s) dedicated to ticket purchasing for Elite Events, (3) create Ticketmaster account(s) using the new email address, and (4) provide Defendants with passwords to the new email and Ticketmaster accounts. Once the accounts are established, Defendants access the accounts to set up payment options for the agent's ticket purchases. The ticket purchasing agents are also instructed to log in to a group messaging and voice application, such as Discord, to await their purchasing instructions from Fera. Defendants made clear that any tickets purchased that were non-compliant with Defendants' instructions would not be eligible for reimbursement or resale commissions. Defendants' ticket purchasing agents are paid on commission—typically a percentage of Defendants' profits generated from reselling that purchasing agent's event tickets in the secondary marketplace.

44. At Defendants' direction, Defendants' ticket purchasing agents are required to establish multiple accounts with Ticketmaster, AXS, and other ticket issuers, using different e-mail addresses. To illustrate, one ticket purchasing agent recruited by Defendants in August 2024 opened 28 separate accounts with Ticketmaster using 28 different email addresses.

45. Once a ticket purchasing agent signed their non-compete agreement and provided their new email address, Fera or Elite Events' Director of Pullers, who were tasked with monitoring the agents' purchasing activities, would also proceed to create ticket issuer accounts for the new agent, along with virtual credit cards linked to those accounts.

46. By opening these accounts directly or obtaining passwords from the agents once the accounts were opened, Defendants were able to access and exercise control over the accounts at all times.

47. Once the new ticket purchasing agents were onboarded, Defendants also provided training on how to use multiple ticket issuer accounts, link the virtual credit cards to the ticket

purchases, and use IP proxy services and other software to circumvent ticket issuers' ticket purchase limits and security measures or controls. Defendants provided training materials such as written guidance documents and video tutorials. In one guidance document called "Tips & Tricks To Reference," Defendants advised their employees and agents: "To have multiple Ticketmaster accounts a trick is to use the same email address but slightly modified. i.e. [citing examples where periods are placed at different places in the Gmail address]."

48. In another document titled "Elite: Puller Tips and Tricks," Defendants explain how to prepare for coordinated ticket purchases (or as Defendants call them, "pulls"), what to do during and after pulls, and tips to help their employees and agents avoid getting their IP address blocked by ticket issuers. For example, to circumvent ticket purchase limits using multiple accounts, Defendants advised their purchasing agents to "set up additional accounts to purchase more tickets" to avoid ticket issuers canceling ticket purchases that exceeded events' ticket purchase limits.

49. According to the documents, Fera would "research upcoming shows/events and let the team know the targets" of each day's ticket purchasing. During the ticket purchasing coordinated by Fera, Defendants' agents would also "be able to communicate with [Fera] and the team on ticket questions and know if [Defendants] are buying or passing" through Defendants' Discord chat channel.

50. In March 2025, Defendants conducted a training session for new agents. According to the summary of notes from this training session, Elite Events' Director of Pullers instructed Defendants' new agent to "use proxies and multiple browsers to avoid blocks" and to "[c]heck daily email and attend [morning calls] for targets/instructions" from Defendants on which tickets to buy. Further, Defendants instructed new agents to "purchase tickets for Elite

Events using assigned accounts/profiles" and obtain express approval from Defendants before checking out their cart and finalizing their ticket purchases.

51. On August 29, 2023, Elite Events' Director of Pullers emailed McKerley, Fera and others and explained that a new overseas agent had completed her training and was "asking for 8-10 accounts and a proxy." McKerley replied that once the multiple accounts were created, McKerley would provide the credit card payment information to link to these accounts Defendants opened the accounts because the new agent was located overseas and was unable to open these accounts without proxy software to mask her IP address. Fera created multiple email addresses for this new agent, provided the credit card payment details for these ticket purchasing accounts, while waiting for the agent to provide the phone numbers to be linked to the accounts.

52. Since at least January 2021, ticket issuers such as Ticketmaster have employed security measures that include monitoring purchasers' billing information and credit card numbers to determine whether a transaction complies with the issuer's applicable ticket-purchase limits. Thus, in order to circumvent these security measures, Defendants used thousands of virtual credit card numbers—in addition to using hundreds of ticket issuer accounts—to facilitate Defendants' and their employees' and agents' ticket purchases. Through use of these virtual credit cards, Defendants were able to create and assign unique or dynamic credit card numbers for each transaction or for each individual ticket purchasing account. Doing so allowed Defendants to generate thousands of credit card numbers for the tens of thousands of tickets they harvested through their ticket purchasing employees and agents.

53. Through Defendants' illegal actions, Defendants have deprived thousands of consumers of the opportunity to purchase tickets for events at prices set by the ticket issuers.

DEFENDANTS MASK THEIR IP ADDRESSES USING MULTI-SESSION BROWSERS AND IP PROXY SERVICES

54. Since at least January 10, 2017, Ticketmaster has maintained security measures, access control systems, or other technological controls or measures on their websites designed to prevent or block ticket purchasers from making multiple purchases for the same event from the same IP address. An IP Address is a unique string of numbers separated by periods that Ticketmaster uses to identify a computer or affiliated computers making purchases. Ticketmaster uses this technological system to enforce posted event ticket purchase limits and to maintain the integrity of their posted online ticket purchasing order rules. Other ticket issuers, like AXS, have also implemented similar security measures to prevent ticket purchasers from exceeding the ticket purchasing limits.

55. Since at least July 2022, Defendants have taken steps to conceal their IP addresses when making ticket purchases. Defendants have used and provided to their employees and agents IP proxy services and multi-session browsers. Multi-session browsers, such as Session Box and Primo Browser, are specialized browsers or browser extensions that allow individuals to open multiple independent browsing sessions within one internet application. These multi-session browsers allow users to assign specific proxy services to individual sessions to bypass geo-restrictions or bans from the website's host. On its website, Session Box touts its software app to "[a]void geo restriction with the most flexible proxy settings ever made" and to "[s]et up separate proxies for any accounts in your favourite browser." Similarly, Primo Browser promotes its software as a "Multi-Session Browser Designed for Resellers" that enable clients to "[r]un multiple sessions and accounts with unique proxies in a single browser."

56. Defendants and their employees and agents use multi-session browsers with IP proxy services to appear multiple times in event sales queues from purportedly different physical locations. Using these services, Defendants and their agents can mask their actual IP addresses from ticket issuers.

57. For example, on April 18, 2023, Fera sent an email to Defendants' agents titled: "Re: brokers only – urgent response." Fera told a group of Defendants' agents that he was "ordering the primo browser tonight," it would cost $175 per month per license, and to let him know if the Defendants' agents were interested as soon as possible. In explaining Primo Browser to the Defendants' agents, Fera stated: "all takes place on chrome, comes with proxies, and you can reach out to support to get a zoom meeting personally to get set up properly ... [I] don't think it requires much, and [I] am looking forward to it."

58. On August 29, 2023, Defendants' Corporate Development employee emailed McKerley to provide updates on getting a new overseas agent set up. Defendants' employee explained that the new overseas agent could not open ticket issuer accounts without proxies. He further reported that Fera had "created the emails" for the new agent, had the credit cards ready to provide to them, and that Defendants would "buy the multi-browser and proxies today" for the new overseas agent.

59. In February 2024, McKerley, Fera, and Defendants' Director of Pullers tried to troubleshoot issues a new overseas agent was having with Ticketmaster's IP address blocking. Defendants' Director of Pullers informed the others: "I set him up with [our] open sessionbox

account but he's having issues with it … [h]e's getting blocked without it." Fera replied: "he[] needs the acct and the proxies … [I] will have to login into that sessionbox …."

60. On or around February 12, 2024, Defendants, through one of their vendors, Wired Proxies, also furnished one of their overseas ticket purchasing agents with 20 separate IP proxy addresses. Each of the IP proxy addresses was associated with a US-based IP network, even though the agent herself was located and logging in from the Philippines. Defendants routinely resorted to these tactics and used IP masking services for their overseas ticket purchasing agents with multiple accounts.

61. On February 28, 2025, Fera emailed the Director of Pullers and other managers at Elite Events to explain that they wanted to monitor their employees and agents and would meet once a month to discuss their performance. Fera also informed them that Defendants were "moving to providing proxies to all pullers … [this] is a must as [accounts] are getting busted…."

62. In addition, Defendants also provided their employees and agents with guidance documents on when and how to use IP proxies and outlined ways to prevent getting IP addresses blocked by ticket issuers. For example, in Defendants' Tips and Tricks guidance document, Defendants warned:

> If there are multiple pulls in the same hour, you can use multiple tabs and browsers at the same time. (TM, AXS, etc.). **If you are pulling in multiple accounts make sure to use different proxies.**
>
> * * *
>
> You should never log into two TM accounts using the same IP address (unless you are using Yancy, session box with proxies loaded into profiles). Each TM should be pulled in a different proxy.

* * *

> **<u>IF you are overseas, it is highly recommended that you use a program like session box or Yancy to prevent your IP from being flagged.</u>** (emphasis in original)

63. By using multi-session browsers and IP proxy services, Defendants were able to increase the odds of purchasing as many tickets as they could from events for resale on the secondary marketplace. By hiding their true IP addresses from ticket issuers, Defendants have circumvented security measures, access control systems, or other technological controls or measures that ticket issuers used on their websites to enforce posted event ticket purchase limits, or to maintain the integrity of posted online ticket purchasing order rules.

64. In an April 2025 documentary aired by CBS Mornings titled "Price of Admission," McKerley and Fera boasted about their ticket reselling operation. In the documentary, CBS also referenced a video from Defendants' website where Defendants touted their use of circumvention software such as Primo Browser to purchase tickets. In this video, Primo Brower's representative, alongside McKerley, stated that with their software, "the sky is the limit in the number of tickets you can buy." After the documentary aired, and at the request of a representative from Primo Browser, Defendants proceeded to remove and destroy all copies of this video.

65. At all times relevant to this Complaint, Defendants have known that if they purchased tickets using only their true names, addresses, and IP addresses, then ticket issuers' security measures could prevent them from making ticket purchases.

THE FTC HAS REASON TO BELIEVE THAT DEFENDANTS ARE VIOLATING AND WILL CONTINUE TO VIOLATE THE BETTER ONLINE TICKET SALES ACT AND THE FTC ACT

66. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that the Defendants are violating or are about to violate laws enforced by the

Commission, because among other things: (a) Defendants have been aware of the Better Online Ticket Sales Act since at least July 2022, but continue to violate the Act; and (b) Defendants continue to circumvent security measures, access control systems, or other technological controls or measures on Ticketmaster, AXS, and other ticket issuers' websites.

COUNT I – VIOLATIONS OF THE BETTER ONLINE TICKET SALES ACT AND THE FTC ACT

67. As alleged in paragraphs 1 through 66 in numerous instances, Defendants have obtained event tickets by circumventing a security measure, access control system, or other technological control or measure that Ticketmaster or other ticket issuers have used on their websites or apps to enforce posted event ticket limits or to maintain the integrity of posted online ticket purchasing order rules. Defendants have subsequently sold or offered to sell in interstate commerce the tickets they have obtained in this manner.

68. Therefore, Defendants' acts or practices as set forth in paragraphs 1 through 66 violate the Better Online Ticket Sales Act and the FTC Act.

CONSUMER INJURY

69. Consumers are suffering, have suffered, and will continue to suffer substantial injury as a result of Defendants' violations of the Better Online Ticket Sales Act and the FTC Act. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers and harm the public interest.

CIVIL PENALTIES

70. Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. § 45(m)(1)(A), authorizes this Court to award civil penalties for each violation of the Better Online Ticket Sales Act, 15 U.S.C. § 45c.

71. Defendants violated the Better Online Ticket Sales Act, 15 U.S.C. § 45c, with actual knowledge or knowledge fairly implied on the basis of objective circumstances as required by Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. § 45(m)(1)(A).

PRAYER FOR RELIEF

Wherefore, the FTC, requests that the Court:

A. Enter a permanent injunction to prevent future violations of the FTC Act and the Better Online Ticket Sales Act in accordance with Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), and Section 2(b) of the Better Online Ticket Sales Act, 15 U.S.C. § 45c(b);

B. Impose civil penalties for each violation of the Better Online Ticket Sales Act, in accordance with Section 2(b) of that Act, 15 U.S.C. § 45c(b), and Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. § 45 (m)(1)(A); and

C. Award any additional relief as the Court determines to be just and proper.

Respectfully submitted,

Dated: July 27, 2026

/s/ *Sung W. Kim*

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(MD Bar No. 2012170072)
Sung W. Kim
(DC Bar No. 1048330; NY Bar No. 4320339)
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COUNSEL FOR PLAINTIFF
FEDERAL TRADE COMMISSION

MARGARET E. HEAP
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LOCAL COUNSEL FOR PLAINTIFF

JS 44 (Rev. 08/18)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS

Federal Trade Commission

(b) County of Residence of First Listed Plaintiff

(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys *(Firm Name, Address, and Telephone Number)*

Sung Kim, Ryan McAuliffe, 600 Pennsylvania Ave., NW, Wahsington, DC 20580; (202)-326-2211 (Kim); 202-326-3044 (McAuliffe)

DEFENDANTS

Elite Events and Tickets, LLC; Kevin W McKerley; and Aaron L Fera

County of Residence of First Listed Defendant Columbia County

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys *(If Known)*

Brian Goodrich - Holland & Knight LLP

II. BASIS OF JURISDICTION *(Place an "X" in One Box Only)*

- ☒ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question *(U.S. Government Not a Party)*
- ☐ 2 U.S. Government Defendant
- ☐ 4 Diversity *(Indicate Citizenship of Parties in Item III)*

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff and One Box for Defendant)*

(For Diversity Cases Only)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated *or* Principal Place of Business In This State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated *and* Principal Place of Business In Another State	☐ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. NATURE OF SUIT *(Place an "X" in One Box Only)*

Click here for: Nature of Suit Code Descriptions.

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excludes Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☐ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury - Medical Malpractice

PERSONAL INJURY
- ☐ 365 Personal Injury - Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 445 Amer. w/Disabilities - Employment
- ☐ 446 Amer. w/Disabilities - Other
- ☐ 448 Education

PRISONER PETITIONS

Habeas Corpus:
- ☐ 463 Alien Detainee
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 General
- ☐ 535 Death Penalty

Other:
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee - Conditions of Confinement

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Management Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Employee Retirement Income Security Act

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 465 Other Immigration Actions

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 835 Patent - Abbreviated New Drug Application
- ☐ 840 Trademark

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

OTHER STATUTES
- ☐ 375 False Claims Act
- ☐ 376 Qui Tam (31 USC 3729(a))
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 480 Consumer Credit
- ☐ 485 Telephone Consumer Protection Act
- ☐ 490 Cable/Sat TV
- ☐ 850 Securities/Commodities/ Exchange
- ☒ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Information Act
- ☐ 896 Arbitration
- ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

V. ORIGIN *(Place an "X" in One Box Only)*

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District *(specify)*
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing ***(Do not cite jurisdictional statutes unless diversity)***:
15 U.S.C. 45(m)(1)(A) and 53(b); 15 U.S.C. 45c(b)

Brief description of cause:
Violations of the Better Online Ticket Sales Act and the FTC Act

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A **CLASS ACTION** UNDER RULE 23, F.R.Cv.P.

DEMAND $

CHECK YES only if demanded in complaint:
JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE
07/27/2026

SIGNATURE OF ATTORNEY OF RECORD
/s/ Sung W. Kim

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

I.(a) **Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) **County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) **Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. **Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked**.** (See Section III below**; NOTE: federal question actions take precedence over diversity cases.**)

III. **Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

IV. **Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: Nature of Suit Code Descriptions.

V. **Origin.** Place an "X" in one of the seven boxes.
Original Proceedings. (1) Cases which originate in the United States district courts.
Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.
Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statue.

VI. **Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service

VII. **Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

VIII. **Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.