

FILED

COMMONWEALTH OF PENNSYLVANIA 2022 FEB 14 AM 7:57

DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA	:	
DEPARTMENT OF BANKING AND	:	
SECURITIES, BUREAU OF SECURITIES	:	
COMPLIANCE AND EXAMINATIONS	:	Docket No. : 210036 (SEC-OSC)
	:	
v.	:	
	:	
PLATINUM TICKETS, LLC	:	
PATRICK BROWN	:	

NOTICE OF RIGHT TO APPEAL

You have the right to appeal the attached Final Order issued by the Commonwealth of Pennsylvania, Banking and Securities Commission. ("Commission")

If you wish to appeal this Final Order, you may file a petition for review with the Commonwealth Court of Pennsylvania that complies with the format and timing requirements of Chapter 15 of the Pennsylvania Rules of Appellate Procedure. Pa.R.A.P. 1511-1561. Failure to file a petition for review within 30 days of the mailing date of this Order will result in this Final Order becoming final and unappealable. The telephone number for the Commonwealth Court is 717-255-1650.

All Commonwealth Court filings must be made in the Court's filing office in Harrisburg. Filing must be made in person, by mail as provided by general rules, or electronically via the PACFile appellate court electronic filing system. The address of the Court is as follows:

Pennsylvania Judicial Center
601 Commonwealth Ave.
Suite 2100
P.O. Box 69185
Harrisburg, PA 17106

A party may submit a request to the Commission for rehearing or reconsideration no later than fifteen (15) days after the decision mailing date in accordance with section 35.241 of the General Rules of Administrative Practice and Procedure, 1 Pa. Code § 35.241. However, submitting a reconsideration request does not extend the time limit for filing a petition for review with the Commonwealth Court.

You may wish to consult an attorney regarding your legal rights.

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FINAL ORDER

AND NOW, upon review of the attached Consent Agreement and Order ("CAO") proposed by the parties in this matter as a final resolution of litigation, the Pennsylvania Banking and Securities Commission ("Commission") **APPROVES** the CAO as written. Among other things, the CAO calls for Platinum Tickets, LLC and Patrick Brown to pay an administrative assessment in the total amount of \$25,000, payable in 25 monthly instalments, with the initial installment being due on or before March 31, 2022.

BY ORDER OF THE COMMISSION:
Redacted

Richard Vague
Vice Chair
Pennsylvania Banking and Securities Commission

So ORDERED this 14th day of February 2022

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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities (“Department”), Bureau of Securities Compliance and Examinations (“Bureau”), has conducted an investigation of the business practices of Platinum Tickets, LLC (“Platinum Tickets”) and Patrick Brown (“Brown”). Based on the results of its investigation, the Bureau has concluded that Platinum Tickets and Brown have operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 *et seq.* (“1972 Act”). Platinum Tickets and Brown, in lieu of litigation, and without admitting or denying the allegations contained herein, and intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order (“Order”).

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the 1972 Act.
2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.

3. Platinum Tickets was, at all times material herein, a Florida limited liability company with an address at **Redacted**, and was engaged in the business of online ticket brokering.

4. Brown was, at all times material herein, an individual with an address at **Redacted** **Redacted**, and the chief executive officer of Platinum Tickets.

5. From in or about June 2018 through July 2018, Platinum Tickets offered and sold promissory notes ("Notes") to at least two (2) Pennsylvania residents.

6. The Notes are "securities" within the meaning of Section 102(t) of the 1972 Act, 70 P.S. § 1-102(t).

7. Platinum Tickets is the "issuer" of the Notes within the meaning of Section 102(l) of the 1972 Act, 70 P.S. § 1-102(l).

8. As the chief executive officer of Platinum Tickets, Brown acted as an "affiliate" of Platinum Tickets within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b), and, as such, caused Platinum Tickets to commit the herein stated acts which violated the 1972 Act.

9. The Notes were: (a) not registered under Section 201 of the 1972 Act, 70 P.S. § 1-201; (b) not exempt from registration under Section 202 of the 1972 Act, 70 P.S. § 1-202; (c) not federally covered securities under Section 211 of the 1972 Act, 70 P.S. § 1-211; and, further, the securities transactions relating to the Notes were not exempt under Section 203 of the 1972 Act, 70 P.S. § 1-203.

10. From in or about June 2018 through July 2018, at least one individual representing Platinum Tickets effected the purchase and sale of the Notes in Pennsylvania for compensation, and who was neither registered pursuant to Section 301 of the 1972 Act, 70 P.S. § 1-301, nor exempt from registration as an agent of Platinum Tickets.

VIOLATION

11. By engaging in the acts and conduct set forth in paragraphs 5 through 9 above, Platinum Tickets offered and sold the Notes to Pennsylvania residents in violation of Section 201 of the 1972 Act, 70 P.S. § 1-201.

12. By engaging in the acts and conduct set forth in paragraphs 5 through 10 above, Platinum Tickets employed at least one unregistered agent in wilful violation of Section 301(b) of the 1972, 70 P.S. § 1-301(b).

RELIEF

13. Platinum Tickets and Brown shall pay the Department an administrative assessment in the amount of \$25,000.00. Payment shall be made by certified check or money order made payable to the "Department of Banking and Securities" and shall be mailed or delivered in person to the Bureau of Securities Compliance and Examinations located at 17 North Second Street, Suite 1300, Harrisburg, PA 17101.

14. The administrative assessment shall be paid as follows:

- a. \$1,000.00 on or before March 31, 2022;
- b. \$1,000.00 on or before April 30, 2022;
- c. \$1,000.00 on or before May 31, 2022;
- d. \$1,000.00 on or before June 30, 2022;
- e. \$1,000.00 on or before July 31, 2022;
- f. \$1,000.00 on or before August 31, 2022;
- g. \$1,000.00 on or before September 30, 2022;
- h. \$1,000.00 on or before October 31, 2022;

- i. \$1,000.00 on or before November 30, 2022;
- j. \$1,000.00 on or before December 31, 2022;
- k. \$1,000.00 on or before January 31, 2023;
- l. \$1,000.00 on or before February 28, 2023;
- m. \$1,000.00 on or before March 31, 2023;
- n. \$1,000.00 on or before April 30, 2023;
- o. \$1,000.00 on or before May 31, 2023;
- p. \$1,000.00 on or before June 30, 2023;
- q. \$1,000.00 on or before July 31, 2023;
- r. \$1,000.00 on or before August 31, 2023;
- s. \$1,000.00 on or before September 30, 2023;
- t. \$1,000.00 on or before October 31, 2023;
- u. \$1,000.00 on or before November 30, 2023;
- v. \$1,000.00 on or before December 31, 2023;
- w. \$1,000.00 on or before January 31, 2024;
- x. \$1,000.00 on or before February 29, 2024; and
- y. \$1,000.00 on or before March 31, 2024.

15. Platinum Tickets and Brown are ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Sections 201 and 301 of the 1972 Act, 70 P.S. §§ 1-201, 1-301.

16. Should Platinum Tickets and Brown fail to pay the administrative assessment as set forth in paragraphs 13 and 14 above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until full payment is made. However, this provision shall not be construed

as affording Platinum Tickets and Brown the option of either paying the assessment or being indefinitely subject to the sanctions.

17. Should Platinum Tickets and Brown fail to comply with any and all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to Platinum Tickets' and Brown's rights to a hearing pursuant to the 1972 Act.

FURTHER PROVISIONS

18. Consent. Platinum Tickets and Brown hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agree that they understand all of the terms and conditions contained herein. Platinum Tickets and Brown, by voluntarily entering into this Order, waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

19. Entire Agreement. This Order contains the entire agreement between the Department, Platinum Tickets and Brown. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department, Platinum Tickets and Brown.

20. Binding Nature. The Department, Platinum Tickets and Brown, and all officers, owners, directors, employees, heirs and assigns of Platinum Tickets and Brown intend to be and are legally bound by the terms of this Order.

21. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

22. Effectiveness. Pursuant to the final adjudication authority granted to the Pennsylvania Banking and Securities Commission (“Commission”) under Section 1122-A.(1) of the Department of Banking and Securities Code, 71 P.S. § 733-1122-A.(1), the Order becomes effective upon the Commission’s issuance of an order approving the Order.

23. Other Enforcement Action.

a. The Department reserves all of its rights, duties and authority to enforce all statutes, rules and regulations under its jurisdiction against Platinum Tickets and Brown in the future regarding all matters not resolved by this Order.

b. Platinum Tickets and Brown acknowledge and agree that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

24. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

25. Counterparts. This Order may be executed in separate counterparts, by facsimile and/or by PDF.

26. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

27. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations, Platinum Tickets, LLC and Patrick Brown, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES
BUREAU OF SECURITIES COMPLIANCE AND EXAMINATIONS**

Redacted

Eric Pistilli, Acting Deputy Secretary for Securities

Date: 01/24/2022

FOR PLATINUM TICKETS, LLC

Redacted

(Signature)

Patrick Brown
(Print Name)

CEO
(Title)

Date: 1/17/2022

PATRICK BROWN

Redacted

(Signature)

Date: 1/17/2022

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CERTIFICATE OF SERVICE

On behalf of the agency, I certify that I have this day caused to be served a copy of the foregoing *Final Order* upon the following persons pursuant to 1 Pa. Code § 33.31:

BY CERTIFIED, EMAIL AND
FIRST-CLASS MAIL:

VIA HAND DELIVERY:

Evan T.L. Hughes, Esquire
Hughes Firm, LLC
1617 John F Kennedy Blvd.
Suite 2006
Philadelphia, PA 19103
evan.hughes@hughesfirm.pro
*Counsel for Platinum Tickets, LLC &
Patrick Brown*

David Murren, Assistant Counsel
Commonwealth of Pennsylvania
Department of Banking and Securities
17 North Second Street, Suite 1300
Harrisburg, PA 17101
*Counsel for the Bureau of Securities
Compliance and Examinations*

Redacted

Dated this 15th day of February 2022

Eileen Smith, Docket Clerk
PA Banking and Securities Commission
17 N. 2nd Street, Suite 1300
Harrisburg, PA 17101
Telephone: (717) 787-5783