



of each such telemarketing contractor, upon learning that a prospect lived in Iowa, asked the consumer to provide an address in another state so that the enrollment could go forward.

5. Defendant denies any wrongdoing or liability of any kind but has agreed to the terms of this Consent Judgment in order to resolve all issues raised during the Attorney General's inquiry into Defendant's BCL Membership Program marketing in Iowa. Defendant agrees to the terms of this Consent Judgment solely for the purposes of settlement and nothing contained herein may be taken as or construed to be an admission or concession of any violation of law or of any other matter of fact or law, or of any liability or wrongdoing, all of which Defendant expressly denies. No part of this Consent Judgment constitutes or shall be deemed to constitute an admission by Defendant that it has ever engaged in any conduct proscribed by this Consent Judgment or that Defendant has failed to comply with any federal or state statute or regulation, the common law or the 2013 Assurance. No part of this Consent Judgment shall constitute evidence against Defendant in any action brought by any person or entity of any violation of any federal or state statute or regulation or the common law, except in an action brought by the Attorney General to enforce the terms of this Consent Judgment.

6. "BCL Membership Program" as used herein refers to any Buying Club Membership program as defined in the BCL, and "Any Program" as used herein refers to any program involving periodic payment for goods and/or services, or for access to goods and/or services, whether or not the program is a BCL Membership Program. Neither "BCL Membership Program" nor "Any Program" include Defendant's goods or services marketed as a third-party's goods or services on behalf of that third party, whether or not marketed or administered by Defendant; providing, however, that to the extent Defendant designs and/or controls any aspect of such marketing, including administration, Defendant shall provide a written notice to any and all third parties in the event Defendant believes that the sale of those goods or services may be subject to the BCL. The

notice, which can be memorialized as a letter, contract or similar form, shall: (i) conspicuously and effectively inform the third party that the contemplated or ongoing advertising, marketing, training, and/or sale may be subject to the BCL, (ii) provide a copy of the BCL and/or a summary of the BCL's requirements, and (iii) require that the third party comply with the BCL if, in fact, it is applicable. Defendant shall provide the written notice as soon as practicable in all instances in which such notice is required, provided however that notices that could be appropriately provided upon entry of this Consent Judgment shall not be deemed untimely if they are provided within 30 days after the entry of this Consent Judgment. Defendant shall maintain copies of notices. "Any Program" shall not include the marketing and/or sale of any insurance products or any insurance services regulated by the Iowa Department of Insurance.

**IT IS THEREFORE ORDERED** pursuant to Iowa R. Civ. P. 1.1501 *et seq.* and the Iowa Consumer Fraud Act, Iowa Code § 714.16, that Defendant, and its agents, directors, officers, principals, and employees, in their capacity as an agent, director, officer, partner, or employee of Defendant, and any of its successors, subsidiaries or divisions through which Defendant acts or hereafter acts is enjoined and restrained from marketing to Iowa residents any BCL Membership Program in a manner that does not comply with the BCL. In addition, with respect to marketing that is conducted in multiple states (including Iowa), Defendant must make reasonable efforts to timely notify Iowa residents that a given offer is not available to them, to avoid the expenditure by Iowans of significant time or effort in placing an order that Defendant is not permitted to accept under this Consent Judgment or applicable law.

**IT IS FURTHER ORDERED** pursuant to Iowa R. Civ. P. 1.1501 *et seq.* and the Iowa Consumer Fraud Act, Iowa Code § 714.16, that Defendant is enjoined and restrained from enrolling through telemarketing any person with an Iowa mailing address or Iowa telephone area code in Any Program. Neither Defendant, Affinion Group, Inc., or Webloyalty.com, Inc., or any of their

subsidiaries, shall participate, directly or indirectly, in any activities, or form a separate entity or corporation for the purpose of engaging in activities, which are in whole or in part prohibited in this Consent Judgment or which are undertaken for the purpose of circumventing any part of this Consent Judgment.

**IT IS FURTHER ORDERED** that Defendant shall immediately cease (or continue the cessation of) the billing of Iowa residents for any BCL Membership Program in which the Iowa resident was enrolled in a manner that did not comply with the BCL. Without limiting the foregoing, such non-compliant enrollments include all enrollments in a BCL Membership Program offered over the telephone that occurred on or after October 10, 2013 of any person with an Iowa mailing address or Iowa telephone area code.

**IT IS FURTHER ORDERED** that Defendant shall, within sixty (60) days of the entry of this Consent Judgment, provide a full refund of any and all previously-unrefunded amounts paid to Defendant by an Iowa resident for a BCL Membership Program in which the Iowa resident was enrolled in a manner that did not comply with the BCL. Defendant shall provide the Attorney General a list (in Excel unless otherwise agreed) of such refundees that includes their names, addresses, and phone numbers, and, for each BCL Membership Program in which a refundee was enrolled, the date of enrollment, total amount paid, and (as applicable) total amount refunded prior to the refunds required by this Consent Judgment. The universe of consumers to whom this refund requirement applies is all persons who were enrolled in a BCL Membership Program over the telephone on or after October 10, 2013 who provided an Iowa mailing address or had an Iowa telephone area code at the time of enrollment. The refund payments required herein shall not affect Defendant's established pre-Consent Judgment policy regarding consumer-requested refunds or payments as it applies to Iowans, which policy the Attorney General neither approves nor

disapproves, and shall not limit in any way refunds or payments to consumers by Defendant in circumstances in which a refund or payment is not expressly required.

**IT IS FURTHER ORDERED THAT** at least twice annually until December 31, 2020, and at least annually thereafter until December 31, 2025, Defendant will update its address and phone records to identify (i) any and all persons with an Iowa mailing address or Iowa telephone area code who are members of a BCL Membership Program, and (ii) any and all persons with an Iowa mailing address or Iowa telephone area code who are members of Any Program and who were enrolled through telemarketing on or after the date of entry of this Consent Judgment. The membership of all persons so identified ((i) or (ii)) shall be immediately cancelled, and, in addition, if it reasonably appears that an enrollment in a BCL Membership Program was subject to but violated the BCL, or that enrollment in Any Program violated this Consent Judgment, a full refund will be promptly provided.

**IT IS FURTHER ORDERED** that Defendant shall pay to the Attorney General, within five (5) days of the entry of this Consent Judgment, the sum of \$300,000.00, to be deposited into the fund created by Iowa Code § 714.16C. No portion of this amount shall be deemed a fine, civil penalty or forfeiture of any kind.

**IT IS FURTHER ORDERED** that Defendant shall comply with reasonable requests from the Attorney General for information relating to compliance with this Consent Judgment.

**IT IS FURTHER ORDERED** that if the Attorney General believes a violation of this Consent Judgment has occurred and wishes to bring an enforcement action based on the violation, the Attorney General shall first notify Defendant and provide it thirty (30) days within which to address the Attorney General's concerns and obviate the enforcement action, unless in the Attorney General's sole discretion such notification is adverse to the public interest.

**IT IS FURTHER ORDERED** that this Consent Judgment constitutes a complete settlement and release by the State of Iowa of all claims for violation of the BCL and/or CFA that arose out of the advertising, marketing or sale by Defendant of membership programs to consumers residing in the State of Iowa between October 10, 2013 and entry of this Consent Judgment and that were asserted by the Attorney General against Defendant.

**IT IS FURTHER ORDERED** that, in addition to any other requirement of this Consent Judgment, Defendant pay the sum of \$500,000.00 to the Attorney General, PROVIDED HOWEVER that the requirement that Defendant pay this latter sum shall be suspended for a period of three (3) years, on the condition that Defendant complies with all material requirements of this Consent Judgment during the period of suspension. If Defendant fails to so comply, the Attorney General may apply to the Court for a supplementary order requiring Defendant to immediately pay the amount in question, which shall be divided in the Attorney General's discretion between distribution as restitution to consumers with losses attributable to the failure(s) of compliance, and deposit into the consumer fraud enforcement fund referred to in Iowa Code § 714.16C. In a proceeding to rule upon such an application, the Attorney General shall have the burden of proving such failure of compliance by a preponderance of the evidence, and Defendant may avoid payment by establishing by a preponderance that each violation at issue was isolated, inadvertent, and occurred despite measures reasonably designed to prevent such violations. If the three (3) year period passes without such an application by the Attorney General, the payment requirement of this paragraph shall expire and automatically become null and void. Nothing in this paragraph diminishes or otherwise affects other remedies available to the Attorney General for violations of this Consent Judgment or applicable law.

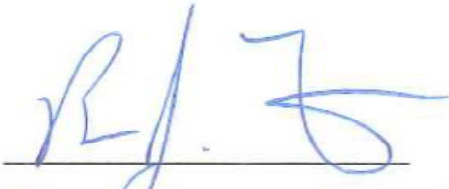
**IT IS FURTHER ORDERED** that the Court retain jurisdiction to enforce this Consent Judgment.

**IT IS FURTHER ORDERED** that the Defendant pay court costs, if any.


**SO ORDERED.**

Approved:


Date: 7-28-16

  
\_\_\_\_\_  
Brian Fisher, General Counsel  
[name and title printed]  
For Trilegiant Corporation

Date: 7-28-16

  
\_\_\_\_\_  
Clayton Friedman  
Attorney for Defendant

Date: 8-11-16

  
\_\_\_\_\_  
Steve St. Clair  
Assistant Attorney General



State of Iowa Courts

**Type:** OTHER DECREE

**Case Number**      **Case Title**  
EQCE080400      STATE OF IOWA EX REL THOMAS MILLER V TRILEGIANT  
CORPORATION

So Ordered

A handwritten signature in black ink that reads "Karen A. Romano".

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Karen A. Romano, District Court Judge,  
Fifth Judicial District of Iowa