

ASSURANCE OF VOLUNTARY COMPLIANCE

In the matter of

TELEBRANDS, INC.

The undersigned state and agree as follows:

1. The State of Iowa ex rel. Thomas J. Miller, Iowa Attorney General, enters into this Assurance of Voluntary Compliance ("Assurance" or "AVC") with Telebrands, Inc. ("Telebrands") to resolve the Attorney General's concerns regarding Telebrands' compliance with Iowa Code Ch. 552A, the Buying Club Memberships Law ("BCL"), and Iowa Code § 714.16, the Iowa Consumer Fraud Act ("CFA"), in connection with Telebrands' marketing of memberships in Everyday Savings in Iowa.

2. Telebrands denies wrongdoing or liability or any kind, but has agreed to enter into this Assurance in order to resolve all issues raised during the Attorney General's inquiry that relate to Telebrands' Iowa marketing of Everyday Savings memberships.

IT IS THEREFORE AGREED that Telebrands and Telebrands' employees, successors and assigns shall refrain from violating the BCL. Without limiting the foregoing, this AVC requires compliance with all notice, disclosure, and other requirements of Iowa Code §§ 555A.1 through 555A.5 (incorporated by section 552A.3 of the BCL) and with all requirements relating to contracts set forth in Iowa Code §§ 552A.3 and 552A.4, in connection with the advertising, marketing or sale of Buying Club Memberships as defined in the BCL to consumers residing in the State of Iowa.

IT IS FURTHER AGREED that Telebrands and Telebrands' employees, successors, and assigns shall immediately cease billing Iowa residents for memberships in which they were

enrolled at any time prior to the effective date of this AVC, if such memberships were subject to the BCL and the enrollment involved practices that did not comply with the BCL. For purposes of this paragraph, all Everyday Savings programs marketed to Iowans shall be deemed to have been subject to the BCL.

IT IS FURTHER AGREED that Telebrands and Telebrands' employees, successors, and assigns shall refrain from violating the CFA in connection with the advertising, marketing, sale, administration, or fulfillment of any form of membership program to consumers residing in the State of Iowa. Without limiting the foregoing, this paragraph requires each of the following:

A. Clear and conspicuous disclosure to prospective purchasers of a membership program of all material aspects of the membership and the membership transaction.

B. Reasonable efforts to ensure that Iowa consumers who pay for membership programs but who are not known by Telebrands to be active users of membership benefits receive actual notice, at least once every twelve months (the first such contact to occur within six months of initial enrollment), of the existence of the membership, the amount and manner of the membership charges, and how to cancel, through a mailing reasonably designed to effect such actual notice.

IT IS FURTHER AGREED that Telebrands pay to the State of Iowa, on or before the date of the last signature below and in the manner the Attorney General directs, the sum of \$10,555.16, to be applied by the Attorney General in its discretion to restoring to Iowa consumers amounts they spent for Telebrands' memberships, to the extent reimbursement has not previously been made, pursuant to the BCL and the CFA (Iowa Code § 714.16(7)).

Telebrands agrees to cooperate with reasonable requests from the Attorney General in connection

with efforts to effect such restoration. To the extent that consumers entitled to reimbursement cannot be located through reasonable efforts, the money that is not returned to consumers shall be retained by the Attorney General to be used by the Attorney General for the administration and implementation of the CFA, pursuant to Iowa Code § 714.16(7), and shall be deposited into the fund created by Iowa Code § 714.16A (2011). No part of this payment shall be deemed a penalty of any kind. This payment to the Attorney General for consumer restitution shall not affect Telebrands' established pre-AVC policy regarding consumer refunds as it applies to Iowans, which policy the Attorney General neither approves nor disapproves. This requirement shall not be interpreted to limit in any way refunds by Telebrands in circumstances in which a refund is not expressly required.

IT IS FURTHER AGREED that a violation of this AVC is deemed a violation of the CFA for purposes of enforcement by the Attorney General.

IT IS FURTHER AGREED that, pursuant to Iowa Code § 714.16, Telebrands pay to the Attorney General, on or before the date of the last signature below and in the manner the Attorney General directs, the sum of \$2,000.00, to be deposited in the consumer fraud enforcement fund referred to in Iowa Code § 714.16A (2011).

The Undersigned who have the authority to consent and sign on behalf of the Attorney General of Iowa and Telebrands hereby consent to the form and contents of this AVC, which is to take effect immediately upon execution by all signatories indicated below.

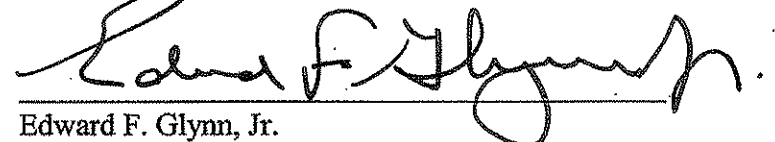
TELEBRANDS, INC.

Date: 12/8/2011.



For Telebrands, Inc.


Date: 12-22-11



Edward F. Glynn, Jr.
Attorney for Telebrands, Inc.

IOWA ATTORNEY GENERAL:

Date: 12-27-11



By Steve St. Clair
Assistant Attorney General