

## ASSURANCE OF VOLUNTARY COMPLIANCE

In the matter of

**A.I. Interactive, Inc.,  
and  
Adam Levinter**

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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") with A.I. Interactive, Inc. (dba Aragon Interactive) and Adam Levinter ("Respondents") to resolve the Attorney General's concerns regarding Respondents' compliance with Iowa Code Ch. 552A, the Buying Club Memberships Law ("BCL"), and Iowa Code § 714.16, the Iowa Consumer Fraud Act ("CFA"). Hereinafter, "membership programs" refers to any Buying Club Membership programs as defined in the BCL, including but not limited to MyBuyClub and MyTripSavers.

2. Respondents have agreed to enter into this Assurance in order to resolve all issues raised during the Attorney General's inquiry into Respondents' marketing of membership programs in Iowa. Respondents are entering into this Assurance 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 Respondents expressly deny. No part of this Assurance shall be deemed to be an admission by Respondents that they have ever engaged in any conduct proscribed by this Assurance. No part of this Assurance constitutes or shall constitute evidence against Respondents 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 State of Iowa to enforce the terms of this Assurance. There is no private right

of action explicit or implicit created by this Assurance.

3. The effective date of this Assurance is the date of the last signature below.

**IT IS THEREFORE AGREED** that Respondents and Respondents' employees, successors and assigns shall, at Respondents' option, either (1) cease enrolling consumers residing in the State of Iowa in any membership programs as of the effective date of this Assurance; or (2) comply with the BCL. Without limiting the foregoing, should Respondents continue to enroll consumers residing in the State of Iowa in any membership programs, this Assurance 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, as applicable, in connection with the advertising, marketing or sale of Buying Club Memberships as defined in the BCL ("BCL programs") to consumers residing in the State of Iowa.

**IT IS FURTHER AGREED** that Respondents and Respondents' employees, successors, and assigns shall immediately cease billing Iowa residents for enrollments in any membership program that occurred at any time prior to the effective date of this Assurance.

**IT IS FURTHER AGREED** that Respondents and Respondents' employees, successors, and assigns shall comply with the CFA in connection with any marketing to consumers residing in the State of Iowa of any membership program or other program involving purported benefits to paying customers. Without limiting the foregoing, this paragraph requires clear and conspicuous disclosure to prospective purchasers of all material terms.

**IT IS FURTHER AGREED** that Respondents pay to the State of Iowa, the sum of \$13,907.07, to be applied by the Attorney General in its discretion to making full or partial payments

to Iowa consumers of amounts they spent for a membership program, to the extent payment in full for such amounts has not previously been made, pursuant to the BCL and the CFA (Iowa Code § 714.16(7)). Such amount shall be paid in three installments of \$4,635.69 each with the first installment due within five (5) days following the Effective Date and the second and third installments due on the 30th and 60th days following the Effective Date. Respondents agree to cooperate with reasonable requests from the Attorney General for last known contact information (full name, mailing or billing address, email address, and telephone number) and prior payment and refund information for Iowa residents in connection with efforts to effect such payments. To the extent that consumers eligible for payments cannot be located through reasonable efforts, the money that is not paid 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 (2013). No part of this payment shall be deemed a penalty of any kind. This payment to the Attorney General for distribution to Iowa consumers for amounts spent for program memberships shall not affect Respondents' established pre-Assurance policy regarding consumer-requested refunds or payments 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 or payments to consumers by Respondents in circumstances in which a refund or payment is not expressly required. Notwithstanding any other provision of this Assurance, Respondents' are not required or expected to duplicate any refund (or portion thereof) previously made to any consumer, and accordingly the Attorney General shall provide to Respondents upon written request therefor a list of all consumers to whom payments are made by the Attorney General and the amount of such payments.

**IT IS FURTHER AGREED** that a violation of this Assurance is deemed a violation of the CFA for purposes of enforcement by the Attorney General, and that in any enforcement action in an Iowa District Court in which one or more violations of this Assurance are established by the Attorney General by a preponderance of the evidence, the Court shall apply the remedies provided in the CFA, in addition to any other remedies provided by law. In the event that the Attorney General believes that a material breach of this Assurance has occurred and is contemplating an enforcement action for such breach of this Assurance, the Attorney General shall provide written notice to Respondents of the claimed breach and an opportunity to promptly cure such breach or to explain to the Attorney General why it does not believe a breach has occurred. The notice shall reasonably describe the material breach that the Attorney General believes has occurred. Respondents shall have fourteen (14) days from the receipt of the notice within which to provide a good faith response to the Attorney General's notice. The response shall include at a minimum either (a) a statement explaining why Respondents believe they are in full compliance with the Assurance or (b) an explanation of how the breach occurred and either a statement that the breach has been cured or a statement that Respondents have begun to take corrective action to cure the breach with a reasonable timetable for curing the alleged breach. However, nothing herein shall prevent the Attorney General from pursuing its statutory prerogatives to conduct investigations or bring enforcement actions in the public interest.

**IT IS FURTHER AGREED** that this Assurance constitutes a complete settlement and release by the State of Iowa of all claims for violation of the BCL and/or CFA arising out of the advertising, marketing or sale by Respondents of membership programs to consumers residing in the State of Iowa that arose before the Effective Date and that were asserted or that could have

been asserted by the Attorney General against Respondents. Releasees include Respondents and their employees, successors, and assigns.

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

Date: MAY 30, 2014

  
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A.I. Interactive, Inc.

Date: MAY 30, 2014

  
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Adam Levinter

Date: June 5, 2014

  
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Linda A. Goldstein, Esq.  
Attorney for Respondents

Date: June 6, 2014

  
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Steve St. Clair  
Assistant Attorney General