

## ASSURANCE OF VOLUNTARY COMPLIANCE

In the matter of

PLATINUM ONLINE GROUP, LLC,

dba PREMIER MEMBERSHIP CLUBS

---

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 Platinum Online Group, LLC, dba Premier Membership Clubs (“Platinum”) to resolve the Attorney General’s concerns regarding Platinum’s 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 Platinum’s marketing of memberships in Iowa, including without limitation Savings Pays Discount Club memberships.

2. Platinum denies wrongdoing or liability of 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 the manner in which Platinum’s memberships were marketed to Iowa residents.

**IT IS THEREFORE AGREED** that Platinum and Platinum’s 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 persons residing in the State of Iowa.

**IT IS FURTHER AGREED** that Platinum and Platinum's 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 memberships associated with Savings Pays Discount Club that were marketed to Iowans shall be deemed to have been subject to the BCL.

**IT IS FURTHER AGREED** that Platinum and Platinum's 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 persons 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 Platinum 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 Platinum 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 \$21,184.26, to be applied by the Attorney General in its discretion to restoring to Iowa consumers amounts they spent for Platinum's memberships, to the extent reimbursement has not

previously been made, pursuant to the BCL and the CFA (Iowa Code § 714.16(7)). Platinum 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 Platinum's 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 Platinum 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, Platinum 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 \$5,000.00, 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 Platinum hereby consent to the form and content of this AVC, which is to take effect immediately upon execution by all signatories indicated below.

**PLATINUM ONLINE GROUP, LLC**

Date: \_\_\_\_\_

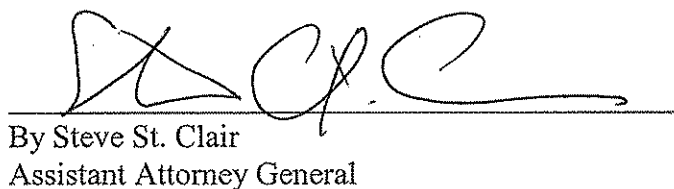
9/14/12

  
For Platinum Online Group, LLC

**IOWA ATTORNEY GENERAL:**

Date: \_\_\_\_\_

9/17/12

  
By Steve St. Clair  
Assistant Attorney General