IN THE IOWA DISTRICT COURT FOR POLK COUNTY

THE STATE OF IOWA, ex rel. THOMAS J. MILLER, ATTORNEY GENERAL, 99AG25112 **Plaintiff,** **v.** **AFFINION GROUP, INC., TRILEGIANT CORPORATION, AND WEBLOYALTY.COM, INC.,** **Defendants.**	)	**Equity No.** CE075 223 **CONSENT JUDGMENT**

INTRODUCTION

Plaintiff, the State of Iowa, ex rel. Attorney General Thomas J. Miller, ("Plaintiff" or "State"), having filed its Petition ("State's Petition") and appearing through William L. Brauch, Special Assistant Attorney General, and defendants Affinion Group, Inc., Trilegiant Corporation and Webloyalty, Inc. ("Defendants"), appearing individually and through their attorneys Manatt, Phelps & Phillips, LLP, by Clayton Friedman, and Davis & Gilbert, by Ronald R. Urbach, Esq., having stipulated that this Consent Judgment (hereafter "Judgment") may be signed by a judge of the Iowa District Court for Polk County, and

WHEREAS the parties have consented to the entry of this Judgment for the purpose of settlement only, without this Judgment constituting evidence against or any admission by any

party, and without trial of any issue of fact or law, nothing contained in this Judgment shall constitute an admission or concession by Defendants, nor shall it be evidence or findings supporting any of the allegations of fact or law alleged by the Plaintiff, or of any violation of state or federal law, rule or regulation, or any other liability or wrongdoing whatsoever, and neither the Judgment, nor any negotiations, statements or documents related thereto, shall be offered or received in any legal or administrative proceeding or action as an admission, evidence or proof of any violation of liability under or wrongdoing in connection with any law, rule or regulation, except in an action by the Attorney General to enforce the terms of this Judgment, and

WHEREAS the parties acknowledge that, in addition to this Judgment, Defendants have entered into similar judgments with the Attorneys General of the States identified on Exhibit A and those States filing similar judgments are referred to collectively as "Participating States," and

WHEREAS the Court having considered the pleadings and the Stipulation for Entry of Final Judgment and Permanent Injunction executed by the parties and filed herewith, and good cause appearing,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Judgment may be entered in this matter as follows:

I. JURISDICTION

1. The Court has jurisdiction over the subject-matter of this action and of the parties.

2. Venue is proper in this Court.

3. The State's Petition states a cause of action against the Defendants under the Iowa Consumer Fraud Act, Iowa Code § 714.16 et seq. ("Consumer Protection Law").

II. THE PARTIES

4. Defendant Affinion Group, Inc. ("Affinion") is a privately-held corporation and is the

parent company of Trilegiant Corporation ("Trilegiant") and Webloyalty.com, Inc. ("Webloyalty").

5. Defendant Trilegiant is a Delaware corporation marketing to consumers in Iowa and headquartered in Stamford, Connecticut. Trilegiant is a wholly-owned subsidiary and operating company of Affinion.

6. Defendant Webloyalty is a Delaware corporation marketing to consumers in Iowa and headquartered in Stamford, Connecticut. Webloyalty is a wholly-owned subsidiary of Affinion.

III. DEFINITIONS

For purposes of this Judgment only, the following definitions apply:

7. **"Account"** means any account to which a charge relating to a Membership Program can be made, including but not limited to, a credit card account, debit card account, checking account, savings account, loan account, mortgage account, telecommunications account, utility account, or other similar account.

8. **"Automatic Renewal"** means a plan or arrangement under which an Account (i) is automatically charged a Membership Charge at the end of a Trial Period and thereafter charged continually for successive membership terms, unless the consumer affirmatively cancels the membership or, in the case of a fixed-membership term with a Trial Period, where the Membership Charge is automatically paid starting at the end of the Trial Period and on an installment basis throughout the term of the membership, or (ii) if there is no Trial Period, is automatically charged a Membership Charge continually for successive membership terms, unless the consumer affirmatively cancels the membership or, in the case of a fixed-membership term with no Trial Period, the Membership Charge is automatically paid on an installment basis throughout the term of the membership.

9. **"Billing Information"** means unique Account information that enables any person to charge a consumer's Account, including (i) encrypted Account information or a unique identifier

related to an Account where Defendants do not receive or possess a key to unencrypt the Account or otherwise obtain the Account number or (ii) any other technological equivalent that enables any person to charge a consumer's Account. Billing Information does not include a consumer's name, mailing address, e-mail address, and telephone number, if such information is not used to incur a Membership Charge.

10. **"Clear and Conspicuous"** or **"Clearly and Conspicuously"** means a statement that, regardless of the medium in which it is made, is readily understandable and presented in such size, color, contrast, duration and location, compared to the other information with which it is presented, that it is readily apparent, readable and understandable to the person to whom it is disclosed. An audio statement or disclosure shall be delivered in a volume and cadence sufficient for a consumer to hear and understand the entire statement or disclosure, and not be obscured in any manner by, for instance, music or other background noise. A statement may not contradict or be inconsistent with any other information with which it is presented.

11. **"Complaint"** is any written statement by a consumer who has Enrolled in a Membership Program received directly or indirectly by Defendants from a federal, state, or local governmental agency, including but not limited to the Federal Trade Commission or a State Attorney General, or a Better Business Bureau, in which the consumer expresses dissatisfaction in connection with the advertisement, sale, or services of the Membership Program.

12. **"Data Pass "** refers to the transfer of a consumer's Billing Information from a Marketing Partner to Defendants, or from Defendants to a Marketing Partner, for purposes of billing a Membership Charge for a Membership Program, provided that, for purposes of this Judgment, with regard to consumers who enroll in a Membership Program offered by or through a financial institution, as defined in the Gramm-Leach-Bliley Act, 15 USC § 6809, Data Pass does not include the transfer of encrypted Account information or a unique identifier related to an

Account where Defendants do not receive or possess a key to unencrypt the Account or otherwise obtain the Account number.

13. **"Effective Date"** means the 1st of October, 2013.

14. **"Enrollment"** or **"Enroll"** means when a consumer provides the Affirmative Assent required in Paragraph 33 of this Judgment and such enrollment in a Membership Program is processed and accepted by Defendants. The date of Enrollment is the date when the Enrollment is processed and accepted by Defendants, whichever date is the later to occur.

15. **"Fulfillment Materials"** means material provided to consumers after they initially Enroll in a Membership Program that fully describes the complete terms and conditions of a Membership Program, as described herein at Paragraph 52.

16. **"Incentive"** refers to any item, service, product, or good, that is offered to a consumer as an inducement to Enroll in a Membership Program. This term includes, but is not limited to, premiums, gift cards, checks, rebate offers, or anything of value, excluding, however, references to an item, service, product, or good that is part of a Membership Program's benefits.

17. A **"Live Check"** is a negotiable check, money order, draft, or other negotiable instrument, the presentment or negotiation of which (i) automatically enrolls a consumer in a Membership Program and obligates the consumer to pay for the Membership Program and (ii) requires or permits a Marketing Partner to transfer, release, or otherwise disclose its customers' Billing Information to Defendants for purposes of allowing Defendants to charge the customer a Membership Charge.

18. **"Mail"** means to send by United States Postal Service or other physical delivery method including, but not limited to, courier, UPS or Federal Express that includes address forwarding, but excludes electronic mail.

19. **"Marketing Partner"** means any entity with whom Defendants contract for purposes of marketing Membership Programs to customers of that entity. Marketing Partner shall not

include any entity with which Defendants contract for solicitation of (i) media space or time to market its Membership Programs and which entity offers such media space or time to others (e.g., such as direct-to-consumer television, radio and internet solicitation space or time) or (ii) any list rental or similar relationship where no joint marketing between such entity and Defendants occurs.

20. **"Membership Charge"** means any amount charged pursuant to an Automatic Renewal to an Account for membership in a Membership Program.

21. **"Membership Program"** means any program in which a consumer enters into an agreement with Defendants for the provision of benefits, goods or services and for which Defendants charge a Membership Charge. Membership Program excludes insurance policies for which the consumer pays a premium in consideration for insurance coverage under policies regulated by state insurance regulatory agencies.

22. **"Proximate"** or **"Proximity"** means on the same page, not in a footnote, and beneath, beside, or adjacent.

23. **"Resident"** refers to a consumer who resides in Iowa as of the Effective Date, or who resided in Iowa at the time a consumer Enrolled in a Membership Program.

24. **"Trial Offer"** means an offer to a consumer to Enroll in a Membership Program for a Trial Period after which a consumer who does not cancel is automatically charged a Membership Charge.

25. **"Trial Period"** means a finite time period, after a consumer Enrolls in a Membership Program, in which the consumer is not charged a Membership Charge or is only charged a nominal fee. A Trial Period begins when the consumer receives the Fulfillment Materials. Receipt for Mail shall be deemed either five (5) or nine (9) days after Defendants send the consumer Fulfillment Materials either by first class Mail or any other means of Mail, respectively. Receipt for e-mail shall be deemed the day Defendants send the consumer the e-

mail with the Fulfillment Materials.

IV. SCOPE

26. The subject matter of this Judgment covers the practices of Defendants and those Marketing Partners identified by Iowa and the other Participating States, and which are not subject to any pending investigation by Iowa or the Participating States as of the Effective Date of this Judgment, ("Covered Marketing Partners") related to their marketing and sale of Membership Programs by or through Covered Marketing Partners, which the State alleges violates its Consumer Protection Law as it relates to the following practices and any additional acts or practices covered by this Judgment or as alleged in the State's Petition ("Subject Matter"):

A. Defendants' and their Covered Marketing Partners' marketing and sales practices relating to the offer for sale and sale of Defendants' Membership Programs, through direct mail solicitations, including the use of live check, and through online offers and sales, including offers via e-mail. Such marketing and sales practices include, but are not limited to, the following: disclosures of material terms in the solicitations; the use of Data Pass in marketing; the use of Incentives, Trial Offers and audio overlays in solicitations; the use of Covered Marketing Partner names and logos; and references to Covered Marketing Partners in solicitations, including representations regarding the relationship between Defendants and Covered Marketing Partners; and the methods of consent obtained from consumers prior to and during Enrollment in Defendants' Membership Programs;

B. Defendants and their Covered Marketing Partners billing practices relating to Defendants' Membership Programs: the use of Data Pass; disclosures regarding billing and Data Pass; the recurring billing of Membership Fees; and the use of Automatic Renewal and negative option marketing and billing;

C. Defendants' communications with consumers who enroll in Defendants' Membership Programs: post-enrollment communications regarding the material terms of the Membership Programs sent to consumers who enrolled via online or direct mail; communications regarding the benefits associated with and change in terms for Defendants' Membership Programs to consumers regardless of the method of enrollment; and notices on third-party billing statements to consumers regardless of the method of enrollment; and

D. Defendants' customer service, cancellation, saves and refund practices and procedures.

This Judgment resolves the State's claims regarding all matters alleged in the State's Petition, any matter covered by this Judgment and Subject-Matter, including, but not limited to, payment of (1) as to Defendants and all Marketing Partners, consumer restitution or refunds to all eligible consumers who enrolled in Defendants' Membership Programs prior to the Effective Date, regardless of method of enrollment or Marketing Partner, and (2) as to Defendants and Covered Marketing Partners, attorneys' fees, investigation and litigation costs, consumer protection enforcement funds, consumer education, litigation or local consumer aid, civil penalties, fines and/or forfeiture under the State's Consumer Protection Law. However, the Subject-Matter and resolution of this Judgment does not include and does not resolve investigations or claims by the State related to (i) other marketing practices or conduct of Defendants not included in the Subject-Matter or alleged in the State's Petition or Judgment, (ii) the conduct of Covered Marketing Partners that is not specifically related to the marketing, offer for sale, sale, provision or billing of Defendants' Membership Programs, or (iii) Covered Marketing Partners' actions relating to providers other than Defendants of similar programs.

V. INJUNCTIONS

27. Pursuant to Iowa Code § 714.16, Defendants and its agents, directors, officers, and employees, in their capacity as an agent, director, officer, or employee ("Representatives") of

Defendants, and by any successor, subsidiary or division and their Representatives through which it acts or hereafter acts, shall comply with the following provisions with respect to (i) direct mail and online marketing of Membership Programs, as set forth in Paragraphs 31 through 54, and 74(D), and (ii) all methods of marketing of Membership Programs, including online, direct mail, point-of-sale and telemarketing, as set forth in Paragraphs 28 through 30, 55 through 73, 74(A) through 74(C), and 75.

LIVE CHECK OR AUTOMATIC ENROLLMENT INCENTIVE SOLICITATIONS

Prohibition on Live Check or Automatic Enrollment Incentives

28. Defendants shall not utilize a Live Check in any solicitation, and shall not accept any new memberships Enrolled by Live Check. Defendants shall not utilize any Incentive, if the act of using such Incentive automatically Enrolls the consumer in a Membership Program. This shall not prohibit Defendants from using Incentives in the marketing of its Membership Programs, if using that Incentive does not automatically Enroll a consumer in a Membership Program.

Marketing Partner Contracts regarding Live Check Solicitations

29. Defendants shall not enter into any contract or arrangement with a Marketing Partner that does not comply with Paragraph 28, nor shall Defendants provide any Live Check solicitations to any consumers in connection with any existing contract or arrangement with a Marketing Partner.

Marketing Partner Contracts regarding Automatic Enrollment Incentives

30. Defendants shall not enter into any contract or arrangement with a Marketing Partner that does not comply with Paragraph 28, nor shall Defendants provide any solicitations containing Incentives, to any consumer in connection with any existing contract or arrangement with a Marketing Partner, where the act of using such Incentives automatically enrolls a consumer in a Membership Program.

DATA PASS MARKETING IN DIRECT MAIL AND ONLINE SOLICITATIONS

31. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall not engage in Data Pass.

REQUIREMENTS FOR ALL DIRECT MAIL AND ONLINE SOLICITATIONS

Affirmative Assent before Enrolling a Consumer in a Membership Program

32. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall comply with the following requirements before Enrolling a consumer in a Membership Program.

A. On the page where a consumer Enrolls in a Membership Program and in direct Proximity to the space provided for consumers to accept the offer as required in Paragraph 33, Defendants shall Clearly and Conspicuously set forth the following statement, except that substantially similar language may be used (1) in instances where the language does not accurately reflect the terms of the Membership Program solicitation (i.e., no free trial period) or (2) where additional language is required by law:

"Unless I contact [Affinion/Membership Program] to cancel before my Trial Period ends, I authorize [Membership Program/Affinion] to [electronically] charge my [type of account] $[PRICE] automatically every [Membership Term] (or a greater amount, if I am notified), for my purchase of a membership in [Membership Program] until I cancel."

B. Defendants shall Clearly and Conspicuously disclose the following, to the extent not covered by the disclosure required by Paragraph 32(A):

1. State the name of the Membership Program and contact information for the Membership Program (including, at a minimum, a toll-free telephone number and website), describe the goods or services being offered,

disclose that the Membership Program is offered by Defendants, disclose that Defendants, and not the Marketing Partner, own and operate the Membership Program, and, for online solicitations marketed with a Marketing Partner after the consumer has made a purchase or transaction using Billing Information immediately prior to viewing the online solicitation for a Membership Program, disclose that the offer is unrelated to the purchase or transaction using Billing Information just completed;

2. State, if true, that any offer or Incentive is contingent upon Enrollment in the Membership Program;

3. State, if true, that the consumer can cancel his or her membership at any time, without limiting his or her ability to obtain or use any offer or Incentive;

4. State, if true, that a consumer must remain a member of his or her Membership Program as a requirement to obtain or use any offer or Incentive;

5. If there is a Trial Period, state the time period in which a consumer must cancel in order to avoid incurring any Membership Charge; and

6. State that the consumer may cancel his or her membership at any time by contacting Defendants.

33. To Enroll a consumer in a Membership Program via any direct mail or online solicitation pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall obtain a consumer's affirmative assent in the manner described below ("Affirmative Assent"):

A. For online solicitations:

1. Marketed pursuant to Defendants' agreements or arrangements with a Marketing Partner after the consumer has made a purchase or transaction

using Billing Information immediately prior to viewing the online solicitation for the Membership Program, Defendants shall, Proximate to the statement described in Paragraph 32(A):

(a) obtain from the consumer:

(i) the full Account number of the Account to be charged or other Billing Information, and

(ii) the consumer's name and address; and

(b) require the consumer to perform an additional affirmative action, such as clicking on a confirmation button or checking a box that indicates the consumer's consent to be charged the amount disclosed; or

2. Marketed in conjunction with a financial institution Marketing Partner pursuant to Defendants' agreements or arrangements where the consumer did not make a purchase or a transaction using Billing Information immediately prior to viewing the online solicitation for a Membership Program solicitation, Defendants shall require the consumer to (1) insert his or her name or e-mail address, in a box set-off from all other text that only contains (i) the disclosure required by Paragraph 32(A) in bold font and (ii) an area to perform the affirmative action of inserting his or her name or e-mail address, and (2) click on a confirmation button or check a box that authorizes the charge to the consumer's Account for Enrollment.

3. Notwithstanding any provision of this Judgment, Defendants shall comply with the Restore Online Shoppers' Confidence Act ("ROSCA").

B. For direct mail solicitations:

1. Marketed pursuant to Defendants' agreements or arrangements with a Marketing Partner, Defendants shall, Proximate to the disclosure required

by Paragraph 32(A):

(a) obtain from the consumer the full Account number of the Account to be charged, or other Billing Information, and

(b) shall require the consumer to perform the affirmative act of placing his or her signature on a line that authorizes the charge to the consumer's Account for Enrollment; or

2. Marketed with a financial institution Marketing Partner pursuant to Defendants' agreements or arrangements where a consumer is not required in the solicitation to provide his or her Billing Information directly to Defendants, Defendants shall require the consumer to provide a signature that indicates the consumer's consent to be charged the amount disclosed, in a box set-off from all other text that only contains (i) the disclosure required by Paragraph 32(A) in bold font and (ii) space for the affirmative action of providing a signature.

34. The disclosures set forth in Paragraph 32 shall be in a form that the consumer can easily copy, print, download, or retain at the time they are made.

35. For consumers who Enroll in a Membership Program via direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall retain proof of Affirmative Assent while the consumer is an active member of the Membership Program and for at least 24 months following cancellation of the membership. Defendants shall maintain the proof in a manner that ensures access to such record reasonably promptly and, upon written request, Defendants shall make such record available to the State and to consumers disputing their Enrollment.

36. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall not misrepresent the reason why the

consumer is being asked to provide his or her Billing Information, contact information, or Affirmative Assent.

37. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall not misrepresent its relationships with its Marketing Partners, including, but not limited to, misrepresenting the entity offering the Membership Program.

38. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall not include a Marketing Partner's name in the title of any Membership Program in a manner that misrepresents the entity offering the Membership Program.

39. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners in which a Marketing Partner's logo, mark, or name appears, Defendants shall Clearly and Conspicuously disclose on the first page and in the main body of the solicitation and, for online solicitations, above the fold of the screen if viewed on a standard 1024x768 resolution monitor if the Marketing Partner's logo, mark or name appears there as well, that it is Defendants, and not the Marketing Partner, that own and operate the Membership Program.

REQUIREMENTS WHEN CONSUMER IS REDIRECTED FROM MARKETING PARTNER WEBSITE

40. In all online solicitations where a Marketing Partner customer has been directed from the Marketing Partner's web page to Defendants' Membership Program solicitation web page after the completion of a purchase or transaction using Billing Information with a Marketing Partner, Defendants shall:

A. Clearly and Conspicuously disclose, in a separate web page prior to the consumer being directed to the Membership Program page, that the consumer is leaving the

website of the Marketing Partner and being re-directed to the Membership Program website. The separate web page shall remain on the consumer's screen for a minimum of three seconds for the first line of disclosure and one second for every additional line; or

B. Defendants shall Clearly and Conspicuously disclose at the very top of the Membership Program's initial or landing web page that the consumer has left the Marketing Partner's website and is now on the Membership Program website.

41. On any web page of an online solicitation pursuant to Defendants' agreements or arrangements with Marketing Partners where there is a "Yes" or similar button that, when clicked, results in the Enrollment of a consumer in a Membership Program, Affinion shall have a Clear and Conspicuous "No Thanks" or similar button directly Proximate to the "Yes" or similar button.

ADDITIONAL REQUIREMENTS FOR ONLINE AND DIRECT MAIL SOLICITATIONS

42. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners where Defendants offer an Incentive to a consumer to Enroll in one of their Membership Programs, Defendants shall Clearly and Conspicuously disclose in the solicitation any material conditions relating to a consumer's ability to claim or qualify for any such Incentive. Such disclosure shall include, as applicable, a Clear and Conspicuous disclosure of whether the Incentive applies to a current or a future purchase.

43. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners that use Trial Offers, Defendants shall not misrepresent the nature of the Trial Offer, including representing that (i) a product or service is offered on a "free", "trial", or "bonus" basis, or (ii) a purchase is "risk free" or "without risk" when such is not the case.

44. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall not misrepresent the reason or purpose for which a consumer is receiving a solicitation or Incentive from Defendants or any of its Marketing Partners; provided, however, that disclosing the mere existence of a relationship between a consumer and the Marketing Partner does not violate this Paragraph.

45. For all online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners where Defendants use audio overlays to reference any Incentive or offer, the overlay shall not be misleading and any statements regarding material terms of the Incentive or offer, or disclosures related thereto, included in the audio overlay shall be made Clearly and Conspicuously, and also shall be Clearly and Conspicuously disclosed visually in the Membership Program solicitation.

46. For all direct mail and online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall not misrepresent that any Membership Program, Incentive, or benefit offered through any solicitation is offered by any entity other than Defendants.

REQUIREMENTS FOR POST-ENROLLMENT MATERIALS FOR DIRECT MAIL AND ONLINE ENROLLEES

47. A consumer who Enrolls via an online or a direct mail Membership Program solicitation marketed with a financial institution Marketing Partner and provides the Affirmative Assent described in Paragraphs 33(A)(2) and 33(B)(2) will be deemed to be a "Non-Account Enrollment."

Post-Enrollment Notices

48. The following shall apply to all consumers who Enroll beginning 180 days after the Effective Date in a Membership Program via direct mail and/or online solicitations pursuant to Defendants' agreements or arrangements with Marketing Partners:

A. If a consumer Enrolls in a Membership Program via online, Defendants may send communications required by this Judgment via:

1. E-mail, so long as the communications comply with Paragraph 49; or
2. U.S. Mail if, in addition to complying with the requirements of Paragraph 50, Defendants also Clearly and Conspicuously disclose to the consumer prior to Enrollment and Proximate to the area where the consumer provides Affirmative Assent that notices may be sent via U.S. Mail.

B. If a consumer Enrolls in a Membership Program via direct mail, Defendants may send communications required by this Judgment via:

1. U.S. Mail, so long as the communications comply with Paragraph 50; or
2. E-mail if, in addition to complying with the requirements of Paragraph 49, Defendants also (i) obtain an e-mail address from the consumer at the time of Enrollment and (ii) provide a Clear and Conspicuous disclosure proximate to the area where the consumer provides Affirmative Assent notifying the consumer that notices may be sent via e-mail.

C. While Defendants may reserve the right to send notices required under this Judgment to members who Enroll via online and direct mail via either e-mail or U.S. Mail if the requirements of 48(A) or (B), as applicable, are met, Defendants must disclose to members the means (*e.g.*, e-mail or U.S. Mail) by which they will receive the Fulfillment Materials required by Paragraph 52 if Defendants intend to send the Fulfillment Materials (i) by U.S. Mail to members who Enrolled online or (ii) by e-mail to members who Enrolled via direct mail, subject to the obligations of Paragraph 49(C)(2).

D. Nothing in this Paragraph shall prohibit Affinion from providing consumers a means by which to change delivery preferences post-Enrollment.

Requirements for Electronic Communications

49. The following shall apply to the communications sent by e-mail to consumers who Enroll in Membership Programs pursuant to Defendants' agreements or arrangements with Marketing Partners beginning 180 days after the Effective Date of this Judgment:

A. The sender or "From" line of the e-mail shall contain the name of the Membership Program.

B. The e-mail shall Clearly and Conspicuously:

1. State that the consumer is Enrolled in the Membership Program; and

2. Set forth contact information for the Membership Program (including, at a minimum, a toll-free telephone number and a website address) that a consumer may use to cancel his or her membership.

C. Defendants shall use commercially-reasonable efforts to:

1. Ensure that e-mail is not sent to "junk" or "spam" folders or otherwise filtered; and

2. Track returned or hard-bounced back Fulfillment Material and Billing Notice e-mails indicating that the e-mail address may be invalid. If Defendants receive a returned or hard-bounced back Fulfillment Material or Billing Notice e-mail, Defendants shall comply with the mailing requirements set forth in Paragraph 50.

Requirements for Communications Sent by U.S. Mail

50. The following shall apply to the communications sent by U.S. mail to consumers who Enroll in Membership Programs pursuant to Defendants' agreements or arrangements with Marketing Partners beginning 180 days after the Effective Date of this Judgment:

A. The outside of the envelope or in print visible through a window on the envelope, or if there is no envelope, the front or outside of the mailing, shall Clearly and

Conspicuously identify the sender as the Membership Program.

B. If Defendants learn that Fulfillment Materials or Billing Notices are not delivered to a consumer, Defendants shall (i) check the address against the National Change of Address Database ("NCOA"), (ii) contact the consumer via telephone to verify another means for delivery (*e.g.*, alternate address or e-mail) and resend the notice within two to three weeks of receipt of notice of non-delivery, and/or (iii) cancel the membership, unless Defendants' business records indicate that the consumer used or obtained benefits from the Membership Program in the preceding year. If Defendants subsequently learn that the re-mailing of a Fulfillment Material or Billing Notice is not delivered to a consumer, Defendants shall cancel the consumer's membership, unless Defendants' business records indicate that the consumer used or obtained benefits from the Membership Program in the preceding year.

51. **Confirmation Notice.** Defendants shall send a Confirmation Notice to any consumer who enrolls in a Membership Program beginning 180 days after the Effective Date via an online solicitation pursuant to Defendants' agreements or arrangements with Marketing Partners. The Confirmation Notice may be sent either in the form of a separate webpage displayed to the consumer immediately after the consumer provides Affirmative Assent or as a separate e-mail. The heading or subject line of the Confirmation Notice shall state: "Thank You for Your Membership Purchase" or substantially similar language. The Confirmation Notice shall Clearly and Conspicuously state the following:

A. That the consumer has chosen to join a Membership Program;

B. The name of the Membership Program;

C. The amount of the Membership Charge and the frequency of billing;

D. The terms of the cancellation policy for the Membership Program, and contact

information for the Membership Program (including, at a minimum, a toll-free telephone number and a website address) that a consumer may use to cancel his or her membership;

E. If a Trial Offer is included, the time period in which a consumer must cancel in order to avoid being charged for the Membership Charge;

F. The length of the membership term, that the Membership Charge has been or will automatically be charged to the consumer's Account, and that the consumer's membership will be renewed and the Membership Charge will be automatically charged to the consumer's Account for each successive period unless the consumer cancels the membership; and

G. A notice informing the consumer to print and retain a copy of the Confirmation Notice for his or her records.

52. **Fulfillment Materials.** Defendants shall send Fulfillment Materials to any consumer who Enrolls in a Membership Program beginning 180 days after the Effective Date via an online or direct mail solicitation pursuant to Defendants' agreements or arrangements with Marketing Partners.

A. Fulfillment Materials Via E-mail. For a consumer who Enrolls via an online solicitation or who Enrolls via a direct mail solicitation and receives notice that Fulfillment Materials will be delivered via e-mail, Defendants shall send an e-mail with the Fulfillment Materials no more than 3 business days after the consumer's Enrollment. The Fulfillment Materials shall:

1. State as the subject line: "Materials For Membership You Purchased," or substantially similar words.

2. Include a Clear and Conspicuous statement (i) informing the consumer that he or she has purchased a Membership Program, (ii) setting forth the

information required to be included in the Confirmation Notice, as set forth at Paragraph 51(A) through (G), (iii) providing information on how to redeem the Incentive, if applicable, and (iv) providing the consumer's membership number in the Membership Program. The disclosures required by Paragraph 51(A) and (B) and the consumer's membership number shall be displayed above the fold of the screen if viewed on a standard 1024x768 resolution monitor.

B. Fulfillment Materials Via U.S. Mail. For consumers who Enroll via direct mail solicitation, or who Enroll via an online solicitation but receive notice that the Fulfillment Materials will be delivered via U.S. Mail pursuant to Paragraph 48, Defendants shall send Fulfillment Materials by U.S. Mail within 2 to 3 weeks of Enrollment.

1. Defendants shall Clearly and Conspicuously disclose in 14-point bold type on the outside of the envelope or in 14-point bold type visible through a window on the envelope containing the Fulfillment Materials, or if there is not an envelope, on the front or outside of the mailing in 14-point bold type, the following statement or substantially similar words: "Materials For Membership You Purchased."

2. The Fulfillment Materials shall include, on the first page or as a stand-alone document, a Clear and Conspicuous statement informing the consumer that he or she has purchased a Membership Program, as well as a Clear and Conspicuous statement setting forth the information required to be included in the Confirmation Notice, as set forth at Paragraph 51(A) through (G). In addition, the Fulfillment Materials shall include (i) information describing the Incentive, if applicable, including information

on how to redeem the incentive, and (ii) the consumer's membership number in the Membership Program.

53. **Incentive Notice.** Defendants shall send to any Non-Account Enrollment who Enrolls in a Membership Program, beginning 180 days after the Effective Date via an online solicitation where an Incentive was offered with the solicitation, an Incentive Notice that Clearly and Conspicuously describes to the consumer the terms of how the consumer can receive his or her Incentive. Defendants shall send the Incentive Notice via e-mail at least seven (7) business days prior to the expiration of any Trial Period or, if no Trial Period is available, at least seven (7) business days before the consumer incurs a second Membership Charge.

54. **Pre-Bill Notice.** Defendants shall send to any Non-Account Enrollee who Enrolls in a Membership Program beginning 180 days after the Effective Date via an online solicitation with a Trial Offer, at least 14 days before the first billing to a consumer following Enrollment, a Pre-Bill Notice that contains the following Clear and Conspicuous disclosures:

A. The amount the consumer will be charged and the amount of time the consumer has to cancel to avoid being charged any Membership Charge;

B. The length of the membership term, that the Membership Charge will automatically be charged to the consumer's Account, and that the consumer's membership will be renewed and the Membership Charge will be automatically charged to the consumer's Account for each successive period unless the consumer cancels the membership; and

C. Contact information for the Membership Program (including, at a minimum, a toll-free telephone number and a website address) that a consumer may use to cancel his or her membership.

REQUIREMENTS FOR POST-ENROLLMENT MATERIALS FOR ALL ENROLLEES

55. **Billing Notice.**

A. Frequency of Billing Notice. Beginning 180 days after the Effective Date, Defendants shall send a Billing Notice to the following consumers who are Enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners, regardless of method or date of Enrollment, and in the following manner:

1. For consumers who are billed quarterly or more frequently than quarterly and did not provide their Billing Information directly to Defendants, Defendants shall send a Billing Notice to the consumer no less than 15 days before the 13th monthly billing, and on the same periodic schedule going forward (e.g., once every 12 billings for Accounts billed monthly);
2. For consumers who are billed less frequently than quarterly, Defendants shall send a Billing Notice no less than 15 days before the next subsequent billing, and on the same periodic schedule going forward (e.g., once a year for annually billed Accounts).

This Billing Notice obligation shall continue until the consumer cancels or otherwise terminates his or her membership. For purposes of this Paragraph, consumers who Enrolled via a telemarketing solicitation that complies with the Telemarketing Sales Rule ("TSR") are not covered by this Paragraph, except for those billed less frequently than quarterly.

B. Subject Line or Heading/Title of Billing Notice.

1. Billing Notices Sent by E-Mail. If sent by e-mail, the Billing Notice shall state as the subject line: "IMPORTANT MEMBERSHIP AND BILLING INFORMATION," "MEMBERSHIP RENEWAL NOTICE," or substantially similar words.
2. Billing Notices Sent by U.S. Mail. If sent by U.S. Mail, the Billing Notice

shall have the following Clear and Conspicuous statement or substantially similar words in 14-point bold type on the outside of the envelope or in 14-point type visible through the envelope or, if there is not an envelope, on the front or outside of the mailing, in 14-point bold type: "IMPORTANT MEMBERSHIP AND BILLING INFORMATION," "MEMBERSHIP RENEWAL NOTICE," or substantially similar words.

C. Content of Billing Notice. The Billing Notice shall Clearly and Conspicuously state:

1. That the consumer is a member of Defendants' Membership Program;
2. The name of the Membership Program in which the consumer is enrolled;
3. The amount of the Membership Charge and the frequency of billing;
4. The contact information for the Membership Program (including, at a minimum, a toll-free telephone number and a website address) that a consumer may use to cancel his or her membership;
5. The length of the membership term that the Membership Charge has been or will automatically be charged to the consumer's Account and that the consumer's membership will be renewed and the Membership Charge will be automatically charged to the consumer's Account for each successive period unless the consumer cancels the membership; and
6. The consumer's membership number in the Membership Program.

Change in Terms Notices

56. Beginning 180 days after the Effective Date, Defendants shall send, for all members enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners, regardless of the method or date of enrollment, a Change in Terms Notice whenever there is a material change in the terms and conditions of any Membership Program, including any increase in the Membership Charge or any change in the frequency of assessing

the Membership Charge, such as a change from annual to monthly billing. Defendants shall, prior to instituting such change, send a Change in Terms Notice to affected consumers between 30 and 60 days prior to the effective date of any such change.

A. If sent by e-mail, the Change in Terms Notice shall state as the subject line, of the e-mail: "IMPORTANT CHANGE OF [BILLING] INFORMATION FOR YOUR MEMBERSHIP," "MEMBERSHIP [CHARGE] CHANGE NOTICE," or substantially similar words.

B. If sent by U.S. mail, the Change in Terms Notice shall have the following Clear and Conspicuous statement or substantially similar words in 14-point bold type on the outside of the envelope or in 14-point bold type visible through the envelope or, if there is not an envelope, on the front or outside of the mailing, in 14-point bold type: "IMPORTANT CHANGE OF [BILLING] INFORMATION FOR YOUR MEMBERSHIP," "MEMBERSHIP [CHARGE] CHANGE NOTICE," or substantially similar words.

C. The Change in Terms Notice shall Clearly and Conspicuously state:

1. That the consumer is a member of Defendants' Membership Program;
2. The name of the Membership Program in which the consumer is enrolled;
3. The nature of the change in terms (e.g., the amount of the new Membership Charge, billing frequency, etc.). If there is a change in the Membership Charge, when the new charge goes into effect and the frequency of billing of the new charge and the fact that the charge will automatically renew; and
4. The contact information for the Membership Program (including, at a minimum, a toll-free telephone number and a website address) that a consumer may use to cancel his or her membership.

Provided however, nothing in this Paragraph shall be interpreted as allowing Defendants to engage in any acts or practices prohibited by state or federal law, regulation, or rule.

57. **Periodic Communications with Members**. Defendants shall send periodic communications ("Periodic Communications") to consumers who enroll beginning 180 days after the Effective Date in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners, regardless of the type of solicitation or method of obtaining affirmative assent, at least twice a calendar year, inclusive of the Billing Notice, if applicable. The Periodic Communications shall set forth, in a Clear and Conspicuous manner, the following information: (i) that the consumer is a member of Defendants' Membership Program; (ii) the name of the Membership Program in which the consumer is enrolled; and (iii) the contact information for the Membership Program (including, at a minimum, a toll-free telephone number and a website address) that a consumer may use to cancel his or her membership. The Periodic Communications shall be required for each Membership Program in which a member is enrolled.

REQUIREMENTS FOR ENVELOPES USED IN MAILINGS REQUIRED BY THIS JUDGMENT

58. For all envelopes used in mailings required by this Judgment, Defendants shall identify the Membership Program as the addressee in all instances on the envelope or outer wrapping containing a mailing, and shall not use the words "Redemption Center" or other substantially similar words.

59. For all envelopes used in mailings required by this Judgment, Defendants shall not use language on its envelopes that expressly or impliedly misrepresents the purpose of the solicitation.

CANCELLATION PROCEDURES

60. Defendants shall permit a consumer who enrolled in a Membership Program pursuant to

Defendants' agreements or arrangements with Marketing Partners to cancel his or her membership at any time, including during or after any Trial Period, with no restrictions placed on his or her right to cancel his or her membership and regardless of the method of enrollment. In order to cancel a membership, Defendants shall only require a consumer to give his or her name and address, e-mail address, or membership number. If Defendants cannot identify the membership based on this information, Defendants shall ask the consumer for the minimum amount of additional information necessary for Defendants to identify the Membership Program account. Defendants shall not require a consumer to provide a membership number in order to cancel his or her membership unless it is necessary to identify the consumer's Membership Program account.

61. Defendants shall accept and promptly process any cancellation request they receive from a consumer who enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners no later than five (5) business days from receipt of a written request for cancellation and two (2) business days from receipt of all other requests for cancellation, provided that the request contains sufficient information for Defendants to determine that the purpose of the communication from the consumer was a request to cancel the consumer's membership and that Defendants are able to identify the consumer's membership.

62. On Defendants' corporate websites and on the website of any of their Membership Programs accessed by consumers who enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall provide a link on the homepage that directs the consumer to a web page related to Membership Program customer service and contact information that shall Clearly and Conspicuously disclose all of the following information, which Defendants shall allow consumers to use to cancel their memberships:

A. A toll-free number to contact Defendants;

B. A mailing address to contact Defendants; and

C. An e-mail address to contact Defendants or an online cancellation option.

63. For all consumers who enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall not initiate a Membership Charge for a future term after the date a consumer contacts Defendants to cancel and Defendants process the cancellation.

64. For all consumers who enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall adequately staff its customer service department, including providing adequate staffing to respond to customer service phone calls during its hours of operation.

65. Defendants shall allow a consumer who enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners to cancel his or her membership via telephone. In those instances when live customer service lines are closed, Defendants shall promptly process and cancel the membership when notified of the cancellation, consistent with the requirements of Paragraph 61. If Defendants need additional information to identify and cancel the consumer's membership Defendants shall promptly contact the consumer and obtain the information. Defendants shall treat the Membership Program as canceled as of the date the consumer provides Defendants with the cancellation information required in Paragraph 60 and the cancellation is processed.

66. For all consumers who enrolled beginning 90 days after the Effective Date in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners, Defendants shall maintain records of cancellations for their Membership Programs, regardless of the method of enrollment, for at least 24 months following the date that the cancellation request was processed and upon written request, shall make such records available to the Attorney General. The cancellation records required by this Paragraph shall include originals, copies or electronic copies of Defendants' internal records of such cancellations.

Defendants, upon written request, shall also create an electronically-searchable cancellation database that includes, if known: (1) name, address, e-mail and telephone number of consumer; (2) method of solicitation; (3) Marketing Partner; (4) date of enrollment; (5) date that cancellation request was processed; (6) cancellation method; (7) the total amount of Membership Charges paid by consumer; and (8) the amount, if any, of any refund provided to the consumer. Defendants shall maintain such data so that it includes the information concerning each cancellation for at least 24 months following the date that the cancellation request was processed and shall, upon written request, make such database available to the Attorney General.

Cancellation Saves

67. For all consumers who enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners:

A. For purposes of this Judgment, a consumer who enrolled beginning 90 days after the Effective Date in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners who contacts Defendants to cancel, but decides not to cancel his or her membership after being offered an incentive to continue the Membership Program, such as a lower price, is referred to as having his or her membership "saved."

B. Prior to treating a membership as saved, Defendants must Clearly and Conspicuously reaffirm his or her decision to remain enrolled in a Membership Program.

C. Defendants shall notify each consumer who indicates that he or she did not consent to, authorize, or understand that he or she would be assessed a Membership Charge and subsequently consents to be saved (i) the amount the consumer will be billed and frequency of billing, and (ii) information related to

accessing the benefits of the Membership Program. Such notification shall take place during the conversation when the consumer consents to be saved.

68. Defendants shall notify each consumer who calls to dispute a Membership Charge or otherwise indicates that he or she did not consent to, authorize, or understand that he or she would be assessed a Membership Charge, of Defendants' cancellation policy. If such consumer elects to cancel his or her membership in the Membership Program, Defendants shall use best efforts to identify the account, honor the cancellation request and provide any and all credits or refunds that are provided for under the cancellation policy for that Membership Program, provided that Defendants are given sufficient information to identify the account being canceled.

NOTICES REQUIRED ON BILLING STATEMENTS

69. Defendants shall, to the extent practical and permitted under the billing practices of any applicable billing entities whose billing statements contain Membership Charges, request the billing entity in writing to:

A. Disclose information on the consumers' billing statements sufficient to identify the name of the Membership Program, a clearly identifiable toll-free telephone number for customer service on each billing statement or invoice, and, if sufficient space, the membership number;

B. If the Membership Charge is billed to a mortgage, loan, utility, or telecommunications account, Clearly and Conspicuously disclose on the consumers' billing statement or invoice that the charge is not related to the services provided;

C. Not use the term "Optional Product" or similar terms to describe Membership Charges on consumers' billing statements without Clearly and Conspicuously disclosing on the first page of the billing statement or invoice that the Optional

Product is a Membership Program purchased by the consumer and without providing a toll-free telephone number the consumer may call to cancel the Membership Charge or receive a refund; and

D. Not include solicitations with consumers' billing statements, unless they Clearly and Conspicuously distinguish the solicitation from the billing statement provided that the fact that a solicitation is included in the same envelope as a consumer's billing statement shall not be in and of itself deemed to be a violation of this provision.

E. If Defendants are notified of material changes to the billing practices of any applicable billing entities whose consumers' billing statements contain Membership Charges that would affect the requirements of this Paragraph, Defendants shall notify the State in writing.

CONSUMERS' REQUESTS FOR MEMBERSHIP DOCUMENTS IN HARD COPY

70. Defendants shall not charge a consumer who enrolled in a Membership Program pursuant to Defendants' agreements or arrangements with Marketing Partners a fee if the consumer requests a copy of the consumer's payment authorization (e.g., copy of the Live Check or proof of Affirmative Assent, or other proof that the consumer authorized the Membership Charges) or the terms and conditions of the consumer's membership. Defendants shall provide such copy or terms within thirty (30) days of the consumer's request; provided, however, if Defendants need more time because they cannot identify the membership based on the information provided by the consumer, Defendants shall ask the consumer for the minimum amount of additional information necessary for Defendants to identify the Membership Program account. Defendants shall then provide such copy or terms to the consumer after receiving sufficient additional information to identify the Membership Program. Defendants shall allow consumers to update their contact information by telephone and/or e-mail.

COMPLIANCE MONITORING

71. Defendants shall implement a program of internal monitoring to ensure compliance with this Judgment. As part of this program, Defendants shall record the following data for consumers who enroll beginning 90 days after the Effective Date in Membership Programs pursuant to Defendants' agreements or arrangements with Marketing Partners, regardless of method of enrollment:

A. *Enrollments*. Except for consumers who enroll via telemarketing, for a period of not less than two (2) years from the date of cancellation, Defendants shall record and retain, if supplied by the consumer at the time of enrollment, the name, address, e-mail address, and phone number of each consumer enrolled into any of Defendants' Membership Programs. In addition, for each of these consumers, Defendants shall record and retain (1) proof of affirmative assent; (2) the fee charged to the consumer; (3) type of solicitation; (4) name of the Membership Program; (5) date of enrollment; (6) method of enrollment; and (7) to the extent identifiable, Marketing Partner. For consumers who enroll via telemarketing, Defendants shall maintain consumer records as required by the TSR.

B. *Complaints*. For every Complaint received by Defendants, whether received directly or forwarded from a third-party including but not limited to a Marketing Partner, Defendants shall record and retain (1) the complaining consumer's name, address, e-mail address (if available), and phone number (if available); (2) the subject of the Complaint; (3) the Membership Program the consumer is enrolled in; (4) the type of solicitation; (5) the date and method of enrollment; (6) the Marketing Partner, to the extent identifiable; and (7) the resolution of the Complaint. Defendants shall retain this data for a period of three (3) years after the date of the Complaint.

C. *Solicitations*. For every materially-different solicitation used by Defendants or its Marketing Partner to market any Membership Program, Defendants shall retain a representative copy of that solicitation for three (3) years after the last use of that solicitation.

D. *Cancellation Procedures*. For every materially-different script regarding cancellation procedures or written cancellation policies and procedures provided to their customer service representatives, Defendants shall maintain a representative copy of the script, policy or procedure for three (3) years after the last use of that document.

TRAINING REQUIREMENTS

72. Beginning 60 days after the Effective Date of the Judgment, Defendants shall institute, for a period of three years, annual training approved by outside legal counsel for all relevant current and future employees regarding the relevant requirements of this Judgment within the following categories of employees:

A. All business and creative personnel responsible for creating solicitations, post-enrollment materials, and websites;

B. All customer service personnel who interact with consumers; and

C. All business development personnel responsible for creating new Marketing Partner relationships.

73. Upon written request from any duly authorized representative of the State Attorney General's Office, Defendants shall provide a copy of training materials used during the trainings required by this Judgment and shall certify that these trainings have occurred.

CONTRACT REQUIREMENTS FOR DEFENDANTS' MARKETING PARTNERS

74. Any contract or arrangement that Defendants enter into or re-affirm with a Marketing Partner, at a minimum:

A. Shall direct that Defendants review Membership Program solicitations that are to be sent, presented, or displayed to a Marketing Partner's customers by or on behalf of Defendants;

B. Shall direct the Marketing Partner to provide a consumer who contacts the Marketing Partner with questions regarding a Membership Program or to cancel his or her Membership Program, with a toll-free telephone number that may be used to contact Defendants regarding the Membership Program;

C. Shall direct that Defendants provide all Membership Program solicitations to the Marketing Partner and shall further provide that the Marketing Partner has the opportunity to review and approve the content and form of the solicitations before they are provided to customers of the Marketing Partner; and

D. Shall direct that Defendants provide, on at least a quarterly basis, to Marketing Partners with whom Defendants continue to market at the time of reporting, the number of customers of the Marketing Partner who joined a Membership Program and the number of Complaints received by Defendants regarding the customers of the Marketing Partner who had Enrolled as Non-Account Enrollees beginning 90 days after the Effective Date of the Judgment.

75. Defendants shall not enter into or renew any contract with any Marketing Partner regarding the marketing of Membership Programs that does not comply with the injunctive provisions of this Judgment.

MISCELLANEOUS INJUNCTIVE PROVISIONS

76. Nothing in this Judgment shall be interpreted as allowing Defendants to engage in any acts or practices prohibited by state or federal law, regulation, or rule.

77. Defendants shall not make any representation in any solicitation or notice to consumers, directly or by implication, that is contrary to any of the statements and disclosures required by

this Judgment.

78. Nothing in this Judgment shall be construed as limiting or restricting in any way any right that the State, the Iowa Attorney General, or any other State governmental entity may otherwise have to obtain information, documents, or testimony from Defendants pursuant to state or federal law, regulation, or rule.

79. Upon reasonable prior written notice, any duly authorized representative of the Attorney General of Iowa shall be permitted to inspect and copy such records as may be reasonably necessary to determine whether Defendants are in compliance with this Judgment. Nothing herein shall prohibit Defendants from filing an action in court to limit or set aside any such request to inspect and copy such records beyond those permitted by law. For requests related to Complaints, Defendants shall provide the requesting party an electronically-searchable database.

80. Provisions of this Judgment that specifically permit Defendants to make required statements in "substantially similar" words require Defendants to make such statements in words that have the same substantive meaning and do not materially change any of the terms of the statement.

81. Defendants shall not participate, directly or indirectly, in any activity or form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part which are prohibited in this Judgment or for any other purpose which would otherwise circumvent any part of this Judgment.

82. Defendants shall comply with the terms in Paragraphs 28 to 31, 60 to 76, and 78 to 81 no later than 90 days after the Effective Date of the Judgment, unless otherwise noted. Defendants shall comply with the terms in Paragraphs 32 to 59, and 77 no later than 180 days after the Effective Date of the Judgment.

VI. CONSUMER RESTITUTION

83. Defendants shall provide refunds to all "Eligible Notice Consumers," "Eligible Complainants," "Eligible Non-Notice Consumers" and "Additional Eligible Complainants" (each as defined below), in accordance with Paragraphs 84-101 below.

RESTITUTION FOR ONLINE DATA PASS AND LIVE CHECK ENROLLEES

84. "Eligible Notice Consumers" refers to a Resident who (1) enrolled in an Affinion or Trilegiant Membership Program, via online Data Pass between January 15, 2008, and the Effective Date of this Judgment; (2) enrolled in an Affinion or Trilegiant Membership Program via Live Check between January 15, 2008, and the Effective Date of this Judgment; or (3) enrolled in a Webloyalty Membership Program via online Data Pass between September 30, 2008 and the Effective Date, and who:

A. As of the Effective Date has not canceled the Membership Program and received a full refund of his or her Membership Charges; and

B. For consumers who Enrolled in a Webloyalty Membership Program, did not take any of the following actions after the expiration of the Trial Period, if there is one, or after Enrollment, if there is no Trial Period:

1. File a claim for a protection benefit offered by the Membership Program in which the consumer was enrolled;
2. Download a coupon from that Membership Program's website;
3. Make a purchase from or through that Membership Program; or
4. Purchase a gift card from that Membership Program.

85. Within five (5) business days after the Effective Date of this Judgment, Defendants shall place $19,387,162.38 ("Participating States' Fund") in an escrow account for restitution payments to consumers in the Participating States. The Participating States' Fund shall be held in an escrow account by a mutually-agreeable third-party escrow agent ("Escrow Agent") and in

accordance with a mutually-agreeable escrow agreement ("Escrow Agreement"). In the amount specified, such funds shall be disbursed by Escrow Agent to Defendants, upon notice to Escrow Agent by representatives of the Attorneys General of the States of California and Texas. The disbursed amount shall only be used for payments pursuant to the requirements of this Judgment and the Escrow Agreement. No payments shall be made pursuant to Paragraphs 84 and 99 until and unless Defendants have received all claims and are able to ascertain refund amounts, as further described in Paragraph 95. Defendants shall not be in violation of this Judgment for a failure of the representatives of the Attorneys General of the States of California and Texas to give notice in a timely manner of a distribution under this Paragraph.

86. Within 30 days after the Effective Date of this Judgment, Defendants shall compile an electronically searchable database of Eligible Notice Consumers. The database shall contain, for each membership for each Eligible Notice Consumer, the following information, each in a separate field (to the extent each is available):

A. Name;

B. Telephone number;

C. Street address;

D. City;

E. State;

F. Zip or postal code;

G. Membership Number;

H. Name of the Membership Program;

I. Name of the Marketing Partner;

J. The date of Enrollment;

K. The amount of the Membership Charge paid by the Eligible Notice Consumer to Defendants; and

L. Total amount of Membership Charges refunded to Eligible Notice Consumers.

A copy of the State's database of Eligible Notice Consumers shall be made available to the State upon request.

Time Period for Mailing Notices

87. Within 30 days after Defendants compile the database described in Paragraph 86, Defendants shall send to all Eligible Notice Consumers a Notice Letter, a copy of which is attached as Exhibit B hereto, and a Claim Form, a copy of which is attached as Exhibit C hereto. The Claim Form shall have the name, address and/or member number pre-populated prior to issuance.

88. Defendants shall send the Notice Letters and Claim Forms to Eligible Notice Consumers by First Class U.S. Mail to Eligible Notice Consumers who Enrolled via direct mail and by e-mail to Eligible Notice Consumers who Enrolled via online. In the case of First Class U.S. Mail, Defendants shall use NCOA to update the mailing address prior to sending the Notice Letters and Claim Forms. Defendants shall use commercially-reasonable efforts to ensure that e-mail is not sent to "junk" or "spam" folders and track returned or hard-bounced back e-mail. If Defendants receive a returned or hard-bounced back e-mail they shall resend the Notice Letter and Claim Form via First Class U.S. Mail, if a physical address is available. The Notice Letter shall state, in the subject line of the e-mail, and, for mailings, in 14-point bold type on the outside of or visible through the envelope: "IMPORTANT SETTLEMENT NOTICE REGARDING YOUR PAID MEMBERSHIP(S)." The "From" field of the e-mail shall state "Marketing Settlement Restitution Program" and, for mailings, the return address on the envelope shall be the "Marketing Settlement Restitution Program".

89. Upon request, Defendants shall provide to any Eligible Notice Consumer who contacts Defendants any information requested by the consumer pertaining to his or her

membership(s) that is reflected on the database specified in Paragraph 86, assuming the Eligible Notice Consumer provides Defendants adequate information to identify the relevant membership(s).

Deadline for Eligible Notice Consumers to Return Claim Forms

90. To be eligible for restitution pursuant to this Judgment, Claim Forms must be (i) properly completed by Eligible Notice Consumers, (ii) postmarked within 90 days of the date Defendants mailed the notice to Eligible Notice Consumers, and (iii) received by Defendants within 105 days of the date Defendants mailed such notice. For purposes of this Judgment, a Claim Form is not properly completed if (i) based upon the information submitted by the consumer, together with Defendant's own records, Defendants are unable to identify the consumer requesting restitution; (ii) the consumer failed to check the required box or checked the box indicating that the consumer knowingly consented to be charged for a Membership Program from Defendants on his or her credit or debit card or other account; (iii) the consumer failed to sign the Claim Form; or (iv) the consumer already received a full refund of charges with respect to the specific Membership Program(s) for which the consumer is seeking restitution.

Claim Form Processing Procedures

91. No later than 15 days after receiving a timely returned Claim Form from an Eligible Notice Consumer, Defendants shall cancel any current memberships of such Eligible Notice Consumer, if the Eligible Notice Consumer provides adequate information to identify the membership(s).

92. No later than 90 days after the deadline for returning Claim Forms, Defendants shall refund all Membership Charges not previously refunded to the Eligible Notice Consumers who return a properly completed Claim Form except that Defendants are not required to notify Eligible Notice Consumers who checked the box indicating that the consumer

knowingly consented to be charged for a membership program from Defendants on his or her credit or debit card or other account.

93. If an Eligible Notice Consumer fails to submit a properly completed Claim Form, Defendants shall, if possible, notify the Eligible Notice Consumer and indicate what still needs to be completed and inform him or her of the date (not less than thirty (30) days after Defendants mail back the incomplete Claim Form) by which the Eligible Notice Consumer must provide the properly completed Claim Form to Defendants in order to be eligible for restitution. If the properly completed Claim Form is returned within such time period, Defendants shall comply with Paragraph 92.

94. If the Claim Form is not approved, Defendants shall notify the Eligible Notice Consumer, within 90 days of the deadline for returning the Claim Form, that the Eligible Notice Consumer is ineligible for restitution and why.

95. In the event that the Participating States Fund is not sufficient to provide full restitution to all consumers eligible to receive restitution pursuant to Paragraphs 84 and 99 of this Judgment, then restitution shall be distributed on a pro rata basis.

96. No later than 270 days after the Effective Date of this Judgment, Defendants shall submit an electronically searchable report to the State that includes, with a breakdown of: (a) the total amount of restitution; (b) the number and identification of consumers provided with restitution; and (c) the number and identification of Claim Forms that were rejected as ineligible and the reasons they were rejected. With respect to checks that Defendants have sent to Iowa consumers but which are not cashed or deposited, upon request by the Iowa Attorney General's Office, Defendants shall, after the date that non-cashed checks mailed pursuant to this restitution program are voided, provide to the Attorney General of Iowa a report of Iowa consumers who failed to cash restitution checks and pay to the Attorney

General of Iowa the total sum of all such checks with such funds to be used by the Attorney General of Iowa for the administration and implementation of Iowa Code section 714.16, as set forth in Iowa Code section 714.16(7).

97. If the total payment due to consumers eligible to receive restitution pursuant to Paragraphs 84 and 99 of this Judgment is less than the total of the Participating States Fund, the Escrow Agent shall send the remaining amount to each Participating State in the amount for each Participating State as directed by and at the sole discretion of the Attorneys General of California and Texas, in accordance with and for the purposes stated in Paragraph 103 and the Escrow Agreement. That sum shall be provided to each Participating State within five (5) business days after the Escrow Agent distributes the amounts due to consumers to Defendants under Paragraphs 84 and 99 and pursuant to the Escrow Agreement. Defendants shall not be in violation of this judgment for a failure of the representatives of the Attorneys General of the States of California and Texas to give notice in a timely manner of a distribution under this Paragraph.

OTHER RESTITUTION PROVISIONS

98. Defendants shall treat all Complaints from consumers who enrolled via online Data Pass or Live Check submitted by consumers to any federal, state or local governmental agency prior to or within 120 days after the Effective Date of this Judgment, and forwarded to Defendants within 130 days of the Effective Date of this Judgment, ("Eligible Complainants"), in the same manner and provide refunds in the same manner and in the same time frames as refunds provided to Eligible Notice Consumers, except that Eligible Complainants shall not be required to submit a claim form and refunds shall be provided directly by Defendants and not be deducted from the Participating States Fund. Defendants shall also cancel any current memberships of such Eligible Complainants. Defendants may

subject Eligible Complainants to the same usage limitations as Eligible Notice Consumers, as provided in Paragraph 84.

99. Defendants shall treat all Complaints from consumers who enrolled via any means other than online Data Pass or Live Check, submitted by consumers to any federal, state or local agency 18 months prior to July 1, 2012, and forwarded to Defendants prior to execution of this Judgment ("Additional Eligible Complainants"), in the same manner and provide refunds in the same manner and in the same time frames as refunds provided to Eligible Notice Consumers, except that Additional Eligible Complainants shall not be required to submit a claim form and refunds shall be provided directly by Defendants and not be deducted from the Participating States Fund. Defendants may subject Additional Eligible Complainants to the same usage limitations as Eligible Notice Consumers, as provided in Paragraph 84.

100. Defendants also shall provide refunds to Residents of Iowa who (i) had previously submitted written Complaints directly to Defendants, (ii) had been canceled prior to the Effective Date, (iii) contact Defendants within 120 days after the Effective Date seeking a refund, and had enrolled in an (1) Affinion or Trilegiant Membership Program via online Data Pass between January 15, 2008 and the Effective Date of this Judgment; (2) Affinion or Trilegiant Membership Program via Live Check between January 15, 2008 and the Effective Date of this Judgment; or (3) Webloyalty Membership Program via online Data Pass between September 30, 2008 and the Effective Date of this Judgment ("Eligible Non-Notice Consumers"). Eligible Non-Notice Consumers shall be eligible for a full refund from the Participating States Fund in the same manner and in the same time frames as refunds provided to Eligible Notice Consumers, except that Eligible Non-Notice Consumers shall

not receive notice as required by Paragraph 87, nor shall they be required to submit a Claim Form as required by Paragraph 90.

101. No later than 270 days after the Effective Date of this Judgment, Defendants shall submit an electronically searchable report to the State that includes: (a) the total amount of refunds paid to Eligible Non-Notice Consumers, and (b) the number of Eligible Non-Notice Consumers provided with such refunds.

Costs for Restitution

102. Defendants shall bear all of the costs incurred in complying with the terms of the Judgment, including restitution and refunds as set forth herein, including the costs of any Escrow Agent or third-party administrator that may be hired to administer the restitution and/or refund process required by this Judgment.

VII. PAYMENT TO THE STATE

103. Within seven (7) business days after the Effective Date of this Judgment, Defendants, after receiving wire instructions from the State, shall pay $720,000.00 to the State, as payment for attorneys' fees and investigation and litigation costs, and/or consumer protection enforcement funds, consumer education, litigation or local consumer aid, filing fees and court cost, and other uses permitted by state law, at the discretion of the State's Attorney General. Specifically, the Court awards the State of Iowa judgment in the amount of Seven Hundred and Twenty Thousand Dollars ($720,000.00). No part of this payment shall be designated as a civil penalty, fine and/or forfeiture.

VIII. OTHER PROVISIONS

104. This Judgment supersedes the Judgments and Assurances of Voluntary Compliance identified in Exhibit D.

105. Defendants understand and acknowledge that pursuant to the provisions of Iowa Code §

714.16(7), any intentional violation of the terms of this Judgment may be punishable by civil penalties of not more than Five Thousand Dollars ($5,000.00) for each day of intentional violation, in addition to any other authorized sanctions.

106. Upon full and final payment of the amount required under Paragraph 103, this Judgment constitutes a complete settlement and release of any and all civil claims, causes of actions, restitution, costs, penalties and disgorgement based on conduct, acts or omissions for conduct alleged in the State's Petition or that relates to the Subject Matter or terms of this Judgment and the State's Petition, under the Iowa Consumer Protection Law (the "Released Claims"), by the Office of the Iowa Attorney General against Defendants and their principals, successors, and assigns and on behalf of each of their respective agents, representatives, directors, officers, employees and by any corporation, subsidiary or division through which they act or hereafter act. Released Claims do not include: (i) claims pursuant to any other statute or regulation (including, without limitation, antitrust laws, environmental laws, tax laws, credit repair/service organization laws, and criminal statutes and codes), (ii) claims occurring after the Effective Date, (iii) claims under the Iowa Consumer Protection Law unrelated to the Subject-Matter, or, (iv) claims under Iowa Code chapter 552A.

107. The Court retains jurisdiction as the ends of justice may require for the purpose of enabling any party to this Judgment to apply to the Court at any time for such further orders and directions as may be necessary or appropriate. Subject to the terms of Paragraph 108 below, this includes Affinion's right to petition the Court to modify the injunctive terms of the Final Judgment, upon giving at least 45 days written notice to the Iowa Attorney General.

108. In the event that any statute, rule or regulation pertaining to the subject matter of this Judgment is modified, enacted, promulgated or interpreted by Iowa, the federal government or any federal agency in conflict with any provision of this Judgment, or a court of competent jurisdiction holds that a statute, rule or regulation is in conflict with any provision of this

Judgment, Defendants may comply with such statute, rule or regulation and such action shall constitute compliance with the counterpart provision of this Judgment. Defendants shall provide advance written notice to the Attorney General of the inconsistent provision of the statute, rule or regulation with which Defendants intend to comply pursuant to this Judgment, and the counterpart provision of this Judgment which is in conflict with the statute, rule or regulation. Nothing in this Paragraph shall prohibit the Attorney General from disagreeing with Defendants as to the existence of any conflict and seeking to enforce this judgment accordingly.

109. Notices to be given under this Judgment are sufficient if given by nationally recognized overnight courier service or certified Mail (return receipt requested), or personal delivery to the named party at the address below:

A. If to Defendants:

General Counsel
Affinion Group
6 High Ridge Park
Stamford CT 06905

and

Clayton S. Friedman
Manatt, Phelps and Phillips
695 Town Center Dr
Fourteenth Floor
Costa Mesa, CA 92626

B. If to the State:

Director
Consumer Protection Division
Iowa Attorney General's Office
1305 E. Walnut Street
Des Moines, IA 50319

110. Notice is effective when delivered personally; or three (3) business days after it is sent by certified Mail; or on the business day after it is sent by nationally recognized courier service for next day delivery. Any party may change its notice address by giving notice in accordance with

this Paragraph.

111. The acceptance of this Judgment by the Iowa Attorney General shall not be deemed approval by the Iowa Attorney General of any of Defendants' advertising or business practices. Further, neither Defendants nor anyone acting on their behalf shall state or imply or cause to be stated or implied that the Iowa Attorney General or any other governmental unit of the State has approved, sanctioned or authorized any practice, act, advertisement or conduct of Defendants.

112. Except as provided herein, no waiver, modification, or amendment of the terms of this Judgment shall be valid or binding unless made in writing, signed by the party to be charged, approved by this Court and then only to the extent specifically set forth in such written waiver, modification or amendment.

113. This Judgment sets forth the entire agreement between the parties, and there are no representations, agreements, arrangements, or understanding, oral or written, between the parties relating to the subject matter of this Judgment which are not fully expressed hereto or attached hereto.

114. This Judgment shall not be construed against the "drafter" because the parties all participated in the drafting of the Judgment.

115. This Judgment shall not be construed or used as a waiver or any limitation of any defense otherwise available to Defendants in any pending or future legal or administrative action or proceeding relating to Defendants' conduct prior to the Effective Date of this Judgment or of Defendants' right to defend themselves from, or make any arguments in, any individual or class claims or suits relating to the existence, subject matter, or terms of this Judgment.

116. Except as otherwise set forth herein, if the State receives a request for documents provided by Defendants relating to the State's investigation of Defendants, negotiations of this Judgment, any reports specified or required herein, or information obtained by the Defendants or Claims Administrator in connection with this Judgment, the State shall comply with applicable

public disclosure laws and provide reasonable notice to Defendants consistent with the framework of the State's public disclosure law(s). Defendants have asserted that such documents include confidential or proprietary information and have specifically designated such documents as confidential. To the extent permitted by law, the Attorney General shall notify Defendants of (a) any legally enforceable demand for, or (b) the intention of any Attorney General to disclose to a third party, such information, records, or documents at least thirty (30) business days, or such shorter period as required by state law, in advance of complying with the demand or making such disclosure, in order to allow Defendants the reasonable opportunity to intervene and assert any legal exemptions or privileges they believe to be appropriate.

117. With respect to solicitations, advertising or marketing which has been used prior to the Effective Date of this Judgment, Defendants shall not be liable for their non-compliance so long as they have made reasonable efforts to locate, withdraw, or amend such solicitations, advertising or marketing to comply with the foregoing requirements. Defendants shall not be liable for failing to prevent the republication of pre-existing solicitation, advertising or marketing that does not comply with this Judgment by independent third-parties or parties who are not subject to Defendants' control so long as Defendants make reasonable efforts to prevent such republication, including, but not limited to, exercising any available contractual rights, and, where no contractual relationship exists, requesting in writing that the third party terminate the republication of such solicitation, advertising or marketing.

118. To the extent that any changes in Defendants' business, advertising materials, and/or solicitations to customers, or customer service practices are made to achieve or to facilitate conformance to the terms of this Judgment, such changes shall not constitute any form of evidence or admission by Defendants, explicit or implicit, of wrongdoing or failure to comply with any federal or state statute or regulation or the common law.

119. This Judgment is made without trial or adjudication of any issue of fact or law or finding

of liability of any kind. Nothing in this Judgment, including this Paragraph, shall be construed to limit or to restrict Defendants' right to use this Judgment to assert and maintain the defenses of res judicata, collateral estoppel, payment, compromise and settlement, accord and satisfaction, or any other legal or equitable defenses in any pending or future legal or administrative action or proceeding.

120. If the Attorney General decides to pursue enforcement of this Judgment because the Attorney General has determined that Defendants have failed to comply with any of the terms of this Judgment, and if, in the Attorney General's sole discretion, the failure to comply does not threaten the health or safety of the citizens of the State and/or does not create an emergency requiring immediate action, the Attorney General will notify Defendants in writing of such failure to comply and Defendants shall thereafter have fifteen (15) business days from receipt of such written notice, prior to the Attorney General initiating any enforcement proceeding, to provide a written response to the Attorney General's notice of failure to comply. The response may include:

A. A statement explaining why Defendants believe they are in full compliance with the Judgment;

B. A detailed explanation of how the alleged violation(s) occurred;

C. A statement that the alleged breach has been cured and how; or

D. A statement that the alleged breach cannot be reasonably cured within fifteen (15) business days from receipt of the notice, but

1. Defendants have begun to take corrective action to cure the alleged breach;

2. Defendants are pursuing such corrective action with reasonable and due diligence; and

3. Defendants have provided the Attorney General with a detailed and reasonable time table for curing the alleged breach.

Nothing herein shall prevent the Attorney General from agreeing in writing to provide Defendants with additional time beyond the fifteen (15) business day period to respond to the notice.

121. Nothing in this Judgment shall be construed to create, waive or limit any private right of action.

So Ordered.

Date: _____, 2013.

BY THE COURT

_____
Judge, Fifth Judicial District of Iowa

JOINTLY APPROVED AND SUBMITTED FOR ENTRY:

FOR THE STATE OF IOWA

By: _____

William L. Brauch AT0001121
Special Assistant Attorney General
Director—Consumer Protection Division
1305 E. Walnut Street
Des Moines, IA 50319
515.281.8772 (Telephone)
515.281.6771 (Facsimile)
William.Brauch@Iowa.gov

FOR AFFINION GROUP, INC., TRILEGIANT CORPORATION, AND WEBLOYALTY, INC.

By: _____

Title: Executive Vice President & Secretary
Affinion Group, Inc.

By: _____

Clayton S. Friedman
Manatt, Phelps & Phillips, LLP
695 Town Center Drive, Floor 14
Costa Mesa, CA 92626
714.338.2704 (telephone)
714.371.2573 (facsimile)
cfriedman@manatt.com

Counsel for Affinion Group, Inc., Trilegiant Corporation, and Webloyalty, Inc.

By: _____

Ronald R. Urbach
Davis & Gilbert, LLP
1740 Broadway
New York, NY 10019
212.468.4824 (telephone)
212.621.0922 (facsimile)
RUrbach@dglaw.com

Counsel for Affinion Group, Inc., Trilegiant Corporation, and Webloyalty, Inc.

LOCAL COUNSEL:

By: _____

Scott L. Long
Long & Gilliam, an Association of Sole Practitioners
5907 Grand Avenue
Des Moines, Iowa 50312
515.279.2052 (telephone)
515.279.2072 (facsimile)
sll@longgilliam.com

EXHIBIT A

1. Alabama
2. Alaska
3. Arizona
4. Arkansas
5. California
6. Colorado
7. Connecticut
8. Delaware
9. District of Columbia
10. Florida
11. Georgia
12. Idaho
13. Illinois
14. Indiana
15. Iowa
16. Kansas
17. Kentucky
18. Louisiana
19. Maine
20. Maryland
21. Massachusetts
22. Michigan
23. Minnesota
24. Mississippi
25. Missouri
26. Montana
27. Nebraska
28. Nevada
29. New Hampshire
30. New Jersey
31. New Mexico
32. North Carolina
33. North Dakota
34. Ohio
35. Oklahoma
36. Oregon
37. Pennsylvania
38. Rhode Island
39. South Dakota
40. Tennessee
41. Texas
42. Utah
43. Vermont
44. Virginia
45. Washington
46. West Virginia
47. Wisconsin
48. Wyoming

EXHIBIT B

ELIGIBILITY NOTICE

MARKETING SETTLEMENT RESTITUTION PROGRAM
c/o GCG
P.O. Box 35071
Seattle, WA 98124-3508
1 (866) 297-3088

JANE CLAIMANT
123 4TH AVE
CITY, STATE 01234

Dear JANE CLAIMANT:

You are receiving this notice because you may be entitled to a refund in connection with a settlement the Office of the State Attorney General ("OAG") has obtained with Affinion Group, Inc. and its subsidiaries Trilegiant Corporation and Webloyalty.com, Inc. (collectively "Settling Parties"), businesses that solicit consumers for various Membership Programs online using a discount, cash-back or other incentive or rebate offer, or via checks sent in the mail. This notice is being sent from GCG, Inc. ("GCG") on behalf of the Settling Parties as administrator pursuant to a settlement agreement.

According to the Settling Parties' records, you are currently enrolled in and being charged on a credit or debit card, bank account or mortgage account for the following Membership Programs:

Great Fun, Complete Home, Privacy Guard.

The Settling Parties' records show that you were enrolled in the Membership Programs listed above via a solicitation offered to customers of a business with which you had previously transacted. That business shared your account information with the Settling Parties.

An investigation conducted by the OAG has revealed that some consumers who allegedly accepted the Membership Program offers did not understand that by doing so they were agreeing to enroll in a Membership Program for which they would be charged periodically if they failed to cancel during a trial period. On [EFFECTIVE DATE], the OAG entered into a settlement with the Settling Parties to resolve the OAG's investigation. Pursuant to this settlement, consumers receiving this notice who did not knowingly enroll in a Membership Program or knowingly authorize billing for the Membership Program **may be eligible for a full refund of all fees paid by them that have not previously been refunded.**

To be eligible for a full refund, you must fill out, sign and postmark the enclosed claim form by [DATE] and send it to GCG at the following address:

MARKETING SETTLEMENT RESTITUTION PROGRAM
c/o GCG
P.O. Box 35071
Seattle, WA 98124-3508

Upon receipt of the claim form, your claim will be evaluated, and then you will be contacted by mail as to the disposition of your claim. If your claim is approved, you will be mailed a check.

If you cash, deposit or redeem a refund check sent to you or otherwise avail yourself of a refund in response to this claim form, you will be releasing the Settling Parties from any claims you may have with respect to the specific Membership Program(s) for which you receive a refund or refunds of charges to your account(s).

The OAG believes that the settlement resolving the investigation is in the public interest. However, you are not required to participate in this settlement. We cannot provide you with advice, legal or otherwise, concerning your rights and options in connection with this matter. You may consult a lawyer before making any decisions in this regard.

Please note that your membership is "current" and you are being billed on a periodic basis. If you file a claim, your membership will be cancelled automatically. If you do not file a claim for a refund, you will continue to be periodically billed unless and until you cancel the membership. You can cancel your membership at any time by calling GCG at 1 (866) 297-3088.

If you have specific questions about this notice or the claim form, you can contact the Office of the State Attorney General at 1 (800) 000-0000 or http://www.stateag.gov/contact-us/.

Very truly yours,

GCG

From: Marketing Settlement Restitution Program <MarketingSettlementRestitutionProgram@tgcginc.com>

Sent:

To:

Subject: IMPORTANT SETTLEMENT NOTICE REGARDING YOUR PAID MEMBERSHIP(S)

ELIGIBILITY NOTICE

MARKETING SETTLEMENT RESTITUTION PROGRAM
c/o GCG
P.O. Box 35071
Seattle, WA 98124-3508
1 (866) 297-3088

Dear Jane Dough:

You are receiving this notice because you may be entitled to a refund in connection with a settlement the Office of the State Attorney General ("OAG") has obtained with Affinion Group, Inc. and its subsidiaries Trilegiant Corporation and Webloyalty.com, Inc. (collectively "Settling Parties"), businesses that solicit consumers for various Membership Programs online using a discount, cash-back or other incentive or rebate offer, or via checks sent in the mail. This notice is being sent from GCG, Inc. ("GCG") on behalf of the Settling Parties as administrator pursuant to a settlement agreement.

According to the Settling Parties' records, you are currently enrolled in and being charged on a credit or debit card, bank account or mortgage account for the following Membership Programs:

Great Fun, Complete Home, Privacy Guard.

The Settling Parties' records show that you were enrolled in the Membership Programs listed above via a solicitation offered to customers of a business with which you had previously transacted. That business shared your account information with the Settling Parties.

An investigation conducted by the OAG has revealed that some consumers who allegedly accepted the Membership Program offers did not understand that by doing so they were agreeing to enroll in a Membership Program for which they would be charged periodically if they failed to cancel during a trial period. On [EFFECTIVE DATE], the OAG entered into a settlement with the Settling Parties to resolve the OAG's investigation. Pursuant to this settlement, consumers receiving this notice who did not knowingly enroll in a Membership Program or knowingly authorize billing for the Membership Program **may be eligible for a full refund of all fees paid by them that have not previously been refunded.**

To be eligible for a full refund, you must fill out, sign and postmark a claim form by [DATE] and send it to GCG at the following address:

MARKETING SETTLEMENT RESTITUTION PROGRAM
c/o GCG
P.O. Box 35071
Seattle, WA 98124-3508

MARKETING SETTLEMENT RESTITUTION PROGRAM
c/o GCG
P.O. Box 35071
Seattle, WA 98124-3508

To access your personalized claim form, click here. Upon receipt of the claim form, your claim will be evaluated, and then you will be contacted by mail as to the disposition of your claim. If your claim is approved, you will be mailed a check.

If you cash, deposit or redeem a refund check sent to you or otherwise avail yourself of a refund in response to a claim form, you will be releasing the Settling Parties from any claims you may have with respect to the specific Membership Program(s) for which you receive a refund or refunds of charges to your account(s).

The OAG believes that the settlement resolving the investigation is in the public interest. However, you are not required to participate in this settlement. We cannot provide you with advice, legal or otherwise, concerning your rights and options in connection with this matter. You may consult a lawyer before making any decisions in this regard.

Please note that your membership is "current" and you are being billed on a periodic basis. If you file a claim, your membership will be cancelled automatically. If you do not file a claim for a refund, you will continue to be periodically billed unless and until you cancel the membership. You can cancel your membership at any time by calling GCG at 1 (866) 297-3088.

If you have specific questions about this notice or the claim form, you can contact the Office of the State Attorney General at 800-000-0000 or attorney@attorneygeneral.com.

Very truly yours,

GCG

If you wish to UNSUBSCRIBE from future email messages from the Settlement Administrator with regard to this Settlement, please click on this link.

EXHIBIT C

MUST BE POSTMARKED ON OR BEFORE XXXXX XX, 2013

MARKETING SETTLEMENT RESTITUTION PROGRAM
c/o GCG
P.O. Box 35071
Seattle, WA 98124-3508
Toll-Free: 1 (866) 297-3088

AFN

Control No:
Claim No:

JANE CLAIMANT
123 4TH AVE
CITY, STATE 01234

Claim Form

To be eligible for a refund, you must complete this form and mail it to the address listed above.
All forms must be completed, signed, and postmarked by _____, 2013, to be accepted.

The following is your current contact information (please update if incorrect):

Customer Name: **JANE CLAIMANT**
Mailing Address: **123 4TH AVENUE**
CITY, STATE 01234

Email Address: **janeclaimant@hotmail.com**
Telephone: **123-456-7890**

Member No.	Program Name	Did you knowingly consent to be charged for this Membership Program from the Settling Parties on your credit or debit card or other account?
98765432	Great Fun	☐ Yes ☐ No
1234567	Complete Home	☐ Yes ☐ No
4253647	Reservation Rewards	☐ Yes ☐ No

You are encouraged to check your credit card or debit card account statements for charges for these Membership Programs.

PLEASE READ THE FOLLOWING BEFORE SIGNING. YOU MUST SIGN BELOW AND RETURN THE COMPLETED FORM BY THE ABOVE DATE TO RECEIVE A REFUND.

I understand and agree that by cashing, depositing or redeeming any refund check sent to me in response to this claim form, I am releasing the Settling Parties from any claims I may have with respect to the specific Membership Program(s) for which I receive a refund or refunds of charges to my account(s).

Signature: Date: / /

Name (print):

EXHIBIT D

States with a Previous Judgment or an Assurance of Voluntary Compliance

1. Alaska
2. Arkansas
3. California
4. Connecticut
5. Illinois
6. Iowa
7. Louisiana
8. Maine
9. Michigan
10. Missouri
11. New Jersey
12. North Carolina
13. Ohio
14. Oregon
15. Pennsylvania
16. Tennessee
17. Vermont
18. Washington
19. West Virginia