

Affinion/Webloyalty Multistate Settlement – FAQ

Background

Affinion and its subsidiaries, including Webloyalty.com, run multiple discount clubs and membership programs offering a variety of services such as credit monitoring, roadside assistance, and discounted travel. **(See list included in press release)**. Affinion markets these programs through its marketing partners, including banks and on-line retailers, via direct mail, online, telemarketing, and point of sale transactions.

Montana's lawsuit and settlement relate to Affinion's use of live checks and online data pass. In a live check solicitation, consumers were sent via direct mail an offer that appeared to be a check – but when consumers endorsed and deposited the checks, the consumers unknowingly authorized Affinion to enroll them in membership programs, and to bill them each month indefinitely. In an online data pass offer, consumers were presented an Affinion offer immediately after an online purchase from a retailer. Affinion was then able to enroll and bill consumers without acquiring any of their account information because the marketing partner would pass that information to Affinion.

As a result of these practices, consumers alleged that Affinion charged them for services without their authorization or knowledge. Additionally, consumers alleged that they had trouble getting refunds from Affinion.

Terms of Settlement

The 47 State Settlement (including the District of Columbia) requires changes to Affinion's business model relating to advertising, membership enrollment and billing. In addition, Affinion is establishing a fund of approximately \$19 million to provide refunds to eligible consumers.

Who is eligible for a refund?

Short answer – Anyone who enrolled or was previously enrolled in an Affinion or Webloyalty Program, via live check or on-line data pass, and did not knowingly consent to be charged can file a complaint with our office. Consumers who are currently still enrolled in an Affinion Program will receive notification of the settlement and a claim form to file. Former enrollees who cancelled their memberships and desire a refund may file a complaint with our office. Consumers are not eligible for a refund if they knowingly enrolled in a membership program or utilized any program benefits.

Detailed Restitution Eligibility is set forth below:

1. **Current Affinion Members**- Consumers who enrolled in an Affinion program via live check on on-line data pass between 1/15/08 and 10/17/2013; or 2) Consumers who enrolled in a Webloyalty program between 9/30/08 and 10/17/13 via live check and on-line data pass. In other words, these are consumers currently enrolled in an Affinion or Webloyalty program.

Under the terms of the settlement these consumers will receive notice of the settlement and a claim form from the third party Claims Administrator via mail (if the consumer enrolled via live-check) or by email (if the consumer enrolled via on-line data pass). **These consumers do not need to file a complaint with our office, but if they file a complaint their claim will still be**

processed. The Notices and Claim forms will be sent out within 60 days of 10/17/13 and the consumers must submit their claims to the Claims Administrator within 90 days of receiving it.

2. **Former Affinion Members** - Former Affinion or Webloyalty members, that enrolled via live check and on-line data pass, that file complaints with our office prior to or within 120 days of October 17, 2013 are eligible for a refund. These are consumers who previously cancelled their Affinion memberships and now desire a refund for any unauthorized charges.

3. **Consumers Who Filed Complaints with Affinion** – Consumers who previously submitted a complaint **directly** to Affinion, prior to 10/17/13, and canceled their membership but did not receive a full refund, are eligible for a full refund. These consumers **must contact Affinion to request their refund.**

When will restitution checks go out to consumers?

Under the terms of the settlement, restitution checks will be issued to consumers by Affinion or the Claims Administrator by no later than May of 2014.

Contact Information for Third Party Claims Administrator:

GCG – 1-866-297-3088. GCG should handle any questions about claim processing and restitution checks.

How do consumers know if they were unknowingly enrolled in one of these Affinion Programs?

Consumers should be advised to closely review their credit card and mortgage statements to ensure there are no unauthorized charges. They can review a list of Affinion's Membership Programs, which is included in the related press release.