

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

In the Matter of)

AMERICA ONLINE, INC. and)
COMPUSERVE INTERACTIVE SERVICES, INC.)
corporations.)

FILE NO. 002-3000

**PUBLIC
VERSION**

PETITION TO REOPEN PROCEEDINGS AND MODIFY ORDER

Pursuant to Section 5(b) of the Federal Trade Commission Act, 15 U.S.C. § 45(b), and Section 2.51(b) of the Commission's Rules of Practice, 16 C.F.R. § 2.51, AOL LLC ("AOL")¹ and CompuServe Interactive Services, Inc. ("CompuServe") (herein collectively referred to as "Respondents"), by and through their undersigned counsel, hereby request that the Federal Trade Commission ("FTC" or the "Commission"), to the extent necessary, reopen the proceedings in the above-captioned matter for the limited purpose of modifying the Commission's Decision and Order (the "Order") finalized January 28, 2004. A copy of the Order is included with this Petition as Exhibit 1.

¹ In February 2006, AOL converted from a corporation ("America Online, Inc.") to a limited liability company ("AOL LLC").

Respondents seek to modify the Order to permit the use of a system of third party verification (“TPV”) as an alternative to the Confirmation Notice required by the Order to ensure informed consumer consent to continue paid service. TPV is the practice of confirming a telephone-based sales transaction through an independent party and recording the verification.

As described more fully below, the requested modification is in the public interest insofar as it enables Respondents to more effectively and efficiently achieve the intended purpose of the Order.

I. BACKGROUND

Section II of the Order requires that Respondents obtain the express informed consent of subscribers who contact Respondents with the intent to cancel service but who, instead, agree to continue their paid member accounts. Pursuant to the Order, consent is deemed to be informed only if Respondents clearly and conspicuously disclose, among other things, that subscribers will be sent a Confirmation Notice via first-class mail within five (5) business days. The Confirmation Notice provides the material terms of the transaction and includes a Cancellation Request Form. Subscribers may cancel a paid Respondent account by completing the Cancellation Request Form and returning it to Respondents via U.S. Mail or facsimile. Respondents are required to process Cancellation Request Forms within seventy-two (72) hours of receipt. Section II of the Order also requires that a subscriber’s consent will be deemed to be express only if obtained in a manner which clearly evidences that the subscriber is consenting to continued billing for the service.

Since entry of the Order, Respondents have also entered into a series of settlements with the Attorneys General of all fifty states and the District of Columbia (“State Settlements”).³ Pursuant to the State Settlements, Respondents are obligated to provide numerous safeguards above-and-beyond those required by the Order, including the provision of TPV to all subscribers who contact Respondent with the intent to cancel service but who instead agree to continue paid service. The State Settlements do not require issuance of a Confirmation Notice; however, Respondents continue to issue Confirmation Notices, as required by the Order, in addition to routing subscribers through TPV. Additional safeguards required by the State Settlements include, but are not limited to, online/electronic cancellation and recording and archiving the entirety of all calls that result in the retention of a paid member account (in addition to TPV recordings).

II. THE BENEFITS OF THIRD-PARTY VERIFICATION

As described more fully in the attached Affidavit of Heidi Jongquist in Support of Petition to Reopen Proceedings and Modify Order (“Jongquist Affidavit”), TPV provides numerous consumer benefits over the Confirmation Notice.⁴ For example, TPV is contemporaneous with the underlying transaction, [REDACTED]

[REDACTED] TPV also provides an additional means of instantaneous cancellation for subscribers, since they have the

³ Respondents agreed to a September 2005 Assurance of Discontinuance with the Attorney General of New York, a December 2006 Assurance of Voluntary Compliance with the Attorney General of Florida, and a June 2007 Assurance of Voluntary Compliance with the Attorneys General of 48 states and the District of Columbia. Copies of the State Settlements are included as Exhibits 2 through 4.

⁴ See Jongquist Affidavit, attached hereto as Exhibit 5.

⁵ Jongquist Affidavit at ¶¶ 14-15, 17.

option to decline the service and have the account cancelled without any additional retention efforts.⁶ Further, there are no additional costs associated with a TPV cancellation request.⁷

TPV provides a digital voice recording of the TPV transaction that is archived by Respondents, thereby creating a record of a subscriber's express authorization. With regard to pre-subscription agreements, the FTC has stated that a recording of the person being informed of the material terms of the agreement and consenting to the terms and billing would "constitute evidence of express authorization."⁸ Accordingly, TPV has been required by the FTC in various consent orders as means for verifying obtaining express informed consent to billing.⁹

TPV also has been widely recognized as a successful way of obtaining consumer consent for over a decade in telecommunications and other government-regulated areas. For instance, TPV has long been an option for FCC-mandated verification of consumers' change of carriers, and it was recently adopted to obtain the express consent of consumers regarding the way their emergency 911 ("E911") service worked on their VOIP telephones.

III. LEGAL STANDARD FOR REOPENING AND MODIFICATION

Section 5(b) of the Federal Trade Commission Act provides that the Commission shall reopen a final order to consider whether it should be modified if the respondent makes a satisfactory showing that "changed conditions of law or fact" or the public interest so requires.

⁶ *Id.* at ¶ 18.

⁷ *Id.*

⁸ Notice of Proposed Rulemaking, 63 Fed. Reg. 58549, Oct. 30, 1998.

⁹ *See, e.g., FTC v. Smolev*, Stip. Judgment and Order (S.D. Fla. Oct. 23, 2001); *FTC v. Special Data Processing Corp.*, Stip. Judgment and Order (M.D. Fla. Aug. 26, 2004); *In re Sony BMG CD Techs.*, Settlement Agreement (S.D. N.Y. Dec. 28, 2005).

See *In the Matter of Rite Aid Corp.*, 125 F.T.C. 846, 848 (1998). Even where changed circumstances would not require reopening, the Commission may reopen and modify an order on public interest grounds. See 65 Fed. Reg. 50,636 (FTC Aug. 21, 2000), *amending* 16 C.F.R. 2.51(b)(2001). Modifications are in the public interest and may be granted if respondents demonstrate “that there is a more effective or efficient way of achieving the purposes of the order ... or that there is some other clear public interest that would be served if the Commission were to grant the requested relief.” *Id.*; see *Aventis S.A.*, Docket No. C-3919 (April 13, 2005) (Order Reopening and Modifying Order).

Respondents’ use of TPV is a much more effective and efficient way to verify telephone transactions in that, unlike the Confirmation Notice, TPV confirms that subscribers understand the material terms of the underlying transaction immediately after the agreement to continue service. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

TPV also is superior to the Confirmation Notice because it occurs immediately and creates no additional burden on subscribers. The Confirmation Notice can easily be disregarded by consumers when it arrives in the mail. Further, the Cancellation Request Form requires that

¹⁰ Jongquist Affidavit at ¶15.

¹¹ *Id.* at ¶16.

subscribers provide additional information and pay postage to return the Form to Respondents. Because TPV occurs immediately after the telephone transaction, subscribers are significantly less likely to avoid it and there are no additional costs associated with a TPV cancellation request.¹²

TPV is a more effective and efficient means for achieving the purposes of the Order in that it allows for prompt accessibility to the subscribers' recordings [REDACTED]
[REDACTED] This ensures that Respondents will be able to respond quickly to subscriber questions and regulatory inquiries. In addition, the recordings provide indisputable evidence of subscriber consent to continued billing.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

¹² *Id.* at ¶¶ 17-18.
¹³ *Id.* at ¶ 21.
¹⁴ *Id.* at ¶ 22.
¹⁵ *Id.* at ¶ 24.

[REDACTED]

[REDACTED]

TPV technology has developed since the entry of the Order such that Respondents have now been able to cost-effectively implement TPV technology. For example, costs related to call recording storage have dramatically decreased, and digital telephony technology is more efficient and much less expensive. Further, using TPV alone is less expensive for Respondents and less burdensome for subscribers than using both TPV and the Confirmation Notice and corresponding Cancellation Request Form, which are designed to achieve the same purpose and create redundancy in the system.¹⁷

For these reasons and those described in the Jongquist Affidavit, the public interest and changes in fact dictate that the Order should be modified to permit the use of TPV in lieu of the Confirmation Notice.

IV. REQUESTED MODIFICATION

Respondents request that the following modification be made to Section II of the 2004 Order (modifications in **bold**):

II.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Internet or online service, or any other product or service that is sold by means of a continuity program, shall not continue to charge any subscriber for such service or continuity program who:

¹⁶ Jongquist Affidavit at ¶ 25.

¹⁷ *Id.* at ¶¶ 13, 26.

1. has requested cancellation of such service or continuity program; and
2. is recorded as having agreed to continue to be a subscriber to such service or continuity program,

unless respondents:

- A. First obtain the express informed consent of each such subscriber to continue to subscribe to such service or continuity program.

Provided further, that a subscriber's consent will be deemed to be informed for the purpose of this Part only if the respondents clearly and conspicuously disclose, before the subscriber consents to continued billing, the following:

1. a description of the pricing plan of the service or continuity program to which the subscriber is agreeing, including periodic charges and any additional usage charges that may apply;
2. if the subscriber is being given a period of free service or continuity program shipments, the date on which the subscriber will be next billed for the service or continuity program, if he or she does not take further steps to cancel;
3. that the subscriber will be sent a confirmation notice within five (5) business days **or, in the case of verification by an independent third party verifier, that the subscriber will be transferred to a third party verification ("TPV") provider that will confirm the continuation of service in accordance with subpart F.**

Provided further, that a subscriber's consent will be deemed to be express for the purpose of this Part II only if the respondents obtain the informed consent in a manner which clearly evidences that the subscriber is consenting to continued billing for the service or continuity program.

- B. In the case of an Internet or online service, respondents must use one of the following means to evidence that respondents have obtained the consumer's express informed consent:

1. Issuance of a Confirmation Notice and Cancellation Form; or
2. **Verification by an independent TPV provider.**

- C. If respondents choose to issue a Confirmation Notice and Cancellation form, attached hereto as Attachment A, to each such subscriber, the following instructions must be followed:

1. An exact copy of Attachment A shall be sent by first class mail, within five (5) business days from the date on which each such subscriber is recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such service to the last known address of each such subscriber.

2. The front of the envelope transmitting Attachment A shall be in the form set forth in Attachment B to this order. The phrase "IMPORTANT: Confirmation of continued service," shall appear on the front of the envelope in typeface equal or larger in size to 16 point. The words "Forward & Address Correction Requested" shall appear in the upper left-hand corner of each envelope, one-quarter of an inch beneath the name and logo of the service and the return address. Except as otherwise provided by this order, no information other than that required by this Part shall be included in or added to the above items, nor shall any other material be transmitted therewith.
 3. Respondents also shall mail the appropriate Confirmation Notice and Cancellation Request Form to any such subscriber whose mailing is returned by the U.S. Postal Service as undeliverable and for whom respondent thereafter obtains a corrected address via the National Change of Address ("NCOA") registry. Respondents shall retain a NCOA licensee to update the addresses of such subscribers under this subpart by processing the subscribers through the NCOA database. The mailing required by this subpart shall be made within five (5) business days of respondent's receipt of a corrected address or information identifying each such subscriber.
- D. Respondents shall cancel the Internet or online service of subscribers who are notified pursuant to subpart C of this Part and who submit via U.S. mail or facsimile the Cancellation Request Form set forth in Attachment A with a valid account validator and signature. Cancellations would occur within 72 hours of respondents' receipt of the cancellation request.
- E. In the case of an Internet or online service, reimburse all fees for such service that any subscriber incurred subsequent to the date on which he or she was recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such service, if such subscriber:
1. requests a cancellation of such service within thirty (30) days of the date of the mailing of the confirmation notice that is required by subpart C of this Part; and
 2. the subscriber did not use such service for a significant period of time after he or she was recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such service.
- F. **If respondents choose to use TPV to verify consent to continue Internet or online service, the following requirements shall apply:**
1. **The TPV must not be owned, managed, controlled, or directed by respondent, or any business entity owned or controlled, directly or indirectly by the respondents, and must not have any financial incentive to confirm orders for the respondents. Provided, however, that respondents will not be in violation of this section if for the limited purpose of providing TPV for the hearing-impaired, respondents use the same third party to both conduct the call and complete the verification.**

2. **The TPV must by telephone confirm that the consumer has agreed to the continuation of Internet service and authorized continued billing for such goods or services. Confirmation must include the following information:**
 - i. **The exact cost for the continued service, including any early termination fees;**
 - ii. **Any minimum amount of time the consumer must maintain the online service if such a minimum is imposed;**
 - iii. **If the offer is a free trial membership, the exact date the consumer will begin to incur charges and the amount of charges the consumer will incur after the lapse of the free trial terms; and**
 - iv. **The terms and conditions of any other incentives offered to and accepted by the consumer as part of the transaction.**
 3. **Unless the consumer, during the verification by the TPV, affirmatively and unambiguously states that he or she agreed to the terms and conditions described in subpart F(2)(i) through (iv), the agreement will not be considered properly verified, and respondents must not enforce or attempt to enforce any obligation whatsoever against any consumer in connection with such unverified agreement, unless the agreement is verified by the issuance of a Confirmation Notice and Cancellation Form as described in subpart C.**
 4. **Respondents, and their successors and assigns, shall maintain and upon request make available for the Commission's review, recordings of TPV for a period of three (3) years from the date of the confirmation.**
- G. In the case of a continuity program other than Internet or online service, send the Confirmation Notice attached hereto as Attachment C, to each such subscriber, according to the following instructions:
1. If the subscriber has an active Internet or online service account with respondents, an exact copy of Attachment C shall be sent by e-mail to such subscriber's primary or master e-mail account within five (5) business days from the date on which such subscriber is recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such continuity program. The subject line of the e-mail transmitting Attachment C shall read "IMPORTANT: Confirmation of continued [name of continuity program]." The identification of the sender of the e-mail will be identical to that used on other e-mails sent by respondents to subscribers.
 2. If the continuity program subscriber does not have an active Internet or online service account with respondents, an exact copy of Attachment C shall be sent by first class mail, within five (5) business days from the date on which each such subscriber is recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such continuity program service to the last known address of each such subscriber. The front of the envelope transmitting Attachment C shall be in the form set forth in Attachment D to this order. The phrase

“IMPORTANT: Confirmation of continued [Name of continuity program],” shall appear on the front of the envelope in typeface equal or larger in size to 16 point. The words “Forward & Address Correction Requested” shall appear in the upper left-hand corner of each envelope, one-quarter of an inch beneath the return address.

Provided, however, respondents need not send a separate Confirmation Notice pursuant to this subpart with respect to a continuity program if: a) the subscriber to such continuity program requested cancellation of Internet or online service at the same time the subscriber requested cancellation of such continuity program, b) respondents send the subscriber a Confirmation Notice pursuant to subpart B of this part, and c) respondents cancel such continuity program when Internet or online service subscribers submit Cancellation Request Forms pursuant to subpart C of this part.

- H. Provide a method through which subscribers who are notified pursuant to subpart E of this Part are able to cancel such service via telephone or U.S. mail. Cancellations would occur within 72 hours of respondents’ receipt of the cancellation request.

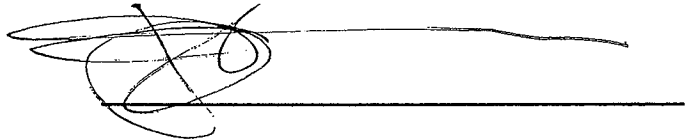
CONCLUSION

For the foregoing reasons, the Commission should grant Respondents’ request to reopen the proceedings and modify the Order as described herein, and should grant such further relief as would reduce the burden on Respondents as the Commission may determine to be in the public interest.

Dated: April 24 2009

Respectfully submitted,

AOL LLC

A handwritten signature in black ink, appearing to be "John E. Villafranco", written over a horizontal line.

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EXHIBIT 1

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

In the Matter of)
)
)

AMERICA ONLINE, INC. and)
COMPUERVE INTERACTIVE SERVICES, INC.,)
corporations.)
)
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_____)

FILE NO. 002-3000

AGREEMENT CONTAINING
CONSENT ORDER

The Federal Trade Commission has conducted an investigation of certain acts and practices of America Online, Inc. ("America Online"), and CompuServe Interactive Services, Inc. ("CompuServe") ("proposed respondents"). Proposed respondents, having been represented by counsel, are willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between America Online and CompuServe, by their duly authorized officers, and counsel for the Federal Trade Commission that:

- 1.a. Proposed respondent America Online is a Delaware corporation with its principal office or place of business at 22000 AOL Way, Dulles, Virginia 20166.
- 1.b. Proposed respondent CompuServe is a Delaware corporation with its principal office or place of business at 5000 Arlington Centre Boulevard, Columbus, Ohio 43220. CompuServe is a wholly owned subsidiary of America Online.
2. Proposed respondents admit all the jurisdictional facts set forth in the draft complaint.
3. Proposed respondents waive:
 - a. Any further procedural steps;
 - b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and
 - c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.
4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it,

together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the draft complaint, or that the facts as alleged in the draft complaint, other than the jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to proposed respondents' address as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondents have read the draft complaint and consent order. They understand that they may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

ORDER

DEFINITIONS

For purposes of this Order, the following definitions shall apply:

1. "Continuity Program" shall mean any plan, arrangement, or system pursuant to which a consumer receives periodic provisions of services or shipments of products without prior notification by the seller before each service period or shipment, regardless of any trial or approval period allowing the consumer to be reimbursed for or return the service or product.

2. "Significant period of time," with regard to usage of any Internet service or online service, shall mean a period of time that exceeds thirty (30) minutes.

3. "Rebate" shall mean cash, instant savings, instant credit, or credit towards future purchases, offered to consumers who purchase products or services from respondents, which is provided at the time of purchase, or subsequent to the purchase.
4. "Online service" shall mean any service which enables a consumer to connect, via modem or otherwise, to a computer network or other electronic network that provides access to content or features available only to that service's members.
5. "Receiving a properly completed request" shall mean the time at which the respondents receive from the rebate applicant all the information and materials required by the express terms of the rebate offer.
6. Unless otherwise specified, "respondents" shall mean America Online and CompuServe, their successors and assigns, and their officers, agents, representatives, and employees.
7. "Commerce" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

I.

IT IS ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Internet or online service, or any other product or service that is sold by means of a continuity program, shall establish and maintain appropriate measures for ensuring that consumers' requests for cancellation of such service or continuity program are promptly processed and that billing for such product or service will cease prior to the next billing cycle.

II.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Internet or online service, or any other product or service that is sold by means of a continuity program, shall not continue to charge any subscriber for such service or continuity program who:

1. has requested cancellation of such service or continuity program; and
2. is recorded as having agreed to continue to be a subscriber to such service or continuity program,

unless respondents:

- A. First obtain the express informed consent of each such subscriber to continue to subscribe to such service or continuity program.

Provided, that a subscriber's consent will be deemed to be informed for the purpose of this Part II only if the respondents clearly and conspicuously disclose, before the subscriber consents to continued billing, the following:

- i. a description of the pricing plan of the service or continuity program to which the subscriber is agreeing, including periodic charges and any additional usage charges that may apply;
- ii. if the subscriber is being given a period of free service or continuity program shipments, the date on which the subscriber will be next billed for the service or continuity program, if he or she does not take further steps to cancel;
- iii. that the subscriber will be sent a confirmation notice within five (5) business days.

Provided further, that a subscriber's consent will be deemed to be express for the purpose of this Part II only if the respondents obtain the informed consent in a manner which clearly evidences that the subscriber is consenting to continued billing for the service or continuity program.

- B. In the case of an Internet or online service, send the Confirmation Notice and Cancellation Request Form, attached hereto as Attachment A, to each such subscriber, according to the following instructions:

1. An exact copy of Attachment A shall be sent by first class mail, within five (5) business days from the date on which each such subscriber is recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such service to the last known address of each such subscriber.
2. The front of the envelope transmitting Attachment A shall be in the form set forth in Attachment B to this order. The phrase "IMPORTANT: Confirmation of continued service," shall appear on the front of the envelope in typeface equal or larger in size to 16 point. The words "Forward & Address Correction Requested" shall appear in the upper left-hand corner of each envelope, one-quarter of an inch beneath the name and logo of the service and the return address. Except as otherwise provided by this order, no information other than that required by this Part shall be included in or added to the above items, nor shall any other material be transmitted therewith.

3. Respondents also shall mail the appropriate Confirmation Notice and Cancellation Request Form to any such subscriber whose mailing is returned by the U.S. Postal Service as undeliverable and for whom respondent thereafter obtains a corrected address via the National Change of Address ("NCOA") registry. Respondents shall retain a NCOA licensee to update the addresses of such subscribers under this subpart by processing the subscribers through the NCOA database. The mailing required by this subpart shall be made within five (5) business days of respondent's receipt of a corrected address or information identifying each such subscriber.
- C. Respondents shall cancel the Internet or online service of subscribers who are notified pursuant to subpart B of this Part and who submit via U.S. mail or facsimile the Cancellation Request Form set forth in Attachment A with a valid account validator and signature. Cancellations would occur within 72 hours of respondents' receipt of the cancellation request.
- D. In the case of an Internet or online service, reimburse all fees for such service that any subscriber incurred subsequent to the date on which he or she was recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such service, if such subscriber:
1. requests a cancellation of such service within thirty (30) days of the date of the mailing of the confirmation notice that is required by subpart B of this Part; and
 2. the subscriber did not use such service for a significant period of time after he or she was recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such service.
- E. In the case of a continuity program other than Internet or online service, send the Confirmation Notice attached hereto as Attachment C, to each such subscriber, according to the following instructions:
1. If the subscriber has an active Internet or online service account with respondents, an exact copy of Attachment C shall be sent by e-mail to such subscriber's primary or master e-mail account within five (5) business days from the date on which such subscriber is recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such continuity program. The subject line of the e-mail transmitting Attachment C shall read "IMPORTANT: Confirmation of continued [name of continuity program]." The identification of the sender of the e-mail will be identical to that used on other e-mails sent by respondents to

subscribers.

2. If the continuity program subscriber does not have an active Internet or online service account with respondents, an exact copy of Attachment C shall be sent by first class mail, within five (5) business days from the date on which each such subscriber is recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such continuity program service to the last known address of each such subscriber. The front of the envelope transmitting Attachment C shall be in the form set forth in Attachment D to this order. The phrase "IMPORTANT: Confirmation of continued [Name of continuity program]," shall appear on the front of the envelope in typeface equal or larger in size to 16 point. The words "Forward & Address Correction Requested" shall appear in the upper left-hand corner of each envelope, one-quarter of an inch beneath the return address.

Provided, however, respondents need not send a separate Confirmation Notice pursuant to this subpart with respect to a continuity program if: a) the subscriber to such continuity program requested cancellation of Internet or online service at the same time the subscriber requested cancellation of such continuity program, b) respondents send the subscriber a Confirmation Notice pursuant subpart B of this part, and c) respondents cancel such continuity program when Internet or online service subscribers submit Cancellation Request Forms pursuant to subpart C of this part.

- F. Provide a method through which subscribers who are notified pursuant to subpart E of this Part are able to cancel such service via telephone or U.S. mail. Cancellations would occur within 72 hours of respondents' receipt of the cancellation request.

III.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Internet or online service and the offering of a rebate, shall not:

- A. make any representation, in any manner, expressly or by implication, about the time in which any rebate will be mailed, or otherwise provided to purchasers unless, at the time the representation is made, respondents have a reasonable basis for such representation; or

- B. fail to provide any rebate within the time specified or, if no time is specified, within thirty (30) days of receiving a properly completed request for such rebate.

IV.

IT IS FURTHER ORDERED that respondents, and their successors and assigns, shall maintain and upon request make available for copying:

- A. For five (5) years after the last date of dissemination of any representation covered by this order:
 - 1. All advertisements and promotional materials containing the representation;
 - 2. All materials that were relied upon in disseminating the representation; and
 - 3. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations;
- B. For each request for cancellation of any Internet service or online service, or continuity program, made by subscribers through the means provided for in Part II.C of the order, a record of the name and identification number of the employee who recorded the subscriber as having agreed to continue to be charged for, or continue to be a subscriber to, such service or continuity program, and the date on which such subscriber was recorded as having agreed to continue to be charged for, or continue to be a subscriber to, such service or continuity program;
- C. A record of the number of reimbursements issued each month to former subscribers pursuant to Part II.D of the order; and
- D. All consumer complaints received by respondents directly or indirectly through a third party in the prior three (3) year period, whether written, written memorializations of oral communications, or electronic mail, that relate or refer to:
 - 1. respondents' failure to cancel or delay in cancelling any Internet or online service, or any other product or service that is sold by means of a continuity program; or

2. any dispute about charges for any such product or service; and

respondents' responses to such complaints, including information related to any reimbursements issued by respondents. For any such complaint or response that is communicated orally, respondents shall maintain a written memorialization of such complaint or response.

V.

IT IS FURTHER ORDERED that respondents, and their successors and assigns, shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

VI.

IT IS FURTHER ORDERED that respondents, and their successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation that may affect compliance obligations arising under this order, including, but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580.

VII.

IT IS FURTHER ORDERED that respondents, and their successors and assigns, shall, within sixty (60) days after service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

VIII.

This order will terminate twenty (20) years from the date of its issuance, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

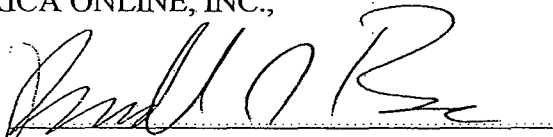
- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondents did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this 30th day of July 2003.

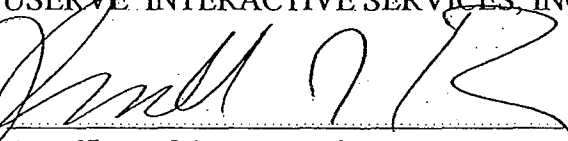
AMERICA ONLINE, INC.,

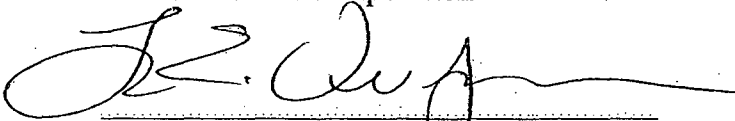
By:


An officer of the corporation

COMPUSERVE INTERACTIVE SERVICES, INC.,

By:


An officer of the corporation



WILLIAM C. MACLEOD
JOHN E. VILLAFRANCO
Collier Shannon Scott, PLLC
Attorneys for Respondents

FEDERAL TRADE COMMISSION

SYDNEY KNIGHT
Counsel for the Federal Trade Commission

LAURA SULLIVAN
Counsel for the Federal Trade Commission

MICHAEL OSTHEIMER
Counsel for the Federal Trade Commission

APPROVED:

MARY K. ENGLE
Associate Director
Division of Advertising Practices

LYDIA P. PARNES
Deputy Director
Bureau of Consumer Protection

ATTACHMENT A — FRONT

[To be printed on Company letterhead]

[DATE]

[NAME AND ADDRESS OF RECIPIENT]
[E-MAIL ADDRESS/USER NAME, IF APPLICABLE]

Re: [UNIQUE ACCOUNT IDENTIFIER]

Dear [RECIPIENT'S NAME]:

On behalf of [AMERICA ONLINE, INC. OR COMPUSERVE INTERACTIVE SERVICES, INC.], thank you for agreeing to continue your subscription to [NAME OF INTERNET OR ONLINE SERVICE]. We look forward to providing you with the highest quality of service.

This letter confirms that on [DATE] you agreed to continue your [NAME OF SERVICE]. Your service will be continued and you will be charged [PRICING PLAN] per [TIME PERIOD] as agreed. [IF ADDITIONAL HOURLY OR OTHER USAGE CHARGES APPLY TO THIS PRICING PLAN, DESCRIBE THOSE CHARGES]. [IF SUBSCRIBER ACCEPTED AN OFFER OF A CERTAIN PERIOD OF FREE SERVICE INSERT THE FOLLOWING SENTENCE: These charges will resume after your [PERIOD OF TIME] of free service expire(s) on [DATE], unless you contact us to cancel your subscription before this date.] [IF SUBSCRIBER ACCEPTED REDEEMABLE AOL SERVICE CREDITS INSERT THE FOLLOWING SENTENCES: As discussed, we will provide [NUMBER OF CREDITS] Service Awards to your Award Center account. To redeem: Go to AOL Keyword: "Award Center" and click the "Redeem Service Award Now" button. Remember to redeem your Service Award before [NEXT BILLING DATE] to avoid membership fees and that your Service Awards expire on [DATE], 6 months from date of issuance.] If you subscribe to any premium services, you will continue to enjoy them and will be billed accordingly. [IF SUBSCRIBER ACCEPTED REDEEMABLE AOL SERVICE CREDITS INSERT THE FOLLOWING SENTENCE: The Service Awards you will receive only apply to your monthly membership fees and not to premium services.] If you need further assistance or have any questions about your current services, please call our Billing Department at [TELEPHONE NUMBER].

If our records are incorrect and you wish to cancel your [NAME OF SERVICE] membership, you can fully complete and send the cancellation form on the reverse side of this letter to us at [COMPANY ADDRESS] or fax it to us at [TELEPHONE NUMBER].

Within [NUMBER] days of receipt of your request, we will mail you confirmation of your cancellation.

Thank you for choosing to stay with [NAME OF SERVICE] and giving us the opportunity to show you how the [NAME OF SERVICE] experience is now better than ever.

Sincerely,

[SIGNATURE]
[NAME PRINTED]

Sincerely,

[SIGNATURE]

[NAME PRINTED]

ATTACHMENT A — BACK

CANCELLATION REQUEST

[UNIQUE ACCOUNT IDENTIFIER]

DATE:

BILLING CONTACT'S NAME:

BILLING CONTACT'S ADDRESS:

<p>For security purposes, please provide <u>one</u> of the following three account validators:</p> <p>(1) the primary or master screen name, (2) the last 4 digits of the credit card, checking account, or telephone number to which the account is billed, <u>or</u> (3) the answer to your Account Security Question.</p>	
<p>I called to cancel my [NAME OF SERVICE]. I did not wish to continue my [NAME OF SERVICE]. Please cancel my account upon receipt of this request.</p>	
<p>SIGNATURE:</p>	

Note: to ensure cancellation of your [NAME OF SERVICE] account you must provide an account validator and sign your name.

ATTACHMENT B

NOTICE LETTER ENVELOPE

[Name and logo of service]

[Company address]

Forward & Address Correction Requested

Window Envelope

[The following statement is to appear in a box, on the front of the envelope in black with a white background, in extra large typeface equal or larger in size to 16 point, bold type face]

**IMPORTANT: Confirmation
of continued service**

ATTACHMENT C

Dear [Recipient's name]:

Our records indicate that on [date] you agreed to continue your [name continuity program]. Your subscription will be continued and you will be charged [description of pricing plan].

If our records are incorrect and you wish to cancel your [name of continuity program] membership, you may call us at ((xxx) xxx-xxxx) or write us at [address].

Within [number] days of receipt of your request, we will e-mail you confirmation of your cancellation.

Thank you for choosing to continue your [name of service].

Sincerely,

[Name printed]

ATTACHMENT D

NOTICE LETTER ENVELOPE

[Company Name]

[Company address]

Forward & Address Correction Requested

Window Envelope

[The following statement is to appear in a box, on the front of the envelope in black with a white background, in extra large typeface equal or larger in size to 16 point, bold type face]

**IMPORTANT: Confirmation
of continued [name of service
or continuity program]**

EXHIBIT 2

**ATTORNEY GENERAL OF THE STATE OF NEW YORK
INTERNET BUREAU**

IN THE MATTER OF:

AMERICA ONLINE, INC.

ASSURANCE OF DISCONTINUANCE

Pursuant to the provisions of Article 22-A of the New York General Business Law (GBL), and Section 63(12) of the Executive Law, Eliot Spitzer, Attorney General of the State of New York, has made an inquiry into certain business practices of America Online, Inc. ("AOL"). Based upon that inquiry, the Attorney General concludes as follows:

FINDINGS OF ATTORNEY GENERAL

1. AOL is a Delaware corporation, with its principal place of business at 22000 AOL Way, Dulles, Virginia 20166.
2. AOL provides Internet access service in New York, and nationwide.
3. AOL currently has more than twenty-one million subscribers of AOL-branded Internet service in the United States. Approximately 1.9 million of these subscribers are New York residents.
4. The Attorney General has conducted an investigation into complaints, received from consumers, asserting that AOL has not cancelled its subscribers' accounts upon request, thus resulting in these subscribers being billed after they cancelled their Internet service. The Attorney General found that certain of AOL's practices likely led to these problems and/or created an atmosphere that led some consumer service representatives to fail properly to process cancellation calls. Some of these practices are briefly described below.

5. Since 1998, AOL has had in place a system of monetary bonuses and penalties applicable to its consumer services representatives handling cancellation calls. AOL refers to these representatives as “Save Employees,” or “Retention Consultants” (hereinafter “Save Employees”), because they are tasked with and rewarded for “saving” subscribers who contact AOL with the initial purpose of canceling their accounts, *i.e.*, persuading these members to remain AOL members.

6. At various times since 2000, AOL has required that in order to earn the incentive portion of his or her salary (“save bonuses”), a Save Employee must “save” a set percentage of all subscribers who call AOL to cancel their Internet service. In 2002, for instance, this minimum “save rate” for each Save Employee was 48 percent; in August 2004, AOL increased it to 49 percent.

7. These save bonuses have been relatively lucrative. For instance, AOL’s October 2003 Saves “Incentives and Rewards” guide, distributed to Save Employees, described how “Johnny Saver,” who, in a given month, recorded 655 “24 hour” saves (*i.e.*, the consumer did not cancel AOL service within 24 hours of the save), and 320 “90 day saves” (*i.e.*, the consumer did not cancel AOL service within 90 days of the save) would earn a bonus of \$3115 for that month.

8. By contrast, according to AOL materials, “low savers,” *i.e.*, those with save rates below the prescribed targets, did not receive these bonuses, and might be referred for “additional training,” or deemed ineligible for promotions.

9. Employing various internal procedures to monitor randomized cancellation calls, including procedures required under a January 2004 Consent Order with the FTC,¹ AOL has

¹ In re America Online, Inc., No. C-4105, 2004 F.T.C. LEXIS 7 (Jan. 28, 2004).

confirmed that certain Save Employees have failed properly to honor cancellation calls and/or failed to handle cancellation calls in accordance with AOL's member retention policies. On those occasions in which AOL detects that a Save Employee failed to follow proper procedures, it may address this in various ways, including by providing additional training, warnings, and in certain cases, termination.

Statutory Violations

10. The Attorney General believes and alleges that, with respect to its employees' handling of such cancellation calls, AOL has violated New York General Business Law § 349 and New York Executive Law § 63(12).

11. **IT NOW APPEARS** that AOL is willing to enter into this Assurance of Discontinuance, without admitting any violation of law. The Attorney General acknowledges that AOL has cooperated fully and in good faith with this inquiry and is willing to accept the terms of this Assurance of Discontinuance pursuant to Executive Law § 63(15) in lieu of commencing a statutory special proceeding.

AGREEMENT

IT IS HEREBY UNDERSTOOD AND AGREED by and between AOL and the Attorney General that:

12. This Assurance of Discontinuance (hereinafter "Assurance") shall apply to AOL in its transactions with New York residents, whether acting through its principals, directors, officers, shareholders, employees, representatives, agents, assigns, successors, or other business entities, whose acts, practices or policies are directed, formulated or controlled by AOL.

13. Within sixty days of the execution date of this Assurance, qualification for

compensation paid by AOL to any call center personnel based on subscribers' consent to continue service in lieu of cancellation of their accounts (e.g., "save bonuses") will no longer be dependent on any minimum saves rate.

14. AOL shall develop a new system of third-party verification whereby, as to every instance in which an AOL member calls AOL with the initial and/or stated purpose of canceling service, an independent third party will verify and record the member's consent to continue service. AOL shall retain all records of such cancellation calls for at least three years.

15. By no later than January 10, 2006, AOL will begin to roll out this verification system in certain call center retention queues, with the effect that, at a minimum, approximately 20-25% of all cancellation calls will be verified in this way by this date; by April 30, 2006, at a minimum, approximately 40-50% of all cancellation calls will be verified in this way. AOL will implement this third-party verification system across all remaining queues by no later than June 1, 2006. During this implementation period (January 10, 2006 through June 1, 2006), AOL will send periodic written reports (approximately one per month or as otherwise agreed by the parties) to the Attorney General that detail AOL's progress in implementing this third-party verification system. If, prior to June 1, 2006, AOL believes in good faith that an extension of thirty days is necessary to complete this project, then it will notify the Attorney in writing and provide a detailed explanation for such delay. Consent to an extension will not be unreasonably withheld.

16. During the implementation period defined in the previous paragraph, AOL will not provide incentive compensation to Save Employees whose queues have implemented third-party verification unless the saves have been verified. Further, once third-party verification is implemented across all queues, all Save Employees' incentive compensation (if any) will be

based solely on saves that have been confirmed through third-party verification.

17. AOL shall, within ten days of the execution date of this Assurance, pay to the State of New York the sum of \$1,200,000 as penalties, and \$50,000 as investigatory costs.

18. AOL shall provide repayments of up to four months of assertedly improper post-cancellation charges to all eligible New York consumers who, within 120 days of the execution date, submit in writing to either AOL or to the Attorney General a signed statement that includes the following information: (a) billing contacts' name and address; (b) the primary or masterscreen name, last four digits of the credit card, checking account, or telephone number to which the account is billed, or the answer to the member's Account Security Question; and (c) a statement that the claimant called to cancel an AOL-branded Internet Service account, did not agree to continue service, and the account was not canceled. This signed statement, if directed to AOL, should be mailed to: America Online, Inc., Attn: NY Member Refund Claims, PO Box 17250, Jacksonville, FL 32245-7250. AOL may assess such claims against its account history records, and if such records indicate that the claimant (i) is not a former AOL member; (ii) was not at any time saved as described in paragraph ¶ 5 of this Assurance; (iii) has already received a refund or chargeback equal to the amount of the asserted claim; or (iv) has also submitted a timely claim in *Clough v. America Online, Inc.*, No. D-CJ-2001-13 (D. Ct. Okla. Oct. 21, 2004), then AOL may provide such information to the Attorney General, together with any relevant records, and will propose and negotiate with the Attorney General an alternative resolution of the claim, if appropriate. AOL will designate an AOL employee to whom the Attorney General may submit claims that it receives directly from consumers.

19. Within six months from the execution date of this Assurance, AOL will submit to

the Attorney General a sworn, certified report setting forth (a) the number of claims received pursuant to ¶ 18; (b) the amount of payments made; and (c) the number and corresponding value of any claims AOL has referred to the Attorney General for a possible alternative resolution and/or denial, pursuant to ¶ 18.

20. On or before August 1, 2006, AOL shall submit to the Attorney General a sworn, certified letter or affidavit setting forth its compliance with all terms of this Assurance.

21. Nothing contained in this Assurance shall be construed to alter or enhance any existing legal rights of any consumer or to deprive any person or entity of any existing private right under the law.

22. Nothing contained herein shall be construed as relieving AOL of the obligation to comply with all state and federal laws, regulations or rules, nor shall any of the provisions of this Assurance be deemed permission to engage in any act or practice prohibited by such law, regulation or rule.

23. The acceptance of this Assurance by the Attorney General shall not be deemed approval by the Attorney General of any of AOL's business practices, and AOL shall make no representation to the contrary.

24. This Assurance is contingent on and relies on the truthfulness and accuracy of all representations made by AOL during this investigation.

25. The "execution date" of this Assurance shall be August ___, 2005.

WHEREFORE, the following signatures are affixed hereto this ___ day of August,
2005.

AMERICA ONLINE, INC.

ELIOT SPITZER

By:

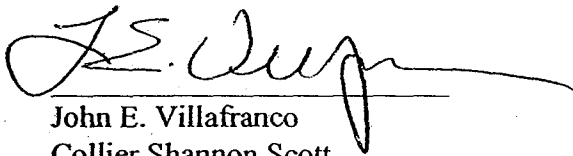
Attorney General of the
State of New York
120 Broadway
New York, New York 10271-0332
(212) 416-8433



An Officer of AOL Hereby Authorized
To Enter into this Assurance

By:

By:



John E. Villafranco
Collier Shannon Scott
Counsel for AOL
(202) 342-8400

Kenneth M. Dreifach
Assistant Attorney General In Charge
INTERNET BUREAU

By:

Elizabeth Nielwocki
Assistant Attorney General

EXHIBIT 3

**STATE OF FLORIDA
OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF LEGAL AFFAIRS**

**IN THE INVESTIGATION OF
AOL LLC**

**AG Case Nos.
L05-3-1138/L06-3-1092**

ASSURANCE OF VOLUNTARY COMPLIANCE

The Office of the Attorney General, Department of Legal Affairs, State of Florida (“the Attorney General”), investigated the business practices of AOL LLC (“AOL”) pursuant to the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Florida Statutes.

This Assurance of Voluntary Compliance, (hereinafter referred to as the “AVC”), is solely intended to resolve the investigation into whether AOL engaged in any unlawful and deceptive trade practices.

The Attorney General, by the signature of his Deputy Attorney General, affixed hereto, does in this matter accept this AVC in termination of this investigation, pursuant to Section 501.207(6), Florida Statutes, and by virtue of the authority in the Office of the Attorney General by said statute.

AOL makes no admission of wrong doing and the Attorney General acknowledges AOL’s good faith and cooperation during the course of this inquiry.

BACKGROUND

1. AOL, a Delaware limited liability company with its principal place of business in Dulles, Virginia, has provided Internet-related services for more than 20 years. AOL currently has more than 14 million paying Members nationwide, approximately a million of whom reside in Florida.

2. Historically, AOL's primary service has been dial-up Internet access, typically offered through a "free trial" offer that enables consumers to register as an AOL Member and thereby access the AOL Internet service for a free trial period, requiring that the Member cancel the account prior to the end of the free trial period to avoid a monthly Internet service charge to the payment method (checking, debit card, credit card or phone bill) provided by the Member during registration.

3. The AOL-related consumer complaints that the Attorney General has received tend to involve one of four issues: cancellation, reactivation of a previously cancelled account, spin-off sub-accounts, and the phone bill payment method.

Cancellation

4. Since 1998, AOL has provided Members three methods of cancellation: phone, facsimile, and mail. Most cancellation requests are made by phone, which results in the Member being directed to AOL Member Services consultants who are trained to assess whether the Member has an issue that can be resolved short of cancellation. A Member who subsequently decides not to cancel his or her account is considered "saved" by AOL, which has historically provided incentives to consultants for "saving" Members in the form of bonus compensation that, until 2005, depended on the consultant retaining a minimum threshold percentage of calls handled. During the 2003-2006 time period, the

majority of these calls were handled by retention or “save” consultants in AOL’s Florida call centers.¹

5. AOL, both on its own and in response to various regulatory inquiries, has developed and implemented a series of safeguards against consultants failing to properly process Member cancel requests.

6. For example, if a Member who has expressed cancel intent agrees to continue a paid Membership, the Member’s account history is automatically notated with a “Saved Account” code that triggers a Full Disclosure Save script (dynamically populated with data from the Member’s account history). The Full Disclosure Save script repeats the Member’s agreement to continue the account and the terms of any new price plan or promotion offered to and accepted by the Member, and informs the Member that they will receive a Saves Confirmation Notice via US mail. The Notice is mailed to the Master Account holder and contains a cancellation form that the Member can return by fax or mail if the Member subsequently determines to cancel the account, as well as a toll-free Member Services number.

7. If a Member requests cancellation by phone after receiving a Saves Confirmation Notice, AOL guidelines instruct consultants to take the following steps: “(1) Check usage. (2) Consultants MUST NOT make a save attempt. (3) Per FTC credit guidelines, issue credit for the subsequent billed month that occurred since the last “Member Save” event, up to a maximum of 1 month. (4) Consultants should process an immediate account cancellation.” Consultants are trained to place an immediate cancel

¹ AOL operated internal call centers in Orlando and Jacksonville until those sites closed in 2005 and 2006, as well as sites in Lakeland and Ft. Pierce. AOL continues to have an active outsourced call center operation in Tampa, Florida. During the 2003-2006 time period, the Jacksonville, Florida call center was AOL’s largest saves queue.

code on an account where a Member claims that he or she had previously cancelled the account and is still being billed. To qualify, there must be a "Member Save" noted in the account history in the last four months and less than 30 minutes of client usage data following the date of the Member Save.

8. If a Member elects to cancel, the consultant reads a Full Disclosure cancellation script (dynamically populated with data from the Member's account history file) that informs the Member of (a) the last billing date; (b) the ability to make continued use of the account through the service period covered by the last Billing Cycle (a "pending cancel"); (c) any financial consequence of cancellation (*e.g.*, an early cancellation fee that the Member agreed to pay under a commitment plan); (d) a cancellation confirmation number; and (e) that the Member will receive written confirmation of cancellation via US Mail. AOL is obligated to provide this written confirmation and cancellation confirmation number under its 1998 Assurance of Voluntary Compliance with the Attorney General of 44 States (including the Attorney General of Florida).²

9. AOL conducts statistical outlier analysis of its consultants and monitors their calls to ensure that they properly handle cancellation requests.

10. Notwithstanding these safeguards, the Florida Attorney General's Office has received consumer complaints in which consumers have claimed that their cancellation requests were not honored and they were subsequently billed for online access service after canceling their accounts. These complaints allege that certain AOL

² Cancellation requests made by phone typically default to a "pending cancellation." If a Member requests immediate cancellation or if the request for cancellation falls within 24 hours of the next Billing Cycle, an "immediate cancellation" code is placed on the account. Under a "pending cancellation" code, the Member can continue to use the account until the end of the billing cycle, at which point the account will automatically close.

consultants (a) misled the AOL Member on cancellation or credit procedures to generate a Member Save; (b) did not cancel the account although the consultant represented that the account would be cancelled; (c) did not ask for enough information to verify the consumer's identity; or (d) transferred the call unnecessarily without canceling the account. The Attorney General further alleges that such conduct, if it occurred, would violate the Florida Deceptive and Unfair Trade Practices Act.

11. AOL began developing and testing a third-party verification ("TPV") process in 2004 and it agreed in August 2005, as part of the resolution of a subsequent investigation by the New York Attorney General, to implement TPV for saves involving New York Members by July 2006. AOL voluntarily extended this safeguard to all saves calls, including those with Florida members. And, in 2005, AOL eliminated saves rates from its incentive compensation metrics and now restricts saves-related bonus compensation to third-party verified, long-term saves.

12. In August 2006, AOL announced a new business model that enables Members, either by calling AOL or through self-service areas at www.aol.com and various AOL Keywords, to cancel and convert their Paid Member Accounts to Free Member Accounts and thereby continue using AOL's software, e-mail accounts, and security features – free of charge – over an Internet connection purchased from another Internet service provider.

Reactivation

13. Historically, former AOL Members could reactivate previously cancelled accounts by using the AOL software to complete the Basic Online Reactivation ("BOR") process or by calling AOL.

14. AOL has implemented safeguards around the BOR process, including restricting the ability to reactivate accounts to the Master Account holder; requiring the Master Account holder to authorize reactivation of the account subject to the Terms of Service and renewed billing to the Master Account holder's payment method on file; and confirming reactivation of the account by means of a splash screen.³

15. Notwithstanding these safeguards, the Florida Attorney General's Office has received consumer complaints in which former Members claim to have been charged for accounts that were reactivated through BOR without their authorization. This, in turn, has led the Attorney General to question whether the BOR process is likely to confuse or mislead consumers into inadvertently reauthorizing billing.

16. Since August 2006, AOL has limited BOR such that reactivated accounts now default to Free Member Account status. To switch to a Paid Member Account, BOR-reactivated Members must now separately re-register and provide new payment method information.

Spin-Off Sub-Accounts

17. AOL has always permitted Members to maintain multiple screen names (also known as sub-accounts, each with a unique e-mail address) on one AOL account for free, as opposed to most other ISPs which have charged for additional screen names. Historically, however, technical issues prevented multiple sub-accounts from logging-on simultaneously.

³ AOL has likewise implemented safeguards around phone-based reactivations of previously cancelled accounts, including restricting the ability to reactivate accounts to the designated Master Account holder; requiring the Master Account holder to authorize reactivation of the account subject to the Terms of Service and renewed billing to the Master Account holder's payment method on file; and recording and retaining phone-based reactivations.

18. In the late 1990s, AOL developed the ability for Members to create or “spin off” sub-accounts to create new, fully functional AOL accounts. This enabled sub-accounts to be logged-on simultaneously, as well as the separation of a sub-account from a Master Account to accommodate changes in family status (*e.g.*, divorce or emancipated child). AOL primarily offered this “spin off a sub-account” process through pop-up advertisements.

19. AOL implemented several safeguards around this process, including restricting the offer to Master Account holders who had created multiple sub-accounts using dial-up access; preventing “Parentally Controlled” sub-accounts from being spun-off; requiring the Master Account holder to select the sub-account to be spun-off; providing billing disclosures regarding the sub-account to be spun-off; providing splash screen, e-mail, and mail confirmations; removing the spun-off sub-account from the Master Account; and billing the spun-off account separately.

20. Notwithstanding these safeguards, the Florida Attorney General’s Office has received consumer complaints in which Members claim not to have understood the implications of having created a spin-off account and, therefore, despite canceling a Master Account, continued to be billed for spin-off accounts previously created during their AOL membership. This, in turn, has led the Attorney General to question whether the online process by which Members create a new account from an existing screen name is likely to confuse or mislead consumers into inadvertently creating new, paying accounts and whether additional cancellation disclosures are warranted to clarify whether a Member’s cancellation intent extends to spin-off accounts.

21. Given the diminished utility of the “spin off a sub-account” process due to subsequent technical solutions enabling multiple simultaneous log-on, AOL no longer markets this process, which is now available only through phone-based transactions, which are recorded.

Phone Bill Payment Method

22. Historically, AOL’s registration process has enabled payment through various methods, including aggregation of AOL Membership charges on Members’ phone bills.

23. AOL and its third-party payment aggregator have implemented a series of safeguards to ensure proper authorization of phone billing, including registration path disclosures, an ANI-match to the line subscriber’s number, an authorization screen electronic equivalent of a letter of agency, and US mail confirmation of the phone billing authorization. In addition, AOL records and retains phone-based registrations during which consumers authorize billing to their phone bill.

24. Notwithstanding these safeguards, the Office of the Florida Attorney General has received complaints from consumers claiming that they have been mistakenly billed for AOL service on their phone bill.

25. Phone bill complaints tend to involve one of two circumstances: (1) circumstances in which an AOL Member – contrary to their contractual obligation to keep their billing information current with AOL – moves and fails to update his or her payment method and the phone carrier subsequently “recycles” the number to another consumer before making its required updates to the database upon which AOL’s third-party payment aggregator relies or (2) circumstances in which someone with access to the

consumer's phone line fraudulently registers an account using the phone bill payment option. The first circumstance is within the control of phone carriers and not capable of resolution by means of changes to AOL's registration procedures.

26. Since August 2006, AOL has limited offers for phone bill payment method to phone-based registrations, which are recorded.

STIPULATIONS

27. The parties hereby agree and stipulate that:

A. the Attorney General of Florida has jurisdiction in this matter under the Florida Unfair and Deceptive Trade Practice Act;

B. the venue of this cause is proper;

C. AOL waives receipt of a formal notice required of the alleged unlawful trade practices and the relief to be sought;

D. AOL understands and agrees that this AVC applies to AOL, AOL's principals, officers, directors, agents, employees, representatives, successors or subsidiaries — including, but not limited to those successors or subsidiaries empowered to control AOL or created through the merging with, or through the acquiring of AOL — and assigns, or any person or entity acting on behalf of AOL; and

E. This AVC is being entered into by AOL for the sole purpose of compromising disputed claims without the necessity for protracted and expensive litigation, and this AVC does not constitute an admission by AOL of any violation of any law or regulation.

28. For purposes of this AVC, the following definitions shall apply:

- A. A **“Paid Member Account”** means an AOL Internet service account for which the Member pays a fee pursuant to a Paid Membership Plan.
- B. A **“Free Member Account”** means an AOL Internet service account for which the Member does not pay a fee pursuant to a Paid Membership Plan.
- C. A **“Member”** means an individual, partnership, corporation, association, or other group, however organized, who has a Paid or Free Member Account.
- D. A **“Billing Cycle”** means a repeated, periodic amount of time used to bill or charge for a Paid Member Account or a Premium Service on a recurring basis.
- E. To **“Cancel”** means to terminate an account or service such that the consumer will no longer be billed for or have access to the account features or services subject to such cancellation.
- F. A **“Member Save”** means the process by which a person contacts AOL to Cancel or convert his or her Paid Member Account to a Free Member Account but then agrees to continue on a Paid Membership Plan.
- G. A **“Master Account”** means the primary screen name and password associated with an AOL Member Account, which is used to identify and bill for AOL services.
- H. A **“Premium Service”** means an AOL Internet-related service for which a consumer is charged either apart from the services which are provided free of charge to Free Member Accounts or in addition to the fee paid under a Paid Membership Plan.
- I. A **“Sub-Account”** means any additional account for AOL services created as part of a preexisting Master Account that is not charged any additional amounts or billed in addition to that Master Account.

J. A **“Spin-off Account”** means a former Sub-Account, which is independently billed and incurs separate charges from and in addition to the Master Account from which it was initially created.

K. The **“Effective Date”** is the date the AVC is signed by the Deputy Attorney General.

L. **“Clearly and Conspicuously”** means that the required disclosure is in such size, color, contrast, location, duration, and audibility that it is readily noticeable, readable, and understandable. A statement may not contradict or be inconsistent with any other information with which it is presented. If a statement modifies, explains, or clarifies other information with which it is presented, it must be presented in close proximity to the information it modifies, in a manner that is readily noticeable, readable, and understandable, and it must not be obscured in any manner. Further:

1. For print communications, the message shall be in a type size and location sufficiently noticeable for a consumer to read and comprehend it, and in print that contrasts with the background against which it appears.

2. In communications disseminated orally, the message shall be delivered in a volume and cadence sufficient for a consumer to comprehend it.

3. In communications made through an electronic medium (such as television, video, and interactive media such as the Internet, online services, and software) in which both audio and visual means of communications are utilized for any portion of the message, the message shall be presented simultaneously in both the audio and visual portions of the communication. Notwithstanding the preceding sentence, in any communication presented solely through visual or audio means, the message may be

made solely through the same means by which the communication is presented. Any audio message shall be delivered in a volume and cadence sufficient for a consumer to hear and comprehend it. Any visual message shall be of a size and shade, with a degree of contrast to the background against which it appears, and shall appear on the screen for a duration and in a location sufficiently noticeable for a consumer to read and comprehend it. The message shall be in an understandable language and syntax. Nothing contrary to, inconsistent with, or in mitigation of the message shall be used in any communication.

INJUNCTIVE TERMS

29. This AVC shall apply to AOL in its transactions with Florida residents, whether acting through its principals, directors, officers, agents, servants, employees, successors, and assigns as well as any other person whose acts, practices or policies are directed, formulated or controlled by AOL.

30. AOL and its principals, directors, officers, agents, servants, employees, successors, and assigns as well as any other person whose acts, practices or policies are directed, formulated or controlled by AOL shall have actual knowledge of and comply with the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes.

31. Any future violations of this AVC by AOL that occur within four (4) years of the Effective Date are by statute *prima facie* evidence of a violation of the Florida Deceptive and Unfair Trade Practices Act and shall subject AOL to any and all civil penalties and sanctions provided by the law, including attorneys' fees and costs.

Cancellation and Conversion of Paid Member Accounts to Free Member Accounts

32. AOL shall enable Members to Cancel and convert their Paid Member Accounts to Free Member Accounts via telephone, facsimile, U.S. Mail, or on-line. For purposes of this section, any on-line method must be Clear and Conspicuous and completely electronic which shall include a concise form for the user to complete and submit using only a computer and Internet connection and shall not be reliant upon the Member's use of AOL software, provided, however, that a web page or URL option (e.g., www.aol.com, <http://free.aol.com/thenewaol>) may require the Member to enter the master screen name and password to verify the Member and account. AOL shall Clearly and Conspicuously disclose to consumers a valid and accessible telephone number, facsimile number, mailing address, and Internet address (which may include a webpage/URL, and/or an electronic mail address where applicable, and which is not reliant on the Member's use of AOL software), for Cancellations and Conversions of Paid Member Accounts to Free Member Accounts. Such disclosures shall, at a minimum, be made via the AOL Keywords or the following AOL search terms: "Bill," "Billing," "Cancel," "Change Plan," "Cancellation," "Customer Service," "Free Plan," and "Free Service."

33. AOL shall not continue to bill any Member who contacts AOL by a method pursuant to Paragraph [32] and expresses a desire to Cancel a Paid Member Account or Convert a Paid Member Account to a Free Member Account unless AOL complies with the procedures in Paragraphs [34]-[41]. Provided however, AOL shall not be out of compliance with this section in the limited situation where a Member contacts AOL via the telephone to Cancel or convert a Paid Member Account to a Free Member

Account, but verification cannot be completed due to technical problems outside of the control of AOL resulting in the termination of the call, if the following also occurs:

- A. The Member expresses a clear desire to retain his or her account and prior to call termination does not further express a desire to Cancel;
- B. Within five (5) days following the dropped call, AOL sends the consumer, via electronic and U.S. Mail, the notice required by Paragraph [40];
- C. AOL provides no commission or bonus compensation for that particular Member Save to the representative who processed the Member Save request; and
- D. AOL records the complete telephone communication regarding Cancellation or conversion of a Paid Member Account to a Free Member Account and saves such recording for a minimum of three (3) years.

34. If a Member expresses intent to Cancel a Paid Member Account or convert a Paid Member Account to a Free Member Account, AOL shall not make any attempt to retain the Member as a customer or offer additional services, until AOL has verified the identity of the specific Member subject to the Cancellation or conversion request. Such verification shall consist of AOL requesting from the Member the minimal uniquely identifying information (*e.g.*, Master Account name, account security question, etc.) sufficient to identify and confirm the specific Member and Member Account. Such verification shall not be overly burdensome on a Member and shall permit a Member to provide alternative identifying information in the event that he or she has forgotten their Master Account information. Further, prior to making any attempt to retain the Member

as a customer or offer additional services, and after verifying the specific Paid Member Account, AOL shall confirm the Member's intentions and process the call accordingly.

35. In addition to and consistent with the requirements imposed by previous Assurances of Voluntary Compliance,⁴ when a Paid Member Account is Canceled or converted to a Free Member Account, AOL shall:

A. Clearly and Conspicuously disclose, immediately following an on-line or telephone request, or within (2) weeks of receipt of a request made by facsimile or mail, the following:

- 1) Any associated fees or penalties;
- 2) A confirmation number for the cancellation or conversion;
- 3) The effective date of the cancellation or conversion;
- 4) The fact, if true, that the Member is entitled to continue to use his or her Member Account under the then existing terms at no additional charge, until the end of the current Billing Cycle and the date of the end of the billing cycle;
- 5) Any Premium Services for which the Member has registered and the fact that charges will continue to be assessed on such accounts; and
- 6) The existence of any existing Spin-off Accounts, and the fact that charges will continue to be assessed on such accounts.

⁴ AOL shall mail a written acknowledgment of Cancellations of Paid Member Accounts that do not result in the conversion of the Paid Member Accounts to Free Member Accounts within (2) weeks of receipt of the cancellation request, as detailed by Paragraph 49 of the Assurance of Voluntary Compliance entered into between the States and AOL, styled *In the Matter of America Online, Inc.*, signed by AOL on May 28, 1998, and include each of the disclosures in Paragraph [35].

B. In addition to the disclosures within the preceding sub-paragraph, AOL shall, within nine months of the Effective Date, also Clearly and Conspicuously disclose at the time the request is made:

- 1) Any outstanding debt owed by the Member at the time of the request;
- 2) The specific amount of charges that will continue to be assessed for any Premium Services for which the Member has registered; and
- 3) The specific amount of charges that will continue to be assessed for any existing Spin-Off Accounts.

C. When a Paid Member Account is converted to a Free Member Account, AOL shall send acknowledgment of the account conversion, either by mail or electronic mail, within (2) weeks of receipt of the notice of account conversion and include each of the disclosures in Paragraph [35.A-B].

36. When a Paid Member Account is Canceled, AOL shall contemporaneously Cancel all existing Paid Sub-Accounts associated with that Member Account. When a Paid Member Account is converted to a Free Member Account, AOL shall contemporaneously convert all existing Paid Sub-Accounts associated with that Member Account to Free Sub-Accounts.

Member Saves

37. Prior to processing a Member's express consent to process a Member Save, AOL shall:

- A. Clearly and Conspicuously disclose:

- 1) The Member's current pricing plan for the Member Account, including a free trial membership, if any;
- 2) A save confirmation number; and
- 3) The remaining amount of time in the Member's current Billing Cycle, including a free trial membership, if any.

B. In addition to the disclosures in the preceding Sub-Paragraph, AOL shall, within nine months of the Effective Date, also Clearly and Conspicuously disclose at the time the request is made:

- 1) Any outstanding debt owed by the Member;
- 2) The specific amount of charges that will continue to be assessed for any Premium Services for which the Member has registered; and
- 3) The specific amount of charges that will continue to be assessed for any existing Spin-Off Accounts.

38. Prior to processing a Member Save, AOL shall obtain a Member's express consent to each of the following:

- A. The exact cost the Member will incur during each Billing Cycle, including any early termination fees;
- B. Any minimum amount of time a Member must maintain the Internet related services if such a minimum is imposed;
- C. If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will incur after the lapse of the free trial terms; and

D. The terms and conditions of any other incentives offered to and accepted by the Member as part of the Member Save process.

39. To complete a Member Save, AOL must verify the Member's express consent to begin, continue, or resume the Paid Member Account in accordance with Paragraphs [37]-[40]. A Member Save shall be considered verified only if it is in writing by the Member or recorded by an independent Third-Party Verifier ("TPV") in accordance with Paragraph [41], and such writing or recording Clearly and Conspicuously:

- A. Discloses each of the terms set forth in Paragraph [37]; and
- B. Demonstrates the Member's express consent to each of the terms set forth in Paragraph [38].

40. Within five (5) business days of completing a Member Save, AOL shall send to the Paid Member Account holder, via electronic mail or first class U.S. mail, a Member Save confirmation notice, which shall include a Clear and Conspicuous disclosure of both the Member's save confirmation number and the information in Paragraphs [37] and [38]. If the confirmation notice is sent electronically it shall contain a Clear and Conspicuous hyperlink to cancel on-line, consistent with Paragraph [32]. If the confirmation notice is sent by mail, the envelope containing the notice will either Clearly and Conspicuously include the words "Notice of Continuation of Paid AOL Member Account" or words to a similar effect, and the confirmation notice shall disclose the address, telephone number, facsimile number, Internet address, and AOL Keywords that can be used to cancel.

Third-Party Verification System

41. If AOL chooses to verify through TPV, the TPV agent must:
 - A. Be an independent party, and not an employee of AOL; provided, however, that AOL will not be in violation of this section if for the limited purpose of providing TPV for the hearing-impaired, AOL uses the same third-party to both conduct the call and complete the verification;
 - B. Be compensated in a manner that does not include any bonuses or commissions based on any rate or percentage of Member Saves;
 - C. Record the complete telephone conversation between the consumer and the TPV;
 - D. Retain a copy of the complete recording for a minimum of three (3) years; and
 - E. Convey to the Member that the Member's Paid Member Account shall be canceled or converted to a Free Member Account, if the Member does not expressly consent to each required term pursuant to Paragraph [38].

Policies and Procedures

42. AOL shall adopt and enforce policies and procedures that:
 - A. Prohibit compensation to any call center personnel or entities acting on behalf of AOL that is contingent upon their obtaining a minimum amount or quota of Member Saves; and
 - B. Prohibit all AOL employees from any other unethical, deceptive, or misleading behavior as alleged in this Assurance.

43. As part of these policies and procedures, AOL shall, within nine (9) months of the Effective Date, separate and apart from the TPV recording described above, record all telephone communications in which a Member selects the Cancellation or conversion of Paid Member Account to Free Member Account option in the Interactive Voice Recording menu. For any such recorded calls which result in a Member continuing to be billed or charged by Respondent, AOL shall save such recordings for a minimum of three (3) years, and shall upon request, provide such recordings. Furthermore, AOL shall monitor and review a statistically significant percentage of all communications for compliance with the Florida law and this AVC.

Account Reactivation

44. In order to resume billing or collecting any payment from any Member for a Paid Member Account that has previously canceled or converted to a Free Member Account, AOL shall:

- A. Clearly and Conspicuously disclose to the Member the terms and conditions and any applicable privacy policies relating to the Paid Member Account;
- B. Require the Member to resubmit any payment information, even where the payment method is the same as was previously used by the Member; and,
- C. Within five (5) days, send the Member a “Chromed” or “Priority” e-mail⁵ which Clearly and Conspicuously discloses:
 - 1) The exact cost the Member will incur during each Billing Cycle, including any early termination fees;

⁵ “Chromed” or “Priority” e-mail is an AOL term of art for an official electronic message distinct in color and in branding, such that the Member can distinguish it from other types of e-mail messages received.

- 2) Any minimum amount of time a Member must maintain the Internet related services if such a minimum is imposed;
- 3) If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will incur after the lapse of the free trial terms;
- 4) The terms and conditions of any other incentives offered to and accepted by the Member as part of the Reactivation process; and
- 5) A hyperlink to cancel on-line, consistent with Paragraph [32].

For reactivations made via telephone, AOL shall record the entire telephone communication establishing the reactivation and shall save a copy of the recording for a minimum of (3) years. AOL shall upon request, provide the Attorney General with such recordings.

Spin-Off Sub-Accounts

45. AOL shall enable Members to create Spin-off Accounts only via a telephone transaction. Prior to creating the Spin-off Account, AOL shall Clearly and Conspicuously disclose to the Master Account holder:

- A. The exact additional cost associated with the Spin-off Account, including any additional early termination fee;
- B. Any minimum amount of time a Member must maintain his or her Spin-off Account, if such a minimum is imposed by Respondent;
- C. If the offer is a free trial membership, the exact date the Spin-off Account will begin to incur charges and the amount of charges to be assessed after the lapse of the free trial terms;

- D. That in order to create a Spin-off Account the Spin-off Account holder must have the authority to create such an account and be at least eighteen years of age; and
- E. The available methods of canceling a Spin-off Account.

46. AOL shall record the entire telephone communication establishing the Spin-off Account, and shall save a copy of the recording for a minimum of three (3) years. AOL shall upon request, provide the Attorney General with such a recording from a Florida Member.

Unauthorized Telephone Billing

47. Prior to billing a consumer through the consumer's telephone service bill, AOL shall Clearly and Conspicuously disclose to, obtain from, and verify with the consumer each of the following:

- A. The telephone number through which AOL will bill for its services;
- B. The fact that the consumer is the line subscriber for that telephone number and is authorized to incur charges;
- C. The exact charge that AOL will place on the Member's monthly telephone service bill; and
- D. If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will begin to incur after the lapse of the free trial terms.

In verifying the fact that the consumer is the authorized line subscriber for the telephone number, AOL shall, within nine (9) months of the Effective Date of this AVC, require the consumer to provide a unique identifying number, which is not the person's entire social

security number, and which AOL will use to take reasonable steps to verify the consumer's identity, including using a third party to confirm that the telephone number through which AOL intends to bill the consumer belongs to the consumer.

48. Within five (5) days of registration of a Paid Member Account in which the Member has authorized telephone billing, AOL shall send the Member a Chromed or Priority e-mail which Clearly and Conspicuously discloses:

- 1) The exact cost the Member will incur during each Billing Cycle, including any early termination fees;
- 2) Any minimum amount of time a Member must maintain the Internet related services if such a minimum is imposed;
- 3) If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will incur after the lapse of the free trial terms;
- 4) The terms and conditions of any other incentives offered to and accepted by the Member as part of the Reactivation process; and
- 5) A hyperlink to cancel on-line, consistent with Paragraph [32].

AOL shall record the entirety of any telephone communication authorizing telephone billing, and shall save a copy of the recording for a minimum of three (3) years. AOL shall upon request, provide the Attorney General with such recordings.

49. AOL shall, upon receipt of a complaint for unauthorized telephone charges for a Member Account, verify that the Member whose account was billed through that telephone number matches the current line subscriber, otherwise AOL shall provide a full refund to the person making the complaint.

Free Member Accounts

50. When a Member converts a Paid Member Account to a Free Member Account, AOL shall, with regard to the remaining membership time previously paid by the Member:

- A. Allow the Member to continue to use the Member Account in the same manner as was previously provided, until the expiration of such membership time, or
- B. Provide a pro-rata refund of the remaining membership time.

MONETARY TERMS

51. AOL agrees to pay consumer restitution or to otherwise forgive outstanding balances to consumers identified during the course of this investigation as having been potentially affected by consultant misconduct as well as consumers who have filed complaints with the Florida Attorney General's Office prior to or during the investigation.

52. In addition to the consumer restitution identified in preceding paragraph, AOL shall resolve within forty-five (45) days of receipt consumer complaints forwarded by the Florida Attorney General's Office or sent directly to AOL at the following address:

AOL LLC
Attn: Heidi Jongquist, Program Director
Regulatory Order Compliance
PO Box 65771
Sterling, VA 20165-8806

Provided however, that for complaints involving alleged unauthorized charges, AOL may request additional information and/or an affidavit from the consumer and will resolve

such complaints within fifteen (15) days of the receipt of such information and/or affidavit. AOL will provide a full refund and/or clear any outstanding balances for such charges unless AOL confirms that the consumer has already resolved, settled or otherwise received full compensation for that specific charge; confirms that the consumer did not have an account or payment method on file with AOL at the time of the disputed claim; or produces Clear and Conspicuous evidence of the consumer's intent to incur such charges. Such Clear and Conspicuous evidence may be demonstrated through the recordings, verifications, and confirmations made pursuant to this AVC or account usage data that belies the consumer's claim. If AOL no longer maintains adequate data and/or information to assess a complaint received from the Attorney General, such complaint shall be resolved at the discretion of the Attorney General.

53. AOL shall prepare a report containing the name, address, and phone number of all Florida consumers provided restitution pursuant to Paragraph [52] and the date and amount refunded to the consumers. The report will be presented to the Florida Attorney General's Office within one hundred and eighty (180) days after the Effective Date of this AVC. The report shall designate any claims that AOL has rejected and include the evidence supporting such rejections.

54. AOL shall maintain all consumer complaints and all responses thereto, for a period of three (3) years after receipt of such complaints. Upon request, AOL shall also provide to the Attorney General a quarterly report in the format of an electronic spreadsheet, detailing each complaint received either directly by AOL or forwarded by the Attorney General. The report shall include:

- A. The consumer's contact information including name, address, e-mail address, and telephone number;
 - B. Any save, cancellation, or Free Member Account conversion confirmation number assigned to the Member Account;
 - C. The name of the employee associated with the complaint;
 - D. The date the complaint was received;
 - E. The date of the associated Member Save, cancellation, or Free Member Account conversion, if any; and
 - F. The disposition of the complaint, including the amount of reimbursement.
- The report shall also include those past complaints resolved pursuant to Paragraph [52] that have not been previously reported.

55. Undeliverable checks for Florida consumers will be aggregated and delivered, with a list of consumers and the amount attributable to each, to the Florida Bureau of Unclaimed Property, per the requirements of Chapter 717, Florida Statutes.

56. AOL shall pay the State of Florida the sum of Seven Hundred and Fifty Thousand Dollars (\$750,000.00) through a check made payable to the Legal Affairs Revolving Trust Fund, for use pursuant to Section 501.2101, Florida Statutes, for investigative and attorney's fees and costs of this matter and for fees and costs associated with the claims administration process, compliance review, monitoring, and inspection during the effective period of the AVC, and the fees and costs associated with ongoing and future enforcement initiatives pursuant to Chapter 501, Part II, Florida Statutes. Payment will be made within ten (10) days following the execution of the AVC.

COMPLIANCE MONITORING

57. AOL, its successors, assigns, officers, agents, servants, and employees, whether acting directly or through any corporation, subsidiary, division, or other device, for the purpose of monitoring and investigating compliance with any provision of this AVC, shall provide written reports sworn under penalty of perjury to the Attorney General (a) ninety (90) and (b) two hundred and seventy (270) days after the date of Effective Date of this AVC setting forth in detail the manner and form in which AOL has complied and is complying with this AVC.

RECORD-KEEPING PROVISIONS AND RIGHT TO INSPECT

58. The Florida Attorney General's Office shall have the right to inspect and review the records and documents listed below, upon reasonable notice to AOL, in order to monitor compliance with this AVC and compliance with Florida and federal laws. AOL, their successors, assigns, officers, agents, servants, and employees, whether acting directly or through any corporation, subsidiary, division, or other device, for a period of four (4) years from the Effective Date of this AVC, while engaging in conduct related to the subject matter of this AVC, shall retain the following records:

A. Recordings of the verification process conducted by the TPV agent for consumers routed to retention queues in the Florida call centers.

B. Reports of invalid Member Saves prepared by or sent to the TPV system; AOL's Performance Enhancement Team; AOL's Escalation Team; AOL's Fraud Team; AOL's HQ Site Program managers (SPM); General Managers (GM); Sales Managers (SSM); and AOL's Site Leadership for retention queues in the Florida call centers.

C. Investigations conducted by AOL's Fraud Team, Florida Call Center Coaches, or the Florida Call Center Quality Monitoring Teams regarding complaints by Florida consumers about invalid Member Saves or refusals to honor cancellation requests for consumers routed through retention queues in the Florida call centers.

D. Complaints and refund requests (whether received directly, indirectly or through any third party) and any response to those complaints or requests for consumers routed through retention queues in the Florida call centers.

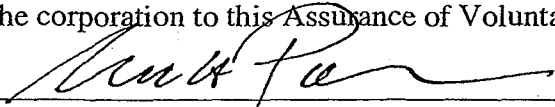
E. Copies of sale scripts, training materials, advertisements, website printouts, or other marketing materials used in retention queues in the Florida call centers.

F. Records and documents necessary to demonstrate full compliance with each provision of this AVC.

FOR AOL LLC:

IN WITNESS WHEREOF, AOL LLC has caused this Assurance of
Voluntary Compliance to be executed by Ira Parker as EVP & General Counsel of
AOL LLC, as a true act and deed in Loudoun County, Virginia, this 7th day of
December 2006.

BY MY SIGNATURE, I hereby affirm that I am acting in my capacity and
within my authority as EVP & General Counsel of AOL LLC, and that by my signature I
am binding the corporation to this Assurance of Voluntary Compliance.

(Signature): 

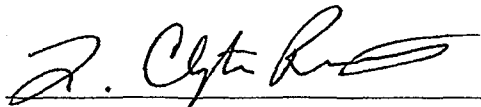
COMMONWEALTH OF VIRGINIA

COUNTY OF LOUDOUN

County/City of Loudoun
Commonwealth/State of Virginia
The foregoing instrument was acknowledged
before me this 7th day of December
2006, by
Ira Parker
(name of person seeking acknowledgment)
Barbara Ann Stalder
Notary Public
My commission expires: 1/31/09

FOR THE OFFICE OF THE ATTORNEY GENERAL

Accepted this 11 day of December 2006.



DEPUTY ATTORNEY GENERAL
OFFICE OF THE ATTORNEY GENERAL
The Capitol, PL-01
Tallahassee, Florida
32399-1050
(850) 487-1963
245-0140

EXHIBIT 4

IN THE MATTER OF:

AOL LLC

Respondent

§
§
§
§
§

ASSURANCE OF VOLUNTARY COMPLIANCE

1. This Assurance of Voluntary Compliance¹ (hereafter "Assurance" or "AVC") is between AOL LLC (hereafter "AOL" or "Respondent") and the Attorneys General of the states of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming, the Commonwealths of Kentucky, Massachusetts, Pennsylvania and Virginia, and the District of Columbia (hereafter "the Attorneys General"² or "the States").³

¹ This Assurance of Voluntary Compliance shall, for all necessary purposes, also be considered an Assurance of Discontinuance.

² With regard to Hawaii, Hawaii is represented by its Office of Consumer Protection, an agency which is not part of the state Attorney General's Office, but which is statutorily authorized to represent the State of Hawaii in consumer protection actions. For simplicity purposes, the entire group will be referred to as the "Attorneys General" or "the States," and such designation, as it pertains to Hawaii, refers to the Executive Director of the State of Hawaii's Office of Consumer Protection. Connecticut is represented by the Commissioner of the Connecticut Department of Consumer Protection, who enters into this Assurance pursuant to the Connecticut Unfair Trade Practices Act, Conn.Gen. Stat. Sec. 42-110j, acting by and through his counsel, Richard Blumenthal, Attorney General for the State of Connecticut. Similarly, with regard to Georgia, the Administrator of the Fair Business Practices Act, appointed pursuant to O.C.G.A. 10-1-395, is statutorily authorized to undertake consumer protection functions, including acceptance of Assurances of Voluntary Compliance for the State of Georgia. Hereafter, when the signatory states are referred to as the "States" or "Attorneys General," such designation, as it pertains to Georgia, includes the Administrator of the Fair Business Practices Act.

³ This Assurance is in addition to: the Assurance of Voluntary Compliance agreed to by AOL with the Attorneys General of Arizona, Arkansas, California, Connecticut, Florida, Hawaii, Iowa, Illinois, Michigan, Minnesota, New Jersey, New York, Ohio, Tennessee, Texas, Vermont, Wisconsin, the Commonwealths of Massachusetts and Pennsylvania, and the Territory of Guam, accepted on December 5, 1996; the Assurance of Voluntary Compliance agreed to by AOL with the Attorneys General of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Kansas, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and the Commonwealths of Massachusetts, Pennsylvania and Virginia, accepted on February 4, 1997; and, the Assurance of Voluntary Compliance agreed to by AOL with the Attorneys General of Alabama, Alaska, Arizona, Arkansas, California, Connecticut, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and the Commonwealths of Massachusetts, Pennsylvania and Virginia, accepted on May 28, 1998. The terms of the above mentioned 1996, 1997 and 1998 Assurances of Voluntary Compliance are independent of the terms of this Assurance and are not in any way modified or limited by this Assurance except where expressly provided herein.

BACKGROUND

2. AOL, a Delaware limited liability company with its principal place of business at 22000 AOL Way, Dulles, Virginia 20166, has provided Internet-related services for more than twenty years. AOL currently has approximately twelve million paying Members nationwide.

3. Historically, AOL's primary service has been dial-up Internet access, typically offered through a "free trial" offer that requires that the Member cancel the account prior to the end of the free trial period to avoid a monthly membership fee.

4. Since 1998, AOL has provided Members three methods of cancellation: phone, facsimile or mail. Most cancellation requests are made by phone, which results in the Member being directed to an AOL Member Service employee, who is trained to assess whether the Member has an issue that can be resolved short of cancellation. A Member who subsequently decides not to cancel his or her account is considered "saved" by AOL. Historically, AOL has provided incentives to employees for "saving" Members in the form of bonus compensation that, until 2005, depended on the employee retaining a minimum threshold percentage of calls handled.

5. The Attorneys General have received complaints from consumers who have claimed difficulty in attempting to cancel their AOL Internet services. Some of these consumers state that they have contacted AOL Member Services by telephone, canceled their service, and yet subsequently received a monthly Internet service bill from AOL or had funds deducted from their bank accounts.

6. Even after a consumer has successfully canceled an AOL account, the AOL software continues to reside on the consumer's computer unless the consumer deletes it. This enables a

former Member, whose account was previously canceled to easily "reactivate" his or her account by simply signing on to AOL using the Master Account's screen name and password and authorizing reactivation of the account, subject to the AOL Terms of Service and resumption of billing to the payment method on file with AOL. This reactivation process has not always enabled Members to review material terms and conditions prior to reactivation. Some consumers complaining to the Attorneys General alleging post-cancellation billing by AOL have, in some instances, inadvertently reactivated their accounts in this manner.

7. AOL has always enabled Members to maintain multiple screen names, also known as "Sub-accounts," for one AOL Master Account. In response to technical issues which prevented the simultaneous log-on of Sub-accounts, AOL developed the ability for Members to create or "spin-off" new accounts using one of the Member's Sub-accounts. Thus, a Spin-off account allowed for simultaneous log-ons, as well as the ability to separate an otherwise single Internet account (*e.g.*, business account versus home account). These Spin-off Accounts are not free, and are billed separate from and independent of the prior Master Account. Historically, AOL marketed Spin-off Accounts to its Members. Some consumers complaining to the Attorneys General state that confusion exists in attempting to cancel all AOL Paid Member Accounts. This confusion stems from consumers not understanding the implications of having created a Spin-off Account, and therefore, despite canceling a Master Account, continuing to be billed for Spin-off Accounts previously created during their membership with AOL.

8. AOL allows its Members to be billed for its services directly to a Member's local telephone bill. Some consumers have alleged unauthorized AOL charges on their monthly telephone bills. Still other consumers have complained that they were improperly assessed

charges on their telephone bill for services after having previously canceled their Paid Member Account.

9. The States allege that these acts, practices, and omissions have violated and continue to violate their respective State consumer protection statutes.⁴ Specifically, the States allege that such violations have occurred in that AOL:

- A. Misrepresents that consumers who have attempted to cancel their Paid Member Accounts with AOL have authorized AOL to continue charging those consumers for services;
- B. Misrepresents that consumers have authorized AOL to reactivate accounts that have been previously canceled;
- C. Fails to Clearly and Conspicuously disclose the existence of, and material terms and conditions associated with, accounts for AOL services; and
- D. Misrepresents that consumers have authorized charges to their consumer telephone service bills.

⁴ Alabama Deceptive Trade Practices Act, Alabama Code Section 8-19-1, *et seq.*; Alaska AS 45.50.471 *et seq.*; Arizona Revised Statutes Section 44-152[1], *et seq.*; Arkansas Code Ann. 4-88-101 *et seq.*; California Business and Professions Code sections 17200 and 17500; Colorado Consumer Protection Act, Colo. Rev. Stat. §§ 6-1-101 *et seq.* (2006); Connecticut General Statutes § 42-110b, *et seq.*; Delaware's Consumer Fraud Act, 6 Del. C. Sec. 2513 and Uniform Deceptive Trade Practices Act, 6 Del. C. Sec. 2532; District of Columbia Consumer Protection Procedures Act, D.C. Official Code § 28-3901 *et seq.*; Georgia Fair Business Practice Act of 1975, O.C.G.A. § 10-1-390 *et seq.*; Hawaii Revised Statutes section 480-2(a), section 487-12; Idaho Code Sec. 48-601 *et seq.*; Illinois Consumer fraud and Deceptive Business Practices Act, 815 ILCS 505/1, *et seq.*; Indiana Deceptive Consumer Sales Act, Indiana Code 24-5-0.5-1 *et seq.*; Iowa Consumer Fraud Act, Iowa Code §714.16; Kansas Consumer Protection Act, K.S.A. 50-623 *et seq.*; Kentucky Consumer Protection Act, K.R.S. 367.110 *et seq.*; Louisiana LSA-R.S. 51:1401 *et seq.*; Maine 5 M.R.S.A. section 207, section 210; Maryland Consumer Protection Act Md. Code Ann., Com. Law §§13-101, *et seq.*; Massachusetts Consumer Protection Act, Mass. Gen. Laws c.93A, sec. 4; Michigan Consumer Protection Act, MCL 445.901 *et seq.*; Section 407.020, *et seq.*, Rev. Stat. Mo. 2000; Minnesota Prevention of Consumer Fraud Act, 325F.68 to 325F.70 (2006); Mississippi Consumer Protection Act, Miss. Code Ann. §§ 75-24-1 (Rev. 2000); Missouri Merchandising Practices Act, §§ 407.010 *et seq.* (1994); Montana MCA 30-14-112; Nebraska Consumer Protection Act, Neb. Rev. Stat. §§ 59-1601 *et seq.* (Reissue 2004), and the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. §§ 87-301 *et seq.* (Reissue 1996); Nevada Revised Statutes ("NRS") 598.0903 *et seq.*; New Hampshire Rev. Stat. Ann. 358-A; New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 *et seq.*; New Mexico NMSA 1978, S 57-12-1 *et seq.* (1965); North Carolina Unfair and Deceptive Trade Practices Act, N.C.G.S. 75-1.1 *et seq.*; N.D.C.C. § 51-15-01 *et seq.*; North Dakota Century Code (NDCC) §§ 51-15-01 *et seq.*; Ohio Consumer Sales Practices Act, R.C. 1345.01 *et seq.*; Oklahoma Consumer Protection Act, 15 O.S. § 751, *et seq.* (2004); Oregon Unlawful Trade Practices Act, ORS 646.605 *et seq.*; Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. 201, *et seq.*; Rhode Island R.I.G.L. 6-13.1-1 *et seq.*; South Carolina Unfair Trade Practices Act, 39-5-10 *et seq.* (1976, as amended); South Dakota Deceptive Trade Practices Act, SDCL Ch. 37-24-6; Tenn. Code Ann. Section 47-18-108; Texas Deceptive Trade Practices – Consumer Protection Act, TEX. BUS. & COM. CODE ANN. § 17.41 *et seq.* (Vernon 2002 and Supp. 2005); Utah Code Ann. § 13-11-1 *et seq.* and Utah's Truth in Advertising Act, Utah Code Ann. § 13-11a-1 *et seq.*; Vermont title 9 Vt. Stat. Ann. ch. 63; Virginia Consumer Protection Act, Va. Code § 59.1-196 through 59.1-207;

10. In August 2006, AOL changed its business model to allow consumers to use AOL's software, e-mail accounts, and security features, all free of charge, over an Internet connection provisioned from another Internet service provider ("ISP"). When Members now contact AOL to cancel or switch to the free plan, they are offered a variety of services, including high-speed Internet plans offered by third party ISPs and back-up AOL dial-up Internet access, by Member Services employees who are provided incentives based in part on consumer acceptance of these paid services. Members who agree to purchase Internet connectivity from a third party ISP are sent confirmation of their agreement together with contact information for the provider. The Members are not billed by the provider unless and until the provider establishes the new account, which involves a cable installation in the case of cable providers, and receipt and installation of a DSL modem kit in the case of DSL providers. Members who agree to purchase back-up AOL dial-up Internet access are treated as "saved," transferred for third party verification, and sent confirmation of their agreement. Former Members who use the AOL software to reactivate their accounts are now reactivated only to Free Member Account status and, if they choose to convert to Paid Account status, must complete a separate registration process to change their reactivated Free Member Account to a Paid Member Account.

STIPULATIONS

11. The parties hereby agree and stipulate that:
- A. The Attorneys General have jurisdiction in this matter under their respective consumer protection statutes;
 - B. The venue of this cause is proper;

- C. AOL waives receipt of a formal notice from any of the States of the alleged unlawful trade practices and the relief to be sought;
- D. AOL understands and agrees that this Assurance applies to AOL, AOL's principals, officers, directors, agents, employees, representatives, successors or subsidiaries — including, but not limited to, those successors or subsidiaries empowered to control AOL or created through the merging with, or through the acquiring of AOL — and assigns, or any person or entity acting on behalf of AOL;
- E. AOL understands and agrees that if this Assurance is accepted by the States, it may be filed with a court in those jurisdictions that require or permit the filing of the Assurance with a court. AOL waives any further notice of submission to and filing with any court of this Assurance. AOL agrees to accept service of a conformed copy from each state that files the Assurance by prepaid first class mail sent to the address designated by AOL; and
- F. This Assurance is being entered into by AOL for the sole purpose of compromising disputed claims without the necessity for protracted and expensive litigation, and this Assurance does not constitute an admission by Respondent of any violation of any law or regulation.

DEFINITIONS

- 12. For purposes of this Assurance, the following definitions shall apply:
 - A. A **"Paid Member Account"** means an AOL Internet service account for which the Member agrees to pay a fee.

- B. A **"Free Member Account"** means an AOL Internet service account for which the Member does not pay a fee.
- C. A **"Member"** means an individual, partnership, corporation, association, or other group, however organized, who has a Paid or Free Member Account.
- D. A **"Billing Cycle"** means a repeated, periodic amount of time used to bill or charge for a Paid Member Account or a Premium Service on a recurring basis.
- E. To **"Cancel"** a Paid or Free Member Account means to terminate that account such that the consumer will no longer be billed, charged for, or have access to the account features or services subject to such cancellation.
- F. A **"Member Save"** means the process by which a person contacts AOL to Cancel his or her Paid Member Account or convert his or her Paid Member Account to a Free Member Account, but instead expressly agrees to continue a Paid Member Account.
- G. A **"Master Account"** means the primary screen name and password associated with a Paid Member Account, which is used to identify and bill for AOL services.
- H. A **"Premium Service"** means an AOL Internet-related service for which a consumer is charged either apart from the Internet services which are provided free of charge to Free Member Accounts or in addition to the fee paid for a Paid Member Account.
- I. A **"Sub-Account"** means any additional account for AOL services created as part of a preexisting Paid Member Account that is not charged or billed any additional amounts.

- J. A **“Spin-off Account”** means a former Sub-Account, which is independently billed and incurs separate charges from and in addition to the original Free or Paid Member Account from which it was initially created.
- K. A **High-Speed Internet Offer or “HSIO”** means a non-binding offer or referral for high-speed Internet service provided by a third party, which is made by Respondent to a Member who contacts AOL to Cancel a Paid or Free Member Account, or contacts AOL to convert a Paid Member Account to a Free Member Account.
- L. The **“Effective Date”** of the Assurance is July 1, 2007.
- M. **“Clear and Conspicuous”** or **“Clearly and Conspicuously”** means that the required disclosure is in such size, color, contrast, location, duration, and audibility that it is readily noticeable, readable, and understandable. A statement may not contradict or be inconsistent with any other information with which it is presented. If a statement modifies, explains, or clarifies other information with which it is presented, it must be presented in close proximity to the information it modifies, in a manner that is readily noticeable, readable, and understandable, and it must not be obscured in any manner. Further:
1. For print communications, the message shall be in a type size and location sufficiently noticeable for a consumer to read and comprehend it, and in print that contrasts with the background against which it appears.
 2. In communications disseminated orally, the message shall be delivered in a volume and cadence sufficient for a consumer to comprehend it.

3. In communications made through an electronic medium (such as television, video, and interactive media such as the Internet, on-line services, and software) in which both audio and visual means of communications are utilized for any portion of the message, the message shall be presented simultaneously in both the audio and visual portions of the communication. Notwithstanding the preceding sentence, in any communication presented solely through visual or audio means, the message may be made solely through the same means by which the communication is presented. Any audio message shall be delivered in a volume and cadence sufficient for a consumer to hear and comprehend it. Any visual message shall be of a size and shade, with a degree of contrast to the background against which it appears, and shall appear on the screen for a duration and in a location sufficiently noticeable for a consumer to read and comprehend it. The message shall be in an understandable language and syntax. Nothing contrary to, inconsistent with, or in mitigation of the message shall be used in any communication.

ASSURANCE

13. Respondent hereby voluntarily agrees and assures the States that from the Effective Date of this Assurance (or from the dates otherwise specified) that Respondent, its officers, agents, servants, employees, successors, and assigns as well as any other person acting on behalf of Respondent shall abide by the following terms and conditions:

Terms of Service

14. Prior to creating or reactivating a Free or Paid Member Account, Respondent shall Clearly and Conspicuously disclose the material terms and conditions associated with creating or reactivating that Free or Paid Member Account, before asking the individual to accept or reject those terms and conditions, and, in the case of Paid Member Accounts, before obtaining the individual's billing information. Before installing (or, in the case of pre-installed bundled software, activating) Respondent's Free or Paid Member Account software Respondent shall Clearly and Conspicuously disclose the material terms and conditions associated with installing or activating that software, before prompting the individual to accept or reject those terms and conditions. This Paragraph shall apply to software downloaded from Respondent's web site as of the Effective Date and to all other versions of Respondent's software distributed after September 12, 2007.

Cancellation and Conversion of Paid Member Accounts to Free Member Accounts

15. Respondent shall enable Members to Cancel their Paid Member Accounts and convert their Paid Member Accounts to Free Member Accounts via telephone, facsimile, U.S. Mail, and on-line. Respondents shall enable Members to cancel their Free Member Accounts via facsimile, U.S. Mail, and on-line. For purposes of this section, any on-line method must be Clear and Conspicuous and completely electronic which shall include a concise form for the user to complete and submit using only a computer and Internet connection and shall not be reliant upon the Member's use of AOL software, provided, however, that a URL option (e.g., <http://cancel.aol.com>) may require the Member to enter the master screen name and password or the answer to an Account Security Question for account security verification. Respondent shall

Clearly and Conspicuously disclose to consumers a valid and accessible telephone number, facsimile number, mailing address, and Internet address (which may include a web page/URL, and/or an electronic mail address where applicable, but which is not reliant on the Member's use of AOL software), for Cancellations and conversions of Paid Member Accounts to Free Member Accounts. Such disclosures shall, at a minimum, be made via the following AOL Keywords: "Bill," "Billing," "Cancel," "Change Plan," "Cancellation," "Customer Service," "Free Plan," and "Free Service." Such disclosures shall also be made in any documentation or publication created after the Effective Date of this Assurance, including any AOL web pages which identify telephone numbers and/or addresses for AOL customer service.

16. Respondent shall not continue to bill any Member, or deduct any additional amounts from the Member's bank account, if that Member contacts Respondent by a method pursuant to Paragraph 15 and expresses a desire to Cancel a Paid Member Account or convert a Paid Member Account to a Free Member Account, unless Respondent complies with the procedures in Paragraphs 20 through 23. Provided however, AOL shall not be out of compliance with this section in the limited situation where a Member contacts AOL via telephone to Cancel or convert a Paid Member Account to a Free Member Account, but verification cannot be completed due to technical problems outside of the control of AOL resulting in the termination of the call, if the following also occurs:

- A. The Member expresses a clear desire to retain his or her account and prior to call termination does not further express a desire to Cancel;
- B. Within five (5) days following the dropped call, AOL sends the consumer, via electronic and U.S. Mail, the notice required by Paragraph 23;

- C. AOL provides no commission or bonus compensation for that particular Member Save to the representative who processed the Member Save request; and
- D. AOL records the complete telephone communication regarding Cancellation or conversion of a Paid Member Account to a Free Member Account and saves such recording for a minimum of three (3) years.

17. If a Member expresses intent to Cancel a Paid Member Account or convert a Paid Member Account to a Free Member Account, Respondent shall not make any attempt to retain the Member as a customer or offer additional services, until Respondent has verified the identity of the specific Member subject to the Cancellation or conversion request. Such verification shall consist of Respondent requesting from the Member the minimal uniquely identifying information (e.g., Master Account name, account security question, etc.) sufficient to identify and confirm proper control of the account. Such verification shall not be overly burdensome on a Member and shall permit a Member to provide alternative identifying information, but not the Member's entire social security number, in the event that he or she has forgotten their Master Account information. Further, prior to making any attempt to retain the Member as a customer or offer additional services, and after verifying the specific Paid Member Account, Respondent shall confirm the Member's intentions and process the call accordingly.

18. In addition to and consistent with the requirements imposed by previous Assurances of Voluntary Compliance,⁵ when a Paid Member Account is Canceled or converted to a Free Member Account, Respondent must:

⁵ Respondent shall mail a written acknowledgment of Cancellations of Paid Member Accounts that do not result in the conversion of the Paid Member Accounts to Free Member Accounts within (2) weeks of receipt of the cancellation request, as detailed by Paragraph 49 of the Assurance of Voluntary Compliance entered into between the States and Respondent, styled *In the Matter of America Online, Inc.*, signed by Respondent May 28, 1998, and include each of the disclosures in Paragraph 18.A.

A. Clearly and Conspicuously disclose as part of any telephone cancellation or within two (2) weeks of receipt of an electronic, facsimile, or mail cancellation, the following:

- 1) Any associated fees or penalties;
- 2) A confirmation number for the cancellation or conversion;
- 3) The effective date of the cancellation or conversion;
- 4) The fact, if true, that the Member is entitled to continue to use his or her Paid Member Account under the then existing terms at no additional charge, until the end of the current Billing Cycle and the date of the end of the Billing Cycle;
- 5) Any Premium Services for which the Member has registered and the fact that charges will continue to be assessed on such accounts; and
- 6) The existence of any existing Spin-off Accounts, and the fact that charges will continue to be assessed on such accounts

B. In addition to the disclosures within the preceding sub-paragraph, Respondent shall, beginning no later than September 12, 2007 (provided, however, that Respondent shall use its best efforts to comply with these provisions as soon as it is capable of doing so), Clearly and Conspicuously disclose as part of any telephone cancellation or within two (2) weeks of receipt of an electronic, facsimile, or mail cancellation:

- 1) Any outstanding balance on the Member's Account at the time of the request;

- 2) The specific amount of charges that will continue to be assessed for any Premium Services for which the Member has registered; and
- 3) The specific amount of charges that will continue to be assessed for any existing Spin-off Accounts.

C. When a Paid Member Account is converted to a Free Member Account, Respondent shall send acknowledgment of the account conversion, either by mail or electronic mail, within (2) weeks of receipt of the notice of account conversion and include each of the disclosures in Paragraph 18.A-B.

19. When a Paid or Free Member Account is Canceled, Respondent shall contemporaneously Cancel all existing Sub-Accounts associated with that Paid or Free Member Account. When a Paid Member Account is converted to a Free Member Account, Respondent shall contemporaneously convert all existing Sub-Accounts associated with that Paid Member Account to Free Sub-Accounts.

Member Saves

20. Prior to processing a Member's express consent to process a Member Save, Respondent must:

- A. Clearly and Conspicuously disclose:
 - 1) The Member's current pricing plan for the Paid Member Account, including a free trial membership, if any;
 - 2) A save confirmation number;
 - 3) The remaining amount of time in the Member's current Billing Cycle, including a free trial membership, if any; and

4) The existence of any existing Spin-off Accounts, and the fact that charges will continue to be assessed on such accounts.

B. In addition to the disclosures within the preceding Sub-Paragraph, Respondent shall, beginning no later than September 12, 2007 (provided, however, that Respondent shall use its best efforts to comply with these provisions as soon as it is capable of doing so), Clearly and Conspicuously disclose at the time the request is made the following:

- 1) Any outstanding balance on the Member's Account at the time of the request;
- 2) The specific amount of charges that will continue to be assessed for any Premium Services for which the Member has registered; and
- 3) The specific amount of charges that will continue to be assessed for any existing Spin-off Accounts.

21. Prior to processing a Member Save, Respondent shall obtain a Member's express consent to each of the following:

- A. The exact cost the Member will incur during each Billing Cycle, including any early termination fees;
- B. Any minimum amount of time a Member must maintain the Internet related services if such a minimum is imposed;
- C. If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will incur after the lapse of the free trial terms; and

D. The terms and conditions of any other incentives offered to and accepted by the Member as part of the Member Save process.

22. To complete a Member Save, Respondent must verify the Member's express consent to begin, continue, or resume the Paid Member Account in accordance with Paragraphs 20-23. A Member Save shall be considered verified only if it is in writing by the Member or recorded by an independent Third Party Verifier ("TPV") in accordance with Paragraph 26 of this Assurance, and such writing or recording Clearly and Conspicuously:

A. Discloses each of the terms set forth in Paragraph 20; and

B. Demonstrates the Member's express consent to each of the terms set forth in Paragraph 21.

23. Within five (5) business days of completing a Member Save, Respondent shall send to the Member via electronic mail or first class U.S. mail, a Member Save confirmation notice, which shall include Clear and Conspicuous disclosures of both the Paid Member's save confirmation number and the information in Paragraphs 20 and 21. If the confirmation notice is sent electronically it shall contain a Clear and Conspicuous hyperlink to cancel on-line, consistent with Paragraph 15. If the confirmation notice is sent by mail, the envelope containing the notice will either Clearly and Conspicuously include the words "Notice of Continuation of Paid AOL Member Account" or words to a similar effect, and the confirmation notice shall disclose the address, telephone number, facsimile number, Internet address, and AOL Keywords that can be used to cancel.

HSIO

24. Prior to processing a Member's registration for a HSIO offer, Respondent must disclose each of the following facts, if true:

- A. That by establishing the new HSIO account with the third party provider, the Member will incur monthly charges for Internet service provided by a third party;
- B. That by establishing the new HSIO account with the third party provider, the Member may incur additional set-up or initial costs;
- C. That the HSIO is offered by a third party, not subject to the control of AOL, and that as such the final terms and conditions associated with that offer, including price and availability, are subject to that third party's agreement;
- D. That the Member need not create or maintain a Paid Member Account in order to qualify for the HSIO, and
- E. That if the Member chooses to create or maintain a Paid Member Account, the terms and conditions of that Paid Member Account, including price and commitment term, are independent of the Member actually accepting or provisioning the third party's offer.

25. Within five (5) business days, Respondent shall send the Member via electronic mail or first class U.S. mail confirmation of the disclosures in Paragraph 24.

Third Party Verification System

26. If Respondent chooses to verify Saves through TPV, the TPV agent must:

- A. Be an independent party, and not an employee of Respondent; provided, however, that Respondent will not be in violation of this section if for the limited purpose

of providing TPV for the hearing-impaired, Respondent uses the same third party to both conduct the call and complete the verification;

- B. Be compensated in a manner that does not include any bonuses or commissions based on any rate or percentage of Member Saves;
- C. Record the complete telephone conversation between the consumer and the TPV;
- D. Retain a copy of the complete recording for a minimum of three (3) years; and
- E. For a Member Save, convey to the Member the fact that the Member's Paid Member Account shall be Canceled or converted to a Free Member Account, if the Member does not expressly consent to each required term pursuant to Paragraph 21. In such instances, the TPV agent must promptly notify Respondent of the Member's failure to consent, and Respondent shall Cancel or convert the Paid Member Account to a Free Member Account.

Policies and Procedures

- 27. Respondent shall adopt and enforce policies and procedures that:
 - A. Prohibit compensation to any call center personnel or entities acting on behalf of Respondent that is contingent upon their obtaining a minimum amount or quota of Member Saves; and
 - B. Prohibit all Respondent employees from any other unethical, deceptive, or misleading behavior as alleged in this Assurance.
- 28. As part of these policies and procedures, Respondent shall, beginning no later than September 12, 2007 (provided, however, that Respondent shall use its best efforts to comply with this provision as soon as it is capable of doing so), record all telephone communications in

which a Member selects the Cancellation or conversion of Paid Member Account to Free Member Account option in the Interactive Voice Recording menu, separate and apart from the TPV recording described above. For any such recorded calls which result in a Member continuing to be billed or charged by Respondent, or in which a Member is registered for a HSIO offer, Respondent shall save such recordings for a minimum of three (3) years, and shall upon request of a State, provide such recordings to the requesting State. Furthermore, Respondent shall monitor and review a statistically significant sampling of all communications for compliance with the laws of the States and this Assurance.

Complaint Process

29. With respect to consumer complaints, Respondent shall:
- A. Provide the States with a proper mailing address, fax number, and e-mail address to which consumer complaints may be forwarded;
 - B. Thoroughly and expeditiously review any Member complaint, including but not limited to reviewing a consumer's verification to continue service if such is the case;
 - C. Respond to each Member complaint in writing within thirty (30) days, if such a complaint was sent to a proper AOL address or number for receiving complaints;
and
 - D. Maintain all Member complaints and all responses thereto, for a period of three (3) years after receipt of such complaints.

30. Respondent shall resolve within forty-five (45) days⁶ of receipt, consumer complaints forwarded by the States or sent directly to AOL at the following physical address, e-mail address, and/or facsimile:

Physical Address:
AOL LLC
Attn: Heidi Jongquist, Program Director
Regulatory Order Compliance
PO Box 65771
Sterling, VA 20165-8806

Email Address:
Regulatory.Compliance@corp.aol.com

Facsimile:
703-466-9225

Provided however, that for complaints involving alleged compromised accounts or payment methods, Respondent may request additional information and/or an affidavit from the consumer and will resolve such complaints within fifteen (15) days of receipt of such additional information and/or affidavit.

- A. For any complaint forwarded by the States in which a consumer claims to be owed, or improperly billed, a specific amount, which was received from January 1, 2005 until the Effective Date, Respondent, as part of the above resolution, will provide a full refund and/or clear any outstanding balance(s) of amounts paid to, or charged or billed by AOL unless Respondent confirms that the consumer has already resolved, settled or otherwise received full compensation for that specific claim or confirms that the consumer did not incur the charges at issue.

⁶ Provided, however, that the States shall cooperate with Respondent in granting reasonable extensions when needed.

B. For any complaint forwarded by the States in which a consumer claims to be owed, or improperly billed, a specific amount, which was received after the Effective Date of this Assurance, Respondent, as part of the above resolution, will provide a full refund and/or clear any outstanding balance(s) of amounts paid to, or charged or billed by AOL; unless, however, Respondent confirms that the consumer has already resolved, settled or otherwise received full compensation for that specific claim, confirms that the consumer did not incur the charges at issue, or produces clear and convincing evidence of the consumer's intent to incur such charges. Such clear and convincing evidence must be demonstrated through disclosures, recordings, verifications, and confirmations made pursuant to this Assurance. In circumstances in which Respondent is not required to maintain such disclosures, recordings, verifications, and confirmations, Respondent may rely on other clear and convincing evidence that belies the consumer's claim. If Respondent no longer maintains adequate data and/or information to assess a complaint received from one of the States, such complaint shall be resolved at the discretion of such State.

31. Upon request by a State, Respondent shall deliver to that State, regarding the consumers of that State, a quarterly report in the format of an electronic spreadsheet, detailing each Member complaint received by Respondent from consumers in that State. The report shall include:

A. The Member's contact information including name, address, e-mail address, and telephone number;

- B. Any Member Save, Cancellation, or Free Member Account conversion confirmation number assigned;
- C. The name of the employee associated with the complaint;
- D. The date the complaint was received;
- E. The date of the associated Member Save, Cancellation, or Free Member Account conversion, if any; and
- F. The disposition of the complaint, including the amount of reimbursement.

The report shall also include those past complaints resolved pursuant to Paragraph 29 that have not been previously reported. Undeliverable checks will be aggregated and delivered, with a list of consumers and the amount attributable to each, to each respective State per the requirement of that State's unclaimed property law. The States shall assist Respondent in providing information to ensure that such checks are delivered to the appropriate entity within each respective state.

Account Reactivation

32. In order to resume billing or collecting any payment from any Member for a Paid Member Account that has previously been canceled or converted to a Free Member Account, Respondent shall:

- A. Clearly and Conspicuously disclose to the Member the terms and conditions and any applicable privacy policies relating to the Paid Member Account;
- B. Require the Member to resubmit any payment information, even where the payment method is the same as was previously used by the Member; and,

C. Within five (5) days, send the Member an official e-mail message distinct in color and in branding, such that the Member can distinguish it from other types of e-mail messages received which Clearly and Conspicuously discloses:

- 1) The exact cost the Member will incur during each Billing Cycle, including any early termination fees;
- 2) Any minimum amount of time a Member must maintain the Internet related services if such a minimum is imposed;
- 3) If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will incur after the lapse of the free trial terms;
- 4) The terms and conditions of any other incentives offered to and accepted by the Member as part of the Reactivation process; and
- 5) A hyperlink to cancel on-line, consistent with Paragraph 15.

For reactivations made via telephone, Respondent shall record the entire telephone communication establishing the reactivation and shall save a copy of the recording for a minimum of three (3) years. Respondent shall upon request, provide any signatory State with such recordings.

Spin-off Accounts

33. Respondent shall enable Members to create Spin-off Accounts only via a telephone transaction. Prior to creating the Spin-off Account, Respondent shall Clearly and Conspicuously disclose to the Master Account holder:

- A. The exact additional cost associated with the Spin-off Account, including any additional early termination fee;
- B. Any minimum amount of time a Member must maintain his or her Spin-off Account, if such a minimum is imposed by Respondent;
- C. If the offer is a free trial membership, the exact date the Spin-off Account will begin to incur charges and the amount of charges to be assessed after the lapse of the free trial terms;
- D. That in order to create a Spin-off Account the Spin-off Account holder must have the authority to create such an account and be at least eighteen (18) years of age; and
- E. The available methods of canceling a Spin-off Account.

34. Respondent shall record the entire telephone communication establishing the Spin-off Account, and shall save a copy of the recording for a minimum of three (3) years. Respondent shall upon request, provide any signatory State with such recordings.

Telephone Billing

35. Prior to billing a consumer through the Member's telephone service bill, Respondent shall Clearly and Conspicuously disclose to, obtain from, and verify with the Member each of the following:

- A. The telephone number through which Respondent will bill for its services;
- B. The fact that the Member is the line subscriber for that telephone number and is authorized to incur charges;

- C. The exact charge that Respondent will place on the Member's monthly telephone service bill; and
- D. If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will begin to incur after the lapse of the free trial terms.

In verifying the fact that the Member is the authorized line subscriber for the telephone number, Respondent shall, beginning no later than September 12, 2007 (provided, however, that Respondent shall use its best efforts to comply with this provision as soon as it is capable of doing so), require the Member to provide a unique identifying number, which is not the Member's entire social security number, and which Respondent will use to take reasonable steps to verify the Member's identity, including using a third party to confirm that the telephone number through which AOL intends to bill the Member belongs to the Member.

36. Within five (5) days of registration of a Paid Member Account in which the consumer has authorized telephone billing, Respondent shall send the Member via electronic mail a telephone billing confirmation notice which Clearly and Conspicuously discloses:

- A. The exact cost the Member will incur during each Billing Cycle, including any early termination fees;
- B. Any minimum amount of time a Member must maintain the Internet related services if such a minimum is imposed;
- C. If the offer is a free trial membership, the exact date the Member will begin to incur charges and the amount of charges the Member will incur after the lapse of the free trial terms;

- D. The terms and conditions of any other incentives offered to and accepted by the Member as part of the activation process; and
- E. A customer service number hyperlink to cancel on-line, consistent with Paragraph 15.

Respondent shall also send, within five (5) days of such registration send by U.S. mail a post card that contains all information needed to cancel the account via telephone. Respondent shall record the entirety of any telephone communication authorizing telephone billing, and shall save a copy of the recording for a minimum of three (3) years. Respondent shall upon request, provide any signatory State with such recordings.

37. Respondent shall, upon receipt of a complaint for unauthorized telephone charges, verify that the Member whose account was billed through that telephone number matches the current line subscriber, otherwise Respondent shall provide a full refund to the person making the complaint.

Free Member Accounts

38. When a Member converts a Paid Member Account to a Free Member Account, Respondent shall, with regard to the remaining membership time previously paid by the Member:

- A. Allow the Member to continue to use the account in the same manner as was previously provided, until the expiration of such membership time, or
- B. Provide a pro-rata refund of the remaining membership time.

COMPLIANCE MONITORING

39. Respondent, its successors, assigns, officers, agents, servants, and employees, whether acting directly or through any corporation, subsidiary, division, or other device, for the purpose of monitoring and investigating compliance with any provision of this Assurance, shall provide written reports sworn under penalty of perjury to the States ninety (90) and two hundred and seventy (270) days after the date of Effective Date of this Assurance setting forth in detail the manner and form in which AOL has complied and is complying with this Assurance.

PAYMENT TO STATES

40. Within thirty (30) calendar days of the Effective Date of this Assurance, Respondent shall pay THREE MILLION DOLLARS (\$3,000,000.00), to be divided and paid by AOL directly to each State in an amount to be designated by and in the sole discretion of the States. The States shall provide AOL, within ten (10) calendar days of the Effective Date of this Assurance, a breakdown of the amount of payment to each individual state and contact information to forward payment. Said payment shall be used by the States as and for attorneys' fees and other costs of investigation and litigation, or for future public protection purposes, or to be placed in, or applied to, the consumer protection enforcement fund, consumer education, litigation or local consumer aid fund or revolving fund, used to defray the costs of the inquiry leading hereto, or for other uses permitted by state law, at the sole discretion of each Attorney General.

GENERAL PROVISIONS

41. Nothing in this Assurance shall be construed as a waiver of any private rights, causes of action, or remedies of any person against Respondent with respect to their practices alleged

herein. Unless specifically provided for in this Assurance, nothing in this Assurance is affected by any court's decision in any private class action suit against Respondent.

42. Unless otherwise specified, all written or recorded verifications required by this Assurance shall be retained by Respondent for a minimum of three (3) years, and shall be provided to any signatory State upon request by that State.

43. Nothing set forth in this Assurance alters the requirements of state or federal law to the extent those laws offer greater protections to consumers, nor shall anything in this Assurance relieve Respondent of its obligation to comply with all applicable state or federal laws. Where state or federal laws provide greater consumer protections than the terms or provisions included in this Assurance the applicable statutes or regulations shall govern.

44. To the extent that the provisions of this Assurance conflict with any state, local, or federal law which now exists, or is later enacted or amended, such law and not this Assurance shall apply only to the extent such conflict exists. For purposes of this Assurance, a conflict exists if conduct prohibited by this Assurance is required by such state, local, or federal law, or if conduct required by this Assurance is prohibited by such state, local, or federal law.

45. To seek a modification or termination request of this Assurance for any reason, Respondent shall send a written request to the respective Attorney General. The Attorney General receiving the request shall make a good faith evaluation of the then existing circumstances, and after collecting information he or she deems necessary, make a prompt decision as to whether to agree to the modification or termination of this Assurance. In the event the respective Attorney General denies the modification or termination request, Respondent reserves all rights to pursue any legal or equitable remedies that may be available to it. In States

where this Assurance is filed with the Court, no waiver, termination, modification, or amendment of the terms of this Assurance shall be valid or binding unless made by order of the Court; provided, however, that the parties may agree to an extension of any time periods in this Assurance without an order of the Court. If, prior to the deadlines specified herein, Respondent believes in good faith that an extension of thirty days is necessary to satisfy such deadlines, it will notify the States in writing and provide a detailed explanation for such delay. Consent to an extension will not be unreasonably withheld.

46. Respondent expressly understands that any violation of this Assurance may result in any signatory state seeking all available relief to enforce this Assurance, including an injunction, civil penalties, court and investigative costs, attorneys' fees, restitution, and any other mechanism provided by the laws of the state or authorized by a court.

47. Any notices, complaints, or other documents required by this Assurance to be sent to Respondent shall be sent to the following individual at the following physical address, email address, and/or facsimile:

Physical Address:
AOL LLC
Attn: Heidi Jongquist, Program Director
Regulatory Order Compliance
PO Box 65771
Sterling, VA 20165-8806

Email Address:
Regulatory.Compliance@corp.aol.com

Facsimile:
703-466-9225

48. The States shall provide Respondent with the names, addresses, and phone numbers of the appropriate contacts in each of the respective state offices to receive any notices, complaints, or other documents required by this Assurance to be sent by Respondent to the States.

49. This Assurance is a complete resolution of the States allegations contained in Paragraph 9 occurring on or before the Effective Date of this Assurance for violation of the States' consumer protection statutes as listed in Footnote 4. Nothing in this Assurance shall be construed as a release and/or waiver of any other civil or criminal claims, causes of action, damages, fines, costs, and penalties available to the States under their respective laws or under any federal law, including, but not limited to anti-spyware laws, data privacy disclosure issues, consumer credit codes, debt collection laws, antitrust laws, environmental laws and taxation laws, and including, but not limited to the States' respective consumer protection statutes as they may pertain to matters not reasonably related to the allegations set forth in Paragraph 9 of this Assurance.

50. Any and all court costs associated with this Assurance and its entry and/or approval shall be borne by Respondent. No costs shall be imposed independently on any of the States. Further, no discretionary costs shall be imposed on any of the States. Nothing in this Assurance shall shift the cost of any necessary local counsel from Respondent to the States. Respondent shall be independently responsible for all additional expenses incurred through the necessity of local counsel in those limited jurisdictions where local counsel is required for the filing of this Assurance.


51. Respondent represents that it has fully read and understands this Assurance, that it accepts the legal consequences involved in signing this Assurance, and that there are no other

representations or agreements between Respondent and the States not stated in writing herein, or not stated in earlier writings as specified above in Footnote 3 of this Assurance. Respondent further represents and warrants that it is represented by legal counsel, that it is fully advised of its legal rights in this matter, and that the person signing below is fully authorized to act on Respondent's behalf.

52. Respondent shall provide a copy of this Assurance and an accurate summary of the material terms of this Assurance to its senior executive officers who have any managerial responsibility for the matters covered by this Assurance.

AGREED this 25th day of June, 2007.

AOL LLC

By: 

Title: Ira Parker
Executive Vice President - General Counsel

ATTORNEY FOR RESPONDENT

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 20th of June, 2007.

TROY KING
Alabama Attorney General




KEITH S. MILLER (MIL080)
Chief Deputy Attorney General
Alabama Attorney General's Office
11 South Union Street
Montgomery, Alabama 36130
(334) 242-7300 (telephone)
(334) 242-2433 (facsimile)
**ATTORNEYS FOR THE STATE
OF ALABAMA**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

TALIS J. COLBERG
ALASKA ATTORNEY GENERAL

Date: June 12, 2007

By: _____


Julia Coster
Assistant Attorney General
1031 West 4th Avenue, Suite 200
Anchorage, AK 99501
(907) 269-5200
Alaska Bar No. 8703006
Attorney for Plaintiff State of Alaska

In the Matter of:

AOL, LLC

Assurance of Voluntary Compliance / Assurance of Discontinuance

Dated: 18th of June, 2007.

TERRY GODDARD
Attorney General of Arizona



DENA ROSEN EPSTEIN
Unit Chief Counsel
KAREN BAERST TREON
State Bar No. 014950
Assistant Attorney General
1275 West Washington
Phoenix, Arizona 85007
(602) 542-7717 (telephone)
(602) 542-4377 (facsimile)
ATTORNEYS FOR THE STATE OF ARIZONA

In the Matter of:

**AOL, LLC
Assurance of Voluntary Compliance**

Dated: June 15, 2007.

STATE OF ARKANSAS

DUSTIN McDANIEL, Attorney General

JIM DEPRIEST, Deputy Attorney General
Public Protection Department

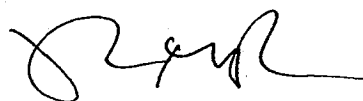


Camille Williams Bennett
Assistant Attorney General
Arkansas Bar No. 97085
Consumer Protection Division
323 Center Street, Suite 200
Little Rock, AR 72201
(501) 682-3638 Telephone
(501) 682-8118 Facsimile

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 19th of June, 2007

EDMUND G. BROWN JR.
Attorney General of the State of California
ALBERT NORMAN SHELDEN
Senior Assistant Attorney General

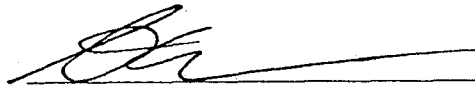


DAVID M. TIEDE
Deputy Attorney General
Office of the Attorney General
110 W. "A" Street, Suite 1100
San Diego, CA 92101
(619) 645-2093
(619) 645-2062 (fax)
**ATTORNEYS FOR THE PEOPLE OF THE
STATE OF CALIFORNIA**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 20th of June, 2007

JOHN W. SUTHERS
Attorney General of Colorado



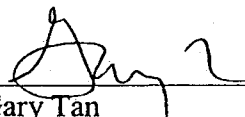
ALISSA HECHT GARDENSWARTZ
Colorado Bar No. 36126
Assistant Attorney General
Consumer Protection Section
Office of the Colorado Attorney General
1525 Sherman Street
Denver, CO 80203
(303) 866-5079 (telephone)
(303) 866-4916 (facsimile)
**ATTORNEYS FOR THE STATE OF
COLORADO**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 21 of June, 2007.

Jerry Farrell, Jr.
Commissioner of the Consumer Protection

By: Richard Blumenthal
Attorney General of Connecticut

By: 

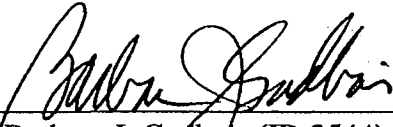
Gary Tan
Assistant Attorney General
Office of the Attorney General
110 Sherman Street
Hartford, CT 06105
Tel: (860) 808-5400
Fax: (860) 808-5593
Juris No. 415573

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

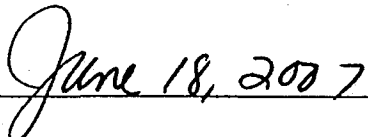
Dated: June 18, 2007

FOR THE STATE OF DELAWARE:

JOSEPH R. BIDEN, III
Attorney General of the State of Delaware

By: 

(Barbara J. Gadbois (ID 2544)
Deputy Attorney General
Delaware Department of Justice
Fraud and Consumer Protection Division
820 North French Street, 5th Floor
Wilmington, Delaware 19801
(302) 577-8323 (telephone)
(302) 577-6499 (facsimile)
Attorneys for the State of Delaware


Date: 


In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 14th of June, 2007.

LINDA SINGER
Attorney General for the District of Columbia

BENNETT RUSHKOFF
Acting Deputy Attorney General
Public Advocacy Division


BENNETT RUSHKOFF
Chief, Consumer and Trade Protection Section


WENDY J. WEINBERG
Assistant Attorney General

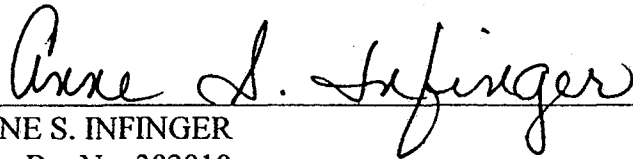
Office of the Attorney General
441 4th Street, NW, Suite 450N
Washington, DC 20001
202-727-3500

Attorneys for the District of Columbia

IN THE MATTER OF AOL, LLC
ASSURANCE OF VOLUNTARY COMPLIANCE

Dated: June 11, 2007

JOSEPH B. DOYLE
Administrator, Governor's Office of Consumer Affairs

A handwritten signature in cursive script, reading "Anne S. Infinger", is written over a horizontal line.

ANNE S. INFINGER
State Bar No. 382918
Deputy Administrator, Investigative and Legal Division
Governor's Office of Consumer Affairs
2 Martin Luther King, Jr. Drive, Suite 356
Atlanta, GA 30334-4600

In the Matter of:)
)
AOL, LLC)
)
Respondent.)
_____)

ASSURANCE OF VOLUNTARY COMPLIANCE

DATED: Honolulu, Hawaii, June 22, 2007.

STATE OF HAWAII

By STEPHEN H. LEVINS
Executive Director of the
Office of Consumer Protection

By Lisa P. Tong
LISA P. TONG
Staff Attorney
235 South Beretania Street, Room 801
Honolulu, Hawaii 96813-2419
Telephone: (808) 586-2636
Facsimile: (808) 586-2640

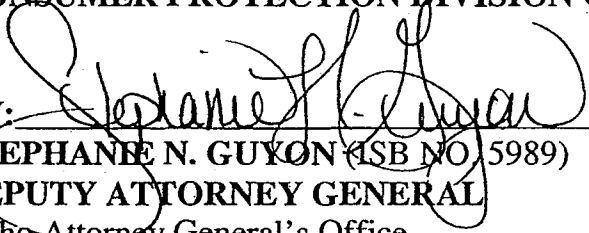
**IN THE MATTER OF THE ATTORNEY GENERAL'S
INVESTIGATION OF THE BUSINESS PRACTICES OF:
AOL, LLC**

ASSURANCE OF VOLUNTARY COMPLIANCE

DATED this 6th day of June 2007.

**LAWRENCE G. WASDEN
ATTORNEY GENERAL STATE OF IDAHO**

**BRETT T. DELANGE
CONSUMER PROTECTION DIVISION CHIEF**

BY: 
STEPHANIE N. GUYON (LSB NO. 5989)
DEPUTY ATTORNEY GENERAL
Idaho Attorney General's Office
Consumer Protection Division
P.O. Box 83720
Boise, ID 83720-0010
(208) 334-2424
(208) 854-8073 (facsimile)
Stephanie.guyon@ag.idaho.gov

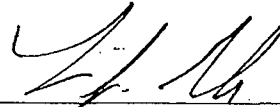
In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 12th of June, 2007.

LISA MADIGAN
Attorney General of Illinois

DEBORAH HAGAN
Chief, Consumer Protection Division

ELIZABETH BLACKSTON
Chief, Consumer Fraud Bureau



Louis J. Gale
Illinois Bar No. 6286204
Assistant Attorney General
Office of the Illinois Attorney General
Consumer Fraud Bureau
500 South Second Street
Springfield, IL 62706
(217) 782-4436 (telephone)
(217) 782-1097 (facsimile)

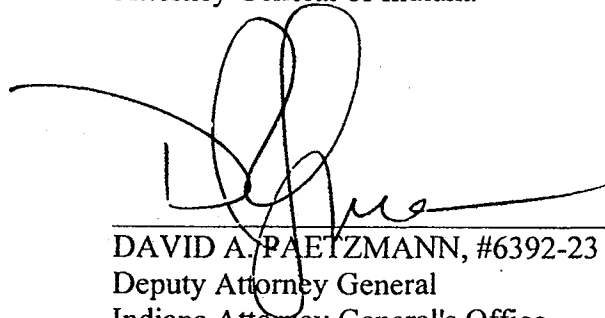
**ATTORNEYS FOR THE STATE OF
ILLINOIS**

In the Matter of
AOL, LLC.

Assurance of Voluntary Compliance

DATED: June 21, 2007

STEVE CARTER
Attorney General of Indiana

A handwritten signature in black ink, appearing to read 'D. Paetzmann', is written over a horizontal line. The signature is stylized and cursive.

DAVID A. PAETZMANN, #6392-23
Deputy Attorney General
Indiana Attorney General's Office
Indiana Government Center South, 5th floor
302 W. Washington Street
Indianapolis, IN 46204

400610/dap

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 6th of June, 2007.

THOMAS J. MILLER
Attorney General of Iowa

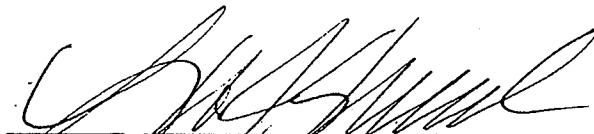


WILLIAM L. BRAUCH
Special Assistant Attorney General
Director-Consumer Protection Div.
1305 E. Walnut Street
Des Moines, IA 50319
Telephone: 515-281-8772
Telefax: 515-281-6771
e-mail: bbrauch@ag.state.ia.us
**ATTORNEY FOR THE STATE
OF IOWA**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 21st of June, 2007.

PAUL J. MORRISON
Attorney General of Kansas



LINDA SHEPPARD
Deputy, Consumer Protection Division
State Bar No. 17579



EMILIE BURDETTE RUSH
Assistant Attorney General
State Bar No. 22094
Office of the Kansas Attorney General
Consumer Protection Division
120 SW 10th Ave., 2nd Floor
Topeka, Kansas 66612
(785) 296-3751 (telephone)
(785) 291-3699 (facsimile)

**ATTORNEYS FOR THE STATE OF
KANSAS**

IN THE MATTER OF: AOL, LLC

ASSURANCE OF VOLUNTARY COMPLIANCE

FOR THE COMMONWEALTH OF KENTUCKY:

Dated: June 21, 2007

GREGORY D. STUMBO
ATTORNEY GENERAL OF KENTUCKY

By: Maryellen B. Myneer

MARYELLEN B. MYNEAR
Litigation Manager/Assistant Attorney General
Office of the Kentucky Attorney General
Office of Consumer Protection
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601
(502) 696-5389 telephone
(502) 573-7151 facsimile

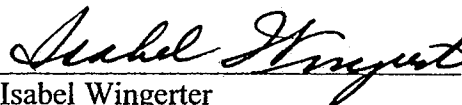
In the Matter of:

AOL, L.L.C.
Assurance of Voluntary Compliance

Dated: June 21, 2007.

Respectfully submitted,

CHARLES C. FOTI, JR.
Attorney General
State of Louisiana



Isabel Wingerter
La. Bar Roll No. 20428
Chief, Consumer Protection Section
Assistant Attorney General
State of Louisiana
1885 N. 3rd Street
Baton Rouge, Louisiana 70802
(225) 326-6455



R. Sara Kakar
La. Bar Roll No. 27,527
Assistant Attorney General
State of Louisiana
1885 N. 3rd Street
Baton Rouge, Louisiana 70802
(225) 326-6471

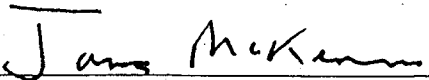
**ATTORNEYS FOR THE STATE OF
LOUISIANA**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

G. STEVEN ROWE
Attorney General

LINDA J. CONTI
Chief, Consumer Protection Division

Dated: June 12, 2007


JAMES A. MCKENNA
Maine Bar No. 1735
Assistant Attorney General
Office of the Maine Attorney General
6 State House Station
Augusta, ME 04333-0006
Tel. (207) 626-8842
Fax (207) 624-7730

**ATTORNEYS FOR THE STATE
OF MAINE**

In the Matter of:
AOL, LLC
ASSURANCE OF VOLUNTARY COMPLIANCE

DOUGLAS F. GANSLER
Attorney General of Maryland

Dated: June 22, 2007

By:



WILLIAM D. GRUHN
Assistant Attorney General
Consumer Protection Division
Office of the Attorney General of Maryland
200 Saint Paul Place
Baltimore, MD 21202
(410) 576-6556

In the Matter of
AOL, LLC

Assurance of Voluntary Compliance

Dated: June 21, 2007

**COMMONWEALTH OF
MASSACHUSETTS**

**MARTHA COAKLEY
ATTORNEY GENERAL**

A handwritten signature in black ink, appearing to read "Scott D. Schafer", written over a horizontal line.

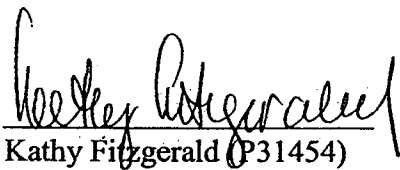
Scott D. Schafer, BBO#631384
Assistant Attorney General
Consumer Protection Division
One Ashburton Place
Boston, MA 02108
(617) 727-2200

In the Matter of:

AOL, LLC
Assurance of Voluntary Compliance

MICHAEL A. COX
Attorney General
State of Michigan

Dated: June 13, 2007

By: 
Kathy Fitzgerald (P31454)
Assistant Attorney General
Consumer Protection Division
Michigan Dept. of Attorney General
P.O. Box 30213
Lansing, MI 48909
(517) 335-0855 (telephone)
(517) 335-1935 (facsimile)

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 15 of June, 2007.

LORI SWANSON
Attorney General
State of Minnesota



MARK IRELAND
Assistant Attorney General
Atty. Reg. No. 0303690

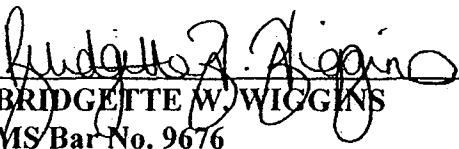
445 Minnesota Street, Suite 1400
St. Paul, Minnesota 55101-2131
(651) 297-4606 (Voice)
(651) 297-7206 (TTY)

ATTORNEYS FOR THE STATE OF
MINNESOTA

**In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance**

Dated: 20th day of June, 2007.

**JIM HOOD
Attorney General of the State of Mississippi**


BRIDGETTE W. WIGGINS
MS Bar No. 9676

**Special Assistant Attorney General
Mississippi Attorney General's Office
Consumer Protection Division
P.O. Box 22947
Jackson, Mississippi 39225
Telephone: (601) 359-4279
Facsimile: (601) 359-4231**


**ATTORNEY FOR THE STATE OF
MISSISSIPPI**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 13th of June 2007.

Respectfully Submitted,

JEREMIAH W. (JAY) NIXON
Attorney General

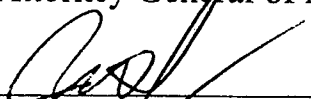

Renee T. Slusher (40289)
Assistant Attorney General
P.O. Box 899
Jefferson City, Missouri 65102
PH: 573-751-4471
FAX: 573-751-2041

ATTORNEY FOR THE STATE OF MISSOURI

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 4th of June, 2007.

MIKE MCGRATH
Attorney General of Montana

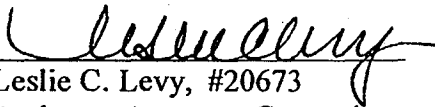


Cort Jensen
Assistant Attorney General
Montana Department of Justice
Office of Consumer Protection
215 North Sanders
PO Box 201401
Helena, MT 59620
(406) 444-5439
(406) 444-3549 (fax)
ATTORNEY FOR THE STATE

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 20th of June, 2007.

JON BRUNING
Attorney General of Nebraska



Leslie C. Levy, #20673
Assistant Attorney General
Office of the Nebraska Attorney General
2115 State Capitol Bldg
Lincoln, NE 68509
(402) 471-2683
(402) 472-4725

**ATTORNEYS FOR THE
STATE OF NEBRASKA**

1
2
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In the Matter of:

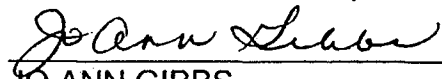
AOL, LLC

Assurance of Voluntary Compliance / Discontinuance

DATED this 6th day of June, 2007.

SUBMITTED BY:

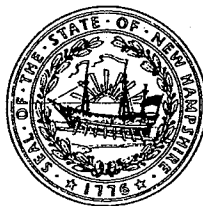
CATHERINE CORTEZ MASTO
Attorney General

By: 
JO ANN GIBBS
Senior Deputy Attorney General
Nevada Bar No. 005324
555 E. Washington Avenue, #3900
Las Vegas, Nevada 89101
702-486-3789
Attorneys for Plaintiff, State of Nevada

**ATTORNEY GENERAL
DEPARTMENT OF JUSTICE**

33 CAPITOL STREET
CONCORD, NEW HAMPSHIRE 03301-6397

KELLY A. AYOTTE
ATTORNEY GENERAL



ORVILLE B. "BUD" FITCH II
DEPUTY ATTORNEY GENERAL

June 20, 2007

In the Matter of:

AOL, LLC
Assurance of Voluntary Compliance

Dated: 20th of June, 2007.

THE STATE OF NEW HAMPSHIRE

By its attorneys,

KELLY A. AYOTTE
ATTORNEY GENERAL OF NEW HAMPSHIRE

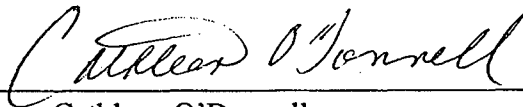
Constance N. Stratton

Constance N. Stratton
State Bar No. 7939
Senior Assistant Attorney General
Consumer Protection and Antitrust Bureau
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Concord, New Hampshire 03301
tel. (603) 271-3643
fax (603) 223-6241

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 19th of June, 2007

STUART RABNER
ATTORNEY GENERAL OF NEW JERSEY

By: 

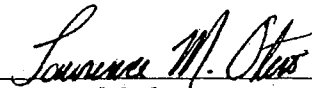
Cathleen O'Donnell
Deputy Attorney General
State of New Jersey
Office of the Attorney General
Dept. of Law and Public Safety
Division of Law
Consumer Fraud Prosecution Section
124 Halsey Street- 5th Flr.
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Newark, New Jersey 07101
(973) 648-4584 (telephone)
(973) 648-4887 (facsimile)

In the Matter of
AOL LLC

Assurance of Voluntary Compliance and Discontinuance

DATED: June 14, 2007

GARY K. KING, Attorney General
of the State of New Mexico

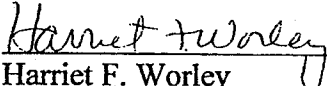


Lawrence M. Otero
Assistant Attorney General
New Mexico Attorney General's Office
P.O. Drawer 1508
Santa Fe, New Mexico 87504-1508

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: _____ of June, 2007

ROY COOPER
Attorney General of North Carolina



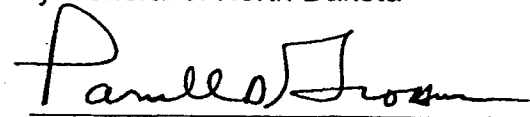
Harriet F. Worley
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Office of the North Carolina Attorney General
Consumer Protection
P.O. Box 629
Raleigh, North Carolina 27602
(919) 716-6000 (telephone)
(919) 716-6050 (facsimile)

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: June 5, 2007.

WAYNE STENEHJEM
Attorney General of North Dakota

BY:



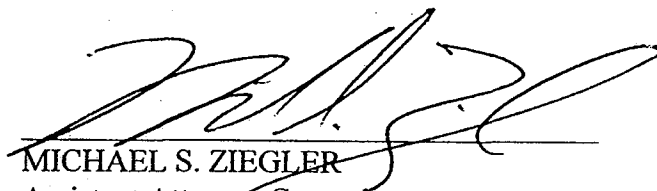
Parrell D. Grossman
State Bar ID No. 04684
Assistant Attorney General
Director
Consumer Protection & Antitrust Division
Office of Attorney General
PO Box 1054
Bismarck, ND 58502-1054
Telephone (701) 328-5570
Facsimile (701) 328-5568

Attorneys for the State of North Dakota

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: June 20, 2007

MARC DANN
Attorney General of Ohio

A handwritten signature in black ink, appearing to read "M. S. Ziegler", is written over a horizontal line. The signature is stylized and cursive.

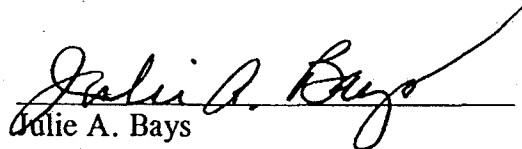
MICHAEL S. ZIEGLER
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Consumer Protection Section
30 East Broad Street, 14th Floor
Columbus, Ohio 43215
614/644-9618 (telephone)
614/466-8898 (facsimile)

In the Matter of

AOL, LLC
Assurance of Voluntary Compliance

DATED: 13th of June, 2007

W.A. DREW EDMONDSON
ATTORNEY GENERAL

A handwritten signature in black ink, appearing to read "Julie A. Bays", is written over a horizontal line.

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Consumer Protection Unit
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Fax: (405) 528-1867
**ATTORNEY FOR THE STATE OF
OKLAHOMA**

1 IN THE MATTER OF:
2 AOL LLC,
3 Assurance of Voluntary Compliance

4 APPROVAL BY COURT

5 APPROVED FOR FILING and SO ORDERED this ____ day of _____, 2007.

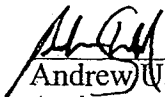
6
7 _____
8 Circuit Court Judge
Marion County, State of Oregon

9 ACCEPTANCE OF OREGON DOJ

10 Accepted this 18th day of June, 2007.

11 HARDY MYERS
12 Attorney General of Oregon

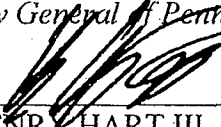
13 By:

14  _____
15 Andrew W. Shull (OR Bar #02454)
16 Assistant Attorney General
17 Oregon Department of Justice
18 1162 Court Street, NE
19 Salem, OR 97301-4096
20 Tel: 503-947-4333
21 Fax: 503-378-5017
22 andrew.shull@doj.state.or.us
23 (Appearance in Oregon Only)
24
25
26

In the Matter of
AOL, LLC
Assurance of Voluntary Compliance

Dated: 22nd of June, 2007.

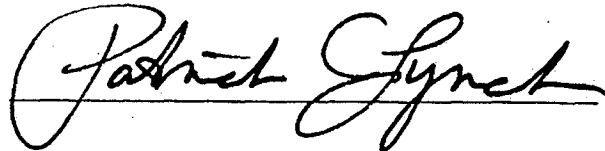
THOMAS J. CORBETT, JR.
Attorney General of Pennsylvania

By: 
HENRY HART III
Senior Deputy Attorney General
Attorney ID #24599
PA Office of Attorney General
Bureau of Consumer Protection
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Telephone: (215) 560-2414
Facsimile: (215) 560-2494
**ATTORNEY FOR THE
COMMONWEALTH OF PENNSYLVANIA**

In the Matter of: AOL, LLC Assurance of Voluntary Compliance

Dated: June 12, 2007
Providence Rhode Island

PATRICK C. LYNCH
ATTORNEY GENERAL OF RHODE ISLAND

A large, stylized handwritten signature of Patrick C. Lynch in black ink, written over a horizontal line.A smaller, stylized handwritten signature in black ink, written over a horizontal line.

By: Parisa Beers
State Bar No. 6437
Special Assistant Attorney General
Rhode Island Department of Attorney General
150 South Main Street
Providence, RI 02903
Tel.: (401) 274-4400 Ext. 2367
Fax: (401) 222-5110

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: June 13, 2007.

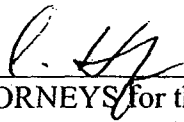
HENRY D. McMASTER
Attorney General

JOHN W. McINTOSH
Chief Deputy Attorney General

C. HAVIRD JONES, JR.
Senior Assistant Attorney General

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(803) 734-3680 (telephone)
(803) 734-3677 (facsimile)

BY:



ATTORNEYS for the State of
South Carolina

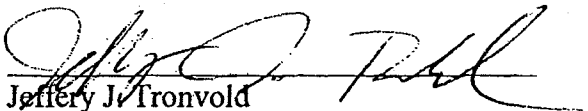
In re: AOL, LLC

FOR THE STATE OF SOUTH DAKOTA

**LAWRENCE E. LONG
ATTORNEY GENERAL**

By:

Date: June 18, 2007



Jeffrey J. Tronvold

Assistant Attorney General

1302 East Highway 14, Suite 1

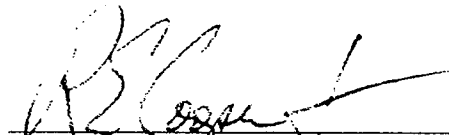
Pierre, South Dakota 57501-8501

(605) 773-3215 Telephone

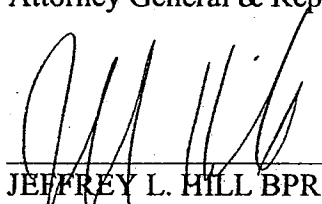
(605) 773-4106 Facsimile

In re: AOL LLC
Assurance of Voluntary Compliance

Date: June 15, 2007.



ROBERT E. COOPER, JR.
Attorney General & Reporter



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Consumer Advocate and Protection Division
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(615) 532-2910 (fax)

At the Request of:



MARY CLEMENT
Director
Division of Consumer Affairs
Department of Commerce and Insurance
500 James Robertson Pkwy.
5th Floor, Davy Crockett Tower
Nashville, TN 37243-0600
(615) 741-4737

108067

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

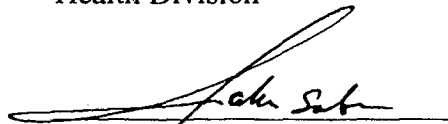
Dated: 12th of June, 2007.

GREG ABBOTT
Attorney General of Texas

KENT C. SULLIVAN
First Assistant Attorney General

JEFF L. ROSE
Deputy First Assistant Attorney General

PAUL D. CARMONA
Chief, Consumer Protection and Public
Health Division



JOHN D. SABA JR.
State Bar No. 24037415
PAUL SINGER
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Consumer Protection & Public Health
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**ATTORNEYS FOR THE STATE OF
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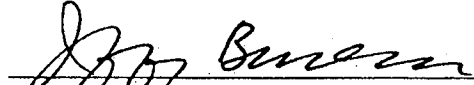
In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 21 of June, 2007.

MARK SHURTLEFF
Attorney General of Utah

RAYMOND HINTZE
Chief Deputy Attorney General

KIRK TORGENSEN
Chief Deputy Attorney General




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**ATTORNEY FOR THE STATE OF
UTAH**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 22nd of June, 2007.

WILLIAM H. SORRELL
Attorney General of Vermont
JANET MURNANE
Deputy Attorney General



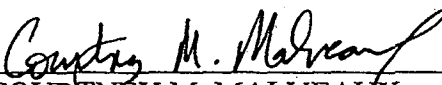
ELLIOT BURG
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Office of the Vermont Attorney General
Consumer Protection Unit
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Montpelier, VT 05609-1001
(802) 828-2153 (telephone)
(802) 828-5341 (facsimile)
**ATTORNEYS FOR THE STATE OF
VERMONT**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 19th of June, 2007.

MAUREEN R. MATSEN
Deputy Attorney General
Civil Litigation Division

DAVID B. IRVIN
Chief and Senior Assistant Attorney General
Antitrust and Consumer Litigation Division




COURTNEY M. MALVEAUX
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Assistant Attorney General
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Richmond, VA 23219
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(804) 786-0122 (facsimile)
**COUNSEL FOR THE COMMONWEALTH
OF VIRGINIA**

In the matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: June 20, 2007

ROBERT M. MCKENNA
Attorney General of Washington



SHANNON E. SMITH, WSBA #19077
Senior Counsel
Consumer Protection Division
800 5th Ave., Ste. 2000
Seattle, WA 98104-3188
(206) 389-3996
Attorneys for State of Washington

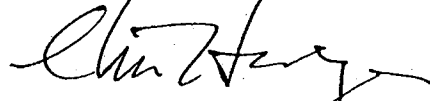
In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 18th of June, 2007.

DARRELL V. MCGRAW, JR.
Attorney General of West Virginia

FRANCES A. HUGHES
Chief Deputy Attorney General

JILL L. MILES
Deputy Attorney General

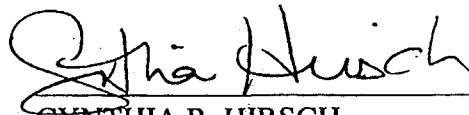


CHRISTOPHER HEDGES
State Bar No. 7894
Assistant Attorney General
State of West Virginia
Office of the Attorney General
Consumer Protection and
Antitrust Division
P.O. Box 1789
Charleston, West Virginia 25326-1789
**ATTORNEYS FOR THE STATE OF
WEST VIRGINIA**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 21st day of June, 2007.

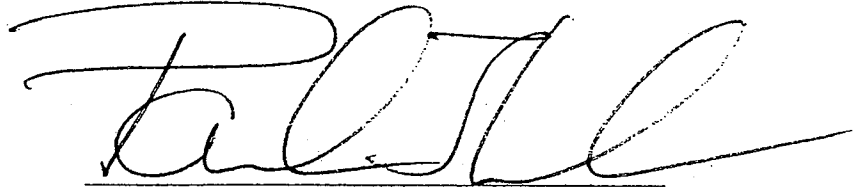
J.B. VAN HOLLEN
Attorney General of Wisconsin



CYNTHIA R. HIRSCH
Assistant Attorney General
State Bar No. 1012870
Wisconsin Department of Justice
Consumer Protection Unit
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Madison, Wisconsin 53707-7857
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**ATTORNEYS FOR THE STATE OF
WISCONSIN**

In the Matter of:
AOL, LLC
Assurance of Voluntary Compliance

Dated: 18th of June, 2007

A handwritten signature in black ink, appearing to read 'P. Crank', written over a horizontal line.

PATRICK J. CRANK
Attorney General of Wyoming
123 Capitol Avenue
Cheyenne, WY 82002
(307) 777-7841 (telephone)
(307) 777-6869 (facsimile)

EXHIBIT 5

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

In the Matter of)

AMERICA ONLINE, INC. and)
COMPUSERVE INTERACTIVE SERVICES, INC.)
corporations.)
_____)

FILE NO. 002-3000

**PUBLIC
VERSION**

**AFFIDAVIT OF HEIDI JONGQUIST IN SUPPORT OF PETITION TO REOPEN
PROCEEDINGS AND MODIFY ORDER**

Heidi Jongquist hereby states as follows:

1. My name is Heidi Jongquist and I am Director, Regulatory Order Compliance, for AOL LLC and CompuServe Interactive Services, Inc. (herein referred to collectively as "Respondents").

2. I have read and am familiar with the January 2004 Decision and Order ("Order") issued by the Federal Trade Commission and Respondents' Petition to Reopen Proceedings and Modify Order.

3. The information in this Affidavit is based on my personal knowledge and experience, as well as information conveyed to me by other management and executives employed by Respondents.

4. I affirm that, to the best of my knowledge and belief, all of the facts and statements contained in this Affidavit are true and correct.

5. Respondents' subscribers may cancel their paid member accounts via telephone, facsimile, U.S. Mail, or electronically at AOL Keyword: Cancel or on the Internet at <http://changeplan.aol.com>. [REDACTED]

6. Subscribers who contact Respondents via telephone with the intent to cancel their paid member accounts often subsequently agree to continue their paid member accounts after speaking with Respondents' customer service personnel.

7. Respondents' subscribers who contact the company via telephone to cancel and subsequently agree to continue a paid member account are provided the disclosures required by the Order, including disclosures regarding pricing plans, additional periodic or usage charges, free trial periods, and the date of first billing. They are also notified that they will be sent a Confirmation Notice within five (5) business days.

8. Within five (5) business days of a subscriber's decision to continue a paid member account, a Confirmation Notice is mailed to the subscriber. The Confirmation Notice provides additional information regarding the terms of the agreement and includes a Cancellation Request Form. Subscribers who fill-out and return the Cancellation Request Form have their accounts closed immediately upon receipt.

9. Since July 2006, Respondents' subscribers who contact the company via telephone with the intent to cancel but subsequently agree to continue a paid member account are also routed through a system of third party verification ("TPV"). TPV is the practice of

confirming a telephone-based sales transaction through an independent party and recording the verification.

10. The TPV process begins when a subscriber contacts Respondents with the intent to cancel service. If the subscriber decides to maintain his or her service with Respondents, he or she is connected to an independent agent or automated system that reviews and records the material terms of the agreement to continue service, inclusive of the terms found in the Confirmation Notice.

11. TPV also provides a contemporaneous means for a subscriber to reverse his or her decision to continue Respondents' service and cancel the paid member account(s). If a subscriber requests cancellation of a paid member account during TPV, the TPV provider automatically sends a cancel request to Respondents and a cancellation letter is sent to the subscriber notifying him or her that the account is no longer active.

12. With the limited exception of TPV for the hearing impaired, TPV providers that verify calls for Respondents are independently owned and operated. [REDACTED]

[REDACTED]

[REDACTED]

13. For the reasons below, I believe that TPV is more effective and efficient than issuance of a Confirmation Notice for the purpose of obtaining the express informed consent of subscribers to continue their paid member accounts. Further, using TPV alone is less expensive for Respondents and less burdensome for subscribers than using both TPV and the Confirmation Notice and corresponding Cancellation Request Form, which are designed to achieve the same purpose and create redundancy in the system. TPV also provides additional safeguards, such as retention of digital recordings and ability to identify non-compliant behavior, that are unavailable

with the Confirmation Notice. [REDACTED]

14. While TPV confirms that subscribers understand the material terms of the underlying transaction immediately after the agreement to continue the paid member account, the Confirmation Notice is mailed within five (5) business days and reaches the subscriber a few days later. [REDACTED]

15. TPV diminishes the likelihood of confusion or misunderstandings regarding the transaction by, through the use of a live agent or automated system, reviewing and confirming the material terms in a clear and concise manner immediately after the agreement to continue the paid member account.

16. [REDACTED]

17. Since TPV occurs immediately after the transaction, it is difficult to avoid and the verified subscriber provides consent. Further, in the limited circumstance where a subscriber does avoid TPV, such as by hanging up before TPV is complete, the language in proposed

section II.F(3) of the Order builds in an additional safeguard by requiring Respondents to follow-up with the Confirmation Notice to verify the subscriber's consent.

18. A subscriber may cancel his or her account during TPV without additional effort or expense. The Cancellation Request Form attached to the Confirmation Notice requires that the subscriber complete the form and mail it to Respondents at the subscriber's own expense.

19. Cancellation of a paid member account in TPV is straight-forward and easy to understand. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

20. Another source of confusion related to the Confirmation Notice involves subscribers who initially decide to retain their accounts but subsequently call Respondents and cancel their paid member accounts before receipt of the Confirmation Notice five (5) or more days later. [REDACTED] A TPV system eliminates this confusion, since cancellation requests are immediately processed.

21. [REDACTED] Recorded calls are easily retrievable in the event of a dispute. This ensures that Respondents are able to respond quickly to subscriber questions with recordings of the TPV verification.

22. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

23. TPV provides an additional mechanism for ensuring compliance among Respondents' customer service personnel. Since the verification occurs immediately following the phone conversation, as opposed to many days later with the Confirmation Notice, Respondents' customer service agents are more likely to make sure that the save was consistent with AOL policies and procedures. [REDACTED]

[REDACTED]

24. [REDACTED]

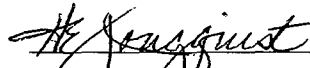
25. [REDACTED]

26. TPV technology has made Respondents' implementation and use of TPV cost-effective, whereas the technology was not cost-effective at the time the Order was entered. For

example, advancements regarding telephony technology, call network infrastructures and call storage capabilities have enabled Respondents to fully implement TPV. Without these advancements, TPV was not an option.

I certify under penalty of perjury that the foregoing is true and correct.

Executed this 23rd day of April 2009.


Hilda "Heidi" Jongquist

STATE OF FLORIDA) SS.

Subscribed and sworn to before me, ED DALRYMPLE, a Notary Public in and for the State of Florida, personally appeared Hilda "Heidi" Jongquist, known to me to be the person who executed the within affidavit, and acknowledged to me that she executed the same for the purposes therein stated.


Notary Public

My Commission Expires:

7/12/2011

