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United States Senate

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

WASHINGTON, DC 20510–6125

WEB SITE: http://commerce.senate.gov

August 4, 2010

Mr. Nathaniel Lipman
President
Affinion Group, Inc.
100 Connecticut Avenue
Norwalk, Connecticut 06850

Dear Mr. Lipman,

I am writing about a direct mail sales tactic Affinion Group, Inc., uses to enroll consumers in its membership clubs and discount programs. Your company's use of this tactic troubles me because consumer advocates, courts, and state and federal authorities have repeatedly described it as misleading, deceptive, and unfair.

As you know, the Senate Committee on Commerce, Science, and Transportation spent the past year investigating the online sales tactics that enabled your company and others to charge millions of online consumers for membership clubs and discount programs the consumers did not want and were unaware they had purchased. In recent months, the Committee has learned that Affinion employs a similar sales tactic by sending "live checks" to consumers through direct mail marketing. Since Affinion reformed its online practices in response to the Committee's investigation, it appears Affinion is more aggressively using "live checks" to enroll consumers in its membership programs. I am concerned that these "live checks" are deceiving consumers in the same manner as the online tactics that were the subject of the Committee's investigation.

Last year, a Committee staff report and hearing showed that, for financial gain, hundreds of websites shared their customers' billing information with companies like Affinion so that Affinion and others could then charge consumers' credit cards or debit cards for their membership clubs.[1] This so-called "data pass" process deceived millions of online consumers, as they were unaware websites were sharing their billing information with third party companies.[2] Through the "data pass" process, Affinion and other companies were able to charge consumers' credit cards and debit cards without ever obtaining the billing information directly from the consumers. Affinion and its competitors' ability to obtain this billing information created consumer confusion and cost consumers over a billion dollars in fees they were not aware they were paying. The "live check" enrollment process Affinion is currently employing

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[1] Senate Committee on Commerce, Science, and Transportation, *Staff Report on Aggressive Sales Tactics on the Internet and Their Impact on American Consumers* (Nov. 16, 2009) (available at http://commerce.senate.gov); Senate Committee on Commerce, Science, and Transportation, *Hearing on Aggressive Sales Tactics on the Internet* (Nov. 17, 2009).

[2] *Id.*

through direct mail marketing presents the same problem—it enables Affinion to charge a consumer for its membership programs without ever obtaining the consumer's billing information directly from the consumer.

Through the "live check" enrollment process, Affinion partners with companies that have already developed a financial relationship with consumers. Affinion then mails "live checks" to those companies' customers. The check's envelope or packaging is branded with the logo of the company familiar to the consumer and prominently alerts the consumer to a "CHECK ENCLOSED." The "live check" contained within the mailer is typically for a small amount, between $8 and $10, and is payable at JP Morgan Chase Bank.[3] If the consumer cashes or deposits the check, the company that has a prior financial relationship with the consumer will transfer the consumer's billing information to Affinion. Affinion then "enrolls" the consumer in one of its membership programs and begins charging a monthly, recurring fee to the consumer's credit card or debit card.

In recent months, the Committee has obtained a number of "live checks" that Affinion sent to customers of 1-800-Flowers.com, Pedi-Paws, and Buyers Advantage, an Affinion discount program. An example of one of these "live checks" is provided below and another is provided as an attachment to this letter.[4]

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND

Check # 6671545898 50-937/213

May 18, 2010

Payable at JPMorgan Chase Bank, N.A., Syracuse, NY

Pay to Addressee or Bearer: [redacted]

Amount: Eight dollars and 25/100 **$8.25**

By cashing or depositing this check you are purchasing a membership in AutoVantage® Enhanced. Void if amount over $8.25.

Cash or deposit by: VALID THROUGH 07/13/10

AUTHORIZED SIGNATURE

[redacted]

AC5968 Z877595101102359 V

⑈6671545898⑈ ⑆021309379⑆ 6018747046⑈

This check does not look like a sales solicitation or a consent form to allow a company to transfer a customer's billing information to an unknown third party. The "live check" looks similar to a refund or rebate check that companies routinely mail to their customers. It effectively conceals the true nature of the proposed transaction, which is that consumers enter

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[3] According to Affinion's most recent 10-K financial statement, JP Morgan Chase is also one of your company's largest marketing partners. Affinion Group, Inc. *Form 10-K Annual Report for Period Ending December 31, 2009* (available at http://www.sec.gov/Archives/edgar/data/1361394/000119312510041525/d10k.htm) ("*Membership Products*. We have over 700 marketing partners in multiple industries. Some of our largest marketing partners, such as Bank of America and JPMorgan Chase, have been marketing with us for over 10 years").

[4] *See* Attachment A.

into an ongoing financial relationship with Affinion when they cash the check. The only portion of the front of the check that would alert a consumer to its true nature is the tiny disclosure under the amount line. It reads, "By cashing or depositing this check you are purchasing a membership in AutoVantage Enhanced."

The reverse side of the check provides a small-print disclosure describing what will happen if the check is cashed. The disclosure informs the consumer that their "credit card on file," either with Affinion or one of its partners, will be charged $15.99 a month until the consumer calls to cancel the charge. By providing this disclosure information in small print, in the space where the consumer endorses the check, your company appears to be intentionally making it as difficult as possible for consumers to understand the true nature of the transaction.

By cashing this check I agree to a thirty-day trial offer in AutoVantage Enhanced. I understand that the $15.99 monthly fee will be automatically charged to my credit card on file with Buyers Advantage® unless I cancel my membership by calling 1-877-747-7121 before the end of the trial period. I understand that after my first year I will be charged $16.99 a month for the next twelve months and I will also be charged every month thereafter at the then-current monthly fee, unless I call to cancel and owe nothing further.

CHECK VOID IF ALTERED OR UNSIGNED.

X

Signature of payee required for processing. T77595101

For years, state attorneys general and the Federal Trade Commission have repeatedly sued companies, including yours, for using "live checks" to obtain consumers' billing information. Through evidence obtained in these lawsuits and enforcement actions, it has been well documented that the "live check" enrollment process harms consumers, costing them millions of dollars in fees for membership programs they were unaware they had purchased. The evidence has shown that consumers do not understand how cashing or depositing a check can authorize one company to transfer their billing information to a third-party company, so that the third party company can charge the consumer for membership programs and services. Senior citizens and people with limited English proficiency are especially vulnerable to enrolling unknowingly in Affinion membership programs through the "live check" enrollment process.[5]

In 2006, sixteen state attorneys general settled a lawsuit with your company and Chase Bank to resolve allegations that your company "unlawfully deceived consumers into paying for membership programs for discounts on car and home repair, shopping, and other goods and services."[6] Affinion and Chase Bank, Affinion's partner, were forced to pay over $14 million for mailing "live checks" and solicitations branded with the Chase logo to Chase customers. In reaching the settlement, the Attorney General of Illinois noted that "as a result of this packaging, many consumers thought these solicitations were rebates or rewards for being a Chase credit card or Chase mortgage customer when, in fact, they were solicitations" from Affinion.[7]

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[5] Prentiss Cox, *The Invisible Hand of Preacquired Account Marketing*, Harvard Journal on Legislation, Vol. 47, No. 2 (2010).

[6] The Attorneys General of Alaska, California, Connecticut, Iowa, Maine, Michigan, Missouri, North Carolina, New Jersey, Ohio, Oregon, Pennsylvania, Tennessee, Vermont, and Washington each filed suit against Affinion and Chase. *See e.g.*, Office of the Illinois Attorney General, *Attorney General Madigan Reaches Agreements with Connecticut Company and Chase Bank Regarding Allegedly Deceptive Check Solicitations* (Dec. 11, 2006).

[7] *Id.*

In March 2010, an Iowa district court reached the same conclusion about "live checks" as the sixteen state attorneys general had in 2006. The court ruled that Vertrue, Inc., a competitor of Affinion's, had violated both state and federal law for using a "live check" enrollment process because it constituted "an unfair practice."[8] In that case, Vertrue had partnered with consumers' credit card issuers and had mailed "live checks" and solicitations branded with the logo of the consumers' credit card issuers. The court found that:

> Consumers receiving a low-dollar check ostensibly from their credit card issuer believed it to be a rebate or reimbursement. They deposited it without suspecting that doing so would enroll them in a program that would be charged to their credit cards. They were never asked to provide their credit card numbers or other means of payment, which would have alerted them to the fact that they were making a purchase and would be charged.[9]

Because of the misleading nature of Vertrue's "live check" enrollment process, "more than 90%" of the consumers enrolled through the process never used the services they were paying for."[10] Attached to this letter is an example of the type of "live check" the Iowa court found to be deceptive.[11] It is strikingly similar to the "live check" Affinion is currently sending to consumers. I am concerned that the "live checks" being used by Affinion mislead consumers in the same manner as those Vertrue used in Iowa.

An enforcement action brought in 1999 by the Federal Trade Commission against another company using a "live check" enrollment process also produced evidence of consumers being misled.[12] Over the course of a year and a half, a company mailed 4.4 million "live checks" for $3.50 to consumers and small businesses. On the back of the check was a "small print disclosure," which revealed that "cashing or depositing the check would constitute agreement to pay a monthly fee for internet access." Of the 225,000 small businesses and consumers who cashed or deposited the "live checks" and were billed by the company, fewer than one percent ever used the service.[13] In affirming a district court decision, the 9th Circuit Court of Appeals ruled that the "live check" enrollment process was a violation of the FTC Act and found that the "mailing created the deceptive impression that the $3.50 check was simply a refund or rebate rather than an offer for services."[14]

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[8] Ruling as to Liability, *State of Iowa v. Vertrue, Inc.,* IA Dist. Crt. for Polk County (Mar. 18, 2010) (EQ 53486).

[9] *Id.*

[10] *Id.*

[11] *See* Attachment B. This document was provided by Vertrue to the Iowa Attorney General's office (available at http://www.state.ia.us/government/ag/latest_news/releases/mar_2010/Vertrue_SAMPLE_CHECK_SURVEY.pdf).

[12] *Federal Trade Commission v. Cyberspace.com*, 453 F.3d 1196 (9th Circuit) (July 13, 2006).

[13] *Id.*

[14] *Id.*

Due to the inherently misleading nature of a "live check" enrollment process, several states are considering banning their use in certain circumstances or have banned them outright. In March 2010, Wisconsin began prohibiting any company from soliciting the citizens of the state with a "live check" enrollment process.[15] Wisconsin's new statute follows similar laws enacted by Utah in 2005 and Alaska and Nebraska in 2008. Those laws make it a deceptive practice for a person to offer "an unsolicited check…which, if cashed or deposited, obligates the endorser to pay for goods or services."[16]

With so much information readily available about the harm a "live check" enrollment process causes consumers, I am very concerned that Affinion and its partners continue to be actively using it to "enroll" consumers in membership clubs. Companies should not employ unfair and deceptive practices to obtain consumers' billing information, whether it is accomplished by tricking consumers into clicking a button on the Internet, or by tricking consumers into endorsing a "live check."

Every day, millions of American consumers provide their billing information directly to thousands of companies for products and services they want to purchase. The time it takes consumers to provide their billing information to these companies has obviously not been an impediment to commerce or to thousands of successful companies. Using sales tactics that cause millions of consumers to inadvertently enroll in membership clubs is not a legitimate business model. Affinion acknowledged as much when it reformed its online enrollment practices following the Committee's investigation.

I intend to continue examining sales tactics that enable companies to charge a consumer for products or services without obtaining a consumer's billing information directly from the consumer. The evidence I have reviewed from the Committee's investigation and state and federal enforcement actions shows that sales tactics that enable companies to circumvent the normal transaction process are inherently misleading for consumers.

To better understand Affinion's use of a "live check" enrollment process and its awareness of the issues this process creates for consumers, I request that Affinion provide answers to the following questions by Friday, August 27, 2010:

1. Why does Affinion use a "live check" enrollment process to enroll consumers in its membership programs?

2. What is Affinion's response to the charge that the "live check" enrollment process is "misleading," "unfair," and "deceptive"?

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[15] 2009 Wisconsin Act 150 (Mar. 10, 2010).

[16] L.B. 781, 2008 100th Leg., 2d Sess., (Neb. 2008), Neb. Rev. Stat. §87-302(a)(16); H.B. 182, 2008 25th Leg., (Alaska, 2008), AS § 45.50.471(b)(53); H.B. 30, 2005 56th Leg., Gen. Sess., (Utah, 2005), Utah Code §13-11-4(2)(t).

3. When did Affinion begin using the "live check" enrollment process described in this letter?

4. The "live checks" obtained by the Committee show that the checks are payable at JP Morgan Chase. What is JP Morgan's role in the "live check" enrollment process?

5. Since Affinion began using a "live check" enrollment process, how many "live checks" has it sent to American consumers?

6. What companies currently have a contract with Affinion, so that Affinion can send "live checks" to the companies' customers?

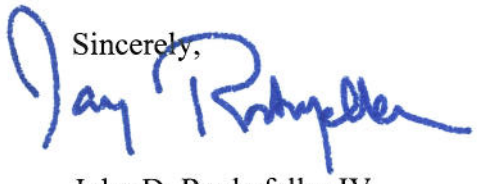
7. Of these companies, which companies have agreed to share their customers' billing information through the "live check" process?

8. How many consumers has Affinion enrolled in its membership programs using a "live check" enrollment process?

9. Of the consumers Affinion has enrolled in its membership programs via a "live check" enrollment process, how many have actually used the services and benefits of the membership programs?

The Committee is conducting this investigation under the authority of Senate Rules XXV and XXVI. If you have any questions, please contact Erik Jones or Melanie Tiano with the Committee staff at (202) 224-1300.

Sincerely,



John D. Rockefeller IV
Chairman

Attachments

cc: Kay Bailey Hutchison
Ranking Member

James Dimon
Chairman and Chief Executive Officer
JPMorgan Chase & Co.

Attachment A

a special offer for

1-800-flowers.com

Pick the best. We always do.

customers

PRSRT STD
U.S. POSTAGE
PAID
HARTFORD, CT
PERMIT #4038

CHECK ENCLOSED

Issued to: [redacted]

AUTO

Attachment A

▲ Detach along perforation ▲

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND

Check # 6467557060 50-937/213

December 8, 2009

Payable at JPMorgan Chase Bank, N.A., Syracuse, NY

Pay to Addressee or Bearer: [redacted]

Amount: Nine dollars and 25/100 **$9.25**

BY CASHING OR DEPOSITING THIS CHECK YOU ARE PURCHASING A MEMBERSHIP IN ELITE EXCURSIONS®. VOID IF AMOUNT OVER $9.25.

Cash or deposit by: VALID THROUGH 02/02/10

AUTHORIZED SIGNATURE

[redacted] TH9078 Z880596101101319 FLW

⑈6467557060⑈ ⑆021309379⑆ 6018747 04⑈

****

Attachment A

READ CAREFULLY BEFORE SIGNING

By cashing this check I agree to a thirty-day trial offer in Elite Excursions. I understand that the $19.99 monthly fee will be automatically charged to my card on file with 1-800-FLOWERS.COM unless I cancel my membership by calling 1-866-709-2905 before the end of the trial period. I understand that I will also be charged every month thereafter at the then-current monthly fee unless I call to cancel and owe nothing further. By cashing this check I authorize 1-800-FLOWERS.COM to securely transfer my credit card information to Elite Excursions for enrollment, billing and benefit processing.

CHECK VOID IF ALTERED OR UNSIGNED.

X

Signature of payee required for processing. S80596101

Attachment A

2% Cash Back on Your Credit Card Purchases

Cash the enclosed check to try Elite Excursions® everyday savings and refunds with the first thirty days free and be on your way to earning 2% money back on your new credit card purchases.

1-800-FLOWERS.COM® values your relationship and from time to time will introduce you to valuable services. So 1-800-FLOWERS.COM asked Elite Excursions, an unaffiliated company, to offer you important rewards and discounts. If you prefer not to receive these kinds of opportunities, simply call 1-866-709-2905 toll free and you can request to receive no future check offers on behalf of 1-800-FLOWERS.COM.

Simply charge any items you buy to your credit card. As an Elite Excursions member, you'll be eligible to receive 2% on your first $5,000.00 of new purchases.[1] You can look forward to receiving a check for up to $100.00 each year you keep your refund privileges.

Moreover, your shopping refund is just one of the incredible discounts you will be entitled to. You can receive additional discounts including:

(1) 200% Low Price Guarantee.[2] If after making your reservation, you find a lower price available for the same eligible airfare, car rental, cruise, or hotel accommodations you booked with the Elite Excursions service — you can get a refund of double the difference!

(2) Savings at more than 5,000 participating hotels — including Hilton®, Best Western®, Residence Inn by Marriott®, and many more — with *THE* Hotel Card℠.[3]

Your refund checks can be made out in your name for you to use however you choose. And that's just part of the Elite Excursions privileges you will enjoy absolutely free for the next month. Hundreds of travel experts are available to assist you 24 hours a day, 7 days a week. And you'll have access to an online searchable database with over 13,000 hotels, 175 discount vacation packages and 29,000 Bed & Breakfast locations, including over 1,100 discount B&Bs. Plus, you can collect a 5% Cash Bonus for reservations you make through our discount network for as long as you keep your savings privileges.[4] These benefits are yours when you cash the attached check.

Your satisfaction and your relationship are always important. When you cash or deposit the attached check, we will automatically charge the $19.99 monthly fee to your card on file with 1-800-FLOWERS.COM for a membership in Elite Excursions, unless you call 1-866-709-2905 to cancel during the thirty-day trial period and owe nothing. Your trial period begins when your membership materials arrive in four to five weeks. Elite Excursions is not affiliated with 1-800-FLOWERS.COM. Your membership will continue at the then-current fee, automatically charged each month to the same account unless you call to cancel. We will not have to ask for your account number or further consent in order to charge you.

You also have our satisfaction guarantee. If you choose to discontinue during the trial period, you will pay nothing and owe nothing. And you can discontinue at any time after that and owe nothing further. There is no obligation to continue. Your $9.25 check is yours to keep.

[1]You will earn 2% money back on the first $5,000.00 of all new purchases charged each year to any credit card you have. Your total cash back is payable to you in a check upon submitting your monthly credit card statements totalling not more than $5,000.00 in the aggregate, at each anniversary of your enrollment in this program. You will have a full 90 days following your anniversary date to redeem the cash rebates you earn each year. You do not have to be an active member at time of redemption. You must be an active member at time of purchase. You continue to earn cash back as long as you are an active member of this program.

[2]If after making a flight reservation, car rental, cruise vacation, or hotel reservation through Elite Excursions, you find that a lower price was available at the time of purchase through another travel service, online or otherwise, call Elite Excursions within 30 days after the date of your purchase and, upon confirmation, Elite Excursions will refund **double** the difference. The lower price must be published, available to the general public, for the identical itinerary (including, but not limited to, your date of travel, vendor, departure time, hotel location, type of room or car rental, as appropriate). Your membership must be current at the time of purchase to be eligible. Offer subject to change at any time without notice. Upon verification, Elite Excursions will promptly refund **double** the difference between the price you paid through the service and the lower price. Fares that conceal the airline's identity until purchased, airline Web fares published each week for travel departing that weekend, charter, tour packages, consolidator rates, and group rates are excluded. Other restrictions may apply. Call 1-877-488-9283 for more details on these and other restrictions. **This benefit is NOT Insurance:** The Low Price Guarantee benefit is not insurance and these terms and conditions are not a policy or contract of insurance.

[3]***THE* Hotel Card** members save up to 50% off the regular rack rate at participating hotels. The rack rate is the hotel's standard non-discounted room rate. The discount does not apply to special rates. To receive up to 50% off the regular rack rate, call the hotel for their availability, using only the phone number in the printed directory. **Subject to Availability:** Participating hotels offer up to a 50% discount subject to projected occupancy. The hotels may not allow the discount once they have reached a certain projected level of occupancy. For most hotels, this occurs when they are projected to be at 80% full. **Restrictions:** Additional restrictions may apply and vary by season and hotel location. Please see individual listing for details. For more details, call the hotel directly. **Minimum Charge:** There is a $25 minimum room charge per night. For example, if the rack rate were $40, the member would pay $25 rather than $20.

[4]The 5% cash bonus applies only to travel purchased through Elite Excursions as detailed in the membership materials we will send you. *THE* Hotel Card, group travel, meals, taxes, gratuities, and other miscellaneous expenses do not apply. Membership must be active at time of request and redemption.

Elite Excursions is a service provided by Trilegiant Corporation, which may modify or improve any part of the service at any time and without prior notice. Travel services are provided by Travelers Advantage Services, Inc. State Seller of Travel Registration Numbers for Travelers Advantage Services, Inc.: California 2079291-50 (Registration as a seller of travel does not constitute approval by California. Travelers Advantage Services, Inc. is not a participant in the Travel Consumer Restitution Fund.); Florida ST36652; Hawaii TAR-6223; Iowa 800; **Nevada: 2005-0034;** State of Washington 602 493 651. Elite Excursions is a registered service mark and *THE* Hotel Card is a service mark of Trilegiant Corporation.

© 2003, Trilegiant Corporation

KEEP FOR YOUR RECORDS

S80596101

Attachment B

Check mailer sample

(5 pages)

PRESORTED
STANDARD
U.S. POSTAGE
PAID
PERMIT #6
HARTFORD, CT 06101

CHECK ENCLOSED

July 30, 2004
CAGL7402
Sample Sample
1234 Every Street
Everytown, USA 12345-6789

Attachment B

57858-0000158-2

REMOVE THIS STUB BEFORE CASHING OR DEPOSITING

CODE 999999999999 NO: 999-9999999

VOID VOID

July 30, 2004

Void After: September 13, 2004

Pay ***Four Dollars and No Cents *** $***4.00

Sign, cash, or deposit this check to automatically enroll in Guideline which comes with a 30-day trial period.

LaSalle Bank N.A.

Pay To The Order Of Bearer Or:

CAGL7482
Sample Sample
1234 Every Street
Everytown, USA 12345-6789

William Anderson

⑈9999999999⑈ ⑆071000505⑆ 5800102856⑈

VTRU 02567

Attachment B

REMOVE THIS STUB BEFORE CASHING OR DEPOSITING

Cash or Deposit This Check Before Void Date Shown
On Other Side To Activate Your Membership

Please enroll me in *Goldrate*, a program that starts when I receive my materials, offered by *Membership, Inc.*, or accept a copy that undersigned will enter you hour from the before the end of this 30-day trial period, which starts when I receive my materials, the $139.95 first year's membership fee will be automatically charged to my Chase credit card account. To ensure continuous advice each year, *Goldrate* will be automatically renewed at the then-current rate that I am charged to my Chase credit card account, as long as my account is open and for as long as I wish to remain a member. I understand that I need not provide any account number for my account to be billed. I may call 1-800-474-9172 at any time to discontinue the service for any reason and receive a refund of my then-current paid annual membership fee. The $4.00 check is mine to keep regardless.

Signature _____

Attachment B

57859-0000158-3

Dear Sample Sample:

The enclosed check with your name on it is real. It's our way of welcoming you to the enormous money-saving discounts you can get on clothes, home decorating and improvement supplies, health needs, eyewear and even more through *Galleria*™, a program offered by *MemberWorks, Inc.*, which is not affiliated with Chase.

Galleria is an exclusive savings program that will allow you to shop for your everyday needs, as well as the items you want, without having to break the bank.

$4.00 CHECK ENCLOSED!

Just cash or deposit the enclosed check, and you'll be enrolled in *Galleria* and be on your way to receiving the program's discounts and services — the $4.00 Cash Reward is yours to keep just for trying *Galleria* for 30 days.

SAVE MONEY!

The *Galleria* program offers money-saving benefits on products the Sample Family uses often. Take a look at just a few ...

- Save 20% on fashion accessories and more. Shop at national retailers — including *Dillard's*®, *Dress Barn*®, *JCPenney*® and others — and save 20% off the price of gift cards purchased through *Galleria*.
- Save 20% on everyday home purchases. Redecorate your home with furniture and decorative accents from such national stores as *Kmart*®, *Linens 'n Things*, *Target*® and more — and save 20% off the price of gift cards purchased through *Galleria*.

30-DAY TRIAL!

To activate your 30-day trial membership and receive your membership materials detailing the exclusive savings, simply cash or deposit the enclosed $4.00 check — yours for trying *Galleria*. If you decide to join for a full year, the $139.95 membership fee will be automatically charged to your Chase credit card, unless you call to cancel during the 30-day trial, which starts with the receipt of your membership materials. If you're not satisfied with the savings, simply call us toll-free at 1-800-474-9172 to cancel during your trial period, and you will have paid nothing. Unless we hear from you before the trial period ends, your Chase credit card will be automatically charged the annual membership fee, as long as your account is open without providing your account number. To ensure continuous service, each year you will receive a renewal notice for your *Galleria* membership, which will be automatically renewed each year and charged to your Chase credit card account at the then-current year's membership fee. You may cancel at any time and avoid renewal billings simply by calling *Galleria* toll-free at 1-800-474-9172. As you can see, this exclusive savings program really does allow you to take advantage of some of the best things in life without having to break the bank to enjoy them!

EVEN MORE SAVINGS!

In addition to savings on fashion and home purchases, you also get discounts on books, games and eyewear, such as ...

- Save 20% on fun and games. Shop at popular stores such as *Borders Books and Music*™, *Sam Goody*®, *Toys "R" Us*™, *Waldenbooks*™, and more — and save 20% off the price of gift cards purchased through *Galleria*.
- Save up to 50% on eyewear. Enjoy up to 50% off retail prices on frames, lenses, exams, contacts and more at nearly 8,000 participating vision centers nationwide.

(over, please)

Attachment B

- Save on furniture, electronics, appliances and more. Get significant savings on over 250,000 items from brand names such as *Panasonic*, *Canon*, *GE*, *Whirlpool*, *Hamilton Beach* and more when purchased through our Discount Shopping Service.

These are only a few examples of how the *Galleria* program can save you money. You'll find out all the ways to save when your *Galleria* Welcome Materials arrive and your trial period begins. But you don't have to wait until your materials arrive to start saving money. You may access your benefits approximately 5-10 business days after you've cashed your check by calling Member Savings at 1-800-474-9172.

SATISFACTION GUARANTEED

We are so sure of the savings and value you can enjoy with the *Galleria* program that we guarantee your satisfaction. If you're not completely satisfied with *Galleria*, you can call Member Savings to cancel at any time for a refund of your then-current annual fee.

Sincerely,

Robert Jacobs
Membership Director
Galleria, *MemberWorks, Inc.*

P.S. Simply cash or deposit your $4.00 check today — you'll be happy you did!

MemberWorks, Inc., and its benefit providers, as applicable, are solely responsible for providing the *Galleria* program. Neither *MemberWorks, Inc.*, nor any benefit provider is affiliated in any way with Chase. Chase and its corporate affiliates are not responsible or liable for the *Galleria* program in any way.

1 Dillard's is not a sponsor of this program.
2 JCPenney is not a sponsor of this promotion and is not affiliated with the *Galleria* program. The JCPenney name and logo are registered trademarks of J. C. Penney Corporation, Inc.
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