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7 **STATE OF WASHINGTON**  
8 **THURSTON COUNTY SUPERIOR COURT**

9 In the matter of:

10 SYNAPSE GROUP, INC. and  
11 SYNAPSECONNECT, INC., WHOLLY  
12 OWNED SUBSIDIARIES OF THE  
13 MEREDITH CORPORATION,

Respondents.

NO.

ASSURANCE OF  
DISCONTINUANCE

14 The State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney  
15 General, and John Nelson and Mina Shahin, Assistant Attorneys General, files this Assurance of  
16 Discontinuance pursuant to RCW 19.86.100. Synapse Group, Inc., a Delaware corporation, is a  
17 large consumer magazine distributor in the United States and a subsidiary of the Meredith  
18 Corporation, a large media conglomerate whose portfolio includes ownership in magazines,  
19 television and radio stations, and various websites.<sup>1</sup> The Meredith Corporation is registered to do  
20 business in Washington as a Foreign Profit Corporation.

21 SynpaseConnect, Inc. is a Delaware corporation and is a subsidiary of Synapse Group,  
22 Inc. Like its parent Synapse Group, Inc., SynapseConnect, Inc. markets and sells magazine  
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26 <sup>1</sup> Synapse Group, Inc. markets itself as the “leading independent provider of magazine subscriptions in the U.S.” See e.g., <https://magsformiles.com/about/> Last accessed November 18, 2020.

1 subscriptions in Washington and elsewhere containing automatic renewal features. Synapse  
2 Group, Inc. and SynapseConnect, Inc. are collectively referred to as Respondents.

### 3 I. DEFINITIONS

4 1.1 “Automatic renewal” shall mean a plan or arrangement in which a paid  
5 subscription or purchasing agreement is automatically renewed at the end of a definite term for a  
6 subsequent term unless the consumer cancels.

7 1.2 “Automatic renewal offer terms” shall mean the following clear and conspicuous  
8 disclosures: (1) That the subscription or purchasing agreement will continue until the consumer  
9 cancels. (2) The manner in which the consumer can cancel. (3) The recurring charges that will  
10 be charged to the consumer’s credit or debit card or payment account with a third party as part  
11 of the automatic renewal plan or arrangement, and that the amount of the charge may change,  
12 if that is the case, and the amount to which the charge will change, if known. (4) The length of  
13 the automatic renewal term or that the service is continuous, unless the length of the term is  
14 chosen by the consumer. (5) The minimum purchase obligation, if any.

15 1.3 “Clear and conspicuous” shall mean that a statement or disclosure is disclosed  
16 in such size, color, contrast, location, duration, and/or audibility that it is easily noticeable,  
17 readable, understandable, and/or capable of being heard by ordinary consumers and not  
18 obscured in any manner.

19 1.4 “Reminder notice” shall mean any (*e.g.*, email, letter, postcard, etc.) notice sent by  
20 Respondents in advance of any automatic renewal that informs consumers of the billing terms  
21 (price, sales tax, duration of subscription, etc.) for the next term of issues.

22 1.5 “Washington consumers” shall mean those consumers who purchased magazine  
23 subscriptions with an automatic renewal feature and provided a Washington billing address.

24 1.6 “Delta consumers” shall mean those Washington consumers who (i) redeemed  
25 frequent flyer miles for a magazine, and (ii) purchased a magazine or subscription with an  
26 automatic renewal feature (by any form of payment excluding airline miles) in response to any

1 promotional offer made during or after redeeming frequent flyer miles between April 1, 2011,  
2 and March 31, 2016.

## 3 II. ASSURANCE OF DISCONTINUANCE

4 2.1 In connection with the advertising, sale, or promotion of magazine subscriptions to  
5 Washington consumers, Respondents shall refrain from the following: With regard to  
6 Respondents' Mags for Miles Program<sup>2</sup>, sending solicitations (including the envelope containing  
7 any solicitation) to consumers, the contents of which represent directly or by reasonable  
8 implication, that those consumers' respective frequent flyer miles will expire soon, unless  
9 Respondents have a good faith basis to believe that a consumer's miles will expire during the six  
10 month period after which Respondents send any solicitations;

11 a) In the case of the Delta SkyMiles Mags for Miles Program, sending solicitations  
12 (including the envelope containing any solicitation) to consumers, the contents of which  
13 falsely represent directly or by reasonable implication that a consumer's miles are about  
14 to expire when in fact, the consumer's miles are not subject to an expiration date.<sup>3</sup>

15 b) When selling or offering to sell any magazine subscription (website, email,  
16 phone, or print) that automatically renews, failing to clearly and conspicuously disclose  
17 the Automatic Renewal Offer Terms.

18 c) In the case of any magazine subscription subject to automatic renewal, in  
19 advance of any automatic renewal, failing to send a reminder notice to consumers  
20 containing Clear and Conspicuous language identifying the Automatic Renewal Offer  
21 Terms. If the reminder notice takes the form of an email, the subject line shall include  
22 language that clearly informs the consumer that the reminder notice is about the renewal  
23 of their subscription. If the reminder notice takes the form of a letter or postcard, the  
24 first page of any letter or the front of a postcard shall Clearly and Conspicuously include

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25 <sup>2</sup> See, <https://www.magsformiles.com/>; Last accessed November 18, 2020

26 <sup>3</sup> See, <https://www.delta.com/us/en/skymiles/program-resources/program-rules> ("Under the SkyMiles  
Mileage Expiration policy, miles do not expire."). Last accessed November 18, 2020.

1 language that clearly informs the consumer that the reminder notice is about the renewal  
2 of their subscription.

3 2.2 Respondents do not admit that they have violated the CPA and do not admit that  
4 they have engaged in the practices above. Respondents have agreed to enter this Assurance of  
5 Discontinuance and settlement of contested matters solely to avoid further controversy and  
6 expense. Respondents agree not to engage in the practices identified above. Respondents also  
7 agree to fully comply with all requirements of RCW 19.86 and 15 U.S.C. §§ 8401–8405 in  
8 connection with the sale of magazine subscriptions to Washington consumers.

### 9 III. CONSUMER RESTITUTION

10 3.1 Pursuant to RCW 19.86.080, Respondents shall provide restitution to “Delta  
11 consumers” according to the process detailed in this section.

12 3.2 Within one hundred eighty (180) days from the entry of this Assurance,  
13 Respondents shall transmit a full refund by check of any payment(s) made by a Delta consumer  
14 for a magazine subscription with an automatic renewal feature (by any form of payment  
15 excluding airline miles) in response to any promotional offer made during or after redeeming  
16 Delta frequent flyer miles between April 1, 2011, and March 31, 2016. Those Delta consumers  
17 who have previously received a full refund or full chargeback<sup>4</sup> are not entitled to an additional  
18 refund. Those Delta consumers who have previously received a partial refund or partial  
19 chargeback shall be entitled to a refund check that includes a reduction in the amount of any  
20 previous partial refund or chargeback. All refund checks made pursuant to this Assurance shall  
21 expire no earlier than six (6) months after the date of issue.

22 3.3 Each refund check should be made payable to Delta consumers at their last  
23 known billing address on file with Respondents. A cover letter will accompany all refund  
24 checks. The envelope containing the cover letter and refund check shall clearly and  
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26 <sup>4</sup> For purposes of this Assurance, a chargeback is any charge that was returned to a payment card after a consumer successfully disputed an item on their account transactions report.

1 conspicuously contain the language “IMPORTANT NOTICE REGARDING REFUND.” The  
2 cover letter shall include the language identified in **Exhibit A** to this Assurance.

3           3.4     If any refund checks issued pursuant to this section are returned to Respondents  
4 or their designees, or the checks are not cashed before they become invalid or expire, no later  
5 than one year after the entry of this Assurance, an amount equal to the sum of all uncashed or  
6 expired checks shall be paid to the Attorney General. Any payments made pursuant to this  
7 Paragraph shall be payable to: “State of Washington Attorney General’s Office,” and delivered  
8 to the Office of the Attorney General, Attention: John Nelson, at 800 Fifth Avenue, Suite 2000,  
9 Seattle, Washington 98104. The Attorney General of Washington shall use the funds for future  
10 monitoring and enforcement of this Assurance, future enforcement of RCW 19.86, or for any  
11 lawful purpose in the discharge of the Attorney General’s duties at the sole discretion of the  
12 Attorney General. No part of this payment shall be designated as a civil penalty, fine and/or  
13 forfeiture.

14           3.5     Within one year from the entry of this Assurance, Respondents shall provide a  
15 report to the Washington Attorney General’s Office, identifying all Delta consumers who  
16 received refunds, the amount of each refund, the addresses to which the refund checks were  
17 sent, and designating whether or not the consumer cashed the refund check. This report shall  
18 also identify (i) the total value of all checks issued to Delta consumers, (ii), the total value of  
19 all checks successfully cashed by Delta consumers, and the total amount, if any, paid to the  
20 Attorney General under Paragraph 3.4.

21           3.6     Respondents shall be responsible for all expenses incurred in the creation,  
22 printing, and mailing of the cover letters and refund checks referenced herein. These costs shall  
23 have no effect on and will not reduce the amount of restitution received by the consumers and/or  
24 any unclaimed funds received the Washington Attorney General’s Office. Respondents may,  
25 but are not obligated to, retain at their own expense a qualified third party contractor to assist  
26 with the obligations set forth in this Assurance.



1 future enforcement of RCW 19.86, or for any lawful purpose in the discharge of the Attorney  
2 General’s duties at the sole discretion of the Attorney General. No part of this payment shall be  
3 designated as a civil penalty, fine and/or forfeiture of any kind. Respondent must mail or deliver  
4 the payment in two installments as follows: the first installment of **\$375,000** on or before  
5 **December 3, 2020**, and the second and final installment of **\$375,000** on or before **January 1,**  
6 **2021**. The payments referenced herein shall be in the form of a check payable to “Attorney  
7 General —State of Washington,” to the following address: Office of the Attorney General,  
8 Consumer Protection Division, Attention Cynthia Lockridge, 800 Fifth Avenue, Suite 2000,  
9 Seattle, Washington, 98104-3188.

## 10 VI. OTHER PROVISIONS

11 6.1 Under no circumstances shall this Assurance of Discontinuance or the name of the  
12 State of Washington or the Office of the Attorney General, or any of its employees or  
13 representatives, be used by Respondents or by their officers, employees, representatives, or agents  
14 in conjunction with any business activity of Respondents.

15 6.2 This Assurance of Discontinuance is binding on Respondents and their owners,  
16 directors, successors, assigns, transferees, officers, agents, partners, servants, employees,  
17 representatives, and all other persons acting in concert or participating with Respondents in the  
18 context of conducting Respondents’ businesses.

19 6.3 Nothing in this Assurance of Discontinuance shall be construed to limit or bar any  
20 other person or entity from pursuing available legal claims or remedies against Respondents,  
21 however, this Assurance shall not be used as evidence or precedent in any action or proceeding,  
22 except an action to enforce the terms thereof.

23 6.4 To the extent that Respondents make any changes to their business, advertising  
24 materials or advertising practices to achieve or facilitate conformance to the terms of this  
25 Assurance, such changes shall not constitute any form of evidence or an admission by Respondents  
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1 explicit or implicit or wrongdoing or failure to comply with any state, federal or local law,  
2 regulation or ordinance or common law.

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4 Approved on this \_\_\_\_\_ day of December, 2020.

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8 JUDGE/COURT COMMISSIONER

9 Presented By:

Agreed to, Approved For Entry, and Notice  
of Presentation Waived:

10 ROBERT W. FERGUSON  
11 Attorney General

SYNAPSE GROUP, INC.  
SYNAPSECONNECT, INC.

12  
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