STATE OF WASHINGTON KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON, NO.

Plaintiff, CONSENT DECREE

v. [CLERK'S ACTION REQUIRED]

RECOVERY WORLDWIDE LLC,

Defendant.

I. JUDGMENT SUMMARY

1.1	Judgment Creditor	State of Washington
1.2	Judgment Debtor	Recovery Worldwide, LLC
1.3	Principal Judgment Amount	\$64,130
1.4	Post Judgment Interest Rate:	12 percent per annum
1.5	Attorneys for Judgment Creditor:	Logan Starr Audrey L. Udashen Assistant Attorneys General
1.6	Attorney for Judgment Debtor:	Philip R. Cosgrove Nelson Mullins Riley & Scarborough LLP

- 1.7 Plaintiff State of Washington (State) conducted an investigation and commenced this action pursuant to the Consumer Protection Act (CPA), RCW 19.86.
- 1.8 Defendant Recovery Worldwide LLC was provided with a Summons and Complaint in this matter.

- 1.9 The State of Washington appears by and through its attorneys, Robert W. Ferguson, Attorney General, and Logan Starr and Audrey L. Udashen, Assistant Attorneys General.
- 1.10 Defendant appears by and through its attorney, Philip R. Cosgrove, Nelson Mullins Riley & Scarborough LLP.
- 1.11 The State and Defendant agree on a basis for the settlement of the matters alleged in the Complaint and to the entry of this Consent Decree against Defendant without the need for trial or adjudication of any issue of law or fact.
- 1.12 Defendant recognizes and states that this Consent Decree is entered into voluntarily and that no promises, representations, or threats have been made by the Attorney General's Office or any member, officer, agent, or representative thereof to induce Defendant to enter into this Consent Decree, except as provided herein.
- 1.13 Defendant waives any right it may have to appeal from this Consent Decree or to otherwise contest the validity of this Consent Decree.
- 1.14 Defendant further agrees this Court has and shall retain jurisdiction of this action and jurisdiction over Defendant for the purpose of implementing and enforcing the terms and conditions of this Consent Decree and for all other purposes related to this matter.

The Court finds no just reason for delay.

NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

II. GENERAL

2.1 This Court has jurisdiction over the subject matter of this action and over the parties. The Plaintiff's Complaint in this matter states claims upon which relief may be granted under the provisions of the CPA, RCW 19.86.

- 2.2 Neither this Consent Decree nor the fact of its entry constitutes evidence of, or an admission by any party regarding, the existence or non-existence of any issue, fact, or violation of any law alleged by the State.
- 2.3 This Consent Decree resolves with prejudice all claims raised, and which could have been raised, by the State against Defendant, its successors, assigns, officers, agents, directors, managers, servants, employees, contractors, vendors, facilities, affiliates, subsidiaries, representatives, and all others acting in concert or participation with Defendant under the CPA, arising out of or relating to the acts and omissions described in the Complaint, except that Defendant's material failure to comply with this Consent Decree shall permit the Attorney General of Washington to take such further action against Defendant as provided for herein.

III. INJUNCTIONS

- 3.1 <u>Application of Injunctions</u>. The injunctive provisions of this Consent Decree shall apply to Defendant and to its successors, assigns, officers, agents, directors, managers, servants, employees, contractors, vendors, facilities, subsidiaries, representatives, and all others acting in concert or participation with Defendant.
- 3.2 <u>Notice</u>. Within thirty (30) days following the entry of this Consent Decree, Defendant shall inform all of its successors, assigns, officers, agents, directors, managers, servants, employees, contractors, vendors, facilities, affiliates, subsidiaries, representatives who participate in creating the design or content of any websites Defendant owns or operates or in Defendant's government outreach, and all others acting in concert or participation with Defendant in such activities, of the terms and conditions of this Consent Decree and shall direct those persons and entities to comply with this Consent Decree.
- 3.3 <u>Permanent Injunctions</u>. Defendant shall and its officers, agents, directors, managers, servants, employees, contractors, vendors, facilities, affiliates, subsidiaries, representatives, and all others acting in concert or participation with Defendant shall permanently engage in or refrain from engaging in the following acts and practices:

- 3.3.1 Defendant shall clearly and conspicuously disclose to the public its ownership of any website it operates or otherwise controls by identifying itself on the home page of the website in a typeface of equivalent or greater size as the body text on the home page. An example of a complying disclosure is attached hereto as Exhibit A. Each such website shall also include a link to Defendant's primary website. An example of a complying link is attached hereto as Exhibit A.
- 3.3.2 Defendant shall clearly and conspicuously disclose to the public the nature of its relationship with any treatment centers that advertise on any websites it owns, operates, or otherwise controls, in the following manner:
 - (a) Defendant shall clearly and conspicuously disclose on its websites that it receives payments from the treatment centers that (i) answer calls to the toll-free numbers on the website not associated with a specific treatment center advertising and (ii) respond to chat messages initiated through the chat feature on the website. Such disclosure shall be made (1) on the home pages of the websites themselves or (2) in links, pop up features or click through acknowledgements located proximate to general phone number and chat feature on the home page; in each case in a typeface of equivalent or greater size as the body text on those home pages. Examples of complying disclosures for each of the permissible disclosures numbered above are attached hereto as Exhibit B.
 - (b) Defendant shall clearly and conspicuously label any advertising content on its websites, including paid treatment center listings, with the words "Advertisement," "Paid Advertisement," "Paid Content," "Ad," or similar language. Such labels shall be placed adjacent to each individual advertisement or each block or page of

paid treatment center listings, or within or overlaid on the space occupied by the advertisement, in each case in a typeface of equivalent or greater size as the body text on the same page as the advertisements or listings. An example of a complying disclosure is attached hereto as Exhibit C.

- 3.3.3 Defendant shall refrain from the use of the following language, to the extent it misrepresents the nature of the services the Defendant (as opposed to a treatment facility with whom a consumer speaks or chats) provides to consumers on any website it owns, operates, or otherwise controls:
 - (a) language stating that "Defendant provides personal or individualized assistance to consumers seeking addiction treatment"; or language stating that "Defendant assists consumers with finding a treatment center that fits the consumers' individualized circumstances" (provided that language suggesting treatment centers in a consumer's geographic proximity is permitted).
 - (b) language stating that Defendant has evaluated, rated, or approved the treatment centers listed on its websites or to which it routes calls or chat messages from website visitors; except to the extent treatment centers are vetted by Defendant for inclusion on a website, in which case, the Defendant may disclose that such vetting has occurred and describe the vetting process and/or parameters. An example of acceptable language describing the treatment center vetting process is attached hereto as Exhibit D. Nothing herein shall prevent the disclosure of patient, consumer

- or independent third party ratings or comments of treatment centers being posted on the websites.
- language that refers to individuals who answer calls routed from (c) the general toll-free numbers on the websites or who respond to chat messages initiated through the websites as "treatment professionals," "treatment specialists," "experts". Notwithstanding the foregoing, Defendant may state on the websites that calls routed from the general toll-free phone numbers and chat massages initiated through the websites are directed to or being answered by "addiction treatment "treatment facilities/centers", "licensed facilities/centers", treatment facilities/centers", or "treatment providers".
- 3.3.4 The language, designs or manner of disclosures set forth in the Exhibits attached hereto are not the exclusive way compliance with the requirements of this Consent Decree may be achieved by Defendant.
- 3.3.5 Defendant shall disclose to any Washington state or local governmental entity which Defendant contacts for purposes of obtaining website links or endorsements, that Defendant displays paid advertisements on such websites from addiction treatment facilities, if true. An example of a complying disclosure is attached hereto as Exhibit E.

IV. MONETARY PAYMENT

4.1 Pursuant to RCW 19.86.080, Defendant shall pay the State \$64,130 for costs and reasonable attorney's fees incurred by the State in pursuing this matter, for monitoring and potential enforcement of this Consent Decree, for future enforcement of RCW 19.86, or for any lawful purpose in the discharge of the Attorney General's duties at the sole discretion of the Attorney General.

- 4.2 The payment referenced in paragraph 4.1 shall be made in six equal monthly installments, with the first payment due no later than 14 days following entry of this Consent Decree and each subsequent payment due on or before the same date each month thereafter until paid in full, by valid check payable to "Attorney General State of Washington" delivered to the Office of the Attorney General, Attention, Margaret Farmer, Litigation Support Manager, 800 Fifth Ave., Suite 2000, Seattle, WA 98104.
- 4.3 Defendant's failure to timely make payment as required by this Consent Decree shall be a material breach of this Consent Decree. Interest at the Post-Judgment Interest Rate shall not begin to accrue until any payment required in the Section IV is not made by its due date.

V. ENFORCEMENT

- 5.1 Defendant shall be in full compliance with all requirements and obligations this Consent Decree imposes on Defendant by the date of entry of this Consent Decree, except as otherwise indicated herein.
- 5.2 Violation of any of the terms of this Consent Decree, as determined by the Court, shall constitute a violation of the Consumer Protection Act, 19.86.020.
- 5.3 Violation of any of the injunctions contained in this Consent Decree, as determined by the Court, shall subject Defendant to a civil penalty of up to \$25,000 per violation pursuant to RCW 19.86.140, restitution, injunctive relief, attorney's fees, costs, and such other remedies as the Court may deem appropriate. In any successful action to enforce this Consent Decree against Defendant, Defendant shall bear the State's reasonable costs, including reasonable attorneys' fees.
- 5.4 Jurisdiction is retained by this Court for the purpose of enabling any party to this Consent Decree to apply to the Court for enforcement of compliance with this Consent Decree, to punish violations thereof, or to modify or clarify this Consent Decree.

- 5.5 Representatives of the Office of the Attorney General shall be permitted, upon advance written notice of twenty (20) days to Defendant, to access, inspect, and/or copy non-privileged business records or documents in possession, custody, or under control of Defendant to monitor compliance with this Consent Decree; provided that the inspection and copying shall avoid unreasonable disruption of Defendant's business activities.
- 5.6 To monitor compliance with this Consent Decree, the State shall be permitted to serve interrogatories pursuant to the provisions of CR 26 and CR 33 and to question Defendant or any of their successors, assigns, employees, contractors, representatives, or any other others acting in concert or active participation with Defendant by deposition pursuant to the provisions of CR 26 and CR 30 provided that the State attempts in good faith to schedule the deposition at a time convenient for the Defendant and their legal counsel.
- 5.7 This Consent Decree in no way limits the Office of the Attorney General, or any other state agency, from conducting any lawful non-public investigation to monitor Defendant's compliance with this Consent Decree or to investigate other alleged violations of the CPA, which may include but is not limited to interviewing customers or former employees of Defendant.
- 5.8 Nothing in this Consent Decree shall grant any third-party beneficiary or other rights to any person who is not a party to this Consent Decree.
- 5.9 Nothing in this Consent Decree shall be construed to limit or bar any other governmental entity or person unaffiliated with the State from pursuing other available remedies against Defendant or any other person.
- 5.10 Under no circumstances shall this Consent Decree, or the name of the State of Washington, the Office of the Attorney General, the Consumer Protection Division, or any of their employees or representatives be used by Defendant or any of their successors, assigns, employees, contractors, representatives, or any others acting in concert or active participation with Defendant, in connection with any selling, advertising, or promotion of products or services.

5.11 This Consent Decree shall be binding upon Defendant's successors and assigns. Defendant and their successors and assigns shall notify the Attorney General's Office at least thirty days prior to any change-in-control of Defendant that would change the identity of the corporate entity responsible for compliance obligations arising under this Consent Decree; including, but not limited to, 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 Defendant and their successors and assigns learn less than thirty days prior to the date such action is to take place, Defendant and their successors and assigns shall notify the Attorney General's Office as soon as is practicable after obtaining such knowledge.

5.12 Any notice or other communication required or permitted under this Consent Decree shall be in writing and delivered to the following persons or any person subsequently designated by the parties:

For the State of Washington:

For Defendant:

Office of the Attorney General Consumer Protection Division Attention: Logan Starr, AAG 800 Fifth Avenue, Suite 2000 Seattle, WA 98104

Jason Dambrauskas Recovery Worldwide, LLC 121 South Orange Avenue Suite 1450 Orlando, Florida 32801

5.13 The Clerk of the Court is ordered to immediately enter the foregoing Judgment and Consent Decree.

DONE IN OPEN COURT this	day of	, 2021.
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JUDGE/COURT COMMISSIONER

Presented by:

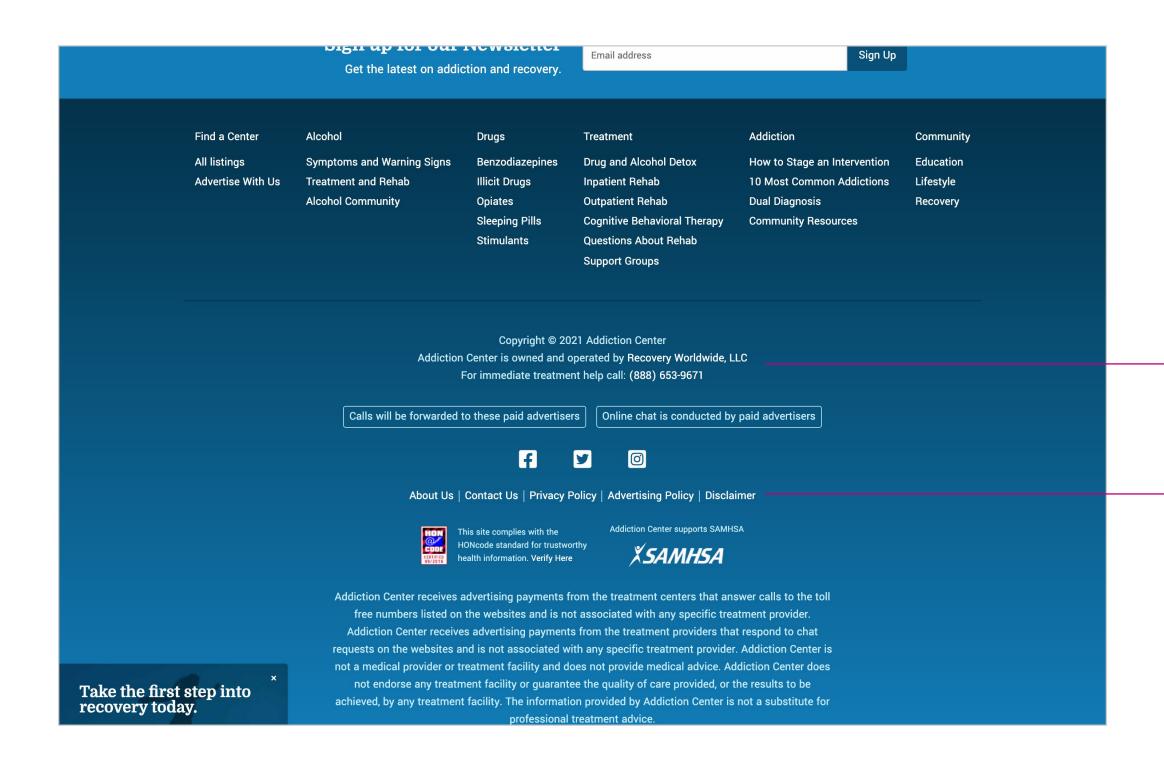
ROBERT W. FERGUSON Attorney General

LOGAN STARR, WSBA #55944 AUDREY L. UDASHEN, WSBA #42868 Assistant Attorneys General Attorneys for Plaintiff State of Washington Notice of Presentment Waived and Approved as to Form by:

PHILIP R. COSGROVE, WSBA #53790 Nelson Mullins Riley & Scarborough LLP Attorney for Defendant Recovery Worldwide, LLC

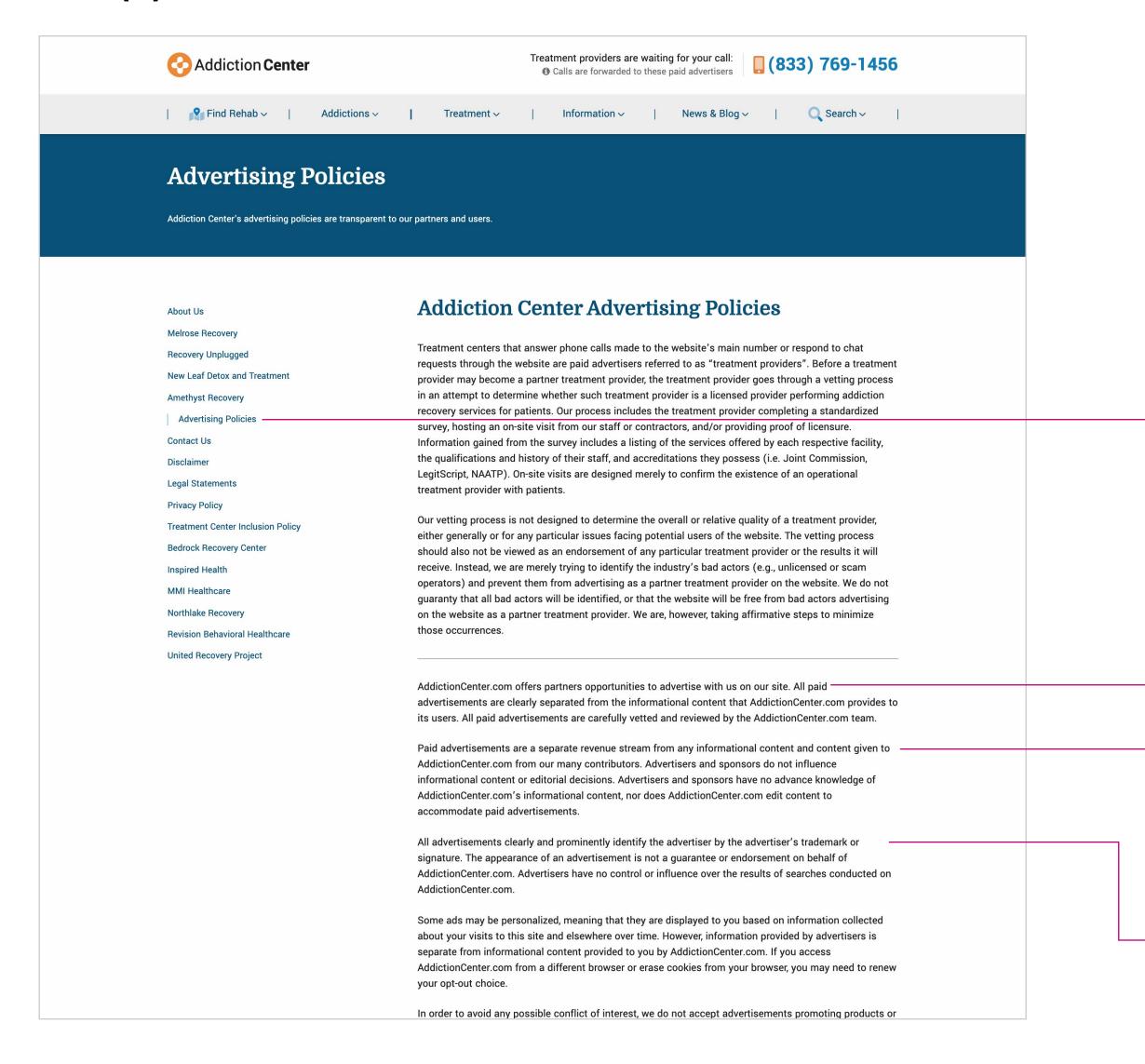
Exhibit A

3.3.2 (a)



Copyright © 2021 Addiction Center Addiction Center is owned and operated by Recovery Worldwide, LLC For immediate treatment help call: (888) 653-9671 Exhibit A About Us | 3.3.1

3.3.2 (a)



Advertising Policies

AddictionCenter.com offers partners opportunities to advertise with us on our site. All paid advertisements are clearly separated from the informational content that AddictionCenter.com provides to its users. All paid advertisements are carefully vetted and reviewed by the AddictionCenter.com team.

Paid advertisements are a separate revenue stream from any informational content and content given to AddictionCenter.com from our many contributors. Advertisers and sponsors do not influence informational content or editorial decisions. Advertisers and sponsors have no advance knowledge of AddictionCenter.com's informational content, nor does AddictionCenter.com edit content to accommodate paid advertisements.

All advertisements clearly and prominently identify the advertiser by the advertiser's trademark or signature. The appearance of an advertisement is not a guarantee or endorsement on behalf of AddictionCenter.com. Advertisers have no control or influence over the results of searches conducted on AddictionCenter.com.

3.3.2 (a)

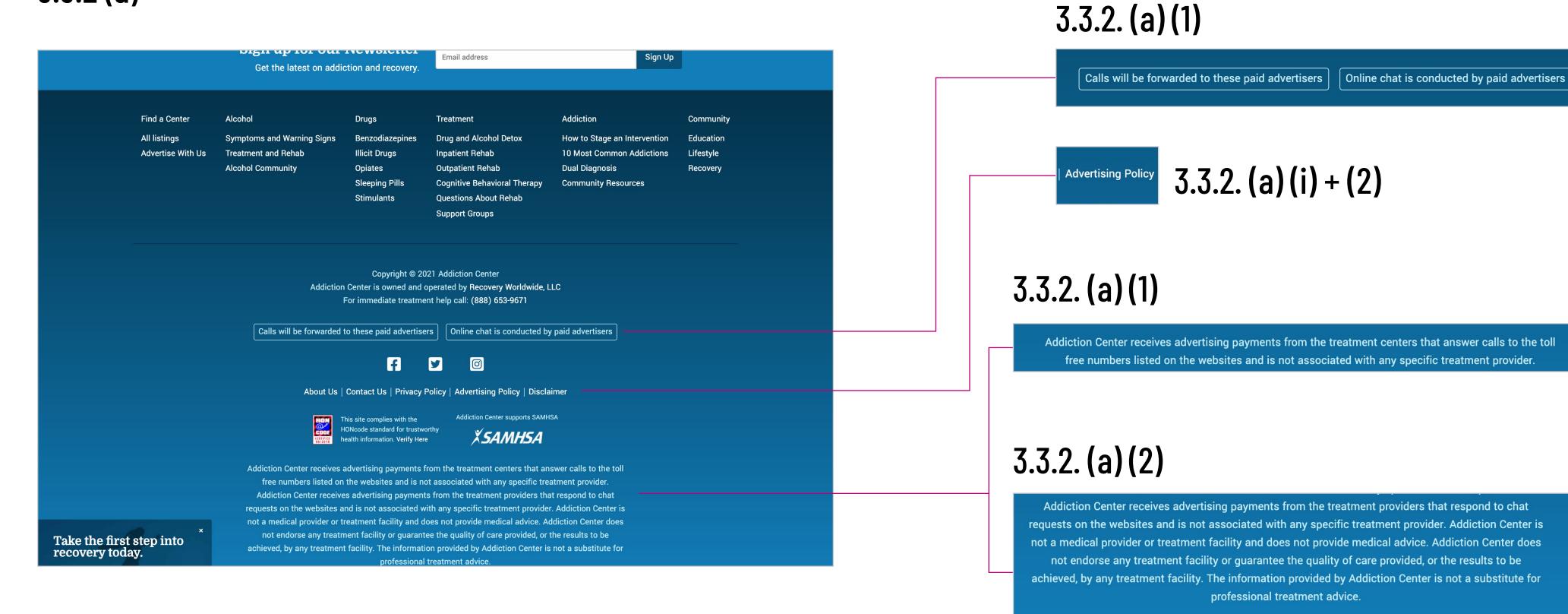
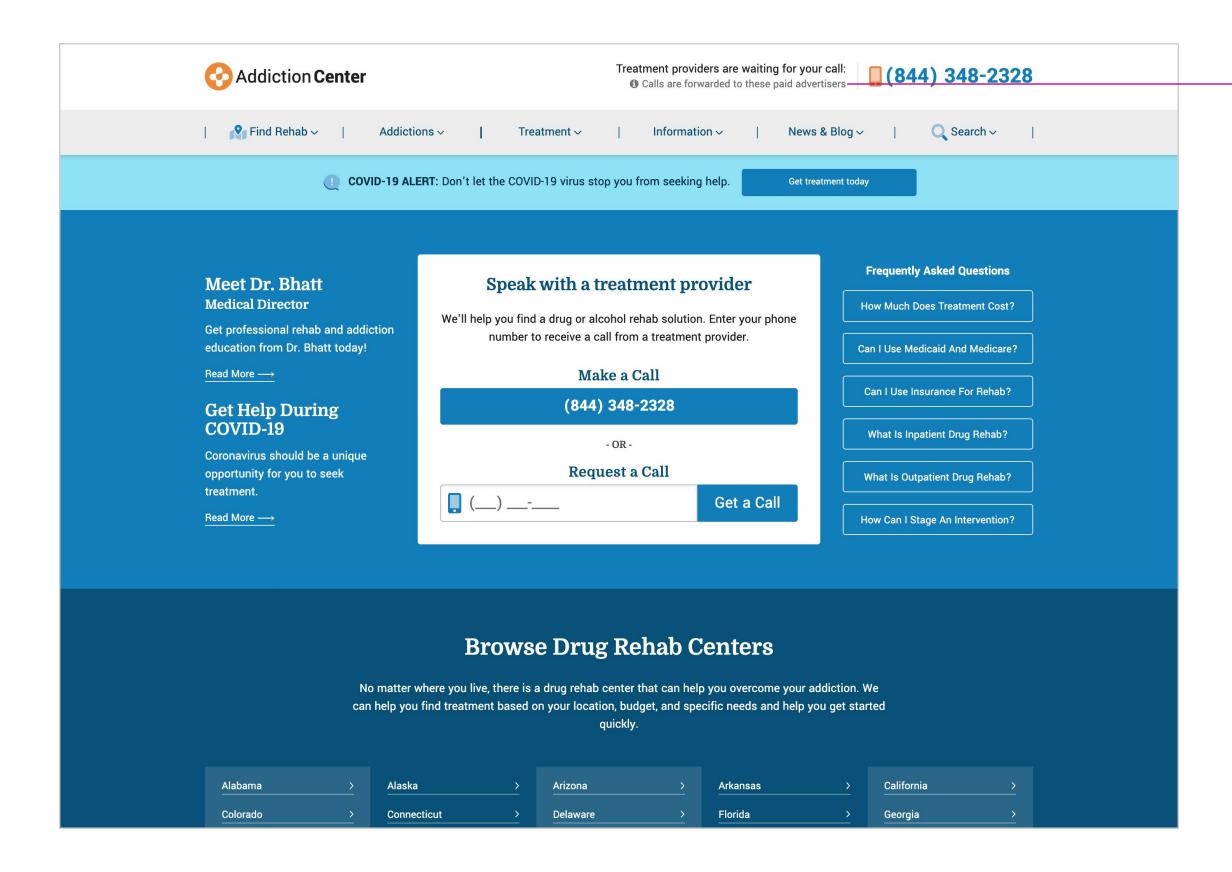


Exhibit B

3.3.2 (a) (1)

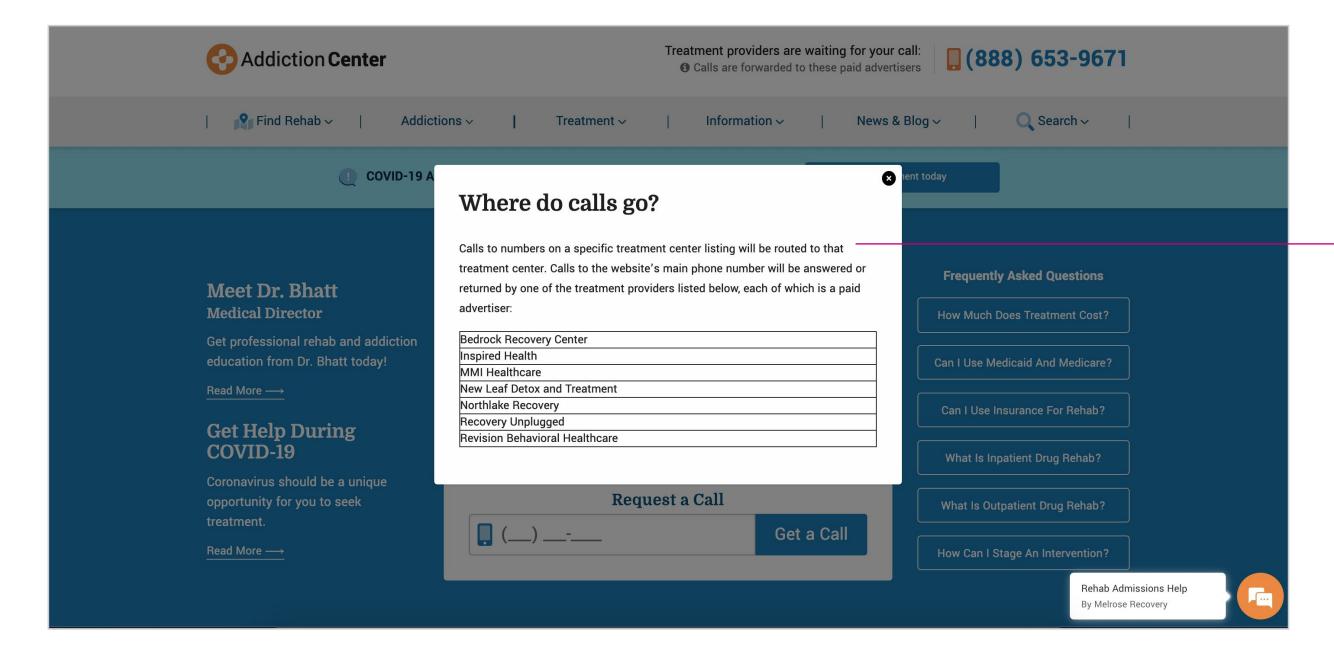




Pop Up Window

Pop Up Window

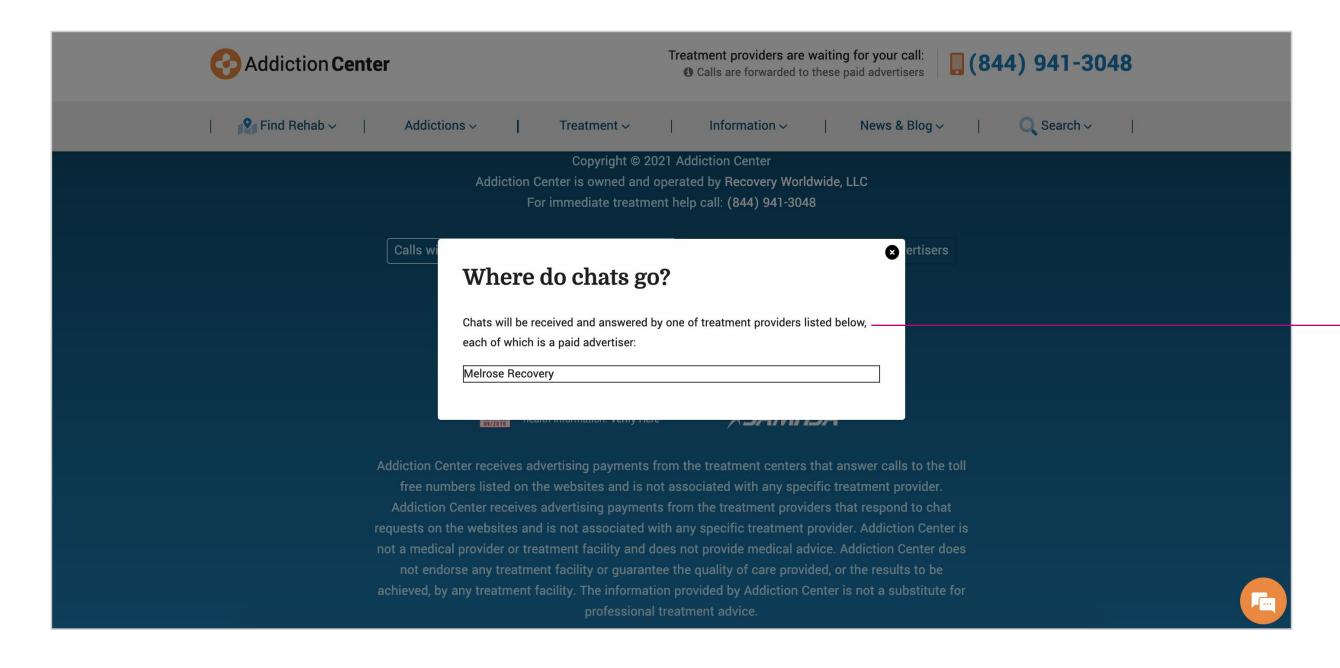
3.3.2 (a) (2)



Calls to numbers on a specific treatment center listing will be routed to that treatment center. Calls to the website's main phone number will be answered or returned by one of the treatment providers listed below, each of which is a paid advertiser:

Pop Up Window

3.3.2 (a) (2)



Chats will be received and answered by one of treatment providers listed below, each of which is a paid advertiser:

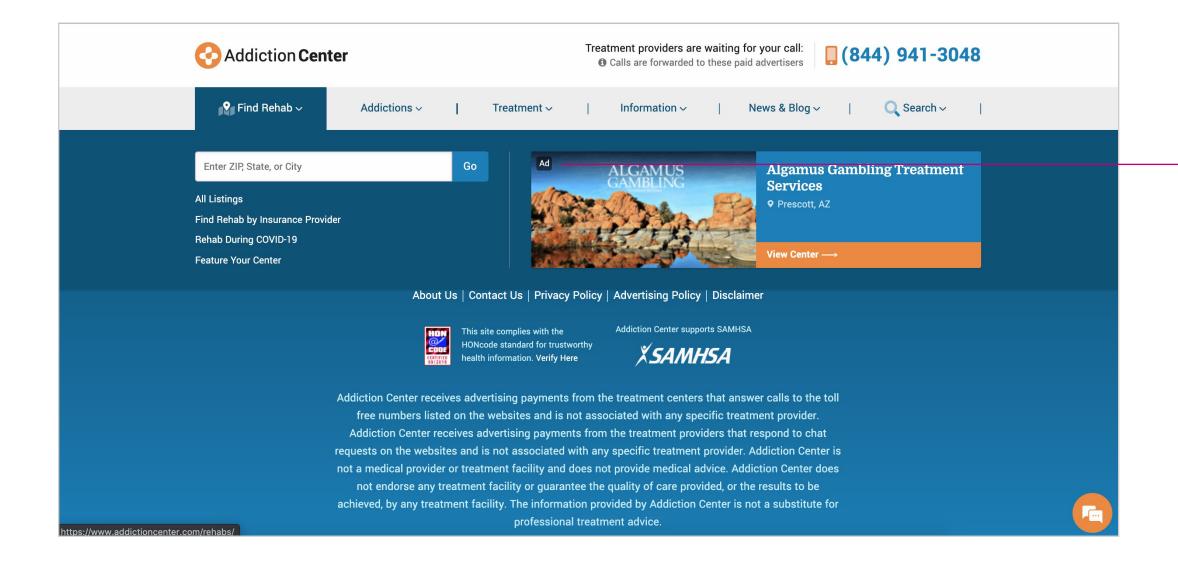


Exhibit C

3.3.2 (b)

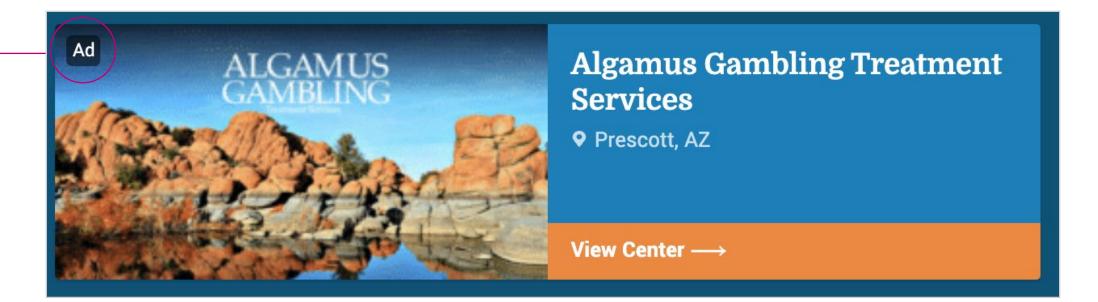
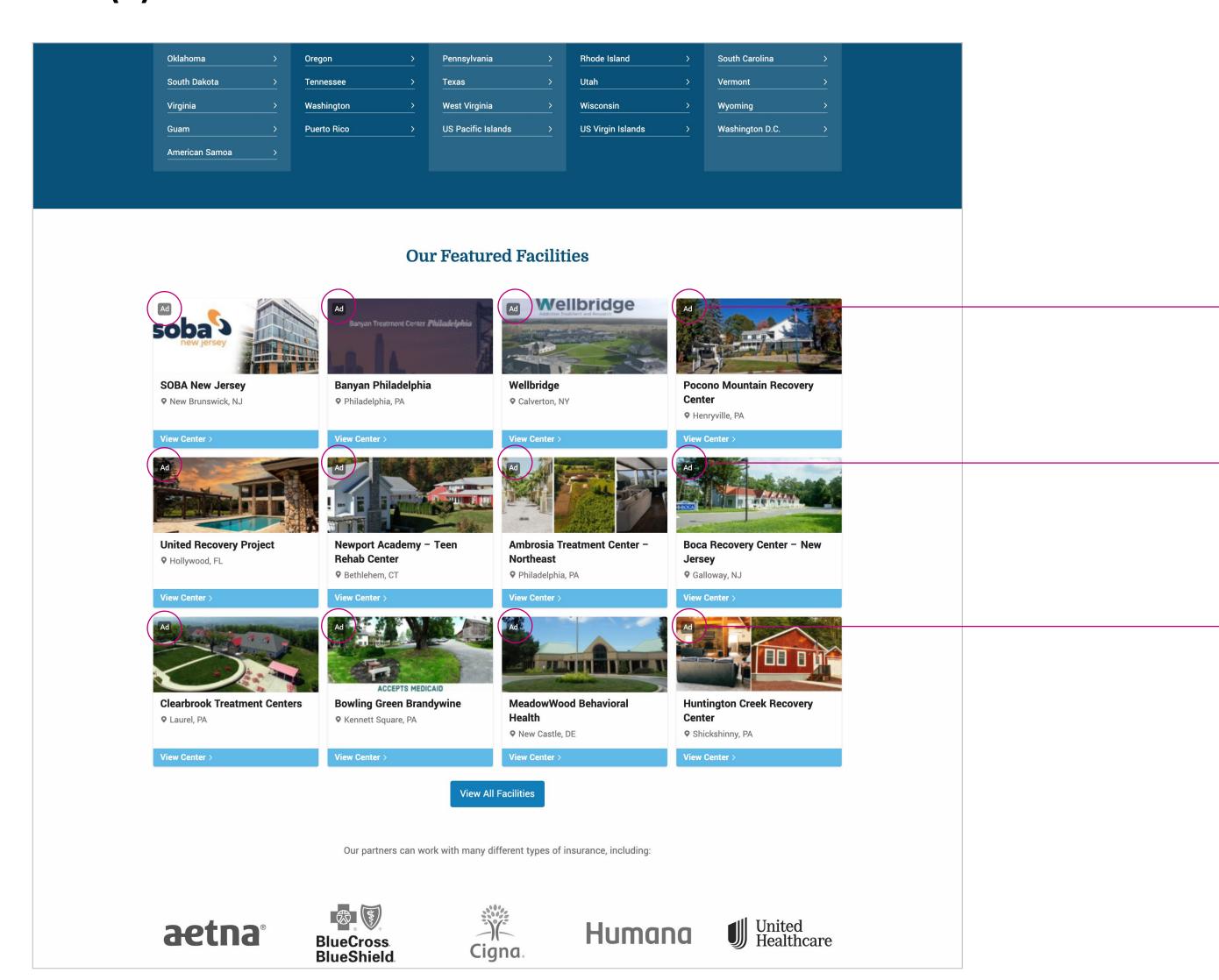
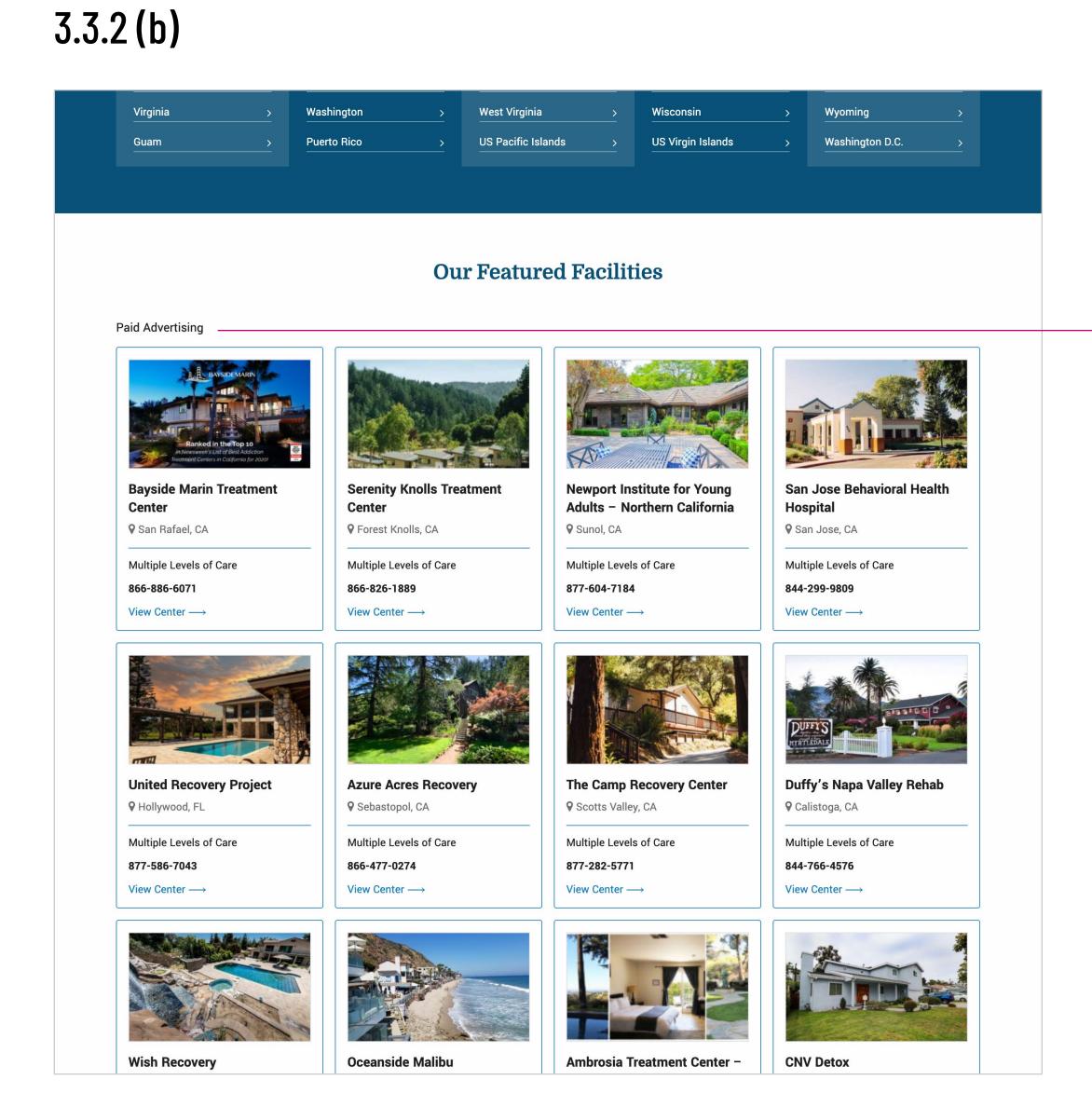


Exhibit C 3.3.2 (b)



Treatment Center Cards Say "Ad"

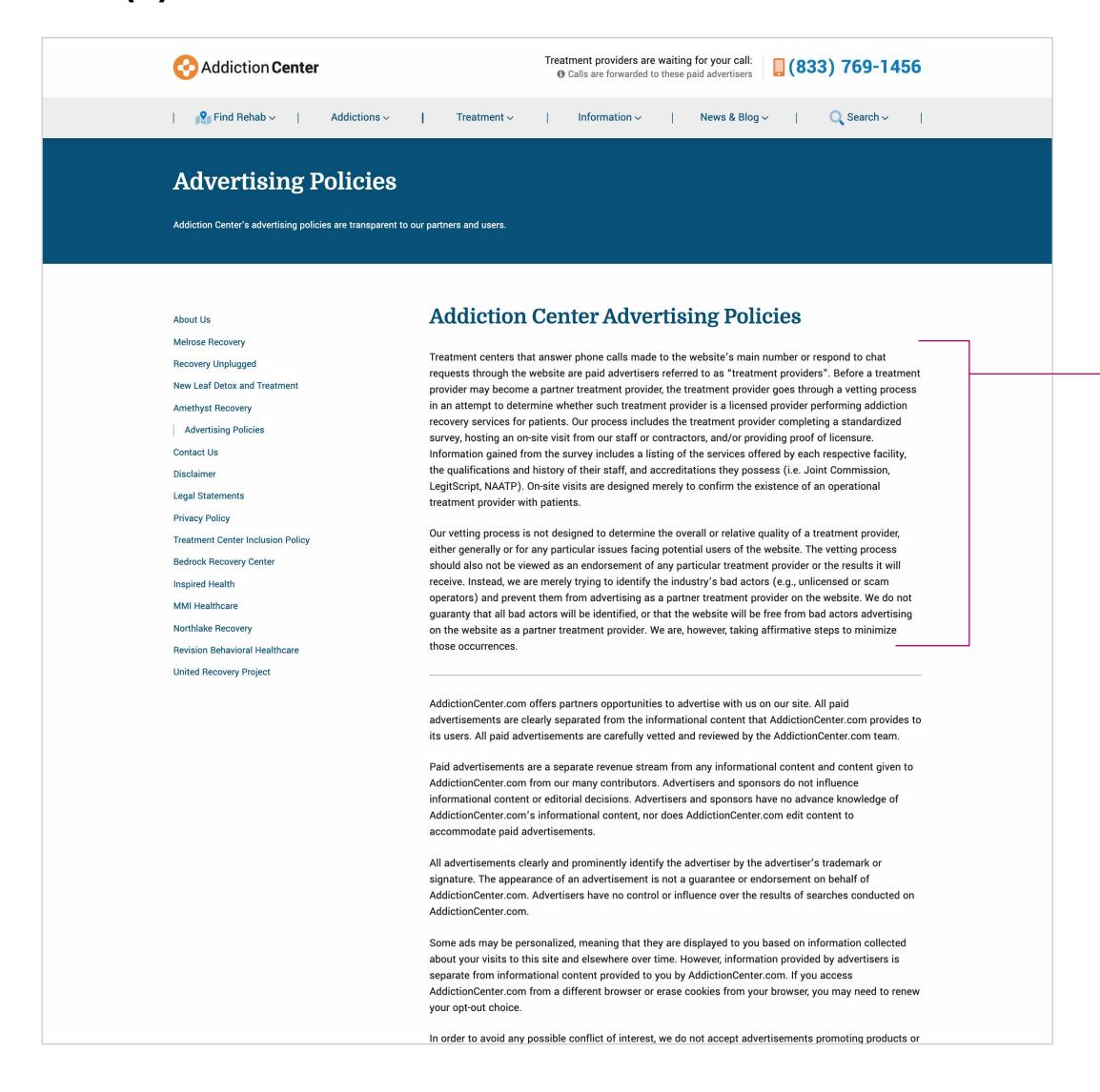
Exhibit C



Paid Advertising

Exhibit D

3.3.3 (b)



Addiction Center Advertising Policies

Treatment centers that answer phone calls made to the website's main number or respond to chat requests through the website are paid advertisers referred to as "treatment providers". Before a treatment provider may become a partner treatment provider, the treatment provider goes through a vetting process in an attempt to determine whether such treatment provider is a licensed provider performing addiction recovery services for patients. Our process includes the treatment provider completing a standardized survey, hosting an on-site visit from our staff or contractors, and/or providing proof of licensure. Information gained from the survey includes a listing of the services offered by each respective facility, the qualifications and history of their staff, and accreditations they possess (i.e. Joint Commission, LegitScript, NAATP). On-site visits are designed merely to confirm the existence of an operational treatment provider with patients.

Our vetting present is not designed to determine the everall or relative guality of a treatment provider

Exhibit E

Hello, I wanted to thank you for the work that ____ does for those struggling with addiction and health in ____. As you know, there are many people living with an addiction and most struggle to find the unique resource needed to overcome it. This has encouraged me to join the outreach team for the substance abuse site, Addiction Center. We publish free online information about the relationship between drug abuse and addiction in the hopes of creating a healthier and happier community. The resources you compiled on ____are impressive. Would you be able to add https://www.addictioncenter.com/treatment/ to the list? Our team is driven by our commitment to assist people in need. We want to partner with you in our mutual effort of helping individuals understand and recover from the harm of drug addiction. Please feel free to reach out with any questions. Stay healthy and stay safe! Addiction Center incorporates paid advertisements throughout the website. **Jonathan Adkins Community Outreach Specialist** P: (800) 586-9670

Solicitation Disclosure







AddictionCenter.com





Information regarding addiction and recovery during COVID-19 available here