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MAY 16 2019

STATE OF OHIO
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION SECTION

CONSUMER PROTECTION SECTION
PUBLIC INSPECTION FILE

STATE OF OHIO)
)
IN THE MATTER OF:) DOCKET NO. 440022
International Vacation Services LLC)

ASSURANCE OF VOLUNTARY COMPLIANCE

This Assurance of Voluntary Compliance ("Assurance") is entered into this 25 day of June, 2013 between International Vacation Services LLC ("Supplier"), and the Attorney General of the State of Ohio ("Attorney General").

For purposes of this Assurance, "Supplier" means International Vacation Services LLC, its agents, servants, representatives, salespersons, employees, instructors, independent contractors, successors and assigns, and all persons acting in concert or participation with it, directly or indirectly, through any corporate device, partnership or association.

WHEREAS, the Attorney General, having reasonable cause to believe that Supplier has engaged in acts and practices which violate Chapter 1345 of the Ohio Revised Code ("Consumer Sales Practices Act") and Chapter 109:4-3 of the Ohio Administrative Code ("Substantive Rules"), has conducted an investigation pursuant to the authority granted to him by Section 1345.06 of the Ohio Revised Code; and

WHEREAS, the Attorney General may, pursuant to R.C. 1345.06(F), enter into and accept an Assurance of Voluntary Compliance; and

WHEREAS, this Assurance of Voluntary Compliance is an assurance in writing by Supplier of its intent to comply with the provisions of the Consumers Sales Practices Act and the Substantive Rules; and

WHEREAS, Supplier desires to comply with all aspects of the Consumer Sales Practices Act and the Substantive Rules, Supplier hereby voluntarily enters into this Assurance with the Attorney General.

NOW THEREFORE, in consideration of the mutual promises and conditions set forth herein, the parties hereto **AGREE** as follows:

- (1) The "Effective Date" shall mean the date indicated on the first page of this Assurance.
- (2) By accepting this written Assurance, the Attorney General agrees to terminate the current investigation of Supplier's business practices and actions occurring on or before the Effective Date of this Assurance.
- (3) By giving this written Assurance, Supplier agrees to comply with all the terms of this Assurance and to comply with all applicable Ohio laws, including without limitation the Consumer Sales Practices Act and the Substantive Rules.

BACKGROUND AND FINDINGS OF THE ATTORNEY GENERAL

As a result of its investigation, the Attorney General alleges that Supplier violated the Consumer Sales Practices Act, the Substantive Rules, and other Ohio law in the following ways:

- (4) Supplier is a South Carolina limited liability company with a place of business at 1506 East Rutherford Street, Landrum, SC 29356, which does business in various counties in the State of Ohio.
- (5) Supplier was at all times relevant to this Assurance, engaged in the business of advertising, soliciting, offering for sale, and selling discount travel packages and was an authorized dealer for Travel Services Unlimited, the company that administered the benefits of the travel program, to numerous Ohio consumers.

- (6) Supplier published or authorized the publication of advertisements that notified consumers that they had won or were eligible to win a free prize, free trip, or something of value without disclosing all terms, conditions, and obligations upon which receipt and retention of the “free” goods or services were contingent upon at the outset of the offer.
- (7) Supplier offered a free prize, free trip, or something of value as an incentive for joining Travel Services Unlimited without disclosing all terms, conditions, and obligations upon which receipt and retention of the “free” goods or services were contingent upon at the outset of the offer.
- (8) Supplier published or authorized the publication of advertisements that notified consumers that they had won or were eligible to win a prize, trip, or something of value, without clearly and conspicuously disclosing that to receive the prize or thing of value, the consumer would be required to listen to a sales presentation or a presentation designed to market or sell goods or services to the consumer.
- (9) Supplier notified consumers or prospective consumers that they would receive a prize, trip, or something of value as an incentive for joining Travel Services Unlimited, when receipt of the thing of value was conditioned upon the payment of a service charge, handling charge, mailing charge or other similar charge.
- (10) Supplier published or authorized publication of advertisements appearing to have sponsorship, approval, performance characteristics, accessories, uses, or benefits that they did not have; specifically, the published advertisements appeared to be affiliated with certain major cruise lines.
- (11) Supplier entered into agreements for consumers to join Travel Services Unlimited at a place other than the Supplier’s place of business, namely hotels throughout Ohio.

- (12) Supplier did not provide consumers with a notice of cancellation, as required by R.C. 1345.23(B).
- (13) Supplier failed in certain instances to timely honor notices of cancellation and failed to timely refund all payments made to consumers who exercised their cancellation rights under the Ohio Home Solicitation Sales Act.

The Attorney General's allegations, as outlined above, are the basis upon which this Assurance has been negotiated. However, this Assurance is the culmination of disputed claims and does not constitute an admission of any wrongdoing by the Supplier.

COMPLIANCE PROVISIONS

- (14) Supplier shall conduct business in compliance with all applicable laws, including, but not limited to, the Consumer Sales Practices Act, R.C. 1345.01 et seq. and the Ohio Administrative Code, O.A.C. 109:4-3-01 et seq.
- (15) Supplier shall not commit unfair and deceptive acts and practices in violation of R.C. 1345.02.
- (16) Supplier shall not publish or authorize the publication of advertisements that notify consumers that they have won or are eligible to win a free prize, free trip, or something of value without disclosing all terms, conditions, and obligations upon which receipt and retention of the "free" goods or services are contingent upon at the outset of the offer, in violation of O.A.C. 109:4-3-04.
- (17) Supplier shall not offer a free prize, free trip, or something of value as an "incentive" for joining Travel Services International without disclosing all terms, conditions, and obligations upon which receipt and retention of the "free" goods or services are contingent upon at the outset of the offer, in violation of O.A.C. 109:4-3-04.

- (18) Supplier shall not publish or authorize the publication of advertisements that notify consumers that they have won or are eligible to win a prize, trip, or something of value, without clearly and conspicuously disclosing that to receive the prize or thing of value, the consumer will be required to listen to a sales presentation or a presentation designed to market or sell goods or services to the consumer, in violation of O.A.C. 109:4-3-06(A)(2).
- (19) Supplier shall not notify consumers or prospective consumers that they will receive a prize, trip, or something of value as an incentive for joining Travel Services Unlimited when receipt of the thing of value is conditioned upon the payment of a service charge, handling charge, mailing charge or other similar charge, unless all such charges are disclosed, in violation of O.A.C. 109:4-3-06(D)(2).
- (20) Supplier shall not publish or authorize the publication of advertisements that notify consumers that they have won or are eligible to win a prize, trip, or something of value without clearly and conspicuously disclosing to the consumer any and all conditions necessary to win the prize or receive something of value, in violation of O.A.C. 109:4-3-04(D)(3).
- (21) Supplier shall not publish or authorize the publication of advertisements that appear to have sponsorship, approval, performance characteristics, accessories, uses, or benefits that they do not have; specifically, the published advertisements shall not appear to be affiliated with major cruise lines and/or any other business not affiliated with Supplier, in violation of R.C. 1345.02(B)(1).
- (22) Supplier shall clearly and conspicuously disclose its name and corporate address on any and all advertisements published by or on behalf of Supplier.

- (23) Supplier shall present an updated date-specific list of all properties offered by Travel Services Unlimited to each and every consumer in the sales presentation for Travel Services Unlimited.
- (24) Supplier shall in the connection with every home solicitation sale, as defined in R.C. 1345.21, provide consumers with all required verbal and written notices and forms that alert consumers of their right to cancel their contract.

PAYMENT

- (25) Supplier shall pay \$25,000.00 to the Consumer Protection Enforcement Fund as reimbursement for costs associated with this matter, with \$20,000 of this amount suspended upon strict compliance with this Assurance. Supplier shall also pay \$14,823.54 for consumer restitution to be distributed by the Attorney General to the consumers listed in Exhibit A, provided however that the consumer restitution payment shall be reduced by the amount of any restitution payment made by Supplier directly to the consumers listed in Exhibit A before the final execution of this Assurance. The total payment or reimbursement costs and consumer restitution of \$19,823.54 shall be paid according to the following plan:

Month	Year	Amount
June	2013	\$700.00
July	2013	\$700.00
August	2013	\$700.00
September	2013	\$700.00
October	2013	\$700.00
November	2013	\$700.00
December	2013	\$700.00
January	2014	\$1,000.00
February	2014	\$1,000.00
March	2014	\$1,000.00
April	2014	\$1,000.00
May	2014	\$1,000.00

June	2014	\$1,000.00
July	2014	\$1,487.25
August	2014	\$1,487.25
September	2014	\$1,487.25
October	2014	\$1,487.25
November	2014	\$1,487.25
December	2014	\$1,487.25

The monthly payments shall be made by Supplier and received by the Attorney General on or before the last day of each month, starting with the first payment (for June) due at the execution of this Assurance, followed by the first monthly payment due in July 2013 and ending with the last payment due in December 2014. Each and every monthly payment shall be made by certified check payable to "Ohio Attorney General's Office," and shall be mailed to:

Teresa Goodridge
Consumer Protection Section
30 E. Broad Street, 14th Floor
Columbus, Ohio 43215

- (26) If the Supplier fails to deliver any payment due hereunder to the Attorney General in accordance with each respective time limitation ordered, all remaining payments, including the suspended portion of the payment to the Consumer Protection Enforcement Fund, shall immediately become due and payable hereunder.
- (27) The acceptance by the Attorney General of any payment due hereunder subsequent to the time such payment is due or the failure of the Attorney General to insist on strict performance of any provision contained herein including, but not limited to, the obligation created by the acceleration provision above, shall not be construed as a waiver of the obligations created in this Assurance.

GENERAL PROVISIONS

- (28) Supplier understands and agrees this Assurance applies to International Vacation Services LLC, and to any other businesses Supplier operates, its principals, officers, directors, agents, servants, representatives, salespersons, employees, instructors, independent contractors, successors and assigns, jointly and severally.
- (29) This Assurance shall be governed by the laws of the State of Ohio.
- (30) This Assurance is entered into by the Supplier of its own free and voluntary act and with full knowledge and understanding of the nature of the proceedings and the obligations and duties imposed by this Assurance.
- (31) This Assurance does not constitute an approval by the Attorney General of any of Supplier's business practices, and Supplier shall not represent directly or indirectly, or in any way whatsoever, that the Attorney General has sanctioned, condoned or approved any part or aspect of Supplier's business practices.
- (32) This Assurance sets forth the entire agreement between the Attorney General and Supplier and supersedes all prior agreements or understandings, whether written or oral, between the Parties and/or their respective counsel with respect to the subject matter hereof. This Assurance may be amended by written agreement between the Parties, subject to any further requirements under state law.
- (33) The Parties acknowledge that no other promises, representations or agreements of any nature have been made or entered into by the Parties. The Parties further acknowledge that this Assurance constitutes a single and entire agreement that is not severable or divisible, except that if any provision herein is found to be legally insufficient or unenforceable, the remaining provisions shall continue in full force and effect.

- (34) Supplier shall negotiate in good faith, through the Office of the Attorney General, any consumer complaints filed with this Office concerning Supplier's conduct occurring prior to or after the Effective Date of this Assurance, which are brought by consumers that are discovered after entering into this Assurance.
- (35) This Assurance is a public record and shall be maintained in the Public Inspection File pursuant to R.C. 1345.05(A)(3).

PENALTIES FOR FAILURE TO COMPLY

- (36) The Attorney General may assert any claim that Supplier has violated this Assurance in a separate civil action to enforce this Assurance, or to seek any other relief afforded by law, including attorney fees, investigative costs, and a civil penalty of Twenty-Five Thousand Dollars and 00/100 Cents (\$25,000.00) for each separate and appropriate violation the Attorney General asserts Supplier has committed. In any such action or proceeding, relevant evidence of conduct that occurred before the Effective Date shall be admissible on any material issue, including alleged willfulness, intent, knowledge, contempt or breach, to the extent permitted by law. By this paragraph, Supplier does not waive any evidentiary objection or any other objection it may have as permitted by law to the admissibility of any such evidence.
- (37) Evidence of a violation of an Assurance of Voluntary Compliance is prima-facie evidence of an act or practice in violation of the Consumer Sales Practices Act, R.C. 1345.01 et seq., if presented after the violation in an action brought under the Consumer Sales Practices Act, R.C. 1345.01 et seq.
- (38) This Assurance shall in no way exempt Supplier from any other obligations imposed by law, and nothing contained herein shall relieve Supplier of any legal responsibility for

any acts or practices engaged in by Supplier other than those acts specifically resolved by this Assurance.

- (39) Nothing in this Assurance shall in any way preclude any investigative or enforcement action against Supplier under any legal authority granted to the Attorney General:
- (a) With respect to the transactions or occurrences which are the subject of this enforcement action, if the terms of this Assurance are not fully obeyed; or
 - (b) With respect to transactions or occurrences which are not the subject of this action.

REPRESENTATIONS AND WARRANTIES


- (40) The Attorney General and Supplier represent and warrant that they negotiated the terms of this Assurance in good faith.
- (41) Supplier warrants and represents that it is signing this Assurance in its official capacity and is fully authorized to enter into this Assurance.

WHEREFORE, the parties hereto affix their signatures in recognition and acceptance of the terms contained herein on this 25 day of June, 2013.

SIGNATURES

ACCEPTED BY:

FOR THE OHIO ATTORNEY GENERAL, MICHAEL DEWINE

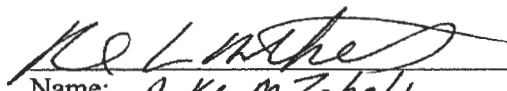

Eric M. Gooding (#0086555)
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Consumer Protection Section
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(513) 852-1527
(877) 381-1527 (facsimile)

6/27/13
Date

Counsel for the Ohio Attorney General

APPROVED BY:

FOR INTERNATIONAL VACATION SERVICES LLC


Name: Mike Mitchell
Position: Manager
Address: PO Box 8989
Lexington, SC 29071
Phone: 803-413-5825

Date: June 25, 2012

Exhibit A

First	Last	City	State	Amount
Cliff	Alexander	Springboro	OH	\$3,593.00
Richard	Bailey	Coolville	OH	\$2,995.00
Elaine	Brian	Lowellville	OH	\$399.00
Randall	Jackson	Newport	OH	\$3,593.00
Christine	Malone	Cortland	OH	\$3,593.00
Benjamin	McMichael	Cleveland	OH	\$650.54