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Dating Sites Settle Consumer Protection Case with DA for Illegal Autorenewals

Company to Pay up to \$1 Million in Refunds

San Diego County District Attorney <u>Summer Stephan</u> announced today that her office, along with the City Attorney of Santa Monica and the District Attorneys of Los Angeles, Santa Clara and Santa Cruz Counties, have settled a consumer protection action against Spark Networks USA, LLC, which is the parent company of niche dating sites Jdate and Christian Mingle, among others. The Los Angelesbased company has agreed to change its website and sales practices to better protect California consumers. Spark Networks will pay also \$500,000 in civil penalties and up to \$985,000 in restitution to customers whose subscriptions automatically renewed or who were denied refunds when requested.

The Santa Monica City Attorney's Office acted as lead counsel for the People of the State of California on the case. The terms are part of a final court judgment negotiated with a task force of local prosecutors that also included the district attorneys of Los Angeles, San Diego, Santa Clara, and Santa Cruz Counties. The task force learned that Spark's dating sites were automatically renewing customer payments, without their express prior consent as required by federal and state law, among other alleged violations of law.

"Laws are in place so consumers know what they're getting when they sign up with a company, including making it clear that transactions will renew automatically and not hiding that information in the fine print," said District Attorney Summer Stephan. "This joint effort is a great example of how our Consumer Protection Unit is working to protect people and their hard-earned money from unfair business practices like this and make sure companies are following California laws."

The judgment requires Jdate, Christian Mingle, and all of Spark's other dating sites to have full transparency with consumers about automatically-renewing memberships. The company now must:

- Clearly and conspicuously disclose the renewal terms;
- Get consumers' consent, through a separate check-box (or similar mechanism) that does not include other terms and conditions;
- Send a clear summary of the renewal terms after consumers pay; and
- Allow consumers to cancel easily.

Spark Networks cooperated with the task force to reach the resolution.



Online "subscriptions" and other automatically recurring charges have proliferated in the U.S. in recent years. Some renewals come after "free trials," where consumers need to cancel in time to avoid the charges. Federal and state law requires businesses to make these auto-renewals clear to consumers, and to get their "express, affirmative consent" – before they collect any money. However, many businesses still don't follow this law.

The judgment was filed today in Santa Monica Superior Court and the \$500,000 in civil penalties will be shared equally among all agencies. Deputy District Attorney Steve Spinella worked on the case for the San Diego District Attorney's Office.

The San Diego County District Attorney's Consumer Protection Unit is composed of Deputy District Attorneys, Investigators and Paralegals dedicated to protecting consumers and law abiding businesses from fraudulent or unfair business practices. To report a consumer complaint, you can call (619) 531-3507 or email consumer@sdcda.org.

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About the San Diego County District Attorney's Office

The San Diego County DA's Office prosecutes all felony crimes in the county and misdemeanor crimes committed outside the City of San Diego. The office files about 40,000 criminal cases a year and balances prosecution with numerous crime prevention programs. District Attorney Summer Stephan leads the office of more than 1,000 dedicated employees who pursue justice and support victims daily across San Diego County. DA Summer Stephan has devoted her life to protecting children and families and providing justice to the voiceless and most vulnerable. She is a national leader in the fight against sexual exploitation and human trafficking, and has served as a Deputy District Attorney in San Diego County for 28 years.

