

## **ASSURANCE OF VOLUNTARY COMPLIANCE**

Petitioner, Office of Consumer Protection of the Office of the Attorney General for the District of Columbia (the “Attorney General”), enters into this Assurance of Voluntary Compliance (“AVC”) with Respondent Adore Me, Inc. (“Adore Me”) to resolve an investigation pursuant to the District of Columbia Consumer Protection Procedures Act, D.C. Code § 28-3901, *et. seq.* (“CPPA”) of Adore Me’s Membership Program.

### **DEFINITIONS**

For purposes of this AVC, the following definitions shall apply:

1. “Adore Me” means Adore Me, Inc., and all of its past, present, and future officers, directors, employees, agents, affiliates, subsidiaries, operating companies, predecessors, assigns, and successors. For the sake of clarity, “Adore Me” shall not include Victoria’s Secret & Co. and all of its past, present, and future parents, subsidiaries (other than Adore Me), affiliates, operating companies, predecessors, successors, and assigns, as well as each of their respective past, present, and future officers, directors, employees, agents, representatives, and contractors.

2. “Clear and Conspicuous” or “Clearly and Conspicuously” means that a statement is difficult to miss (i.e., easily noticeable) and easily understandable, including in all of the following ways:

- a. In any communication that is solely visual or solely audible, the statement must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the statement must be presented in Close Proximity in both the visual and audible portions of the communication even if the representation requiring the statement is made in only one means.

- b. A visual statement, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.
- c. An audible statement, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for consumers to easily hear and understand it.
- d. In any communication using an interactive electronic medium, such as the Internet or software, the statement must be “Unavoidable,” meaning that a statement must be presented in such a manner that consumers will be exposed to the statement in the course of communication without having to take affirmative actions, such as scrolling down a page, clicking on a link to other pages, activating a pop-up window, or entering a search term to view the statement.
- e. The statement must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the statement appears.
- f. The statement must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.
- g. The statement must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.
- h. If a statement is necessary as a modification, explanation, or clarification of other information with which it is presented, such that its omission could mislead or deceive consumers, it must be presented in Close Proximity to the

information it modifies, explains, or clarifies in a manner so as to be readily noticed or heard and understood.

3. "Close Proximity" means immediately adjacent. In the case of advertisements disseminated verbally or through audible means, the disclosure shall be made as near in time as practicable to the statement necessitating the disclosure.

4. "Effective Date" shall mean June 27, 2023.

5. "Express Informed Consent" means an affirmative act or statement giving unambiguous assent to be charged for, or enrolled into, a Membership Program that is made by a consumer after being provided a Clear and Conspicuous disclosure of the material terms of the Membership Program.

6. "Membership Program" shall mean any program in which a consumer enters into an agreement with Adore Me for the provision of benefits, goods, or services for which the consumer will be charged a Recurring Charge.

7. "Membership Terms" as used in this AVC shall mean: (a) the fact that the consumer will be enrolled in a Membership Program; (b) the existence, amount, and frequency of a Recurring Charge or any fee required to join or participate in the Membership Program; (c) the deadline by which a consumer may choose to Skip, if applicable; and (d) the consumer's right to cancel his or her enrollment in the Membership Program.

8. "Recurring Charge" shall mean one or more charges placed on a consumer's account after the consumer's initial purchase that is made without further authorization from the consumer, and which is charged unless the consumer takes an affirmative step to prevent the charge.

9. "Pay As You Go" shall mean the purchase option whereby the consumer pays the listed price, subject to promotions or savings, without any future obligation on the part of the consumer.

10. “Payment Vacation” shall mean a feature of the Membership Program that allows the consumer to remain enrolled in the Membership Program without requiring the consumer to pay the monthly Recurring Charge for a certain period of time (which period is and shall be set by Adore Me).

11. “Save the Sale” means the process, or the result of a process, utilized by Adore Me for the purpose of retaining a consumer who contacts Adore Me to cancel a membership.

12. “Skip” means an Adore Me feature which requires the customer to affirmatively elect to avoid a Recurring Charge according to the Membership Program.

### **PROSPECTIVE RELIEF**

#### ***General Business Practices***

13. Adore Me shall comply with all applicable federal and state laws in connection with its marketing and sales of products or services to District of Columbia consumers.

14. Adore Me shall not make express or implied misrepresentations or omissions that have the capacity, tendency, or effect of deceiving or misleading consumers in connection with the offer or sale of products or services to District of Columbia consumers.

15. When advertising a discount, price, benefit, incentive, or other offer that is available only to consumers who enroll in a Membership Program, Adore Me shall Clearly and Conspicuously disclose that fact and the amount and frequency of the associated Recurring Charge in Close Proximity to the discount, price, benefit, incentive, or other offer. The requirements in this paragraph are in addition to the requirements for Express Informed Consent set forth in paragraph 17 below.

16. Adore Me shall, prior to the place or time that it obtains a consumer’s Express Informed Consent to be enrolled in a Membership Program pursuant to paragraph 17 of this AVC, Clearly and Conspicuously disclose all fees, costs, and material terms and conditions, limitations,

and restrictions applicable to the Membership Program, including, but not limited to:

- a. The dollar amount of the first Recurring Charge and when it will be charged, withdrawn, or become due; the dates or frequency of all subsequent Recurring Charges, and the dollar amount or range of costs of all subsequent Recurring Charges;
- b. To the extent Adore Me charges a Recurring Charge on a monthly basis, the fact that Adore Me will charge a Recurring Charge every month unless the consumer takes affirmative action each month to avoid the Recurring Charge (such as by shopping, Skipping, or going on a Payment Vacation), and a description of how a consumer can take such affirmative action, and the date or time period by which a consumer must act to avoid a Recurring Charge; and
- c. The steps and means by which a cancellation request must be submitted and the date or time period by which a cancellation request must be received to avoid a Recurring Charge.

17. Adore Me shall, prior to enrolling any consumer in a Membership Program, obtain the consumer's Express Informed Consent as follows:

- a. For all written offers (including over the Internet or other web-based applications or services), consent may be obtained through a check box, signature, or other substantially similar method that the consumer must affirmatively select (*i.e.*, it cannot be pre-checked). In Close Proximity to such check box, signature, or other method that the consumer must affirmatively select, Adore Me shall Clearly and Conspicuously disclose the costs associated with enrollment in the Membership Program, that the

consumer is agreeing to pay such costs, the length of any trial period, and the affirmative steps that consumers can take (*e.g.*, Skip, go on a Payment Vacation, or cancel his or her membership) to avoid being charged. This disclosure shall contain no additional information, and cannot be used to satisfy, in isolation, the disclosure requirements in paragraph 16 of this AVC.

- b. For all oral offers (if applicable), make a recording of the entire transaction, including the sales representations, evidencing the consumer's agreement to the Membership Program that includes a Recurring Charge. The recording must demonstrate that the consumer has provided billing information, such as the last four (4) digits of the account to be charged, specifically for the purpose of participating in the Membership Program that includes a Recurring Charge and that Adore Me has disclosed to the consumer all costs associated with the Membership Program, that the consumer is agreeing to pay such costs, the length of any trial period, and the affirmative steps that consumers can take (*e.g.*, Skip, go on a Payment Vacation, or cancel his or her membership) to avoid being charged.

18. Adore Me shall retain, for at least two (2) years after any District of Columbia consumer terminates a Membership Program, proof of the Express Informed Consent required by paragraph 17, including the date that the consent was provided, the email address of the consumer, a recording of the telephone call, if applicable, and, if such consent is provided online, the IP address of the consumer and technical documentation of the consent, and shall, upon written request, make such proof available to the Attorney General for the District of Columbia and to any consumer who disputes his or her enrollment in a Membership Program. Adore Me shall also retain, for at least two (2) years after the Effective Date of this AVC, exemplars of its Expressed

Inform Consent required by paragraph 17, and shall, upon written request, make such exemplars available to the Attorney General for the District of Columbia.

19. Adore Me shall send an invoice to consumers for each shipment containing products delivered to consumers enrolled in a Membership Program. The invoice shall Clearly and Conspicuously disclose the Membership Terms, and include with the statement a link to a secure webpage where consumers can access and manage the account information associated with the consumer's Membership Program (the "Account Management page"), and if Adore Me offers the ability to cancel enrollment in a Membership Program by telephone, the telephone number for consumers to call to cancel their membership. Adore Me shall also Clearly and Conspicuously include a link on its website and mobile application to its return and exchange policy.

20. Adore Me shall Clearly and Conspicuously disclose under what circumstances store credit is issued and all material limitations on how or when the credit can be used or refunded, including, but not limited to, any time period by which consumers must request a refund of a credit.

21. Adore Me shall not represent, in its offer or sale of Membership Programs, that a Recurring Charge is a "credit" or "store credit," unless such a representation coincides with a Clear and Conspicuous disclosure, if true, that the consumer will be charged the Membership Program's Recurring Charge, which creates the issuance of credit that will be stored in the consumer's account.

22. Adore Me shall promptly and thoroughly investigate consumer complaints and designate a person to act as a direct contact for the Attorney General for the District of Columbia for resolution of consumer complaints. Within thirty (30) days of the Effective Date of this AVC, Adore Me shall provide the Attorney General for the District of Columbia with the name and address of the direct contact designated to handle consumer complaints filed with the Attorney General for the District of Columbia.

23. Within thirty (30) days of the Effective Date of this AVC, Adore Me shall retain a compliance officer or designate an employee with specific responsibility for ensuring that Adore Me complies with the terms of this AVC.

24. Adore Me shall Clearly and Conspicuously disclose any mandatory arbitration clause in its contracts with District of Columbia consumers or in its Terms & Conditions.

***Cancellations and Refunds***

25. Adore Me shall provide a simple online mechanism for consumers to cancel their membership, and shall promptly accept and process any request by a consumer to cancel his or her membership and stop billing and collecting payments for any Recurring Charge. The online mechanism must not be difficult, costly, confusing, or time consuming. For purposes of this provision, a one-click way to cancel Recurring Charges associated with enrollment in a Membership Program is a sufficiently simple mechanism. Nothing in this paragraph shall diminish Adore Me's ability to attempt to Save the Sale.

26. Adore Me shall include on its website a link to the Account Management page. Adore Me shall Clearly and Conspicuously display, on the Account Management page, a hyperlink or button labeled "Cancel My Account," or words of similar import, that directs the consumer to the simple online mechanism to cancel. If Adore Me provides consumers the ability to cancel their membership via telephone, the telephone number for consumers to call to cancel shall also be listed on the Account Management page.

27. Adore Me shall include in all transactional emails concerning the customer's membership in the Membership Program (*e.g.*, emails confirming the joining of a Membership Program and emails confirming the processing of a Recurring Charge) sent to consumers enrolled in a Membership Program with a Recurring Charge a Clear and Conspicuous statement that consumers may cancel their membership at any time without penalty and include a link to the



Account Management page.

28. If Adore Me's Customer Relationship team, or any other Adore Me employee or agent whose job duties include customer service, receives a cancellation request via email, telephone, or other means, then Adore Me shall promptly, but no later than five (5) businessdays: (a) cancel the consumer's membership or (b) provide the consumer a link or web address to the simple online mechanism to cancel. Adore Me shall train any employees that receive, or may receive, consumer cancellation requests via email, telephone, or other means, to provide consumers with a link to Adore Me's simple online mechanism as part of a response to a request to cancel.

29. Adore Me shall promptly honor consumer cancellation requests, including requests from consumers who are on a Payment Vacation from a Membership Program, and Adore Me shall cease further billing.

30. Adore Me shall not require consumers to complete an online quiz or survey in order to cancel their Membership Program and shall not make more than one attempt to Save the Sale once a consumer has indicated an intent to cancel. Nothing in this section shall preclude Adore Me from asking consumers the reason(s) for cancellation during the cancellation process, provided that such a process is quick, simple, and not burdensome to consumers. For purposes of this AVC, a web page with radio buttons that asks consumers their reason(s) for cancelling, during the cancellation user flow, does not violate this paragraph.

31. Adore Me shall, in any attempt to Save the Sale, Clearly and Conspicuously disclose the Membership Terms.

32. Adore Me shall, in any attempt to Save the Sale that involves offering a consumer a Payment Vacation, Clearly and Conspicuously disclose the length of time during which Recurring Charges would be suspended, and the date on which the Recurring Charges would re-commence.

33. Adore Me shall provide all consumers the opportunity to request and obtain a refund of any Recurring Charge balance accrued within the preceding thirty (30) days via an electronic one-click refund option.

34. Adore Me shall provide all consumers the opportunity to request and obtain a refund of any Recurring Charge balance accrued within the prior year, but outside the preceding thirty (30) days, to the extent not already refunded, via a simple mechanism accessible over the Internet or through such other web-based application or service. This simple mechanism shall be labeled "Request a Refund," or words of similar import, and shall generate an electronic claims form allowing the consumer to request a refund of any such amounts based on the month accrued. Any refund requested under this paragraph shall be processed by Adore Me and paid to the consumer within five (5) business days. For purposes of this paragraph, when a consumer redeems a recurring charge for merchandise, Adore Me shall credit the consumer as having redeemed the oldest recurring charge in the consumer's account, by the date accrued.

***Prohibited Practices***

35. Adore Me shall cease making Recurring Charges to any consumer enrolled in a Membership Program who has accumulated twelve (12) months of store credit via Recurring Charges.

36. Adore Me shall not enroll consumers in a Membership Program without Clearly and Conspicuously disclosing that consumers have the option to choose the Pay As You Go (or any other) program that does not include a Recurring Charge.

37. Adore Me shall not misrepresent, either orally or in writing, expressly or by implication, any material fact in connection with the marketing or sale of any Adore Me Membership Program, including, but not limited to:

- a. misrepresenting that a good, product, program, or service is "free" or requires

“no commitment,” or words of similar import, denoting or implying the absence of an obligation on the part of the recipient of the offer to affirmatively act in order to avoid a charge including where a charge will be assessed pursuant to the offer unless the consumer takes affirmative action to prevent or stop such a charge;

- b. misrepresenting the purpose for which a consumer’s credit or debit card billing information will be used; and
- c. misrepresenting the material terms and conditions of any policies and practices regarding cancellations and refunds.

38. Adore Me shall not cause consumers to lose unused Recurring Charges when consumers cancel their enrollment in the Membership Program.

***Compliance and Monitoring***

39. Twelve (12) months after the Effective Date of this AVC, Adore Me shall file with the Attorney General for the District of Columbia a report, under penalty of perjury, setting forth in detail the manner and form in which it has complied with this AVC and include representative exemplars of its advertising. Adore Me shall, upon request by the Attorney General for the District of Columbia, provide the Attorney General for the District of Columbia with copies of records and documents sufficient to demonstrate Adore Me’s compliance with the requirements of this AVC.

**RELIEF TO  
CONSUMERS**

***Refunds for Consumers with Outstanding Recurring Charge Balances***

40. Prior to the Effective Date of this AVC, the parties shall jointly agree to the notice that shall be sent to all consumers who, as of the Effective Date of this AVC, have a Recurring Charge balance. This notice will notify those consumers that they have an opportunity to obtain

a refund of outstanding Recurring Charges. No later than fifteen (15) days after the Effective Date of this AVC, Adore Me shall send this notice to all District of Columbia consumers who, as of the Effective Date of this AVC, have a Recurring Charge balance, notifying those consumers that they have an opportunity to obtain a refund of outstanding Recurring Charges. The notice shall be sent to these District of Columbia consumers by electronic mail. Adore Me shall promptly provide a full refund to consumers who request refunds pursuant to the notice required by this paragraph. For consumers who respond to the Adore Me email address for redress inquiries or Adore Me phone number for redress inquiries included in the notice required by this paragraph, Adore Me shall not require the consumers to provide any information other than that required to confirm their membership and to process their refund, and shall not promote any goods or services.

***Other Consumers Entitled to Receive a Full Refund***

41. Within six (6) months of the Effective Date of this AVC, Adore Me shall provide a full refund of the total amount of all store credits accumulated during enrollment in the Membership Program that have not already been refunded or that cannot be refunded pursuant to Adore Me's regular 12 month refund policy to each consumer who filed a complaint with the Attorney General for the District of Columbia about Adore Me prior to the Effective Date of this AVC in which the consumer indicates, in the sole discretion of the Attorney General for the District of Columbia, that the consumer was not aware or did not knowingly consent to be enrolled in a Membership Program. These consumers are hereinafter referred to as "District of Columbia Refund Consumers."

42. No later than one hundred twenty (120) days after Adore Me has complied with the procedures set forth above Adore Me shall do the following:

- a. deliver to the Attorney General for the District of Columbia a list of all

consumers who did not deposit or otherwise cash a refund check; and

- b. implement a recordkeeping process for funds from payments to consumers subject to paragraphs 40-41 who did not deposit or otherwise cash a refund check, and remit such funds in accordance with the District of Columbia's unclaimed property laws, and, within sixty (60) days of any final disposition of such funds, if any, provide to the Attorney General for the District of Columbia a final report on the disposition of those funds.

43. No later than four hundred fifty-five (455) days after the Effective Date of this AVC, upon written request from the Attorney General for the District of Columbia prior to one hundred eighty (180) days after the Effective Date, Adore Me shall do the following:

- a. deliver to the Attorney General for the District of Columbia lists of all consumers to whom notices were sent pursuant to paragraph 40;
- b. deliver to the Attorney General for the District of Columbia a list with the name and contact information of each consumer that requested a refund by responding the notice required by paragraph 40 and indicating the amount of the refund requested, and the amount of refund granted; and
- c. deliver to the Attorney General for the District of Columbia information confirming all payments made pursuant to paragraphs 40-41.

44. Any Consumer Personally Identifiable Information ("PII") provided to the Attorney General for the District of Columbia by Adore Me in connection with this settlement will be kept confidential to the full extent provided by all applicable state and federal laws and regulations, including but not limited to all state and federal public records acts. The Attorney General for the District of Columbia shall only use any PII provided by Adore Me solely for its own investigative purposes in connection with this settlement. Disclosure of such confidential or

proprietary information could cause substantial injury to Adore Me and the Attorney General for the District of Columbia affirmatively acknowledges the importance of maintaining confidentiality of any PII provided by Adore Me in connection with this settlement. Should disclosure be required in order to comply with federal or state law, the Attorney General for the District of Columbia will provide sufficient advance notice to Adore Me prior to disclosing the PII to provide Adore Me an opportunity to object or seek an appropriate order preventing disclosure.

**PAYMENT TO THE  
STATE**

45. In consideration of the making and execution of this AVC, Adore Me agrees that it will pay by wire transfer, certified check, or bank check a total amount of \$2,350,000.00 no later than 90 days after the Effective Date. This payment will be divided and paid by Adore Me to each State of the Multistate Working Group in amounts to be designated by and in the sole discretion of the Multistate Executive Committee. Said payments shall be used by the States as attorneys' fees and other costs of investigation and litigation, or to be placed in, or applied to, the consumer protection enforcement including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund, used to defray the costs of the inquiry leading hereto, or for any lawful purpose, at the sole discretion of each State. The Parties acknowledge that the payments described herein are not a fine, penalty, or payment in lieu thereof.

46. Of the total amount, the District of Columbia will receive a total amount of \$151,798.65. Payment shall be made according to the payment instructions provided by the District of Columbia.

**RELEASE**

47. By execution of this AVC, and following a full and complete payment to the Attorney General for the District of Columbia of the amount required under Paragraph 46, the

Attorney General for the District of Columbia terminates its investigation of the Membership Program and releases and discharges, to the fullest extent permitted by law, Adore Me and its past, present, and future officers, directors, employees, agents, affiliates, subsidiaries, operating companies, predecessors, assigns, and successors from any and all civil causes of action, claims, damages, costs, attorney's fees, or penalties the Attorney General for the District of Columbia has asserted or could have asserted under the CPPA, including all civil consumer protection or unfair trade practice claims – whether statutory, equitable, parens patriae or common law – that may have existed prior to or on the Effective Date, (collectively, the “Released Claims”).

48. Notwithstanding this AVC, the following do not comprise Released Claims:
- A. Private rights of action, including any claims consumers have or may have on an individual or class basis under state consumer protection laws against any person or entity, including Adore Me;
  - B. Claims of environmental or tax liability;
  - C. Criminal liability;
  - D. Claims alleging violations of state or federal securities laws;
  - E. Claims alleging violations of state or federal antitrust laws;
  - F. Any claims against Adore Me by any other agency or subdivision of the District of Columbia; and
  - G. Any obligations created under this AVC.

#### **MISCELLANEOUS**

49. The Attorney General for the District of Columbia has agreed to the terms of this AVC based on, among other things, the representations made to the Attorney General for the District of Columbia by Adore Me and its counsel and the Attorney General for the District of Columbia's own factual investigation as set forth above. To the extent that any material

representations made to the Attorney General for the District of Columbia by Adore Me or its counsel during this investigation and the negotiation of this agreement are later found to be inaccurate or misleading, this AVC is voidable by the Attorney General for the District of Columbia in its sole discretion.

50. If the AVC is voided or breached, Adore Me agrees that any statute of limitations or other time-related defenses applicable to the subject of the AVC and any claims arising from or relating thereto are tolled from and after the date of this AVC. In the event the AVC is voided or breached, Adore Me expressly agrees and acknowledges that this AVC shall in no way bar or otherwise preclude the Attorney General for the District of Columbia from commencing, conducting or prosecuting any investigation, action or proceeding, however denominated, related to the AVC, against Adore Me, or from using in any way any statements, documents or other materials produced or provided by Adore Me prior to or after the date of this AVC.

51. No representation, inducement, promise, understanding, condition, or warranty not set forth in this AVC has been made to or relied upon by Adore Me in agreeing to this AVC.

52. Adore Me represents and warrants, through the signatures below, that the terms and conditions of this AVC are duly approved, and execution of this AVC is duly authorized. Adore Me shall not take any action or make any statement denying, directly or indirectly, the propriety of this AVC, or expressing the view that this AVC is without factual basis. Nothing in this paragraph affects Adore Me's (i) testimonial obligations or (ii) right to take legal or factual positions in defense of litigation or other legal proceedings to which the Attorney General for the District of Columbia is not a party. This AVC should not be construed as an admission of liability by Adore Me.

53. This AVC may not be amended except by an instrument in writing signed on behalf of all the parties to this AVC.



54. This AVC shall be binding on and inure to the benefit of the parties to this AVC and their respective successors and assigns, provided that no party may assign, delegate, or otherwise transfer any of its rights or obligations under this AVC without the prior written consent of the other party.

55. This AVC shall apply to Adore Me, whether acting through its respective directors, officers, employees, representatives, agents, assigns, successors, affiliates, subsidiaries, or other businesspersons or business entities whose acts, practices, policies are directed, formulated, or controlled by Adore Me.

56. Adore Me shall not participate, directly or indirectly, in any activity or form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part that are prohibited in this AVC or for the purpose of circumventing any part of this AVC.

57. Adore Me shall not cause or encourage third parties, or knowingly permit third parties acting on its behalf, to engage in practices from which Adore Me is prohibited by this AVC.

58. In the event that any one or more of the provisions contained in this AVC shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this AVC, and this AVC shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.

59. The allegations set forth in this AVC shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the Attorney General for the District of Columbia to enforce its rights to any payment or money judgment owed pursuant to this AVC, including, but not limited to a non-dischargeability complaint in bankruptcy court.

60. Nothing in this AVC shall (a) be used, cited, or be admissible in any civil litigation

or arbitration not pursued by the Attorney General for the District of Columbia, or (b) create or eliminate any private rights, causes of action, third party rights or remedies of any individual or entity other than by the Attorney General for the District of Columbia against Adore Me or any of its affiliates, to the extent such authority exists under applicable law.

61. To the extent not already provided under this AVC, Adore Me shall, upon request by the Attorney General for the District of Columbia, provide all documentation and information necessary for the Attorney General for the District of Columbia to verify compliance with this AVC.

62. All notices, reports, requests, and other communications to any party pursuant to this AVC shall be in writing and shall be directed as follows:

If to the Attorney General for the District of Columbia:

Gary Tan, Assistant Attorney General  
Office of the Attorney General for the District of Columbia  
400 6<sup>th</sup> Street, N.W., 10<sup>th</sup> Floor  
Washington, DC 20001

If to Adore Me:

Adore Me, Inc.  
401 Broadway  
12<sup>th</sup> Floor  
New York, NY 10013  
Attn: Charlotte Morgan  
General Counsel

63. Acceptance of this AVC by the Attorney General for the District of Columbia shall not be deemed approval by the Attorney General for the District of Columbia of any of the practices or procedures referenced herein, and Adore Me shall make no representation to the contrary.

64. Pursuant to the CPPA, evidence of a violation of this AVC shall constitute *prima facie* proof of violation of the applicable law in any action or proceeding thereafter commenced by

the Attorney General for the District of Columbia against Adore Me.

65. If a court of competent jurisdiction determines that Adore Me has breached this AVC, Adore Me shall pay to the Attorney General for the District of Columbia the cost, if any, of such determination and of enforcing this AVC, including without limitation legal fees, expenses, and court costs.

66. This AVC shall be governed by the laws of the District of Columbia without regard to any conflict of laws principles.

67. This AVC may be executed in multiple counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature.

68. Any failure by any Party to this AVC to insist upon the strict performance by any other Party of any of the provisions of this AVC shall not be deemed a waiver of any of the provisions of this AVC.

69. Nothing in this AVC shall be construed as relieving Adore Me of the obligation to comply with all state and federal laws, regulations, or rules, nor shall any of the provisions of this AVC be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

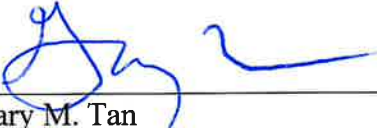
70. Within thirty (30) days of the Effective Date, Adore Me shall share any relevant section of this AVC with each of its current principals, officers, and directors having decision-making authority with respect to the subject matter of this AVC. For five (5) years following the execution of this AVC, Adore Me shall share any relevant section of this AVC with any such future personnel within thirty (30) days of their employment by Adore Me.

71. For the purposes of 26 U.S.C. § 162(f) and its associated regulations, none of the settlement payment made by shall be considered by the District of Columbia as restitution, remediation, or cost of compliance with the law. The District of Columbia agrees that, in

accordance with 26 U.S.C. § 6050X and its associated regulations, the District of Columbia shall furnish a written statement or a copy of Form 1098-F to Adore Me on or before January 31, 2024 and the District of Columbia shall file an information return with the Internal Revenue Service utilizing Form 1098-F or any successor form. For the purpose of this filing, Adore Me designates the following entity as the payer: Adore Me, Inc., 401 Broadway, 12th Floor, New York, NY 10013, FEIN: xx-xxx7763. The District of Columbia agrees to cooperate with any questions or requests for a copy of this settlement agreement or other documents made by the Internal Revenue Service, and the District of Columbia agrees to notify Adore Me as soon as practicable of any such requests made by the Internal Revenue Service. The District of Columbia takes no position on whether the Internal Revenue Service will allow any deduction by Adore Me of any amounts paid under this settlement agreement. Adore Me agrees that it is fully responsible for the payment of all applicable taxes, including in the event any deductions for amounts paid under this settlement agreement are disallowed, as well as any fines or penalties imposed by the Internal Revenue Service. Adore Me agrees that it shall comply fully with this settlement agreement and not seek any modification regardless of the treatment by the Internal Revenue Service of amounts paid.


72. Adore Me agrees to execute and deliver all authorizations, documents and instruments which are necessary to carry out the terms and conditions of this AVC, whether required prior to, contemporaneous with, or subsequent to the Effective Date.

**COUNSEL FOR THE ATTORNEY GENERAL**

  
\_\_\_\_\_  
Gary M. Tan  
Assistant Attorney General  
Office of the Attorney General for the District of Columbia  
400 6<sup>th</sup> Street, N.W., 10<sup>th</sup> Floor  
Washington, DC 20001  
(202) 727-6241  
[gary.tan@dc.gov](mailto:gary.tan@dc.gov)

June 15, 2023

**ADORE ME, INC.**

DocuSigned by:  
  
\_\_\_\_\_  
Charlotte Morgan  
General Counsel

APPROVED AS TO FORM:

Holmes, Athey, Cowan & Mermelstein LLP

By:   
\_\_\_\_\_  
MARK MERMELSTEIN  
Attorneys for ADOREME, INC.