

**November 14, 2019**

**ATTORNEY GENERAL RAOUL ANNOUNCES SETTLEMENT WITH COMPANIES SELLING TRAVEL CLUB MEMBERSHIPS**

**Chicago** — Attorney General Kwame Raoul today announced a settlement totaling \$250,000 in relief for consumers with vacation club Global Connections, Inc. (Global Connections) and its distributors, GVN Illinois, Inc. (GVN), and Madmol, Inc. (Madmol). Raoul alleged that the companies utilized unlawful and deceptive marketing tactics to sell travel club memberships.

Under the settlement, GVN and Madmol will pay a total of \$250,000 for consumer restitution. Going forward, the settlement also mandates that customers who purchase a membership during a sales presentation receive a recorded verification call providing important disclosures, including the right to cancel. The companies are also required to give customers the ability to cancel a membership up to seven days after purchase. Additionally, the companies must adopt a set of marketing and business practices that meet enhanced quality assurance, record-keeping, disclosure and reporting requirements.

"I am committed to protecting consumers by holding companies accountable for their deceptive and unlawful marketing practices that pressure consumers into spending thousands of dollars on useless memberships," Raoul said. "This settlement ensures consumers will be informed of their rights when purchasing a travel club membership with these companies, and provides restitution to those who were misled."

As set forth in the Attorney General's lawsuit, GVN and Madmol sent consumers direct mail solicitations offering free gifts and prizes for attending a sales presentation at a sales location. Raoul alleged that sales representatives gave presentations misrepresenting Global Connection's travel club in order to pressure people into signing contracts to purchase travel club memberships. After buying expensive memberships, Raoul's complaint said customers reported being unable to schedule trips on their preferred dates and locations. Additionally, the lawsuit alleged consumers were not able to redeem the promotional gifts or prizes they were offered in exchange for attending the sales presentations.

The cost of the memberships ranged from several thousand dollars to more than \$10,000 in some cases. Raoul's lawsuit alleged that GVN Illinois and Madmol offered customers credit using retail installment sales contracts and revolving lines of credit agreements provided by Global Connections. The contracts tied customers to substantial interest rates and years of making payments.

Before purchasing a travel club membership, Attorney General Raoul is encouraging the public to do the following:

- Call the Attorney General's [Consumer Fraud Hotline](#) (1-800-386-5438 in Chicago, 1-800-243-0618 in Springfield, and 1-800-243-0607 in Carbondale) to learn if any complaints have been filed against a particular business.
- Visit the Better Business Bureau's [central Illinois](#), [St. Louis](#) or [Chicago websites](#) to see if a business is a member and whether any complaints have been lodged against it.
- Be wary of offers that claim you will receive a free gift or prize.
- Be wary of sales staff that use high pressure sales tactics or make extravagant promises.
- Be wary of suspiciously high savings claims that you are not able to verify prior to purchase.
- Research your right to cancel before attending a sales presentation.

Consumers who believe they have been a victim of deceptive marketing practices can file a complaint on the Attorney General's website or by calling Raoul's Consumer Fraud Hotline at 1-800-243-0618.

Consumer Counsel Thomas James and Assistant Attorneys General Brett Dey, Janice Parker, Vivian Saphavee, and Tracy Walsh handled the lawsuit for Raoul's Consumer Protection Division.