

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Julie Brill
 Maureen K. Ohlhausen
 Joshua D. Wright
 Terrell McSweeney

In the Matter of

**GOOGLE INC.,
a corporation.**

DOCKET NO.

AGREEMENT CONTAINING CONSENT ORDER

The Federal Trade Commission has conducted an investigation of certain acts and practices of Google Inc., a Delaware corporation (“Google” or “proposed respondent”). Proposed respondent is willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between proposed respondent, by its duly authorized officers, and counsel for the Federal Trade Commission, that:

1. Proposed respondent is a Delaware corporation with its principal office or place of business in Mountain View, California.
2. Proposed respondent admits all the jurisdictional facts set forth in the draft complaint.
3. Proposed respondent waives:
 - a. Any further procedural steps;

- b. The requirement that the Commission’s decision contain a statement of findings of fact and conclusions of law; and
 - c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.
4. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondent, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.
 5. Proposed respondent neither admits nor denies any of the allegations in the draft complaint, except as specifically stated in this order. Only for purposes of this action, proposed respondent admits the facts necessary to establish jurisdiction.
 6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission’s Rules, the Commission may, without further notice to proposed respondent, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect as, and may be altered, modified, or set aside in the same manner as, and within the same time provided by statute for, other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to proposed respondent’s address as stated in this agreement by any means specified in Section 4.4(a) of the Commission’s Rules shall constitute service. Proposed respondent waives any right it may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of this order.
 7. Proposed respondent has read the draft complaint and order. It understands that it may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

ORDER

DEFINITIONS

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

1. “**Account Holder**” means an individual or entity, with a billing address in the United States, that controls an account to which Google may bill In-App Charges.
2. “**Application**” or “**App**” means any software application that can be installed on a mobile device.
3. “**Clear and Conspicuous**” or “**Clearly and Conspicuously**” means:
 - A. In textual communications, the disclosure must be in a noticeable type, size, and location, using language and syntax comprehensible to an ordinary consumer;
 - B. In communications disseminated orally or through audible means, the disclosure must be delivered in a volume, cadence, language, and syntax sufficient for an ordinary consumer to hear and comprehend them;
 - C. In communications disseminated through video means: (1) written disclosures must be in a form consistent with definition 3.A and appear on the screen for a duration sufficient for an ordinary consumer to read and comprehend them, and be in the same language as the predominant language that is used in the communication; and (2) audio disclosures must be consistent with definition 3.B; and
 - D. The disclosure cannot be combined with other text or information that is unrelated or immaterial to the subject matter of the disclosure. No other representation(s) may be contrary to, inconsistent with, or in mitigation of, the disclosure.
4. “**Respondent**” or “**Google**” means Google Inc. and its successors and assigns.
5. “**Express, Informed Consent**” means, upon being presented with options to provide or withhold consent, an affirmative act communicating informed authorization of In-App Charge(s), made proximate to an In-App Activity for which there is an In-App Charge and to Clear and Conspicuous disclosure of all material information related to the billing, including:
 - A. If consent is sought for a specific In-App Charge: (1) the In-App Activity associated with the charge; (2) the specific amount of the charge; and (3) the account that will be billed for the charge (e.g., the Google account); or
 - B. If consent is sought for potential future In-App Charges: (1) the scope of the charges for which consent is sought, including the duration, devices, and Apps to which consent applies; (2) the account that will be billed for the charge; and (3) method(s) through which the Account Holder can revoke or otherwise modify the scope of consent on the device, including an immediate means to access the method(s).

Provided that in obtaining Express, Informed Consent, Google may rely on information provided by the App’s developer about the In-App Activity associated with the In-App Charge.

Provided also that the means of requesting the “affirmative act” and the disclosure of the information in definitions 5.A and 5.B above must be reasonably calculated to ensure that the person providing Express, Informed Consent is the Account Holder.

Provided also that if Google obtains Express, Informed Consent to potential future In-App Charges as set forth in definition 5.B above, it must do so a minimum of once per account or mobile device.

6. **“In-App Activity”** or **“In-App Activities”** means any user conduct within an App including the acquisition of real or virtual currency, goods, or services or other Apps.

7. **“In-App Charge”** means a charge associated with In-App Activity billed by Google.

8. **“Consumer Redress Period”** means the twelve (12) month period of time between the entry and the first anniversary of this order.

I.

IT IS FURTHER ORDERED that Google and its officers, agents, and employees, and all other persons in active concert or participation with it, who receive actual notice of this order, whether acting directly or indirectly, are restrained and enjoined for the term of this order from billing an account for any In-App Charge without having obtained Express, Informed Consent to Google’s billing that account for the In-App Charge. If Google seeks and obtains Express, Informed Consent to billing potential future charges for In-App Activities, Google must allow the Account Holder to revoke such consent at any time.

Provided that this section does not apply where Google does not control the user interface in which the In-App Charge is incurred.

Provided also that, where an Account Holder provides Express, Informed Consent to potential future In-App Charges at the account level, Google will provide, at least once before the first In-App Charge on a device, Clear and Conspicuous disclosure of the information in 5.B.

II.

IT IS FURTHER ORDERED that Google shall provide full refunds to Account Holders who have been billed by Google for unauthorized In-App Charges incurred by minors as follows:

A. Google shall provide prompt refunds to Account Holders for the full purchase price of any Eligible In-App Charge(s). For purposes of this Section II, an “Eligible In-App Charge” is an In-App Charge that the Account Holder indicates was: (1) paid by the Account Holder and incurred by a minor; (2) and was accidental or not authorized by the Account Holder; and (3) has not already been refunded. For purposes of this Section II.A, a “prompt”

refund means a refund provided within the later of (1) thirty (30) days for a refund issued by check or ten (10) days for a refund issued by other means of a request for refund of an Eligible In-App Charge by the Account Holder; or (2) the completion of a fraud investigation. Google may decline a refund request for an Eligible In-App Charge only if it has sufficient credible evidence that the refund request is fraudulent. Google may process all refund requests through its customer service channels, which include a contact phone number and web form through which consumers may contact Google directly.

B. Google shall refund no less than \$19,000,000 for Eligible In-App Charges pursuant to section II.A of this order, and such amount shall not constitute a penalty.

C. Within thirty (30) days of the end of the Consumer Redress Period, Google shall provide the Commission with records sufficient to show the refunds requested and paid to Account Holders for In-App Charges during the Consumer Redress Period, and any requests that were denied under Section II.A of this order.

D. If Google fails to refund \$19,000,000 pursuant to section II.B of this order, the balance of that amount shall be remitted to the Commission within forty-five (45) days of the end of the Consumer Redress Period.

E. All funds paid to the Commission pursuant to section II.D of this order may be deposited into a fund administered by the Commission or its designee to be used for equitable relief, at the Commission's sole discretion, for informational remedies regarding In-App Charges by children or consumer redress and any attendant expenses for the administration of any redress fund. Any money not used for such purposes shall be deposited to the United States Treasury. Google shall have no right to challenge the Commission's choice of remedies under this Paragraph.

F. Google shall provide an electronic notice to any Account Holder who has made an In-App Purchase prior to entry of the order. Google shall send such notice within fifteen (15) days after entry of the order. The electronic notice shall include a subject line relating to the content of the notice and contain the following information, disclosed in a Clear and Conspicuous manner and in writing: (1) that refunds are available for Account Holders that have been billed for In-App Charges incurred by minors that were not authorized by the Account Holder, (2) that such refunds are available until the end of the Consumer Redress Period, and (3) instructions regarding how to obtain refunds pursuant to section II.A of this order, including means of contacting Google for a refund. Google shall send the notice to the current or last known email address for the Account Holder.

G. Sections II.A and II.B of this order shall be effective beginning on the date that the order is entered, and will terminate at the end of the Consumer Redress Period.

III.

IT IS FURTHER ORDERED that Respondent and its successors and assigns for five (5) years after the date of issuance of this order, shall maintain and upon request make available

to the Federal Trade Commission business records demonstrating their compliance with the terms and provisions of this order, including but not limited to:

A. All complaints from United States consumers conveyed to Respondent, or forwarded to Respondent by a third party, that relate to the conduct prohibited by this order and any responses to such complaints;

B. Refund requests from United States consumers related to In-App Charges, and refunds paid by Respondent related to In-App Charges; and

C. Records necessary to demonstrate full compliance with each provision of this order.

IV.

IT IS FURTHER ORDERED that Respondent and its successors and assigns shall deliver a copy (written or electronic) of this order to all current and future principals, officers, and corporate directors, and to all current and future managers, employees, agents, and representatives who have supervisory responsibility regarding the design of the platform in which Account Holders incur In-App Charges and those who implement that design. For the duration of the Consumer Redress Period, Respondent and its successors and assigns shall deliver a copy (written or electronic) of this order to all current and future employees who have responsibility for providing refunds to consumers in connection with this order. Respondent shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

V.

IT IS FURTHER ORDERED that Respondent and its successors and assigns shall notify the Commission within fourteen (14) days of any change in the corporation that may affect compliance obligations arising under this order, including but not limited to a 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. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

VI.

IT IS FURTHER ORDERED that Respondent or its successors and assigns shall, ninety (90) days after entry of the order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order. Within ten (10) business days of receipt of a written notice related to this order from a representative of the Commission, Respondent shall submit an additional compliance report setting forth the manner and form in which Respondent has complied with this order.

VII.

This order will terminate twenty (20) years from the date of its issuance, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years; and
- B. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the Respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal. Respondent may seek modification of this order pursuant to 15 U.S.C. § 45(b) and 16 C.F.R. 2.51(b) to address relevant developments that affect compliance with this order, including, but not limited to, technological changes and changes in methods of obtaining Express, Informed Consent.

Signed this _____ day of _____, 20__

GOOGLE INC.

By: _____
COREY W. ROUSH
LOGAN M. BREED
WESLEY G. CARSON
Hogan Lovells US LLP
Counsel for Google Inc.

By: _____
KENT WALKER
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