# PART 8 OF THE ENTERPRISE ACT 2002 ('EA02')

UNDERTAKINGS TO THE COMPETITION AND MARKETS AUTHORITY (THE 'CMA') UNDER SECTION 219 OF THE EA02 RELATING TO:

- THE CONSUMER PROTECTION FROM UNFAIR TRADING REGULATIONS 2008 (THE 'CPRS'); AND
- THE CONSUMER CONTRACTS (INFORMATION, CANCELLATION AND ADDITIONAL CHARGES) REGULATIONS 2013 (THE 'CCRS'); AND
- PART 2 OF THE CONSUMER RIGHTS ACT 2015 (THE 'CRA').

**Groupon, Inc.** of 600 West Chicago Avenue, Suite 400, Chicago, IL 60654, USA and its subsidiary Companies;

Groupon Goods Global GmbH, registered office at c/o Bovadis Partner Treauhand AG, Oberstadt 3, Schaffhausen, Switzerland ('**Groupon Goods**'); and

MyCityDeal Limited trading as Groupon UK of Floors 11-12 Aldgate Tower, 2 Leman Street, London E1 8FA ('**Groupon UK**'),

each a 'Company' and together the 'Companies'.

Each Company, in respect of itself voluntarily gives the following undertakings to the CMA under section 219 of the EA02.

For the avoidance of doubt, these undertakings do not amount to an admission that any person has infringed the law.

### **UNDERTAKINGS**

In accordance with section 219(4) and section 219(B) of the EA02:

- (i) Groupon, Inc. undertakes in respect of all entities within the Groupon Corporate Group involved in the supply of Goods Deals or Services Deals to UK consumers:
  - not to engage in any conduct which contravenes paragraphs 1 to 53 below;
  - not to engage in such conduct in the course of its current business or another online-based sales business;
  - not to consent to or connive in the carrying out of such conduct by a body corporate with which it has a special relationship (within the meaning of section 222(3) of the EA02); and

- to comply with the enhanced consumer measures (as such term is defined in s. 219A of the EA02) set out in Parts 4 and 5 below.
- (ii) each Company undertakes:
  - a. on its own behalf;
  - b. in respect of its current and future:
    - 1. subsidiaries incorporated after the date of these undertakings within the meaning of section 1159 of the Companies Act 2006; and
    - 2. interconnected trading companies within the meaning of section 223(4) of the EA02,
  - c. in respect of any third party acting in its name with its authority or on its behalf with its authority,

to comply with these undertakings.

# Interpretation

When a date or time period is specified, the obligation must be met by 17:00 hours in the time zone of the United Kingdom on the relevant day.

Defined terms are set out in **Schedule 1**.

# Part 1 - Advertisements and information about goods and services

### A. All Deals

- 1. This section A relates to advertisements and Information provided to consumers (whether online or otherwise) about goods and services to ensure they are not Misleading.
- 2. All statements and Information provided to consumers (whether online or otherwise) about goods or services must be accurate and Clear.
- 3. Where a Merchant provides a Merchant Notification that:
  - a) Information about a Deal on the Website and App is inaccurate; or
  - b) the Merchant cannot provide a Deal that is advertised (within the advertised timescale or at all),

the Companies will ensure there are appropriate mechanisms in place for Merchants to be able directly to update their offering with accurate Information, or otherwise to:

- i. in the case of (a) above, either verify and update the relevant Information on the Website and App about the Deal or Deals affected so that Information provided to consumers is accurate and Clear, or remove the Deal from the Website and App; or
- ii. in the case of (b) above, remove any advertisements about the Deal or Deals affected from the Website and App,

promptly, and in any event within 2 working days of the Merchant Notification.

4. The Companies will ensure there are appropriate mechanisms in place to record and collate details about Customer Notifications about a Deal and/or a Merchant.

#### 5. Where:

- a) the average Customer Satisfaction Rating on a particular Deal is 40% (equivalent to 2 stars) or lower after a Deal has received at least 10 reviews; or
- b) the number of Contacts Per Unit Sold on a particular deal exceeds 10% after at least 25 units have been sold; or
- c) the percentage of refunds per unit sold exceeds 15% after at least 25 units have been sold.

the matter must be promptly referred to the relevant Deal Investigation Team. Within 5 working days the Deal Investigation Team must:

- i. check the Deal and the details of the Customer Notifications and/or negative reviews. Where appropriate, the relevant Company will contact any relevant Merchant to investigate the issue, and give the Merchant 2 working days to confirm whether the advertised Information about the Deal is accurate and Clear, whether the Deal should still be advertised in its current form or whether it should be amended, or the advertisement for the Deal removed from the Website and App;
- ii. if necessary, promptly update the Information about the Deal; and
- iii. if it was necessary to contact a Merchant in accordance with (i) above, within 1 working day of the Merchant's response, either update the information about the Deal or remove the relevant advertisement(s) from the Website and App, if such steps are necessary to ensure Deals advertised on the Website and App are not Misleading. If a Merchant who is contacted fails to respond the Company will remove the Deal from the Website and App within 7 working days.

### **B.** Goods Deals

- 6. This section B applies to:
  - a) Groupon Goods; and
  - b) Groupon Inc, which will ensure that Groupon Goods which is currently responsible for Goods Deals, and any member of the Groupon Corporate Group that offers Goods Deals on the Website or App in the future, complies with this section.

## Goods Deals offered for sale by a Groupon Group Company

- 7. Paragraphs 8 to 10 below apply where goods are offered for sale on the Website and App by a Groupon Group Company (including during the period between the date of these undertakings and the date on which all Goods Deals have been transitioned to the Marketplace model).
- 8. The relevant Company will use all reasonable endeavours to ensure that:
  - a) goods conform to the description on the Website and App;
  - b) goods are of satisfactory quality;
  - c) goods comply with all laws applicable to the relevant Company;
  - d) an order for goods can only be placed by a customer where there are sufficient stock levels to fulfil the order;
  - e) the advertised Delivery Timescale is Clear, and, where the Delivery Timescale is an estimate, this is a realistic estimate; and
  - f) to the extent possible, the goods will be delivered within the advertised Delivery Timescale.
- 9. Prior to an advertisement for a Goods Deal being placed on the Website and App, the relevant Groupon Group Company will:
  - a) Inspect a reasonable sample of the goods, and only allow goods to be listed where, in its reasonable view:
    - i. the intended advertisement will accurately describe the goods; and
    - ii. the goods are of satisfactory quality.
  - b) in addition to the steps in paragraph 9(a), where the goods are to be provided to the customer by a Merchant:

- i. prior to advertisements being placed on the Website and App, ensure that contractual obligations apply to Merchants, requiring them to ensure that:
  - 1. goods conform to the description on the Website and App; and
  - 2. an order for goods can only be placed by a customer where there is sufficient availability for the Merchant to provide the goods,
- ii. verify the content of the draft advertisement with the Merchant, consider any changes proposed by the Merchant, and amend the draft advertisement where appropriate; and
- iii. obtain written confirmation from the Merchant of:
  - 1. the Unit Cap (where applicable, through a facility provided to Merchants to update details of Goods Deals automatically); and
  - 2. where the Merchant will arrange delivery of the goods, the Delivery Timescale.
- 10. The relevant Company will put in place and maintain a mechanism to remove Goods Deals from the Website and App so that orders cannot be placed by customers in respect of Goods Deals where further orders would exceed any applicable Unit Cap, either by allowing the Merchant to remove the Goods Deal directly from the Website and App, or otherwise actioning requests by Merchants to remove Goods Deals within 1 working day of receipt of the request.

## Goods Deals offered for sale on a Marketplace

- 11. Paragraphs 12 to 13 apply where goods are offered for sale on the Website and App by a Merchant using a Marketplace.
- 12. Prior to advertisements being placed on the Website and App, the relevant Company will ensure that contractual obligations apply to Merchants requiring them to ensure that:
  - a) goods conform to the description on the Website and App;
  - b) goods are of satisfactory quality;
  - c) goods comply with all laws applicable to the relevant Company;
  - d) an order for goods can only be placed by a customer where there are sufficient stock levels to fulfil the order;
  - e) the advertised Delivery Timescale is Clear, and, where the Delivery Timescale is an estimate, this is a realistic estimate; and

- f) to the extent possible, the goods will be delivered within the advertised Delivery Timescale.
- 13. Where it operates a Marketplace, the relevant Company will ensure that:
  - a) a facility is provided that allows Merchants to:
    - i. remove Goods Deals from the Marketplace for any reason; and
    - ii. adjust the Unit Cap,
  - b) consumers are Clearly informed that Deals are provided by third parties;
  - c) consumers are Clearly informed of the trading name or registered company name and address of the Merchant and customers are provided with a mechanism for contacting the Merchant through Groupon's customer service function and/or other appropriate means;
  - d) Merchants are provided with appropriate information, training materials and an appropriate code of conduct regarding how to provide and maintain accurate information about Goods Deals; and
  - e) Merchants are subject to appropriate consequences, including suspending a Merchant from offering Deals on the Website and App for such period as the relevant Company considers appropriate if the Merchant:
    - persistently fails to adhere to applicable contractual requirements, such as repeatedly failing to provide accurate information about Deals, repeatedly failing to adhere to Delivery Timescales, and repeatedly failing to satisfactorily address customer queries; and
    - ii. has been referred to the Deal Investigation Team in accordance with paragraph 5 on more than three occasions.

### C. Services Deals

- 14. This section C applies to:
  - a) Groupon UK; and
  - b) Groupon Inc, which will ensure that Groupon UK which currently provides Service Deals, and any member of the Groupon Corporate Group that offers Services Deals on the Website and App in the future, complies with this section.
- 15. Where the relevant Company contracts with a Merchant to offer Services Deals, prior to advertisements being placed on the Website and App, the relevant Company will ensure that

contractual obligations apply to Merchants to ensure that:

- a) services conform to the description on the Website and App; and
- b) an order for services can only be placed by a customer where there is sufficient availability for the Merchant to provide the services.
- 16. Where the relevant Company contracts with a Merchant to offer Services Deals, prior to an advertisement for a Services Deal being placed on the Website and App, the relevant Company will:
  - a) verify the contents of the draft advertisement with the Merchant, consider any changes proposed by the Merchant, and amend the draft advertisement where appropriate;
  - b) obtain written confirmation from the Merchant of the Unit Cap (where applicable); and
  - c) put in place a mechanism so that orders cannot be placed by customers for Services Deals where such an order would exceed any applicable Unit Cap, including actioning requests by Merchants to remove Services Deals within 2 working days of receipt of the request.
- 17. Where a relevant Company contracts with an Intermediary Third Party to offer Services Deals, prior to an advertisement for a Services Deal being placed on the Website and App, the relevant Company will ensure contractual obligations apply to the Intermediary Third Party requiring the Intermediary Third Party to ensure that:
  - a) services conform to the description on the Website and App;
  - b) an order for services can only be placed by a customer where there is sufficient availability for the Merchant to provide the services; and
  - c) contents of advertisements are verified with Merchants.

### Application of Parts 2 and 3 – customer rights and customer service

- 18. Parts 2 and 3 relate to customers' rights and customer service arrangements.
- 19. Where a Merchant provides customer service functions to customers, the relevant Groupon Group Company that engages with the Merchant to provide Deals on the Website and App will require the Merchant (through contractual terms and in any Merchant code of conduct or other terms of business with the relevant Groupon Group Company) to comply with the requirements of Parts 2 and 3.

# Part 2 – Ensuring customers can exercise their statutory rights

- 20. The Companies confirm that all relevant refund policies that are applicable to Deals have been reviewed and amended or updated to reflect the requirements of these undertakings and compliance with consumer protection law within one month of the date of these undertakings.
- 21. To ensure that customers:
  - a) are not misled about, and
  - b) can exercise,

their statutory rights, including but not limited to under the CRA 2015 and the CCRs, the Companies will ensure that paragraphs 22 – 25 below are complied with.

- 22. All information regarding statutory rights that must be given to customers under this Part must be given at the same time, and with as much prominence, as any other options offered to the customer.
- 23. Where a customer has the right to cancel under the CCRs, any customer who contacts a Groupon Group Company about cancelling a Deal:
  - a) will be informed of their right to cancel the contract; and
  - b) will be given the option of a Refund.
- 24. In respect of Goods Deals, where a customer has the following rights set out in:
  - a) sections 9 to 24 of the CRA 2015, including regarding goods not being as described, of satisfactory quality or fit for purpose, being:
    - i. the short term or final right to reject the goods;
    - ii. the right to repair or replacement (unless this is impossible or disproportionate); and/or
    - iii. the right to a price reduction (which may be the full amount of the price); and/or
  - b) section 28 of the CRA 2015 regarding non-delivery in the advertised Delivery Timescale, being,
    - i. the customer can specify a period and require the relevant Company to deliver the goods before the end of that period; and

- ii. if the goods are not delivered as specified, the customer can treat the contract at an end and will be entitled to a Refund.
- c) any customer who contacts a Groupon Group Company about a Problem with their Purchase on the Website or App:
  - i. will be Clearly informed of those rights that are applicable;
  - ii. will be given the option of a Refund, where applicable; and
  - iii. the rights the customer chooses to exercise will be actioned promptly and effectively.
- 25. In respect of Services Deals, where a customer has the following rights set out in sections 49 to 56 of the CRA 2015, including where a service is not performed with reasonable care and skill or does not conform to the contract:
  - a) the right to repeat performance; and/or
  - b) the right to a price reduction (which may be the full amount of the price),

any customer who contacts a Groupon Group Company about a Problem with their Purchase on the Website or App:

- i. will be Clearly informed of those rights;
- ii. will be given the option of a Refund, where applicable; and
- iii. the rights the customer chooses to exercise will be actioned promptly and effectively.

### Part 3 - Provision of customer services functions

- 26. The Companies confirm that all relevant customer service macros, scripts, decision trees and other customer service instructions operated that are applicable to Deals have been reviewed and amended or updated to reflect the requirements of this undertaking and compliance with consumer protection law within one month of the date of these undertakings.
- 27. The Companies will ensure that they regularly review, at least annually, the effectiveness of their training, instructions and policies and, when necessary, implement all changes that are required or desirable to ensure compliance with these undertakings and compliance with consumer protection law.
- 28. The Companies will ensure that, where a Groupon Group Company or a Merchant is liable to provide the statutory remedies set out in Part 2 of these undertakings in respect of Deals

offered on the Website and App, no statements are made:

- a) publicly;
- b) on the Website or App or elsewhere; or
- c) by any customer service agents when communicating with customers,

that the relevant Groupon Group Company or Merchant is not liable to, or does not as a matter of policy, provide such remedies.

- 29. The Companies will ensure that Escalations are only made by Groupon Group Company customer services agents where such action is reasonable and appropriate, given the particular circumstances of the issue raised by the customer, including but not limited to where:
  - a) it is unclear what remedies can practically be provided, or should be provided, to the customer; and
  - b) tracking information about goods ordered in respect of a Goods Deal is reasonably unavailable.
- 30. The Companies will ensure that there is an effective policy in place so that any Escalations are dealt with promptly. At the latest, the relevant customer will receive an update about an Escalation within 7 days and a proposed solution within 14 days, such solution being in line with the statutory remedies set out in Part 2 of these undertakings.
- 31. The Companies will ensure appropriate customer service systems are put in place so that customers can swiftly and effectively:
  - a) raise a query, concern or complaint,
  - b) initiate and continue contact with the customer services function, including by:
    - enabling customers to communicate effectively with customer service agents, for example by telephone, messaging services and/or email, with Dropped Contacts being minimised as far as reasonably possible;
    - ensuring customers receive a response to an initial request to be contacted within 24 hours of the initial contact, unless reasonably impracticable in the circumstances;
    - iii. ensuring customers receive a response to commencing a chat on an instant messaging service within 60 seconds, unless reasonably impracticable in the circumstances; and

- iv. ensuring customers receive a final response to any complaint promptly, and in any event within 14 days, unless reasonably impracticable in the circumstances,
- c) where appropriate, enabling customers to swiftly and effectively contact the relevant Merchant to raise a query or complaint, including by:
  - Clearly informing customers who have purchased a Deal how to contact the Merchant; and
  - contractually requiring Merchants to handle customer complaints satisfactorily, including the requirement to: (i) use reasonable efforts to respond to customers within 1 working day of their initial contact to the Merchant, and (ii) resolve complaints within 7 working days,
- d) in circumstances where the Merchant does not provide a response to the customer within 7 working days, or where the response is unsatisfactory, ensuring the query, concern or complaint is considered and addressed by the customer services function, to ensure the customer is provided with their statutory rights. This shall not preclude the relevant Companies from giving Merchants additional time to resolve where this is reasonable due, for example, to the complexity of the issue raised in the customer contact.

### Part 4 - Refunds to Affected Customers

- 32. Part 4 sets out the requirements to pay Refunds for Affected Customers for Deals purchased on the Website and App.
- 33. The provisions of Part 4 apply to Deals sold by Groupon Goods and Groupon UK. Groupon Inc will ensure the measures in Part 4 are complied with by Groupon Goods and Groupon UK.
- 34. The relevant Company will offer a Refund to every Identified Customer who purchased a Deal on the Website or App.
- 35. From the day after the date of these undertakings, each Company will not dispute a chargeback relating to a Purchase by an Identified Customer; and to the extent any chargeback has been successfully disputed by a Company, that Company will offer a Refund to each such of its Identified Customers.
- 36. The offer of a Refund to Identified Customers will be made within 7 working days of the date of these undertakings. Each offer of a Refund will be made by communicating its availability Clearly to every Identified Customer by sending an email, such email to include a request that Identified Customers provide up to date payment details in order to facilitate any Refund. The content of the email to Identified Customers will be agreed with the CMA in advance.
- 37. Where an Identified Customer does not respond to the initial email, the relevant Company will make further efforts to contact that person in order to obtain payment details and issue a Refund, by checking the email address used against the relevant Company's records and updating it accordingly if necessary and sending at least two further emails with Clear subject

- headings indicating the subject matter. The relevant Company will record the steps it takes to attempt to contact such Identified Customers.
- 38. Upon request from any of the Identified Customers in response to the email contact, the relevant Company will issue a Refund within 14 calendar days of receipt of that customer's request.
- 39. In any instance where Groupon issues a Refund to an Identified Customer under the terms of this Undertaking and that Identified Customer has previously been provided with Groupon Credits (which are not expired) as an alternative to a Refund in connection with the same Purchase, Groupon may deduct the Groupon Credits from the customer's account in an amount equal to the monetary value of the Refund.
- 40. The Companies will ensure a Clear and prominent notification (the content of such notification to be agreed in advance with the CMA) regarding the availability of Refunds for Affected Customers is displayed on the homepage of the Website and App within 7 days of the date of these undertakings. The notification will be included on the homepage of the Website and App for at least 60 days from the date of these undertakings and will enable Affected Customers to contact the relevant Company for a Refund.
- 41. The relevant Company will consider each customer contact received in response to the notification in paragraph 40 above, and within 7 working days assess whether the customer is an Affected Customer. If the relevant Company has assessed the customer contact as being from an Affected Customer, it will:
  - a) contact the Affected Customer to inform the Affected Customer that the relevant company will provide a Refund and ask for payment details; and
  - b) issue a Refund within 14 calendar days of receipt of the Affected Customer's response.
- 42. Where an Affected Customer does not respond, the relevant company will make efforts to contact the Affected Customer, using all reasonable endeavours, to obtain payment details and issue a Refund, and will record the steps taken to contact the Affected Customers.

## Part 5 - Compliance

43. Part 5 applies to Groupon Goods and Groupon UK. Groupon Inc will ensure the undertakings in Part 5 are complied with by Groupon Goods and Groupon UK, and any relevant company in the Groupon Corporate Group.

### **Compliance measures**

- 44. The Companies will together appoint at least one Undertakings Compliance Officer, whose contact details shall be provided and kept updated to the CMA, who will be responsible for:
  - a) ensuring compliance with these undertakings;

- b) preparing reports to the CMA as required by this Part; and
- c) acting as the main point of contact in respect of the Undertakings.
- 45. The Companies will establish and maintain a Deal Investigation Team to take the steps set out in Part 1, A above.
- 46. The Companies will set up a Deal Audit Team which will:
  - a) regularly, on at least a quarterly basis, inspect a reasonable sample of Goods Deals at random:
  - b) review Customer Notifications, Contacts Per Unit, and reviews in respect of those sampled Deals; and
  - c) take appropriate action in relation to any identified issues to ensure compliance with these undertakings.
- 47. Where the Deal Audit Team has identified issues with Deals or with Merchants, the Companies will ensure that appropriate steps are promptly taken to ensure compliance with these undertakings, including by amending or removing any affected Deals offered on the Website and App in accordance with Part 1, A above.

# **Merchant Training and Code of Conduct**

- 48. The Companies will ensure that the following are provided to Merchants who wish to offer Deals on the Website and App, to be reviewed at least annually and revised where appropriate:
  - a) in respect of a Marketplace, appropriate training materials to enable Merchants to input accurate Information about, and amend, Deals they wish to offer;
  - b) an appropriate code of conduct for Merchants; and
  - c) appropriate terms and conditions between the Merchant and the relevant Groupon Group Company, including those contractual provisions required under these undertakings.

## Reporting on Compliance with the undertakings

49. Without prejudice to any further information notices the CMA may send, the Companies will provide the information set out in paragraphs 50 – 51 below.

## 50. The Companies will:

- a) produce a report to the CMA by 17:00 hours on 18 November 2021 on the implementation of paragraphs 1 to 47 of these undertakings. This report must include:
  - i. an explanation of the changes made to implement the undertakings;
  - ii. an assessment of the steps taken to comply with Part 4 of these undertakings as applicable, including:
    - 1. the total number of Identified Customers and the total value of the Refunds provided by each Company with respect to those Purchases;
    - 2. the total number of customers who contacted the Companies in response to the notification in paragraph 40 and whether those customers:
      - a. will receive, or have received, a Refund, together with details of the relevant Purchase and the reasons for such decisions; or
      - b. will not receive a Refund, together with details of the relevant Purchase and the reasons for such decision; and
      - c. the total value of the refunds provided by each Company with respect to those Affected Customers,
    - 3. in respect of every payment of a Refund which has not been processed or where the Refund has not left the relevant Company's bank account within 14 calendar days, in accordance with Part 4 above, the steps that the Company has taken to make that Refund, and the reasons why the Refund has not been made yet; and
  - iii. an explanation of how compliance with the undertakings has been embedded in internal company policies, guidance and training materials for employees (including, but not limited to, decision trees, macros, customer service scripts and refunds policies) and internal procedures to monitor compliance, providing copies of such relevant documents.
- b) at the Companies' expense, in order to assess compliance with the undertakings, appoint an independent reviewer (to be approved in advance by the CMA) to carry out Mystery Shopping Exercises in respect of Deals, and ensure the independent reviewer will provide regular reports to the Companies which include:
  - i. the details of the Mystery Shopping Exercise undertaken; and

- ii. an assessment of the Companies compliance with paragraphs 1 31 of the undertakings.
- 51. The Companies will produce a report to the CMA within 10 working days after the end of each three month period throughout the Review Period, such report to cover the preceding three month period. The first such report shall be due on 20 January 2022 covering the preceding three month period, subsequent reports shall cover the next three month period.
- 52. Each report provided under the preceding paragraph shall include:
  - a) an assessment of the steps taken to comply with Part 4 of these undertakings as applicable, including:
    - i. the total number of Identified Customers and the total value of the Refunds provided by each Company with respect to those Purchases;
    - ii. the total number of customers who contacted the Companies in response to the notification in paragraph 40 and whether those customers:
      - 1. will receive, or have received, a Refund, together with details of the relevant Purchase and the reasons for such decisions; or
      - 2. will not receive a Refund, together with details of the relevant Purchase and the reasons for such decision; and
      - 3. the total value of the refunds provided by each Company with respect to those Affected Customers,
    - iii. in respect of every payment of a Refund which has not been processed or where the Refund has not left the relevant Company's bank account within 14 calendar days, in accordance with Part 4 above, the steps that the Company has taken to make that Refund, and the reasons why the Refund has not been made yet;
  - b) copies of the reports regarding the Mystery Shopping Exercises required under paragraph 50(b) above;
  - c) details of the issues referred to the Deal Investigation Team as required by the undertakings during that period, and the steps taken in respect of any such issues; and
  - d) details of the Deal Audit Team's review during that period, and the steps taken in respect of any issues identified by the Deal Audit Team's review.
- 53. The Companies will ensure appropriate staff members, including the Undertakings Compliance Officer and appropriate members of the Deals Investigation Team and the Deals Audit Team, are available to discuss compliance with the Undertakings with the CMA at least quarterly, if requested by the CMA.

BY SIGNING THESE UNDERTAKINGS THE COMPANIES ARE AGREEING THAT THEY WILL SEVERALLY BE BOUND BY THEM.

THESE UNDERTAKINGS REPRESENT A COMMITMENT IN RELATION TO FUTURE COMPLIANCE BY THE COMPANIES WITH CONSUMER PROTECTION REGULATION AND PRACTICE. THESE UNDERTAKINGS DO NOT AMOUNT TO AN ADMISSION THAT ANY PERSON HAS COMMITTED ANY CRIMINAL OFFENCE OR OTHERWISE INFRINGED THE LAW.

IF HAVING SIGNED THIS THE COMPANIES BREACH ANY OF THE ABOVE UNDERTAKINGS, THEY ARE AWARE THAT THEY MAY BE THE SUBJECT OF AN APPLICATION TO THE COURT FOR AN ENFORCEMENT ORDER UNDER SECTION 215 OF THE EA02.

THE CMA WILL CONSIDER VARYING OR TERMINATING THE UNDERTAKINGS, EITHER UPON REQUEST FROM THE COMPANIES OR UNDER THE CMA'S OWN INITIATIVE, WHERE THERE HAS BEEN A CHANGE OF CIRCUMSTANCES SUCH THAT THE UNDERTAKING IS NO LONGER APPROPRIATE IN DEALING WITH THE ISSUES IT WAS DESIGNED TO REMEDY (E.G. IF THE UNDERTAKING IS AFFECTED BY NEW LEGISLATION OR CHANGES IN MARKET CONDITIONS).

Signed on behalf of Groupon Inc by:



Signed on behalf of Groupon Goods Global GmbH by:



Signed on behalf of MyCityDeal Limited trading as Groupon UK by:



### Schedule 1 - Definitions

- a) "Affected Customer" means any person who made a Purchase from Groupon Goods or Groupon UK during the Relevant Period:
  - a. with which there was a Problem; or
  - who sought to cancel their Purchase in accordance with their rights under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013.

and was not offered a Refund they were legally entitled to, but excluding:

- i. any person who has already obtained a Refund;
- ii. any person who has received and fully redeemed a voucher or credit note in respect of a Purchase (whether or not accompanied by an offer of a Refund);
- iii. any person who has received replacement goods or repeat performance of a service, and this resolved the complaint;
- iv. any person who has actively requested a voucher or credit note in lieu of a Refund offered to them at the same time as the voucher or credit note, or who does so in future: and
- v. any person who has raised a chargeback with their card issuer and is receiving the total sum paid for the Purchase through that process or who does so in future.
- b) "App" means Groupon Inc's mobile application available for download on mobile devices.
- c) "Clear" and "Clearly" means Information must be:
  - a. clear;
  - b. displayed or communicated in plain language;
  - c. easily understandable; and
  - d. not Misleading.
- d) "Contact" means any customer communication with Groupon relating to a purchase for any reason.
- e) "Contacts Per Unit" means the number of Contacts by customers on a particular Deal, communicating a Customer Notification, a negative experience with that Deal, or a negative

- experience with the Merchant or relevant Company in respect of that Deal, divided by the number of total units that Deal has sold.
- f) "Customer Notification" means Contacts from a customer in relation to a Deal stating that:
  - a. the Deal did not conform to the advertisement or Information provided on the Website and App; or
  - b. the Deal could not be provided within the advertised timescale (or at all).
- g) "Customer Satisfaction Rating" means the average rating given by customers who purchased the Deal and provided a rating between 1 star and 5 stars.
- h) "Deal" means a Goods Deal or a Services Deal.
- i) "Deal Audit Team" means the team of individuals established under Part 5, paragraph 46.
- j) "Deal Investigation Team" means the team of individuals established under Part 5, paragraph 45.
- k) "Delivery Timescale" means the timescale for delivery of goods, including whether this is a guaranteed timescale or an estimate.
- I) "Dropped Contact" means a communication with customer services agents which fails, due to a technical problem, disconnection or other error.
- m) "Escalation" means where a customer service agent acting on behalf of a Groupon Group Company in dealing with a customer is directed by an internal policy or other instruction to refer a matter to a supervisor or other customer services support function in order to resolve a customer's contact or complaint.
- n) "Goods Deals" means advertisements for goods on the Website and App.
- o) "Groupon Corporate Group" means Groupon, Inc of 600 West Chicago Avenue, Suite 400
  Chicago IL 60654, and its direct and indirect subsidiaries, and "Groupon Group Company"
  means any member of the Groupon Corporate Group.
- p) "Identified Customers" means customers of the relevant Companies that contacted the customer services function via email, chat, or telephone during the Relevant Period and who were categorised under any of the relevant Companies' internal customer services categories set out at Schedule 2 as including customers who may be owed a Refund as a result of potentially having experienced a Problem and either:
  - a. were not offered an alternative option to a Refund; or

- b. were offered an alternative option to a Refund (whether or not accompanied by an offer of a Refund) and have not fully redeemed that alternative option in respect of a Purchase.
- q) "Information" means any information about a Deal, including, but not limited to, information regarding the underlying goods' or services':
  - a. description and characteristics;
  - b. for Goods Deals, availability and Delivery Timescale; and
  - c. for Services Deals, period of availability.
- r) "Inspect" includes at a minimum but is not limited to:
  - a. a visual inspection, and
  - b. an inspection of the product's operation regarding its intended use.
- s) "Intermediary Third Party" means, for Services Deals where the relevant Company only contracts with an intermediary third party that in turn contracts with Merchants for the provision of certain inventory, that intermediary third party.
- t) "Marketplace" means a function on the Website and App where third party Merchants offer Goods Deals direct to customers.
- u) "Merchant" means a third party supplier of goods or services on the Website and App that is not part of the Groupon Corporate Group.
- v) "Merchant Notification" means Merchant contacts in relation to advertised Deals.
- w) "Misleading" means information that:
  - a. is false or otherwise misleading in its overall presentation;
  - b. omits or hides information, or provides information in a manner that is unclear, unintelligible, ambiguous or untimely; and
  - c. causes or is likely to cause the average customer to take a transactional decision he would not have taken otherwise.
- x) "Mystery Shopping Exercise" means searching for and making a Purchase of goods or services on the Website or App, without the Companies being made aware of the timing or target of such search and Purchase, with frequency and scope to be agreed with the CMA.

- y) "Purchase" means the purchase of Deals on the Website or App.
- z) "Problem" means a customer experiencing one or more of the following in respect of a Deal:
  - a. In respect of Purchases relating to Goods Deals:
    - i. non-delivery of the goods ordered, within the advertised Delivery Timeframe or at all;
    - ii. goods were not as described;
    - iii. goods were of poor quality; and
    - iv. goods were not fit for purpose.
  - b. In respect of Purchases relating to Services Deals:
    - i. non-availability with the Merchant, including but not limited to instances where the Merchant: (i) was fully booked, (ii) would not allow a voucher to be redeemed and (iii) had ceased operating, temporarily or permanently;
    - ii. service was not as described; and
    - iii. service delivery was of poor quality.
- aa) "Refund" means a cash or otherwise bankable method of payment of the total sum that a customer (including Identified Customer or Affected Customer, as relevant in the context) has paid in respect of the Purchase (less any amount already previously refunded in cash). For the avoidance of doubt 'Refund' does not include a voucher or credit note.
- bb) "Relevant Period" means from and including 1 October 2018 to the date of these undertakings.
- cc) "Review Period" means a period of three years from the date of these undertakings.
- dd) "Services Deals" means advertisements for services on the Website and App currently under the category "Local".
- ee) "Unit Cap" means the total maximum available number of goods or services (as applicable) for a particular Deal that are to be provided.
- ff) "Website" means the groupon.co.uk website (in any form, including but not limited to 'desktop', 'mobile' and 'App' based formats) and, unless otherwise agreed with the CMA, the requirements of these undertakings will also apply equally to any other internet-based site, platform or facility (in any form, including but not limited to 'desktop', 'mobile' and 'App' based

formats) operated by or on behalf of a company within the Groupon Corporate Group which is directed in any way to UK consumers.

### Schedule 2 - Groupon internal customer services categories for Identified Customers

- Customer is not eligible
- Merchant's next available appointment is too far in the future
- Live: Extraordinary Event Policy
- Cooling-off period return for change of mind with no further explanation
- Decision to not redeem after attempt premises were not what was expected
- Merchant booking interface is not functional
- · Acts of god prevents customer from being able to redeem voucher
- · Merchant temporarily not honoring
- Product received but damaged in transit
- Merchant is fully booked and advises customer to get refund
- Merchant out of stock
- Product is of poor quality
- Product not received tracking shows delivered
- Product not received outside shipping window
- The size or color of the product was not as expected
- Merchant has closed down
- Customer's experience did not match the terms and description of the deal
- Product had missing parts
- Expired Customer was unable to redeem during validity due to no fault of their own
- Product is defective or not working (box was not damaged)
- Merchant refuses to honor voucher
- Merchant has moved to another location
- Acts of god prevent merchant from being able to accept vouchers
- Request to cancel or stop delivery within cancelation window
- Product not received returned to sender
- Merchant is not answering calls or email
- Code does not work online booking or redeeming on a merchant's website
- Product received but wrong item shipped
- Voucher code or redemption link never received
- Product Pickup Groupon store out of stock
- Decision to not redeem after attempt- service/product does not meet customer expectations based on deal advertising
- Product features and specifications different from what was advertised
- Product delivery vendor shortage
- Order/Booking/reservation placed but no confirmation from the merchant
- Product delivery shipping status inquiry
- Product received outside shipping window
- Product delivery groupon error
- Issue with tracking number
- Merchant will not honor Groupon via mobile app
- Product Pickup Delay in reaching store