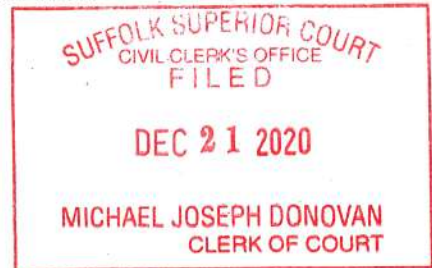


COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT  
CIVIL ACTION NO.

IN THE MATTER OF CAROUSEL  
STUDENT TOURS INC.



**ASSURANCE OF DISCONTINUANCE PURSUANT TO G. L. c. 93A, § 5**

The Commonwealth of Massachusetts, by and through its Attorney General, Maura Healey, (the "Attorney General") and Carousel Student Tours Inc. ("the Company") hereby agree to this Assurance of Discontinuance ("Assurance") pursuant to Massachusetts General Laws chapter 93A, §§ 2 and 5.

**I. INTRODUCTION**

1. The Attorney General is responsible for enforcing the Consumer Protection Act, G. L. c. 93A, which prohibits unfair and deceptive acts and practices in the conduct of any trade or commerce.
2. The Attorney General has investigated acts and practices of the Company related to the cancellation of certain educational travel programs during the COVID-19 public health emergency.
3. The Company has fully and voluntarily cooperated with the Attorney General in her inquiries relating to the investigation, including by providing documentary material.
4. In lieu of litigation, the Company agrees to voluntarily enter this Assurance with the Attorney General on the terms and conditions contained herein, pursuant to G. L. c. 93A, § 5.

## **II. DEFINITIONS**

The following definitions shall apply to this Assurance:

5. “Consumer” shall include Massachusetts residents who paid in whole or in part for a Covered Educational Travel Program and who have not obtained refunds of the amounts they paid through credit card chargebacks, PayPal disputes, travel insurance or from Carousel.

6. “Covered Educational Travel Program” means travel programs the Company offered for certain school districts on or after March 1, 2020, which were not able to depart as scheduled because of government ordered travel bans, travel restrictions, shelter-in-place orders and similar orders and advisories arising from the COVID-19 public health emergency.

7. “Covered Conduct” means all conduct listed in Part III, *infra*.

## **III. THE COMMONWEALTH’S ALLEGATIONS**

8. The Company is a Massachusetts corporation headquartered in Pocasset, MA with a mailing address of PO Box 1404, Pocasset, MA. At all relevant times, the Company has been in the business of providing educational tours, trips, and homestays to Massachusetts consumers.

9. In the 2019-2020 school year, the Company contracted with families in the Commonwealth to provide educational travel programs through their school districts, including Acton Boxborough Regional High School, Barnstable High School, Chenery Middle School of Belmont, Miles River Middle School (Hamilton Wenham), Norwood High School, and Westwood High School; as well as a trip organized for students at Bourne Middle School.

10. On and after March 9, 2020, certain of the trips cancelled and did not depart as scheduled because of government ordered travel bans, travel restrictions, shelter-in-place orders and similar orders and advisories arising from the COVID-19 public health emergency.

11. In response, after receiving requests for full refunds from families, on or about March 31, 2020, May 4, 2020, and May 7, 2020, the Company offered families the option of a voucher for the full cost of the trip to be used for a future trip. For some families they also offered a partial refund, the amount of which varied depending on the specific trip and the amount paid by each family. The Company gave families a June 10, 2020 deadline to decide whether to accept the offer, which was subsequently extended.

12. An investigation by the Attorney General has revealed that the Company neither has sufficient operating capital to guarantee the vouchers nor the capital to make refunds for all consumers. As of the date of this Assurance, the Company is effectively out of business and insolvent. The Company is therefore unable to provide full refunds or to guarantee the promised vouchers.

13. The Attorney General contends that the conduct alleged in Paragraphs 1-6 of this Assurance (the "Covered Conduct") constitutes violations of G. L. c. 93A, § 2.

14. The Company, for its part, denies that the Covered Conduct constitutes violations of G. L. c. 93A, § 2, but has agreed to the Assurance without admitting liability in order to resolve the Attorney General's claim and provide relief to affected consumers.

#### **IV. ASSURANCES**

##### **A. Monetary Payment**

14. Within fifteen (15) calendar days of the Effective Date of this Assurance, the Company shall pay a total of \$101,325 to Consumers, to be distributed *pro rata* to each Consumer based on a percentage of the amount the Consumers paid. The Company shall make these *pro rata* payments to each Consumer by individual check, with the exception of refunds to Consumers from Chenery Middle School of Belmont, for which the Company will issue payment to Belmont's town counsel consisting of an aggregate refund based on the same *pro rata*



calculation paid to individual Consumers. The Company represents that it has placed these funds in a segregated account until distribution.

#### **V. RELEASE**

15. The Attorney General fully and finally releases the Company from any and all claims that were or could have been asserted by the Attorney General prior to the Effective Date of the Assurance that relate to, or are based on, the Covered Conduct, including but not limited to, claims that could be asserted by the Attorney General for violations of G. L. c. 93A, § 2. This release shall not bind any other private or governmental entity or Consumer, nor release the Company from liability for any other conduct not arising from or relating to the acts and practices described in this Assurance.

#### **V. GENERAL TERMS**

16. This Assurance shall be binding on the Company successors, subsidiaries, and all other persons who have authority to control or who, in fact, control and direct the Company's business in the Commonwealth of Massachusetts.

17. The Assurance shall be effective upon its execution by all parties hereto and shall thereafter be filed by the Attorney General in the Superior Court for Suffolk County.

18. This Assurance shall be governed by and interpreted in accordance with laws of the Commonwealth of Massachusetts, and the Superior Court in Suffolk County shall retain jurisdiction over this Assurance.

19. This Assurance does not resolve, settle, or otherwise affect any actual or potential claims by parties other than those alleged herein by the Attorney General.

20. Nothing in this Assurance shall relieve the Company of its obligation to comply with applicable federal and state laws, rules, and regulations.

21. The Company waives all rights to appeal or otherwise challenge or contest the validity of this Assurance.

22. The provisions of this Assurance are severable. Should any provisions be declared by a court of competent jurisdiction to be unenforceable, the other provisions of this Assurance shall remain in full force and effect.

23. This Assurance can be amended or supplemented only by a written document signed by all parties or court order. Amendments or supplements may be executed in separate counterparts, with signatures conveyed by mail, facsimile, email, or other electronic means.

24. This Assurance constitutes the entire agreement between the Attorney General and the Company and supersedes any prior communication, agreement, or understanding, whether written or oral, concerning the subject matter of this Assurance.

25. The Company and its signatories have consulted with counsel in their decision to enter into this assurance.

26. Signatories for the Company represent and warrant that they have the full legal power, capacity, and authority to bind the Company.

27. By signing below, the Company agrees to comply with all of the terms of this Assurance.

Carousel Student Tours Inc.

The Commonwealth of Massachusetts  
Attorney General Maura Healey

*Joanne Van Meter, President*

Joanne Van Meter, President  
Carousel Student Tours Inc.  
P.O. Box 1404  
Pocasset, MA 02559

*Sarah Petrie*

Sarah Petrie, Assistant Attorney General  
Office of the Attorney General  
One Ashburton Place  
Boston, MA 02108

Dated: 12/18/2020

Dated: 12/15/2020