

Zeldes & Haeggquist, LLP Announces Investigation of United Online

Zeldes & Haeggquist, LLP has commenced an investigation into possible securities law violations by United Online and its Chairman and CEO Mark R. Goldston. United Online is a provider of consumer goods and services over the Internet. It is headquartered in Woodland Hills, California, and is traded under the symbol UNTD on the NASDAQ. The Company's businesses include the classmates.com social networking site and FTD.com which facilitates the online purchase of flowers and other items.

Zeldes & Haeggquist's investigation concerns whether the Company violated the federal securities laws by issuing false and misleading statements between May 1, 2007 and November 17, 2009. Specifically, Zeldes & Haeggquist is investigating whether United Online and Goldston materially inflated the company's reported revenue by using Internet scams designed to mislead consumers.

United Online agreed to let three different companies -- Affinion, Vertrue, and Webloyalty -- sell club memberships to consumers as they were in the process of buying other online goods and services. Misleading "Yes" and "Continue" buttons caused consumers to reasonably think they were completing the original transaction, rather than entering into a new, ongoing financial relationship with membership clubs operated by Affinion, Vertrue, or Webloyalty.

In addition, United Online, Affinion, Vertrue, and Webloyalty used a "data pass" process to automatically transfer consumers' credit or debit card information from the web seller to the third-party membership club so that consumers did not know that they were entering a new, ongoing financial relationship with an unfamiliar company.

On November 17, 2009, the Senate issued a report entitled "Aggressive Sales Tactics on the Internet and Their Impact on American Consumers" describing these misleading sales tactics, and finding that E-Commerce companies knew that these aggressive sales tactics were harming their customers. As a result of these disclosures, the price of United Online's common stock dropped from a closing price of \$8.39 on November 17 to \$7.03 in just two trading days.

If you purchased United Online stock between May 1, 2007 and November 17, 2009 and would like more information about your rights as a shareholder, please contact attorney Amber L. Eck at (619) 342-8000 or by email at ambere@zhlaw.com.

Zeldes & Haeggquist is California-based law firm which is active in major class action litigation pending in federal and state courts throughout the country on behalf of defrauded investors, consumers and companies, as well as victims of human rights violations. Please visit www.zhlaw.com for more information.