

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

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

1. "Child" or "children" shall mean an individual under the age of thirteen (13).
2. "Parents" or "parental" shall mean a legal guardian, including, but not limited to, a biological or adoptive parent.
- 3.

consideration available technology), including a request for authorization for future collection, use, and disclosure described in the notice, to ensure that a parent of a child receives notice of the respondent's personal information collection, use, and disclosure practices, and authorizes the collection, use, and disclosure, as applicable, of personal information and the subsequent use of that information before that information is collected from that child. Such reasonable efforts may include any of the following means: (1) a signed statement transmitted by postal mail or facsimile; (2) authorizing a charge to a credit card via a secure server; (3) e-mail accompanied by an electronically verifiable signature; (4) a procedure that is specifically authorized by statute, regulation, or guide issued by the Commission; or (5) such other procedure that ensures verified parental consent and ensures the identity of the parent, such as the use of a reliable certifying authority.

8. "Website directed to children" shall mean a commercial website targeted to children, or that portion of a commercial website that is targeted to children. Provided however, that a commercial website or a portion of a commercial website shall not be deemed directed to children solely for referring or linking to a commercial website directed to children by using information location tools, including a directory, index, reference, pointer, or hypertext link.

9. Unless otherwise specified, "respondent" shall mean Liberty Financial Companies, Inc., its successors and assigns and its officers, agents, representatives, and employees.

10. "Commerce" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

I.

IT IS ORDERED that respondent, directly or through any corporation, subsidiary, division, or other device, in connection with any online collection of personal information from children and/or consumers age thirteen (13) through seventeen (17), in or affecting commerce, shall not make any misrepresentation, in any manner, expressly or by implication:

- A. That the information collected is maintained in an anonymous manner;
- B. That children and/or consumers age thirteen (13) through seventeen (17) who submit such information will receive an e-mail newsletter or any other represented product or service;
- C. That children and/or consumers age thirteen (13) through seventeen (17) who submit such information are eligible to win prizes in respondent's drawing or contest; or
- D. Regarding the collection or use of personal information from or about children and/or consumers age thirteen (13) through seventeen (17).

II.

IT IS FURTHER ORDERED that respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the online collection of personal information at a website directed to children, or at any commercial website where respondent has actual knowledge that it is collecting personal information from a child, in or affecting commerce, shall not collect personal information from any child if respondent has actual knowledge that such child does not have his or her parent's permission to provide the information to respondent. For purposes of Parts II, III, IV, and V of this order, respondent shall not be deemed to have actual knowledge if the child has falsely represented that (s)he is not a child and respondent does not knowingly possess information that such representation is false.

III.

IT IS FURTHER ORDERED that respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the online collection of personal information from children, at a website directed to children, or at any commercial website where respondent has actual knowledge that it is collecting personal information from a child, in or affecting commerce, shall provide clear and prominent notice with respect to respondent's practices regarding its collection and use of personal information. Such notice shall include:

- A. what information is being collected (*e.g.*, "name," "home address," "e-mail address," "age," "interests");
- B. how respondent uses such information;
- C. respondent's disclosure practices for such information (*e.g.*, parties to whom it may be disclosed, such as "advertisers of consumer products," "mailing list companies," "the general public");
- D. a description of a means that is reasonable under the circumstances by which a parent whose child has provided personal information may obtain, upon request and upon proper identification, (i) a description of the specific types of personal information collected from the child by respondent, (ii) the opportunity at any time to refuse to permit the respondent's further use or maintenance in retrievable form, or future online collection, of personal information from that child, and (iii) any personal information collected from the child.

Such notice shall appear on the home page of respondent's website(s) directed to children, or at any commercial website where respondent has actual knowledge that it is collecting personal information

from a child, and at each location on the site(s) at which such information is collected.

Provided, however, that for purposes of this Part, compliance with all of the following shall be deemed adequate notice: (a) placement of a clear and prominent hyperlink or button labeled **PRIVACY NOTICE** on the home page(s), which directly links to the privacy notice screen(s); (b) placement of the information required in this Part clearly and prominently on the privacy notice screen(s), followed on the same screen(s) with a button that must be clicked on to make it disappear; and (c) at each location on the site at which any personal information is collected, placement of a clear and prominent hyperlink on the initial screen on which the collection takes place, which links directly to the privacy notice and which is accompanied by the following statement in bold typeface:

NOTICE: We collect personal information on this site. To learn more about how we use your information click here .

IV.

IT IS FURTHER ORDERED that respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the online collection of personal information from children at a website directed to children, or at any commercial website where respondent has actual knowledge that it is collecting personal information from a child, in or affecting commerce, shall maintain a procedure by which it obtains verifiable parental consent for the collection, use or disclosure of such information from children.

V.

IT IS FURTHER ORDERED that respondent Liberty Financial Companies, Inc., and its successors and assigns, shall delete from its website(s) directed to children, and at any commercial website(s) where respondent has actual knowledge that it is collecting personal information from a child, all personal information collected from children prior to the date of service of the order.

VI.

IT IS FURTHER ORDERED that after the effective date of the Children's Online Privacy Protection Act of 1998 and any regulations or guides promulgated by the Commission pursuant to the Act, compliance with such statute, regulations, and guides shall be deemed to be compliance with the definition section of this order and Parts II, III and IV of this order.

VII.

IT IS FURTHER ORDERED that respondent Liberty Financial Companies, Inc., and its successors and assigns, shall maintain and upon request make available to the Federal Trade

Commission for inspection and copying the following:

- A. For five (5) years after the last date of dissemination of a notice required by this order, a print or electronic copy in HTML format of all documents relating to compliance with Parts III through V of this order, including, but not limited to, a sample copy of every information collection form, Web page, screen, or document containing any representation regarding respondent's information collection and use practices pertaining to children. Each Web page copy shall be accompanied by the URL of the Web page where the material was posted online. Electronic copies shall include all text and graphics files, audio scripts, and other computer files used in presenting information on the World Wide Web; and

- B. For five (5) years after the last collection of personal information from a child, all materials evidencing the verifiable parental consent given to respondent.

Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

X.

IT IS FURTHER ORDERED that respondent Liberty Financial Companies, Inc., and its successors and assigns, shall, within sixty (60) days after service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

XI.

This order will terminate on August 12, 2019, 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;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. 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.