

**UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION**

**0723013**

**COMMISSIONERS:**     **Deborah Platt Majoras, Chairman  
Pamela Jones Harbour  
Jon Leibowitz  
William E. Kovacic  
J. Thomas Rosch**

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**In the Matter of**                                     )  
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   )  
**GOAL FINANCIAL, LLC,**                                     )

5. Since at least September 1, 2004, respondent has engaged in a number of practices that, taken together, failed to provide reasonable and appropriate security for consumers' sensitive personal information, including Social Security numbers, dates of birth, and income and employment information. In particular, respondent has:
  - (1) failed to assess adequately risks to the information it collected and stored in its paper files and on its computer network;
  - (2) failed to restrict adequately access to personal information stored in its paper files and on its computer network to authorized employees;
  - (3) failed to implement a comprehensive information security program, including reasonable policies and procedures in key areas such as the collection, handling, and disposal of personal information;
  - (4) failed to provide adequate training to employees about handling and protecting personal information and responding to security incidents; and
  - (5) failed in a number of instances to require third-party service providers by contract to protect the security and confidentiality of personal information.
  
6. In 2005 and 2006, respondent's employees exploited the failures enumerated in paragraph 5 and were able to remove without authorization more than 7000 consumer files containing sensitive information and transfer them to third parties. Further, in 2006, an employee sold to the public hard drives that had not been processed to remove the data on the drives, thus exposing in clear text the sensitive personal information of approximately 34,000 consumers.

#### **VIOLATIONS OF THE SAFEGUARDS RULE**

7. The Safeguards Rule, which implements Section 501(b) of the GLB Act, 15 U.S.C. § 6801(b), was promulgated by the Commission on May 23, 2002, and became effective on May 23, 2003. The Rule requires financial institutions to protect the security, confidentiality, and integrity of customer information by developing a comprehensive written information security program that contains reasonable administrative, technical, and physical safeguards, including: (1) designating one or more employees to coordinate the information security program; (2) identifying reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of customer information, and assessing the sufficiency of any safeguards in place to control those risks; (3) designing and implementing information safeguards to control the risks identified through the risk assessment, and regularly testing or otherwise monitoring the effectiveness of the safeguards' key controls, systems, and procedures; (4) overseeing service providers, and



12. In truth and in fact, as set forth in Paragraph 5, respondent did not implement reasonable and appropriate measures to protect personal information from unauthorized access. Therefore, the representation set forth in Paragraph 11 was, and is, false or misleading.

**VIOLATION OF THE PRIVACY RULE**

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