

UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION

	)	
In the Matter of	)	
	)	AGREEMENT CONTAINING
CBR SYSTEMS, INC.	)	CONSENT ORDER
	)	
	)	

The Federal Trade Commission ("Commission") has conducted an investigation of certain acts and practices of Cbr Systems, Inc. (the proposed respondent) Proposed respondent, having been represented by counsel, is willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between Cbr Systems, Inc., by its duly authorized officers, and counsel for the Federal Trade Commission that:

1. Proposed respondent is a California corporation with its principal office or place of business at 1200 Bayhill Drive, Suite 301, San Bruno, California 94066.
2. Proposed respondent admits all the jurisdictional facts set forth in the draft complaint.
3. Proposed respondent waives:
  - (a) Any further procedural steps;
  - (b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and
  - (c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.
4. This agreement shall not be a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it will be publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondent, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondent that the law has been ~~violated~~ alleged in the draft complaint, or that the facts as alleged in the draft complaint ~~are~~ other than the jurisdictional facts, are true.
6. This agreement contemplates that, ~~if~~ accepted by the Commission, and if such acceptance is not subsequently withdrawn by

“consumer” shall mean any person, including, but not limited to, any user of respondent’s services, any employee of respondent, or any individual seeking to become an employee, where “employee” shall mean an agent, salesperson, associate, independent contractor, or other person directly or indirectly under the control of respondent.

I.

IT IS ORDERED that respondent and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, website, or other device or affiliate owned or controlled by respondent, shall not misrepresent in any manner, expressly or by implication, the extent to which it uses, maintains, and protects the privacy, confidentiality, security, or integrity of personal informa

- D. the development and use of reasonable steps to select and retain service providers capable of appropriately safeguarding personal information they receive from respondent, and requiring service providers by contract to implement and maintain appropriate safeguards; and
- E. the evaluation and adjustment of the information security program in light of the results of the testing and monitoring required by subpart C, any material changes to any operations, business arrangements, or any other circumstances that respondent knows or has reason to know may have a material impact on the effectiveness of the information security program.

III.

IT IS FURTHER ORDERED that, in connection with its compliance with Part II of this order, respondent shall obtain

is terminated and provided to the Associate Director for Enforcement within ten (10) days of request. Unless otherwise directed by a representative of the Commission, the initial Assessment, and any subsequent Assessments, shall be sent by overnight courier (not the U.S. Postal Service) to the Associate Director of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, D.C. 20580, with the subject line *the matter of Cbr Systems, Inc.*, FTC File No.1123120. Provided, however, that in lieu of overnight courier, notices may be sent first-class mail, but only if an electronic version of any such notice is contemporaneously sent to the Commission at [Debrief@ftc.gov](mailto:Debrief@ftc.gov).

#### IV.

IT IS FURTHER ORDERED that respondent shall maintain and, upon request, make available to the Federal Trade Commission for inspection and copying:

- A. for a period of three (3) years after the date of preparation of each Assessment required under Part III of this order, all materials relied upon to prepare the Assessment, whether prepared by or on behalf of respondent, including but not limited to, all plans, reports, studies, reviews, audits, audit trails, policies, training materials, and assessments, and any other materials relating to respondent's compliance with Parts II and III of this order, for the compliance period covered by such Assessment;
- B. unless covered by IV.A, for a period of five (5) years from the date of preparation or dissemination, whichever is later, an electronic copy of each document relating to compliance with this order, including but not limited to:
  - 1. all advertisements and promotional materials containing any representations covered by this order, with all materials used or relied upon in making or disseminating the representation; and
  - 2. any documents, whether prepared by or on behalf of respondent, that contradict, qualify, or call into question compliance with this order.

#### V.

IT IS FURTHER ORDERED that respondent shall deliver copies of the order as directed below:

- A. Respondent shall deliver a copy of this order to (1) all current and future principals, officers, directors, and managers; (2) all current and future employees, agents, and representatives having responsibilities relating to the subject matter of this order, and (3) any business entities arising from any change in structure set forth in Part VI. Respondent shall deliver this order to such current personnel within thirty (30) days after service of this order, and to such future personnel

within thirty (30) days after the person assumes such position or responsibilities.  
For any business entity resulting from any change in structure set forth in Part VI,  
delivery shall be at least ten (10) days

- 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 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.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

CBR SYSTEMS, INC.

By: \_\_\_\_\_  
 Sarah Duranske  
 Corporate Secretary and General Counsel  
 Cbr Systems, Inc.

By: \_\_\_\_\_  
 Joseph R. Tiffany II  
 Michael L. Sibarium  
 Pillsbury Winthrop Shaw Pittman LLP  
 Counsel for Cbr Systems, Inc.

FEDERAL TRADE COMMISSION

By: \_\_\_\_\_  
 Laura Riposo VanDruff  
 Ryan M. Mehm  
 Counsel for the Federal Trade Commission

APPROVED

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Mark Eichorn  
Assistant Director  
Division of Privacy and Identity Protection  
Bureau of Consumer Protection

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Maneesha Mithal  
Associate Director  
Division of Privacy and Identity Protection  
Bureau of Consumer Protection

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David C. Vladeck  
Director  
Bureau of Consumer Protection