

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Julie Brill
Maureen K. Ohlhausen
Joshua D. Wright

_____)
In the Matter of)
) DOCKET NO. C-4394
C.A.L.M. VENTURES, INC.,)
a corporation,)
also d/b/a Premier Rental Purchase.)
_____)

DECISION AND ORDER

The Federal Trade Commission (“Commission”) having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft complaint that the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge the respondent with violation of the Federal Trade Commission Act, 15 U.S.C § 45 et seq.; and

The respondent, its attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order (“consent agreement”), an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft complaint, a statement that the signing of said consent agreement is for settlement purposes only and does not constitute an admission by the respondent that the law has been violated as alleged in the complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it has reason to believe that the respondent has violated the Federal Trade Commission Act, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such consent agreement on the public record for a period of thirty (30) days, and having duly considered the comments filed thereafter by interested persons pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. C.A.L.M. Ventures, Inc., also d/b/a Premier Rental Purchase (“C.A.L.M. Ventures”), is a Tennessee corporation with its principal office or place of business at 8428

e. In all instances, the required disclosures are presented in an understandable language and syntax; in the same language as the predominant language that is used in the communication; and include nothing contrary to, inconsistent with, or in mitigation of any statement contained within the disclosure or within any document linked to or referenced therein.

5. “Geophysical location tracking technology” shall mean any hardware, software, or application utilized in conjunction with a computer that collects and reports data or information that identifies the precise geophysical location of the computer. Geophysical location tracking technologies include, for these purposes, technologies that report: the GPS coordinates of a computer; the WiFi signals available to or actually used by a computer to access the Internet; the telecommunication towers or connections available to or actually used by a computer; the processing of any such reported data through geolocation lookup services; or any information derived from any combination of the foregoing.

6. “Monitoring technology” shall mean any hardware, software, or application utilized in conjunction with a computer that can cause the computer to (1) capture, monitor, or record, and (2) report information about user activities by:

- a. Recording keystrokes, clicks, or other user-generated actions;
- b. Capturing screenshots of the information displayed on a computer monitor or screen; or
- c. Activating the camera or microphone function of a computer to take photographs or record audio or visual content through the computer’s webcam or microphone.

7. “Covered rent-to-own transaction” shall mean any transaction where a consumer enters into an agreement for the purchase or rental of a computer and the consumer’s contract or rental agreement provides for payments over time and an option to purchase the computer.

I. MONITORING TECHNOLOGY PROHIBITED

IT IS HEREBY ORDERED that respondent, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and its officers, agents, servants, employees, and all persons or entities in active concert or participation with it who receive actual notice of this order, by personal service or otherwise, in connection with any covered rent-to-own transaction, are hereby permanently restrained and enjoined from using any monitoring technology to gather information or data from any computer rented to a consumer.

II. USE OF TRACKING TECHNOLOGY LIMITED

IT IS FURTHER ORDERED that respondent, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and its officers, agents, servants, employees, and all persons or entities in active concert or participation with it who receive actual notice of this order, by personal service or otherwise, in connection with any covered rent-to-own transaction, are hereby permanently restrained and enjoined from:

A. Gathering any information or data from any computer via any geophysical location tracking technology without providing clear and prominent notice to the computer user at the time the computer is rented and immediately prior to each use of the geophysical location tracking technology, and also obtaining affirmative express consent from the computer's renter at the time the computer is rented;

B. Installing or activating on rented computers geophysical location tracking technology where that technology does not provide clear and prominent notice to the computer user immediately prior to each use of the geophysical location tracking technology; and

C. Failing to provide clear and prominent notice to computer users and obtaining affirmative express consent from computer renters, as required in subpart A, above, by the following means:

1. Clear and Prominent Notice: respondent shall provide a clear and prominent notice to the user, separate and apart from any "privacy policy," "data use policy," "terms of service," "end-user license agreement," "lease agreement," or other similar document, that discloses (1) that geophysical location tracking technology is installed and/or currently running on the computer; (2) the types of user activity or conduct that is being captured by such technology; (3) the identities or specific categories of entities with whom any data or information that is collected will be shared or otherwise provided; (4) the purpose(s) for the collection, use, or sharing of such data or

icon on the computer on which the technology is installed, such as on the desktop and in the desktop system tray of the computer. Clicking on the icon must clearly and prominently disclose: (1) that geophysical location tracking technology is installed and currently running on the computer; (2) the types of user activity or conduct that is being captured by such technology; (3) the identities or specific categories of entities with whom any data or information that is collected will be shared or otherwise provided; (4) the purpose(s) for the collection, use, or sharing of such data or information; and (5) where and how the user can contact someone for additional information.

Provided that respondent may suspend the notice requirements of this Part and activate geophysical location tracking technology if a) the renter reports that the computer has been stolen or respondent otherwise has a reasonable basis to believe that the computer has been stolen, and b) either the renter or respondent has filed a police report stating that the computer has been stolen. Provided further that respondent shall retain documents establishing (a) and (b). For purposes of this Order, “filing of a police report” means the filing of the renter’s or respondent’s complaint with the police department in any form recognized in the jurisdiction.

III.

NO DECEPTIVE GATHERING OF CONSUMER INFORMATION

IT IS FURTHER ORDERED that respondent, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and its officers, agents, servants, employees, and all persons or entities in active concert or participation with it who receive actual notice of this order, by personal service or otherwise, in connection with any covered rent-to-own transaction, are hereby permanently restrained and enjoined from making or causing to be made any false representation or depiction in any notice, prompt screen, or other software application appearing on the screen of any computer that results in gathering information from or about a consumer, including without limitation location information.

IV.

NO USE OF IMPROPERLY OBTAINED INFORMATION IN COLLECTIONS

IT IS FURTHER ORDERED that respondent, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and its officers, agents, servants, employees, and all persons or entities in active concert or participation with it who receive actual notice of this order, by personal service or otherwise, are hereby permanently restrained and enjoined from using, in connection with collecting or attempting to collect a debt, money, or property pursuant to a covered rent-to-own transaction, any information or data obtained in a manner that does not comply with Parts I, II, and III of this Order.

**V.
PROTECTION OF DATA**

IT IS FURTHER ORDERED

B.