

**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** )  
 )  
**Jerk, LLC, a limited liability company,** )  
**also d/b/a JERK.COM, and** )  
 )  
**John Fanning,** )  
**individually and as a member of** )  
**Jerk, LLC.** )  
 )  
 )

5. Respondents earned revenue by selling “memberships”

Jerk profiles also



tools developers can use to interact with Facebook. Developers tha



Allegations of the complaint not thus answered shall be deemed to have been admitted. If you elect not to contest the allegations of fact set forth in the complaint, the answer shall consist of a statement that you admit all of the material facts to be true. Such an answer shall constitute a waiver of hearings as to the facts alleged in the complaint and, together with the complaint, will provide a record basis on which the Commission shall issue a final decision containing appropriate findings and conclusions and a final order disposing of the proceeding. In such answer, you may, however, reserve the right to submit proposed findings of fact and conclusions of law under § 3.46 of the Federal Trade Commission's Rules of Practice for Adjudicative Proceedings.

Failure to answer within the time above provided shall be deemed to constitute a waiver of your right to appear and contest the allegations of the complaint and to authorize the Commission, without further notice to you, to find the facts to be as alleged in the complaint and to enter a final decision containing appropriate findings and conclusions and a final order disposing of the proceeding.

The Administrative Law Judge will schedule an initial prehearing scheduling conference to be held not later than 10 days after the answer is filed by the last answering respondent in the complaint. Unless otherwise directed by the Administrative Law Judge, the scheduling conference and further proceedings will take place at the Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Room 532-H, Washington, D.C. 20580. Rule 3.21(a) requires a meeting of the parties' counsel as early as practicable before the prehearing scheduling conference, but in any event no later than five days after the answer is filed by the last answering respondent. Rule 3.31(b) obligates counsel for each party, within five days of receiving a respondent's answer, to make certain initial disclosures without awaiting a formal discovery request.

The following is the form of order which the Commission has reason to believe should issue if the facts are found to be as alleged in the complaint. If, however, the Commission should conclude from record facts developed in any adjudicative proceedings in this matter that the proposed order provisions might be inadequate to fully protect the consuming public, the Commission may order such other relief as it finds necessary or appropriate.

Moreover, the Commission has reason to believe that, if the facts are found as alleged in the complaint, it may be necessary and appropriate for the Commission to seek relief to redress injury to consumers, or other persons, partnerships or corporations, in the form of restitution for past, present, and future consumers and such other types of relief as are set forth in Section 19(b) of the Federal Trade Commission Act. The Commission will determine whether to apply to a court for such relief based on the adjudicative proceeding(s) (c) (r) - 4(i) - 6(n) - 1 (t) - 6(h) - 4(i) - s(r) - m(c) - 6 (t) - (t) - 4

## **ORDER**

### **DEFINITIONS**

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

1. Unless otherwise specified, “respondents” shall mean Jerk, LLC, a limited liability company, its successors and assigns; and John Fanning, individually and as a member of the company.
2. “Commerce” shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
3. “Customer Information” shall mean information relating to consumers who purchased products or services from Jerk, LLC



A.

- B. Disclosing, using, selling, or benefitting from personal information that any respondent obtained prior to entry of this Order in connection with the operation of Jerk, LLC; and
- C. Failing to dispose of personal information and customer information in all forms in their possession, custody, or control that any respondent obtained prior to entry of this Order in connection with the operation of Jerk, LLC, within thirty (30) days after entry of this Order.

Provided, however, that information need not be disposed of, and may be disclosed, to the extent requested by a government agency or required by law, regulation, or court order.

**V.**  
**MONITORING PROVISIONS**

**IT IS FURTHER ORDERED** that respondents shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing any representation covered by this order, including but not limited to respondents' terms of use, end-user license agreements, frequently asked questions, privacy policies, and other documents publicly disseminated relating to: (a) the collection of data; (b) the use, disclosure or sharing of such data; and (c) opt-out practices and other mechanisms to limit or prevent such collection of data or the use, disclosure, or sharing of data;
- B. All materials that were relied upon in disseminating any representation covered by this order;
- C. Complaints or inquiries relating to any website or other online service, and any responses to those complaints or inquiries;
- D. Documents that are sufficient to demonstrate compliance with each provision of this order; and
- E. Documents that contradict, qualify, or call into question any respondent's compliance with this order.

**VI.**  
**ORDER ACKNOWLEDGMENTS**

**IT IS FURTHER ORDERED** that respondents shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

**VII.**  
**COMPLIANCE MONITORING – JERK, LLC**

**IT IS FURTHER ORDERED** that respondent Jerk, LLC, and its successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, d10(e)4(r)3( 1()-7( t)-2 )]Ts6721u3(r)3( )4(nt)-2( )]TJ 0/1()3()4( ob  
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**IX.**  
**COMPLIANCE REPORTING**

**IT IS FURTHER ORDERED** that respondents, within sixty (60) days after the date of service of this order, shall each file with the Commission a true and accurate report, in writing, setting forth in detail the manner and form of their own compliance with this order. Within ten (10) days of receipt of written notice from a representative of the Commission, they shall submit additional true and accurate written reports.

**X.**  
**ORDER TERMINATION**

This order will terminate twenty (20) years from the date of its issuance, 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