

**Analysis of Proposed Consent Order to Aid Public Comment**  
***In the Matter of True Ultimate Standards Everywhere, Inc.,***  
***Doing Business As TRUSTe, Inc., File No. 132 3219***

The Federal Trade Commission has accepted, subject to final approval, an agreement containing an order from True Ultimate Standards Everywhere, Inc. (“TRUSTe”).

display on their websites. The FTC complaint alleges that respondent violated Section 5(a) of the FTC Act by

Cloud, TRUSTed Apps, TRUSTed Data, and TRUSTed Smart Grid seals. In addition, the complaint alleges that respondent provided to its sealholders the means and instruments to misrepresent that respondent is a non-profit corporation. The FTC complaint describes, with specificity, that following respondent’s transition to a for-profit corporation in July 2011, respondent recertified numerous clients whose privacy policies continued to describe respondent as a non-profit entity.

The proposed consent order contains provisions designed to prevent respondent from engaging in similar acts and practices in the future. Part I of the proposed order prohibits respondent from misrepresenting (1) the steps respondent takes to evaluate, certify, review, or recertify a company’s privacy practices; (2) the frequency with which respondent evaluates, certifies, reviews, or recertifies a company’s privacy practices; (3) the corporate status of respondent and its independence; and (4) the extent to which any person or entity is a sealholder, adheres to, complies with, is certified by, is endorsed by, or otherwise participates in a program sponsored by respondent. Part II of the proposed order prohibits respondent from providing to any person or entity the means and instrumentalities (including any required model language for use in any privacy policy or statement) to misrepresent any of the information in Part I of the proposed order.

Parts III and IV of the proposed order contain additional reporting requirements with respect to respondent’s COPPA/Children’s Privacy seal. First, the proposed order extends respondent’s COPPA recordkeeping and reporting requirements to ten years

