

TRUSTe's

10. Respondent tests and verifies client compliance with its Program Requirements underlying its Privacy Seals through scanning technology, client interviews, document collection, and manual testing and review of client websites and mobile applications.
11. TRUSTe purports to recertify privacy sealholders on an annual basis to identify, for example: (1) material changes to privacy policies (e.g., new or expanded collection/uses of personal information such as use of cookies for behavioral advertising); (2) seal validation (e.g., improper placement, old versions, and bad links); (3) changes in company ownership or business model (e.g., adoption of advertising supported content); and (4) where relevant, compliance with external third-party program requirements (e.g., Federal Trade Commission Children's Online Privacy Protection Act safe harbor, or U.S. Department of Commerce self-

II. Participant Responsibilities

...

C. Recertification. Participant must seek recertification by TRUSTe annually

...

14. The statements set forth in Paragraph 13 have been included in Respondent's Program Requirements for at least each of the following programs: TRUSTed Websites (since 1997), COPPA/Children's Privacy (2001), EU Safe Harbor (2002), TRUSTed Cloud (2011), TRUSTed Apps (2011), TRUSTed Data (2011), and TRUSTed Smart Grid (2012).

Count 1

15. Through the means described in Paragraph 13, Respondent has represented, expressly or by implication, that TRUSTe has recertified annually all companies displaying a

TRUSTe Seal (Trustmark) (p. 4) (d) 6 (e) 3 (a) 5 (2) (b) 6 (2) (c) 1 (b) 8 (ii) 4 (b) 6 (b) (5) 57 Fes 008

Count 2

20. Through the means described in Paragraphs 17 and 19, Respondent has represented, expressly or by implication, that TRUSTe is a non-profit organization.
21. In fact, Respondent has not been a non-profit organization since July 3, 2008. Therefore, the representation set forth in Paragraph 20 was false or misleading.
22. By providing clients with the language in Paragraph 17 and continuing to certify clients using that language as described in Paragraph 19, Respondent has furnished the means and instrumentalities for the commission of the deceptive acts or practices alleged in Paragraph 21.
23. The acts and practices of Respondent as alleged in this complaint constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

THEREFORE, the Federal Trade Commission this ___ day of _____, _____, has issued this complaint against Respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL: