UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman

Julie Brill

Maureen K. Ohlhausen Joshua D. Wright Terrell McSweeny

In the Matter of

TRUE ULTIMATE STANDARDS

EVERYWHERE, INC., a corporation,)

d/b/a TRUSTe, Inc.

DOCKET NO. C-4512

COMPLAINT

The Federal Trade Commission

- 1. Respondent True Ultimate Standards Everywhere, Inc., also doing Inc. ("TRUSTe"), is a privately-owned, Delaware corporation wit place of business at 835 Market Street, Suite 800, San Francisco,
- 2. TRUSTe was formed as a California non-profit corporation on Ju 20, 2008, TRUSTe formed a for-profit Delaware corporation and assets of the California non-profit entity to the for-profit corporation Purchase Agreement effective July 3, 2008.
- Respondent has advertised, offered for sale, and sold data privacy including a variety of assessments and certifications, monitoring t controls.
- 4. The acts and practices of Respondent as alleged in this complaint commerce, as "commerce" is defined in Section 4 of the FTC Act

TRUSTe's Certified Privacy Seals

- 5. Since approximately June 1997, Respondent has offered clients Certified Privacy Seals ("Privacy Seals") for display on clients' websites. TRUSTe has more recently offered these seals for mobile applications. Respondent provides these seals to clients that meet designated requirements for the programs that Respondent administers ("Program Requirements"). These requirements include specifications related to transparency of company practices, verification of privacy practices, and consumer choice regarding the collection and use of consumer personal information.
- 6. Respondent advertises itself as "the #1 privacy brand" and asserts that its "Certified Privacy Seal is recognized globally by consumers, businesses, and regulators as demonstrating privacy best practices."
- 7. Respondent's Privacy Seal programs include, but are not limited to, TRUSTed Websites (since 1997), which certifies websites; COPPA/Children's Privacy (2001), which certifies compliance with the FTC's Children's Online Privacy Protection Act Rule; EU Safe Harbor (2002), which assists with certification to the EU-US Safe Harbor framework for transatlantic data transfers; TRUSTed Downloads (2006), which certifies software; TRUSTed Cloud (2011), which certifies data processing services through cloud platforms; TRUSTed Apps (2011), which certifies mobile applications; and TRUSTed Data (2011), which certifies data collection practices of non-consumer facing entities.
- 8. Companies that meet the Program Rt(l)-]TJ [(lum Tky pr412-rull(pc))m(u200 Tkm-26(67)r)e4(b)-4(o)-14(r)]4(th

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 twelfth day of March, 2015, has issued this complaint against Respondent.

By the Commission.

Donald S. Clark Secretary

SEAL: