

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Julie Brill
Maureen K. Ohlhausen
Terrell McSweeney

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In the Matter of)	DOCKET NO. C-
)	
ORACLE CORPORATION,)	
a corporation.)	
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)	

COMPLAINT

The Federal Trade Commission, having reason to believe that Oracle Corporation has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Oracle Corporation ("Oracle") is a Delaware corporation with its principal office or place of business at 500 Oracle Parkway, Redwood City, California 94065.
2. The acts and practices of Oracle as alleged in this complaint have been in ~~an~~ affecti

JAVA SE SECURITY

6. Since at least 2010, a principal security challenge facing Java SE users was that attackers closely monitored Oracle's release of updates to its software to identify vulnerabilities in Java SE's previous iterations. At the same time, attackers often developed malware designed to exploit vulnerabilities in previous iterations of Java SE installed on users' computers ("exploit kits").
7. In late 2010, Oracle acknowledged that exploit kits at least 44 Java SE vulnerabilities were publicly available. For example, attackers have used known exploit kits targeting Java SE vulnerabilities to install key loggers that would capture consumers' usernames and passwords, which could be used to log into a consumer's PayPal, bank, and credit card accounts.
8. Other Java exploit kits could result in the unauthorized acquisition and transmission of sensitive personal information for the purpose of targeted spamming campaigns.
9. Consumers with insecure iterations of Java SE on their computers were vulnerable to exploit kits targeting Java SE vulnerabilities while browsing infected websites or clicking on nefarious links.

THE JAVA SE UPDATE PROCESS

10. Oracle released Java SE version 6 update 19 in March 2010. Oracle released several subsequent updates for Java SE version 6 through April 16, 2013.
11. When an update was available, consumers would typically receive a prompt to update their Java SE. When the consumer proceeded to install the update, the consumer would encounter a series of installation screens, which stated that:

Java applications will run with the most-up-to-date security.” *See, e.g.,* Exhibits G-D). However, for any consumers sophisticated enough to find this page on their own, it did not inform them that the Java SE update process did not automatically remove all older, insecure iterations of the software. In addition, Oracle failed to disclose this information or link to the relevant FAQ page during the Java SE update process.

14. Oracle was aware, no later than 2011, that its Java SE update process was not sufficient to ensure that consumers could always remove older, insecure iterations of Java SE

21. Oracle failed to disclose, or failed to disclose adequately, in numerous instances, updating Java SE would not delete or replace all older iterations of Java SE on a consumer's computer, and as a result, a consumer's computer could still have iterations of Java SE installed that are vulnerable to security risks. This fact would be material to consumer's decision whether to take further action after "updating" Java SE to protect their computers.
22. Oracle's failure to disclose, or disclose adequately, material information described in Paragraph 21, in light of the representation set forth in Paragraph 20, is a deceptive act or practice.
23. The acts and practices of Oracle as alleged in this complaint constitute unfair or 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 Oracle.

By the Commission.

Donald S. Clark
Secretary