

7. Privacy Shield provides a mechanism for U.S. companies to transfer personal data outside of the EU that is consistent with the requirements of the European Union Directive on Data Protection. Enacted in 1995, the Directive sets forth requirements for privacy and the protection of personal data. Among other things, it requires EU Member States to implement legislation that prohibits the transfer of personal data outside the EU, with exceptions, unless the European Commission has made a determination that the recipient jurisdiction's laws ensure the protection of such personal data. This determination is referred to only as meeting the EU's "adequacy" standard.
8. To satisfy the EU adequacy standard for certain commercial transfers, Commerce and the European Commission negotiated the EU-U.S. Privacy Shield framework, which went into effect in July 2016. The EU-U.S. Privacy Shield framework allows companies to transfer personal data lawfully from the EU to the United States. To join the EU-U.S. Privacy Shield framework, a company must self-certify to Commerce that it complies with the Privacy Shield Principles and related requirements that have been deemed to meet the EU's adequacy standard.
9. Companies under the jurisdiction of the FTC as well as the U.S. Department of Transportation, are eligible to join the EU-U.S. Privacy Shield framework. A company under the FTC's jurisdiction that claims it has self-certified to the Privacy Shield Principles but failed to self-certify to Commerce may be subject to an enforcement action based on the FTC's deception authority under Section 5 of the FTC Act.
10. Commerce maintains a public website, <https://www.privacyshield.gov/welcome>, where it posts the names of companies that have self-certified to the EU-U.S. Privacy Shield framework. The listing of companies, <https://www.privacyshield.gov/list>, indicates whether the company's self-certification is current.

Privacy Shield and Safe Harbor

Md7, LLC complies with the ~~U.S.~~ EU Privacy Shield Framework as set forth by the U.S. Department of Commerce regarding the collection, use, and retention of personal information from Individual Customers in the European Union member countries. Md7, LLC has certified that it adheres to the Privacy ~~Shield~~ principles of notice, choice, accountability for onward transfer, security, data integrity and purpose limitation, access, recourse, enforcement and liability. If there is any conflict between the policies in this privacy policy and the Privacy Shield Privacy Principles, regarding the collection, use and retention of personal information from Individual Customers in the European Union member countries, the Privacy Shield Privacy Principles shall govern. To learn more about the Privacy Shield program, and to view our certification page, please visit <https://www.privacyshield.gov> .

12. Through the means described in Paragraph 11, Respondent represents, expressly or by implication, that ~~it~~ is a participant in the ~~EU~~ U.S Privacy Shield framework.
13. In truth and in fact, although Respondent initiated an application to Commerce for Privacy Shield certification, it did not complete the steps necessary to participate in ~~the~~ EU Privacy Shield framework. Therefore, the representation ~~set forth~~ in Paragraph 12 is false and misleading.
14. 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.

THEREFORE, the Federal Trade Commission this twentieth day of November, 2017, has issued ~~its~~ complaint against Respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL: