

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Joseph J. Simons, Chairman
Noah Joshua Phillips
Rohit Chopra
Rebecca Kelly Slaughter
Christine S. Wilson

In the Matter of

INFOTRAX SYSTEMS, L.C., a limited
liability company, and

MARK RAWLINS

DECISION AND ORDER
DOCKET NO. C-4696

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present the draft Complaint to the Commission for its consideration. If the Commission, the draft Complaint would charge the Respondents with a violation of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

Respondents and BCP thereafter executed an Agreement (“Consent Agreement”). The Consent Agreement includes: (1) they neither admit nor deny any of the allegations in the Complaint in this Decision and Order, and that only for purposes of this act necessary to establish jurisdiction; and (2) waivers and other provisions of the Commission’s Rules.

The Commission considered the matter and determined Respondents have violated the Federal Trade Commission Act,

Findings

1. The Respondents are:

- a. Respondent InfoTrax Systems, L.C. (“InfoTrax”), a limited liability company with its principal office or place of business at 1875 South State Street T 0 Td () T.47 0 Td () (x)-10 T (B) 53

D. "Respondent" means Corporate Respondent and Individual Respondent, individually, collectively, or in any combination.

1. "Corporate Respondent" means InfoTrax, and its successors and assigns.

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2. Measures to assess the cybersecurity risk posed by Corporate Respondent's code to Personal Information stored on Corporate Respondent's network, including at least once every twelve (12) months and promptly after a Covered Incident, (a) software code review and (b) penetration testing of Corporate Respondent's software;
 3. Technical measures to detect known file uploads, such as input validation;
 4. Technical measures to limit the locations to which third parties can upload files on Corporate Respondent's network;
 5. Segmentation of Corporate Respondent's network to ensure that one client's distributors cannot access another client's data on Corporate Respondent's network;
 6. Technical measures to detect anomalous activity and/or cybersecurity events on Corporate Respondent's network, including (a) intrusion prevention or detection system to alert Corporate Respondent of potentially unauthorized queries and/or access to its network; (b) file integrity monitoring tools to determine whether files on Corporate Respondent's network have been altered; and (c) data loss prevention tools to regularly monitor for unauthorized attempts to exfiltrate Personal Information outside Corporate Respondent's network boundaries; and
 7. Encryption of Social Security numbers, payment card information (including full credit card and debit card numbers, Card Verification Values, and expiration dates), bank account information (including account and routing numbers), and authentication credentials such as usernames and passwords on Corporate Respondent's network.
- F. Assess, at least once every twelve (12) months and promptly following a Covered Incident, the sufficiency of any safeguards in place to address risks to the security, confidentiality, or integrity of Personal Information, and modify the Information Security Program based on the results;
- G. Test and monitor the effectiveness of the safeguards at least once every twelve (12) months

NW, Washington, DC 20580. The subject line must begin, "InfoTrax Systems, L.C. and Mark Rawlins FTC File No. 1623130, FTC Docket No. C-4696."

V. Covered Incident Reports

IT IS FURTHER ORDERED that Respondents, for any Covered Business, within a reasonable time after the date of discovery of a Covered Incident, but in any event no later than ten (10) days after the date the Covered Business, or any of the Covered Business's clients first notifies any U.S. federal, state, or local government entity of the Covered Incident, must submit a report to the Commission. The report must include, to the extent possible:

- A. The date, estimated date, or estimated date range when the Covered Incident occurred;
- B. A description of the facts relating to the Covered Incident, including the causes of the Covered Incident, if known;
- C. A description of each type of information that triggered the notification obligation to the U.S. federal, state, or local government entity;
- D. The number of consumers whose information triggered the notification obligation to the U.S. federal, state, or local government entity;
- E. The acts that the Covered Business has taken to date to remediate the Covered Incident and protect Personal Information from further exposure or access, and to protect affected individuals from identity theft or other harm that may result from the Covered Incident and
- F. A representative copy of each materially different notice required by U.S. federal, state, or local law or regulation and sent by the Covered Business to any of its clients, to consumers or to any U.S. federal, state, or local government entity.

Unless otherwise directed by a Commission representative in writing, all Covered Incident reports submitted to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin, "InfoTrax Systems, L.C. and Mark Rawlins FTC File No. 1623130, FTC Docket No. C-4696."

VI. Acknowledgments of the Order

IT IS FURTHER ORDERED that Respondents obtain acknowledgments of receipt of this Order:

- A. Each Respondent, within ten (10) days after the effective date of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.

B. Each Respondent must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

1. Each Respondent must submit notice of any change in: (a) any designated point of contact; or (b) the structure of any Corporate Respondent or any entity that Respondent has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to the Order.

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- A. Accounting records showing the revenues from all goods or services sold, the costs incurred in generating those revenues, and resulting net profit or loss;
- B. Personnel records showing, for each person providing services in connection to any aspect of the Order, whether as an employee or otherwise, that person's name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. Copies or records of all consumer complaints concerning the subject matter of the Order, whether received directly or indirectly, such as through a third party, and any response;
- D. For five (5) years after the date of preparation of each Assessment required by this Order, all materials and evidence that the Assessor considered, reviewed, relied upon or examined to prepare the Assessment, whether prepared by or on behalf of Respondents, including all plans, reports, studies, reviews, audits, audit trails, policies, training materials, and assessments, and any other materials concerning Respondents' compliance with related Provisions of this Order, for the compliance period covered by such Assessment;
- E. For five (5) years from the date received, copies of all subpoenas and other communications with law enforcement, if such communications relate to Respondents' compliance with this Order;
- F. For five (5) years from the date created or received, all records, whether prepared by or on behalf of Respondents, that tend to show any lack of compliance by Respondents with this Order; and
- G. All records necessary to demonstrate full compliance with each Provision of this Order, including all submissions to the Commission.

IX . Compliance Monitoring

IT IS FURTHER ORDERED that the Respondents shall comply with the provisions of this Order within the time specified herein.

