

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**      **Lina M. Khan, Chair  
Rebecca Kelly Slaughter  
Christine S. Wilson  
Alvaro M. Bedoya**

**In the Matter of**  
  
**CHEGG, INC., a corporation,**

**DOCKET NO.**

**COMPLAINT**

The Federal Trade Commission, having reason to believe that Chegg, Inc., a 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 Chegg, Inc. (“Chegg”) is a Delaware corporation with its principal office or place of business at 3990 Freedom Circle, Santa Clara, CA 95054.
2. Chegg markets and sells direct-to-student educational products and services. Its

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passwords. And, while Chegg implemented some access controls relating credentials and creating credentials with access permissions tailored to an employee's job functions—it failed to address, and allowed to persist, the remaining data securities failures laid out in paragraphs 9.b-e. For example, Chegg continues to store consumer personal information in plain text in its AWS S3 buckets.

14. In or around April 2019, a senior Chegg executive fell victim to a phishing attack, giving the threat actor access to the executive's credentials to Chegg's platform and exposing personal information about consumers and employees of Chegg. This executive's email system was in a default configuration state that allowed employees, as well as threat actors, to bypass Chegg's multifactor authentication requirement while accessing the email platform. The threat actor exploited this shortfall and gained access to the executive's email inbox, which contained the personal information of Chegg users and employees, including their financial and medical information. If Chegg had appropriately configured its systems to ensure that employee access



Count II  
Data Security Misrepresentations

27. As described in Paragraphs 24-25, Chegg has represented, directly or indirectly, expressly or by implication, that it implemented reasonable measures to protect personal information against unauthorized access.

28. In fact, as set forth in Paragraph 9, Chegg did not implement reasonable measures to protect personal information against unauthorized access. Therefore, the representation set forth in Paragraph 27 is false or misleading.

Violations of Section 5

29. The acts and practices of Respondent 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.

THEREFORE, the Federal Trade Commission this day of \_\_\_\_\_, 20\_\_, has issued this Complaint against Respondent.

By the Commission.

April J. Tabor  
Secretary

SEAL: