

COMPLAINT STATISTICS

Complaint Numbers

CBPR-Related Complaints for period 12/01/15-2/28/17: **55**

Note: For purposes of this report, "complaint" refers to a complaint filed with TRUSTe via TRUSTe's Feedback and Resolution System against a TRUSTe client certified at that time by TRUSTe under our APEC-CBPR program.

Complaint Statistics

From December 1, 2015 through February 28 2017, TRUSTe handled 55 Dispute Resolution complaints against TRUSTe-certified CBPR participating companies. The statistics below show how these complaints were classified and ultimately resolved by TRUSTe. Approximately 48 percent of total complaints were closed by TRUSTe on “procedural grounds.” Such procedural grounds may include complaints that fail to state a comprehensible issue or even a complete word (e.g. random typing such as “xyxyxy”). In other examples, the consumer complaint did not give TRUSTe permission to pass identifying information to the site in question, or provided an invalid e-mail address, impeding investigation of that complaint. Of the remaining complaints not closed on procedural grounds, 17 were resolved by consumer education. 2 required issue-specific changes by the site (e.g. unsubscribe the user, close the account). 7 fell into other categories such as that fall outside the scope of TRUSTe’s authority under our privacy program, (e.g. billing/transactional issues, requests for feature enhancements). TRUSTe typically suggests that the consumer contact the site directly in these instances. No complaints were pending resolution as of the close of this reporting period.

Complaints Type

By Principle	By Country	By Type
Other: 40	Australia: 2	Account Access / Creation: 2
Access: 4	Bangladesh: 1	Account Hacked / Disabled / Suspended: 9
Security: 9	Belgium: 1	Can't Change / Remove Personal Info: 2
Use: 2	Canada: 1	Help with Features / Functionality: 13
TOTAL: 55	Germany: 1	Monetary / Billing / Transactional: 5
	Dominica: 1	Received Unauthorized E-Mail: 1
	France: 1	Shared Personal Info w Unauthorized Third Party: 1
	UK: 3	Unable to Contact Participating Site: 6

	Indonesia: 1	Unable to Unsubscribe: 3
	India: 2	Unauthorized Profile With My Information: 1
	Morocco: 1	Undefined: 12
	New Zealand: 1	TOTAL: 55
	Philippines: 1	
	Turkey: 1	
	Ukraine: 1	
	Vietnam: 1	
	U.S.: 35	
	TOTAL: 55	

Complaint Process Quality Measures

These statistics are drawn from TRUSTe’s internal Dispute Resolution program. TRUSTe’s process begins when a consumer files a complaint against a CBPR Participant (herein ‘Participant’) with TRUSTe. After TRUSTe receives a complaint, we review the information provided to determine if the complaint is relevant and falls within the scope of TRUSTe’s Program Requirements. This initial review can take up to 10 business days. The consumer (herein ‘Complainant’) receives TRUSTe’s initial response within 10 business days, our published time frame (available at <https://feedback-form.truste.com/watchdog/request>). Once a complaint has been reviewed and referred to the Participant for response, the Participant ordinarily has 10 business days to provide a written response for the complainant. For more urgent issues, such as security vulnerabilities, we escalate to the Participant via phone as well and generally expect responses much sooner, especially if we are able to verify the problem. Once the complaint is resolved, TRUSTe will send an email notice to both the complainant and, if participating, the Participant, notifying them of closure of the complaint. TRUSTe asks the Complainant to provide consent before TRUSTe shares their personal information with the Participant in question. All personal information collected during the request for assistance is collected in accordance with TRUSTe’s Privacy Policy (available at <https://www.truste.com/privacy-policy>).

CASE NOTES

CASE NOTE 1

Citation: *Profile Deletion, 2016, TRUSTe, Case Note 1*

Case Report

Facts: Using TRUSTe's dispute resolution process, Complainant informed TRUSTe that they could not remove their profile as displayed on Participant's site. A member of TRUSTe's compliance team then investigated using the information provided by the Complainant. Upon examination, it appeared that the profile in question had already been removed. TRUSTe informed the Complainant of this finding and offered additional assistance if the issue was not resolved to Complainant's satisfaction. Complainant replied that while the profile had been removed, the image associated with it was still viewable. TRUSTe then forwarded the response to the Participant, after obtaining Complainant's consent. Participant responded that they had removed the requested information. TRUSTe informed Complainant and requested that they respond to TRUSTe if the issue had not been resolved to their satisfaction. After allowing Complainant 2 weeks to respond, TRUSTe closed the complaint. This process took approximately 4 weeks from notification to final resolution.

Law (*Excerpted from the United States' 2012 Application to Join the APEC CBPR System*): The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC CBPRs must publicly declare that it will comply with the CBPR program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. If a company engages in any of the following practices it may violate Section 5 of the FTC Act, 15 U.S.C. § 45 and be subject to an enforcement action: a. Making a public representation relating to the notice requirements and failing to comply with the representation; b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC CBPRs and thus complies with the notice requirements and failing to comply; or c. causing the company's name to appear on a list of companies that are certified for participation in the APEC CBPRs (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC-recognized Accountability Agents, or on an APEC website specifically

dedicated to the operation of APEC Cross-Border Privacy Rules) thereby indicating that it complies with the notice requirements and failing to comply.

Discussion: The issues raised in this instance involve the following CBPR program requirements:

1. Do you provide clear and easily accessible statements about your practices and policies that govern the personal information described above (a privacy statement)?
15. Subject to the qualifications described below, do you provide a mechanism for individuals to exercise choice in relation to the use of their personal information?

The following TRUSTe program requirement was also relevant to the resolution of this case:

In order for a business to successfully obtain a TRUSTe APEC Privacy Certification, the business must provide access to its privacy and data governance practices in order to be evaluated against these APEC Privacy Certification Standards (Certification Standards). Upon satisfactory evaluation, TRUSTe offers an APEC Privacy Certification trustmark that attests to the business' CBPR compliance. (<https://www.truste.com/privacy-certification-standards/apec>)

In addition to Participant's legal obligation to comply with its CBPR requirements under the FTC's Section 5 authority, TRUSTe has the authority to enforce its program requirements against Participants through our Master Services Agreement ("MSA") which we require all clients to sign before we begin the engagement. This is reflected in TRUSTe's MSA, section 3(3): Participant's Adherence to the Program: "Customer shall fully comply with the applicable Certification Standards, including but not limited to any annual (or other) recertification requirements contained in the applicable Certification Standards." As part of Participant's CBPR certification, TRUSTe verified that Participant had the necessary policies and practices to implement each CBPR program requirement, including Program Requirements 1 and 15. In this instance, TRUSTe ensured that those policies were implemented to resolve Complainant's data removal request.

CASE NOTE 2

Citation: *Unsubscribe Request, 2016, TRUSTe, Case Note 2*

Case Report

Facts: Using TRUSTe's dispute resolution process, Complainant informed TRUSTe that they continued to receive email from Participant after having unsubscribed from such email. A member of TRUSTe's compliance team requested more information from Complainant, including: (1) when Complainant unsubscribed; (2) what steps they took to unsubscribe, and whether there was an error message or indication of success, and; (3) a copy of a message sent by Participant after unsubscribing, including headers. Complainant provided the information at

which time TRUSTe notified the Participant of the issue (after having first obtained Complainant's consent to do so). Participant responded that while they had previously processed an opt-out request for Complainant under another e-mail address, the messages Complainant referenced were sent to a different address for Complainant within the same domain name. Participant unsubscribed this additional email address. Complainant then asked how this email address became registered with Participant. Participant replied with information about the date on which Complainant registered to receive such messages through Participant's syndication partner program. TRUSTe verified that the syndication partner program was within the scope of the Participant's CBPR certification, meeting all CBPR requirements, and that the privacy notice was consistent with the Notice and Choice program requirements. After allowing Complainant 2 weeks to respond with any additional question or related request, TRUSTe closed the complaint. This process took approximately 3 weeks from notification to final resolution.

Law (*Excerpted from the United State's 2012 Application to Join the APEC CBPR System*): The FTC enforces Section 5 of the FTC Act, 15 U.S.C. § 45, which prohibits unfair or deceptive acts or practices in or affecting commerce. An act or practice is deceptive if it is likely to mislead a consumer acting reasonably under the circumstances and is likely to affect a consumer's conduct or decision regarding a product or service. An act or practice is unfair when it causes, or is likely to cause, substantial injury to consumers that (i) is not reasonably avoidable by consumers themselves; and (ii) is not outweighed by countervailing benefits to consumers or to competition. A company that joins the APEC CBPRs must publicly declare that it will comply with the CBPR program requirements and must make these program requirements publicly accessible. If the company fails to comply with any of these program requirements, its public representation of compliance may constitute an unfair or deceptive act or practice subject to Section 5 enforcement. If a company engages in any of the following practices it may violate Section 5 of the FTC Act, 15 U.S.C. § 45 and be subject to an enforcement action: a. Making a public representation relating to the notice requirements and failing to comply with the representation; b. displaying a seal, trustmark or other symbol on the company's website or on any other of its own publicly available documentation that indicates that it participates in the APEC CBPRs and thus complies with the notice requirements and failing to comply; or c. causing the company's name to appear on a list of companies that are certified for participation in the APEC CBPRs (e.g., lists on the websites of participating government authorities, privacy enforcement authorities, APEC-recognized Accountability Agents, or on an APEC website specifically dedicated to the operation of APEC Cross-Border Privacy Rules) thereby indicating that it complies with the notice requirements and failing to comply.

Discussion: The issues raised in this instance involve the following CBPR program requirements:

1. Do you provide clear and easily accessible statements about your practices and policies that govern the personal information described above (a privacy statement)?

15. Subject to the qualifications described below, do you provide a mechanism for individuals to exercise choice in relation to the use of their personal information?

The following TRUSTe program requirement was also relevant to the resolution of this case:

In order for a business to successfully obtain a TRUSTe APEC Privacy Certification, the business must provide access to its privacy and data governance practices in order to be evaluated against these APEC Privacy Certification Standards (Certification Standards). Upon satisfactory evaluation, TRUSTe offers an APEC Privacy Certification trustmark that attests to the business' CBPR compliance. (<https://www.truste.com/privacy-certification-standards/apec>)

In addition to the Participant's legal obligation to comply with its stated privacy practices under the FTC's Section 5 authority, TRUSTe has the authority to enforce its program requirements against Participants through our Master Services Agreement ("MSA") which we require all clients to sign before we begin the engagement. This is reflected in TRUSTe's MSA, section 3(3): Participant's Adherence to the Program: "Customer shall fully comply with the applicable Certification Standards, including but not limited to any annual (or other) recertification requirements contained in the applicable Certification Standards." This case illustrates how TRUSTe uses our Feedback and Resolution system to facilitate consumer unsubscribe requests. Ultimately, the complainant's issue was successfully resolved using this process and no further action was required.