

CROSS BORDER PRIVACY RULES (CBPR) AND PRIVACY RECOGNITION FOR PROCESSORS (PRP) COMPLAINT STATISTICS

Note: For purposes of this report, "Complaint" refers to a complaint filed with TRUSTe¹ via TRUSTe's Feedback and Resolution System against a TRUSTe client certified at that time by TRUSTe under our APEC-CBPR and APEC-PRP programs. During this reporting period, TRUSTe received 147 complaints against CBPR-certified companies, 22 against companies certified to both the CBPR and PRP programs and 15 against PRP-only participants.

I. Complaints For CBPR-Certified Participants Period 3/01/19-2/29/20: 147

From March 1, 2019 through February 29 2020, TRUSTe handled 147 Dispute Resolution complaints against CBPR-certified companies. The statistics below show how these complaints were classified and ultimately resolved by TRUSTe.

- 71 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"); when a duplicate complaint is filed; when the consumer complaint did not give TRUSTe permission to pass identifying information to the site in question; when the complainant provided an invalid e-mail address, impeding investigation of that complaint; or when the complainant closed the resolution request themselves.
- 49 complaints were resolved by consumer education.
- 26 complaints fell into other categories 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.
- One complaint received during this reporting period required TRUSTe's assistance in facilitating an unsubscribe request. This complaint is reflected in Section III of this report (CBPR Case Notes).

No complaints were pending resolution as of the close of this reporting period.

¹ TRUSTe is the brand name for assurance programs and solutions offered by TRUSTe LLC, a wholly owned subsidiary of TrustArc Inc

II. Complaints Type

By Principle	By Country	By Type
<ul style="list-style-type: none"> ● Choice: 2 ● Use: 10 ● Access: 46 ● Other: 89 	<ul style="list-style-type: none"> ● Australia: 4 ● Brunei Darussalam: 1 ● Canada: 4 ● Chile: 1 ● China: 4 ● Germany: 1 ● Egypt: 5 ● United Kingdom: 5 ● Indonesia: 16 ● Israel: 3 ● India: 10 ● Italy: 2 ● Republic of Korea: 1 ● Malaysia: 3 	<ul style="list-style-type: none"> ● Abuse by Another User: 1 ● Account Access / Creation: 2 ● Account Hacked / Disabled / Suspended: 24 ● Can't Change / Remove Personal Info: 8 ● Help with Features / Functionality: 38 ● Monetary / Billing / Transactional: 12 ● Received Unauthorized E-Mail: 1 ● Shared Personal Info with Unauthorized Third Party: 2 ● Unable to Contact Participating Site: 12 ● Unable to Unsubscribe: 2 ● Unauthorized Profile With My Information: 7 ● Undefined e.g. incomprehensible: 38

	<ul style="list-style-type: none">● Norway: 1● Philippines: 1● Saudi Arabia: 2● Singapore: 1● Slovakia: 1● South Africa: 1● Switzerland: 1● Tajikistan: 1● United Arab Emirates: 1● United States: 73● Vietnam: 3● Yemen: 1	
TOTAL: 147	TOTAL: 147	TOTAL: 147

III. CBPR Case Notes

Citation: *Unsubscribe Request, 2019, TRUSTe, Case Note 1*

Facts: Using TRUSTe’s dispute resolution process, Complainant informed TRUSTe that they had received an unauthorized email from Participant. Complainant attempted to contact Participant less than 24 hours before filing the complaint with TRUSTe. TRUSTe replied the same day asking for further information from Complainant, including a sample of the unauthorized email. Within 24 hours of Complainant’s response, TRUSTe forwarded the request to Participant. TRUSTe followed up with Participant when we did not hear back within the period requested of 14 calendar days. A new contact within Participant’s organization notified us that Complainant's request had been resolved within 14 calendar days of the date of TRUSTe's initial notification to the site. TRUSTe updated the consumer and allowed the consumer and additional 14 days in case they wished to respond; the consumer did not write back. This process took approximately 6 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?

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”), or our online Subscription Services Agreement (“SSA”) and Assurance Services Addendum (“ASA”), either of which we require all clients to enter into before we begin the engagement (see Appendix F of TRUSTe’s 2019 APEC CBPR and PRP Application) unless we have negotiated with a particular Participant separate terms, which are comparable to those contained in the MSA or the SSA and ASA. This is reflected in the Company’s ASA, which states in relevant part in Section 4.2.1: “If participating in a TRUSTe Assurance Solution, Customer shall fully comply with the applicable Assurance Standards.” The Assurance Standards are defined in Section 2.1 of the ASA as: “the requirements, conditions, and other terms applicable to the Customer under an applicable TRUSTe Assurance Program or Assurance Solution.” This case illustrates how TRUSTe uses our Feedback and Resolution system to facilitate consumer choice (in this instance an unsubscribe request) and to verify a Participant’s practices and procedures align with those required by the CBPR program requirements listed above. Ultimately, the Complainant’s request was successfully resolved using this process and no further action was required.

Citation: *Account Deletion Request, 2019, TRUSTe, Case Note 2*

Facts: Complainant informed TRUSTe that they received notice from Participant that their account had recently been accessed, although Complainant had not accessed this account. Complainant requested TRUSTe’s assistance in deleting the account. Complainant indicated that they tried contacting Participant less than 24 hours prior to contacting TRUSTe. TRUSTe replied in under one day with a link to Participant’s help system and provided the site’s privacy escalations contact information. TRUSTe asked the Participant to respond within 14 calendar days if the information provided did not resolve the issue. When the consumer did not respond, TRUSTe closed the complaint.

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)?

38. Do you permit individuals to challenge the accuracy of their information, and to have it rectified, completed, amended and/or deleted?
 - a) Are your access and correction mechanisms presented in a clear and conspicuous manner? Provide a description in the space below or in an attachment if necessary.
 - b) If an individual demonstrates that personal information about them is incomplete or incorrect, do you make the requested correction, addition, or where appropriate, deletion?

- c) Do you make such corrections or deletions within a reasonable time frame following an individual’s request for correction or deletion?
- d) Do you provide a copy of the corrected personal information or provide confirmation that the data has been corrected or deleted to the individual?
- e) If access or correction is refused, do you provide the individual with an explanation of why access or correction will not be provided, together with contact information for further inquiries about the denial of access or correction?

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”), or our online Subscription Services Agreement (“SSA”) and Assurance Services Addendum (“ASA”), either of which we require all clients to enter into before we begin the engagement (see Appendix F of TRUSTe’s 2019 APEC CBPR and PRP Application) unless we have negotiated with a particular Participant separate terms, which are comparable to those contained in the MSA or the SSA and ASA. This is reflected in the Company’s ASA, which states in relevant part in Section 4.2.1: “If participating in a TRUSTe Assurance Solution, Customer shall fully comply with the applicable Assurance Standards.” The Assurance Standards are defined in Section 2.1 of the ASA as: “the requirements, conditions, and other terms applicable to the Customer under an applicable TRUSTe Assurance Program or Assurance Solution.” This case illustrates how TRUSTe uses our Feedback and Resolution system to facilitate consumer access requests (in this instance an account deletion request) and to verify a Participant’s practices and procedures align with those required by the CBPR program requirements listed above. Ultimately, the Complainant’s request was successfully resolved using this process and no further action was required.

IV. Complaints for CBPR and PRP Certified Companies Period 3/01/19-2/29/20: 22

From March 1, 2019 through February 29 2020, TRUSTe handled 22 Dispute Resolution complaints against companies that certified to both the CBPR and PRP systems. The statistics below show how these complaints were classified and ultimately resolved by TRUSTe.

- 8 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”); or when 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.

- 3 complaints fell into other categories 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.
- 10 complaints were resolved by consumer education.
- 1 complaint required a change to Participant’s privacy statement, site or practices (the site fixed the broken link for that foreign language version of its privacy policy, in addition to confirming that the consumer had been unsubscribed).

No complaints were pending resolution as of the close of this reporting period.

V. Complaints Type

By Principle	By Country	By Type
<ul style="list-style-type: none"> ● Access: 11 ● Use: 2 ● Choice: 3 ● Other: 6 <p>TOTAL: 22</p>	<ul style="list-style-type: none"> ● Brunei Darussalam: 1 ● Brazil: 1 ● Canada: 1 ● France: 1 ● India: 4 ● Mexico: 1 ● Poland: 1 ● United States: 11 ● Yemen: 1 <p>TOTAL: 22</p>	<ul style="list-style-type: none"> ● Account Hacked / Disabled / Suspended: 3 ● Can't Change / Remove Personal Info: 3 ● Help with Features / Functionality: 1 ● Monetary / Billing / Transactional: 2 ● Received Unauthorized E-Mail: 1 ● Shared Personal Info with Unauthorized Third Party: 1 ● Unable to Contact Participating Site: 5 ● Unable to Unsubscribe: 3 ● Undefined (e.g. incomprehensible, random typing etc.): 3 <p>TOTAL: 22</p>

VI. Complaints for PRP Certified Companies Period 3/01/19-2/29/20: 15

From March 1, 2019 through February 29 2020, TRUSTe handled 15 Dispute Resolution complaints against companies that certified to only the PRP system. The statistics below show how these complaints were classified and ultimately resolved by TRUSTe.

- 10 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”); or when 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.
- 1 complaint was 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.
- 4 complaints were resolved by consumer education.

No complaints were pending resolution as of the close of this reporting period.

VII. Complaints Type

By Principle	By Country	By Type
<ul style="list-style-type: none"> ● Access : 6 ● Other: 9 	<ul style="list-style-type: none"> ● India: 2 ● Indonesia: 1 ● Kyrgyzstan: 1 ● Myanmar: 1 ● United States: 4 ● Zimbabwe: 6 	<ul style="list-style-type: none"> ● Account Hacked / Disabled / Suspended: 1 ● Help with Features / Functionality: 1 ● Monetary / Billing / Transactional: 1 ● Unable to Contact Participating Site: 5 ● Undefined (e.g. incomprehensible, random typing etc.): 7
TOTAL: 15	TOTAL: 15	TOTAL: 15

VIII. Complaint Process Quality Measures

These statistics are drawn from TRUSTe’s internal Dispute Resolution program. This process begins with a consumer complaint filed against a CBPR Participant either with the company, or with TRUSTe. After TRUSTe receives a complaint, we initiate an investigation. TRUSTe then reviews the complaint to determine if the complaint is relevant and falls under the scope of the Program Requirements. This initial review can take up to 10 business days. The consumer (complainant) receives TRUSTe’s initial response within 10 business days, our published time frame (available at <https://feedback-form.truste.com/watchdog/request>). After the complaint has been investigated, 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 CBPR Participant the complainant is filing a dispute about. All personal information collected during the request for assistance is collected in accordance with the Privacy Policy for TrustArc Inc, the parent company of TRUSTe LLC and its affiliates (available at <https://www.trustarc.com/privacy-policy/>).