

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

)	
FEDERAL TRADE COMMISSION,)	
)	
Petitioner,)	
)	Misc. No. _____
v.)	
)	
TRACERS INFORMATION)	
SPECIALISTS, INC.)	
)	
Respondent.)	
)	

**PETITION OF THE FEDERAL TRADE COMMISSION FOR AN ORDER
ENFORCING ADMINISTRATIVE INVESTIGATIVE PROCESS
AND MEMORANDUM OF LAW**

The Federal Trade Commission (FTC) petitions this Court under Section 20 of the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 57b-1, for an order requiring Respondent, Tracers Information Specialists, Inc. (Tracers), to comply with a Civil Investigative Demand (CID), a form of administrative compulsory process. The CID directs Tracers to produce documents, respond to interrogatories, and provide oral testimony on 10 specified topics relevant to the investigation. The CID was issued in the course of a nonpublic investigation concerning possible violations by Tracers of Section 5 of the FTC Act, 15 U.S.C. § 45(a), and provisions of the Fair Credit Reporting Act (FCRA), 15 U.S.C. §§ 1681, 1681a-x, with respect to Tracers’ sale of personal information and consumer report information.

The Commission opened the investigation after learning that a Tracers customer had been indicted for defrauding the Department of Housing and Urban Development (HUD) and other entities by using consumers' Social Security numbers (SSNs) that he obtained through Tracers. The CID seeks documents and information from Tracers regarding, *inter alia*, its products and services, its acquisition of personal information and consumer report information, and its procedures for vetting prospective customers and auditing current customers to ensure they are not engaged in identity theft or other unauthorized use of consumer information. Tracers failed to raise timely objections to the CID, and did not file an administrative petition to quash or limit the CID when it was due, as required under the Commission's Rules of Practice. *See* 16 C.F.R. § 2.10(a). Instead, after two extensions of time to respond to the CID, Tracers has provided the Commission with only 27 documents, responded to only 16 of 27 interrogatories, and refused to provide further information absent a court order.

This proceeding is properly instituted by a petition and order to show cause (rather than a complaint and summons) and is summary in nature; discovery or evidentiary hearings are granted only upon a showing of exceptional circumstances. *See, e.g., FTC v. Carter*, 636 F.2d 781, 789 (D.C. Cir. 1980); *FTC v. MacArthur*, 532 F.2d 1135, 1141-42 (7th Cir. 1976); *Genuine Parts Co. v. FTC*, 445 F.2d 1382, 1388 (5th Cir. 1971); *see also United States v. Markwood*, 48 F.3d 969, 981-82 (6th Cir. 1995); *Appeal of FTC Line of Bus. Report Litig.*, 595 F.2d 685, 704-05 (D.C. Cir. 1978).

A declaration under penalty of perjury of FTC attorney Megan Cox, which verifies the allegations of this Petition, is attached hereto as Petition Exhibit (“Pet. Exh.”)

1. Additional exhibits are as follows:

- Pet. Exh. 2 Printouts from Tracers’ website, www.tracersinfo.com (last visited Feb. 9, 2016);
- Pet. Exh. 3 Resolution Directing Use of Compulsory Process (FTC File No. 992-3120) (Apr. 15, 1999);
- Pet. Exh. 4 Resolution Directing Use of Compulsory Process (FTC File No. P954807) (Jan. 24, 2013);
- Pet. Exh. 5 Civil Investigative Demand directed to Tracers Information Specialists, Inc. (FTC File No. 1523218) (Aug. 20, 2015);
- Pet. Exh. 6 Letter from Maneesha Mithal, Associate Director, Division of Privacy and Identity Protection, FTC, to Richard G. Salazar, Buchanan Ingersoll & Rooney PC (Sept. 18, 2015);
- Pet. Exh. 7 Letter from Mithal to Salazar (Sept. 28, 2015);
- Pet. Exh. 8 Letter from Mithal to Salazar (Oct. 23, 2015);
- Pet. Exh. 9 Email from Megan Cox to Salazar and Carrie G. Amezcua, Buchanan Ingersoll & Rooney PC (Oct. 27, 2015);
- Pet. Exh. 10 Tracers subscriber application form, available at <http://www.tracersinfo.com/subscriber-application.pdf> (last visited Feb. 9, 2016);
- Pet. Exh. 11 Letter from FTC attorney Ben Rossen to Salazar (Dec. 1, 2015);
- Pet. Exh. 12 Letter from Mithal to Salazar (Dec. 4, 2015);
- Pet. Exh. 13 Letter from Mithal to Salazar (Jan. 15, 2016).

The Parties

1. The Commission is an administrative agency of the United States, organized and existing pursuant to the FTC Act, 15 U.S.C. § 41 *et seq.* The Commission

is authorized and directed by Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), to prohibit, *inter alia*, “unfair or deceptive acts or practices in or affecting commerce.” The Commission is also authorized to enforce the FCRA, 15 U.S.C. §§ 1681, 1681a-x, violations of which “shall constitute an unfair or deceptive act or practice” under Section 5, 15 U.S.C. § 1681s(a)(1).

2. Tracers is a Massachusetts corporation with its principal place of business at 15470 Flight Path Drive, Brooksville, Florida 34604. It offers a number of internet-based search services, which customers can use to access information about individuals and businesses from public records and proprietary databases. Pet. Exh. 1 ¶ 3. For example, its People Searches service gives customers access to an individual’s Social Security number (SSN), birthdate, home and email address, and information about the individual’s relatives and roommates. *Id.*; see Pet. Exh. 2 (printouts from Tracers’ website).

Jurisdiction and Venue

3. Section 3 of the FTC Act, 15 U.S.C. § 43, authorizes the Commission to prosecute any inquiry necessary to its duties in any part of the United States. Section 6 of the FTC Act, 15 U.S.C. § 46, empowers the Commission to gather and compile information concerning, and to investigate from time to time, the business and practices of persons, partnerships, or corporations engaged in or whose business affects commerce, with certain exceptions not relevant here. Section 20 of the FTC Act, 15 U.S.C. § 57b-1, empowers the Commission to issue CIDs to require any person, *inter alia*, to produce documentary material, to file written reports or answers, and to give oral testimony

relating to any Commission law enforcement investigation. The FTC has the same “procedural, investigative, and enforcement powers” under the FCRA that it has under the FTC Act, including the power to require “the filing of reports, the production of documents, and the appearance of witnesses.” 15 U.S.C. § 1681s(a)(1).

4. This Court has jurisdiction over Tracers and the authority to enforce the CID under Section 20(e) of the FTC Act, which provides, in pertinent part, as follows:

Whenever any person fails to comply with any civil investigative demand duly served upon him under this section, or whenever satisfactory copying or reproduction of material requested pursuant to the demand cannot be accomplished and such person refuses to surrender such material, the Commission, through such officers or attorneys as it may designate, may file, in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and shall serve upon such person, a petition for an order of such court for the enforcement of this section.

15 U.S.C. § 57b-1(e).

5. Tracers resides in and engages in commerce in this district, as the term “commerce” is defined under Section 4 of the FTC Act. 15 U.S.C. § 44. Because the Middle District of Florida is a jurisdiction within which Tracers “resides, is found, or transacts business,” venue is proper under Section 20 of the FTC Act. 15 U.S.C. § 57b-1(e).

Authority for and Issuance of the CID

6. FTC staff opened this investigation after learning that an individual, posing as a debt collector, had opened a Tracers account and obtained consumers’ SSNs, which he and his co-conspirators then used in submitting fraudulent refund claims to HUD. Pet. Exh. 1 ¶ 4; see *United States v. Jones*, No. 2:15-cr-20019-MFL-MKM-3, ECF

No. 26 (E.D. Mich. Jul. 13, 2015) (guilty plea). The investigation seeks to determine whether Tracers' practices in the sale of consumer information are unfair or deceptive in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a). The investigation also seeks to determine whether Tracers has violated the FCRA, which, *inter alia*, allows consumer reporting agencies to disclose consumer reports only for certain permissible purposes, 15 U.S.C. § 1681b, and requires consumer reporting agencies to adopt procedures to prevent unauthorized disclosures, 15 U.S.C. § 1681e(a). Pet. Exh. 1 ¶ 5. *See* 15 U.S.C. § 1681a (defining "consumer report" as information "bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living," which is collected for purposes of credit, insurance, or other purposes authorized by the FCRA).

7. On August 20, 2015, the Commission issued a CID to Tracers under the authority of FTC Resolution Nos. 992-3120 and P954807. Pet. Exh. 1 ¶¶ 6-7.

Resolution No. 992-3120 authorizes the use of any and all compulsory process available to the Commission

to determine whether persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*, and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended, relating to information furnished to consumer reporting agencies, maintained in the files of consumer reporting agencies, or obtained as a consumer report from a consumer reporting agency. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

Pet. Exh. 3. Resolution No. P954807 authorizes the use of compulsory process

[t]o determine whether unnamed persons, partnerships, corporations, or others are engaged in, or may have engaged in, deceptive or unfair acts or

practices related to consumer privacy and/or data security, including but not limited to the collection, acquisition, use, disclosure, security, storage, retention, or disposition of consumer information, in or affecting commerce, in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

Pet. Exh. 4.

8. The CID sought information about several topics, including Tracers' corporate structure; the scope of its products and services; the sources from which it obtains information about consumers; and its costs, prices, and profits. Pet. Exh. 1 ¶ 8; Pet. Exh. 5. The CID also sought information about (a) Tracers' procedures for vetting new customers and auditing existing ones; (b) Tracers' communications with customers during the vetting and auditing process; (c) the documentation that Tracers requires new and existing customers to submit; and (d) the extent to which Tracers' vetting and auditing were able to identify whether its customers were engaged in identity theft or other unauthorized use of consumers' personal information or consumer report information, and if so, what actions Tracers took in response. Pet. Exh. 1 ¶ 8.

9. The CID required Tracers to respond to 27 interrogatories and 15 document requests by September 23, 2015. Pet. Exh. 5. It also directed one or more representatives of Tracers to appear and testify at an FTC investigational hearing on October 23, 2015. *Id.*

10. Pursuant to 16 C.F.R. § 2.7(l), FTC staff granted Tracers two successive requests for a thirty-day extension of time to produce documents and respond to interrogatories. Pet. Exh. 1 ¶¶ 9, 11; Pet. Exh. 6 (9/18/15 letter); Pet. Exh. 8 (10/23/15

letter). Ultimately, staff modified the CID by establishing a new deadline of November 23, 2015, for the document requests and interrogatories. Pet. Exh. 8. Staff also modified the CID to reschedule the investigative hearing on three occasions. Pet. Exh. 1 ¶¶ 9, 19; Pet. Exh. 6 (9/18/2015 letter); Pet. Exh. 12 (12/4/15 letter); Pet. Exh. 13 (1/15/16 letter). That hearing is now scheduled for March 17, 2016.

Tracers' Response to the CID

11. During a mandatory meet-and-confer session on September 16, 2015 (*see* 16 C.F.R. § 2.7(k)), Tracers' counsel asked FTC staff to modify the scope of several CID specifications. Pet. Exh. 1 ¶¶ 9, 10. Of particular relevance here, staff granted Tracers' request to narrow Document Request 3, which had sought "all documents" concerning Tracers' "auditing, investigation, vetting, review, or verification" of anyone with whom it had a "business relationship" involving the purchase or use of personal information. Pet. Exh. 7 (9/28/15 letter); Pet. Exh. 1 ¶ 10(d). In response, FTC staff modified and limited the document request to two categories of material: (1) Tracers' policies and procedures for vetting prospective customers and auditing existing customers (Document Request 3(a)); and (2) a "representative random sample" of documents relating to its vetting and audits of specific customers since 2010 (Document Request 3(b)). Pet. Exh. 7 (9/28/15 letter); Pet. Exh. 1 ¶ 10(d). Tracers' counsel had represented that such limitations would resolve Tracers' concerns about burden. *Id.*

12. On October 27, 2015, FTC staff informed Tracers that the representative random sample required by the modified CID comprised 257 customers and 357

applicants and directed Tracers to produce documents relating to the manner in which it had vetted and audited those entities. *See* Pet. Exh. 1 ¶ 12; Pet. Exh. 9 (10/27/15 email).

13. Other than the modifications discussed at the September 2015 meet-and-confer, Tracers failed to raise any objections or concerns regarding the Commission's CID for roughly three months after the CID was issued. *See* Pet. Exh. 1 ¶ 13. Tracers also failed to file an administrative petition to limit or quash the CID within twenty days of service of the CID, as required under the Commission's rules. *See* 16 C.F.R. § 2.10(a); Pet. Exh. 1 ¶ 14.

14. On November 19, 2015, Tracers informed Commission staff for the first time that it intended to object to certain interrogatories and document requests and to withhold production of certain responsive documents. Pet. Exh. 1 ¶ 14. On November 23, 2015, Tracers told FTC staff that it was withholding the following categories of material (Pet. Exh. 1 ¶ 15):

- a. Auditing and Vetting Documents: Notwithstanding Tracers' expressed willingness (*see* ¶ 11, *supra*) to provide a representative sample of documents reflecting its audits and vetting of applicants and customers (Document Request 3(b), as modified 9/28/15), Tracers for the first time objected that such documents contain trade secrets and confidential information. Pet. Exh. 1 ¶ 15(a). Tracers also claimed that these documents are maintained in hard copy only and therefore that it would be unduly burdensome to produce them. *Id.* Tracers further refused to specify how many applicants were denied access to its services

(Interrogatory 12, as modified 9/28/15), again claiming that providing such information would be unduly burdensome. *Id.*

- b. Customer Identities: Tracers also refused to identify its customers and applicants, including those it terminated after audits (Interrogatories 9-10, 13, 17-18), or to provide documents reflecting how much each customer paid for Tracers' services (Document Request 6, as modified 9/28/15). Pet. Exh. 1 ¶ 15(b). Tracers claimed that the names of its customers and applicants are trade secrets and that they are protected from disclosure by Tracers' confidentiality agreements. *Id.* Tracers further objected that it would be unduly burdensome to provide the names of customers it audited (Interrogatories 17-18) because Tracers keeps this information in hard copy.
- c. Sources of Consumer Information: Tracers declined to produce documents regarding its policies, practices, and procedures for collecting information about consumers (Document Request 4(a)). Pet. Exh. 1 ¶ 15(c). It also refused to identify its sources of information, to describe the information it collected, to explain how it uses that information, or even to state the number of consumers whose personal information and consumer report information is provided by each source (Interrogatories 8, 8(a)-(c)). *Id.* Likewise, Tracers refused to describe the search databases that it provides to its customers (Interrogatory 19). *Id.* Finally, Tracers claimed

that the identity of its sources is a trade secret and is subject to confidentiality agreements with those sources. *Id.*

- d. Costs, Revenues, and Profits: Tracers refused to provide information about its costs, revenues, and profits (Document Requests 7-8, as modified 9/28/15; Interrogatories 26-27), asserting that this information was confidential, a trade secret, and that it was not relevant to the investigation. Pet. Exh. 1 ¶ 15(d).
- e. Subscriber Applications: Tracers refused to answer Interrogatory 7, which directed it to specify the categories of intended use (*e.g.*, child support enforcement, collections, legal process service) for which prospective customers may request access to each of its services. Tracers claimed this interrogatory was vague. Pet. Exh. 1 ¶ 15(e).

For several of the CID specifications (Interrogatory 12; Document Requests 3(b), 6-8), Tracers refused to provide responsive information even though FTC staff had already modified these requests as discussed at the September 2015 meet-and-confer. *See* ¶ 11, *supra*; Pet. Exh. 1 ¶¶ 10(a)-(d), 16; Pet. Exh. 7 (9/28/15 letter).

15. By letter of December 1, 2015 (Pet. Exh. 11), FTC staff notified Tracers of the deficiencies in its production. Staff offered to forebear recommending this matter for enforcement if Tracers responded fully to all interrogatories by December 8, 2015, produced documents in response to certain outstanding requests by December 14, and provided all remaining documents by December 28. Pet. Exh. 1 ¶ 18; Pet. Exh. 11.

16. On December 16, 2015, however, Tracers informed FTC staff that it would not produce anything further in response to the CID without a court enforcement order. Pet. Exh. 1 ¶ 20.

17. On January 7, 2016, Tracers supplemented its objections to Interrogatories 8 and 8(a)-(c) and Document Request 3(b) without providing additional responsive information. Pet. Exh. 1 ¶ 21. Instead, Tracers claimed that it would be unduly burdensome to identify and describe its information sources, as required by Interrogatories 8 and 8(a)-(c). *Id.* It also asserted for the first time that its database is so large that it cannot identify all its sources. *Id.* Additionally, Tracers reiterated its refusal to provide a representative random sample of audit and vetting files, and instead offered to provide a total of 50 customer audit and applicant files. Pet. Exh. 1 ¶ 21.

18. Tracers' response to the CID remains deficient. Indeed, Tracers has produced a total of 27 documents and provided responsive answers to only 16 of 27 interrogatories. Pet. Exh. 1 ¶ 17.

19. Tracers' failure to comply with the CID greatly impedes the Commission's ongoing investigation, and prevents the Commission from completing its investigation in a timely manner. Pet. Exh. 1 ¶ 22.

Memorandum of Law

The court's role in a proceeding to enforce a subpoena or civil investigative demand is "sharply limited." *United States v. Florida Azalea Specialists*, 19 F.3d 620, 623 (11th Cir. 1994) (quoting *EEOC v. Kloster Cruise Ltd.*, 939 F.2d 920, 922 (11th Cir. 1991)). While "the court's function is neither minor nor ministerial, the scope of issues

which may be litigated in a [compulsory process] enforcement proceeding must be narrow, because of the important governmental interest in the expeditious investigation of possible unlawful activity.” *FTC v. Texaco, Inc.*, 555 F.2d 862, 872 (D.C. Cir. 1977) (*en banc*) (internal citation omitted). Thus, a district court must enforce agency process so long as (1) the inquiry is within the authority of the agency; (2) the demand is not too indefinite; and (3) the information sought is reasonably relevant. *EEOC v. Tire Kingdom, Inc.*, 80 F.3d 449, 450 (11th Cir. 1996) (*per curiam*) (citing *United States v. Morton Salt Co.*, 338 U.S. 632, 652 (1950)); *Florida Azalea Specialists*, 19 F.3d at 623; *see also United States v. Lockheed Martin Corp.*, 995 F. Supp. 1460, 1462 (M.D. Fla. 1998).

The CID in this case was lawfully issued, is not unduly burdensome, and the requested materials are plainly relevant to the Commission’s investigation. Additionally, because Tracers failed to exhaust its administrative remedies by filing a petition to limit or quash the CID before the Commission, it may not now object to judicial enforcement. *See, e.g., EEOC v. Cuzzens of Georgia, Inc.*, 608 F.2d 1062, 1064 (5th Cir. 1979) (*per curiam*).¹ The Commission, accordingly, respectfully requests that this Court direct Tracers to appear and show cause why it should not fully comply, and thereafter enter its own order enforcing the CID. *See, e.g., Florida Azalea Specialists*, 19 F.3d at 623-24.

¹ Cases decided by the former Fifth Circuit prior to the close of business on September 30, 1981, are binding precedent. *Bonner v. City of Prichard*, 661 F.2d 1206, 1209 (11th Cir. 1981).

I. Tracers' Objections To The CID Should Be Rejected Because Tracers Failed To Exhaust Its Administrative Remedies.

The Commission's rules require a CID recipient to file with the Commission a "petition to limit or quash any compulsory process," which sets forth "all assertions of protected status or other factual and legal objections to the Commission compulsory process, including all appropriate arguments, affidavits, and other supporting documentation." 16 C.F.R. § 2.10(a)(1). The petition is due 20 days after service of the CID, unless a designated FTC staff member extends the deadline. 16 C.F.R. § 2.10(a)(1), (5). The full Commission then considers the petition and issues a written ruling. 16 C.F.R. § 2.10(c).

Because Tracers made "no effort to exhaust the available administrative remedies" (*see* ¶ 13, *supra*), it may not now contest enforcement of the CID "for any reason short of objections based on constitutional grounds." *Cuzzens of Georgia*, 608 F.2d at 1064. As the Supreme Court has explained, the recipient of FTC process may not challenge the demands as "arbitrarily excessive" without first making "reasonable efforts before the Commission itself to obtain reasonable conditions." *Morton Salt*, 338 U.S. at 653. Had Tracers filed a petition to quash, the Commission would have had "the opportunity to disclaim any inadvertent excesses or to justify [its] demands in the record." *Id.* at 653-54. *See also NLRB v. Fresh & Easy Neighborhood Mkt., Inc.*, 805 F.3d 1155, 1159 (9th Cir. 2015) ("In deference to the Board's interest and expertise in managing the cases before it, we generally will not entertain a challenge to a subpoena that was not first brought before the Board.").

This requirement of administrative exhaustion applies even if a process recipient “waits for the FTC to bring an action [rather] than if he himself institutes it. In either case, there was an administrative mechanism for him to utilize and he failed to do so.” *FTC v. O’Connell Assocs., Inc.*, 828 F. Supp. 165, 168 (E.D.N.Y. 1993); *see also Cuzzens of Georgia*, 608 F.2d at 1063 (subpoena recipient must exhaust available remedies even if it “appeared in court only to raise defenses to the enforcement”). Tracers is accordingly precluded from contesting the Commission’s enforcement petition, but even if it could raise belated objections, they would carry no weight, as we demonstrate below.

II. The CID Is Within The Commission’s Authority And Seeks Only Relevant Information.

The FTC has ample authority to issue CIDs in its investigations. *See* ¶ 3, *supra*. The Commission issued the CID here as part of an investigation into possible violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a),² and multiple provisions of the FCRA, *e.g.*, 15 U.S.C. §§ 1681b, 1681e(a).³ The CID here was issued under two Commission

² Section 5 provides, in relevant part:

(a)(1) [U]nfair or deceptive acts or practices in or affecting commerce, are hereby declared unlawful.

(2) The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations . . . from using . . . unfair or deceptive acts or practices in or affecting commerce.

15 U.S.C. § 45.

³ Section 604 of the FCRA allows consumer reporting agencies to furnish consumer reports only for certain permissible purposes, and prohibits a person from using or

resolutions authorizing staff to use “any and all compulsory processes available to it . . . in connection with this investigation.” Pet. Exhs. 3 & 4; *see* ¶ 7, *supra* (quoting resolutions).

The CID was properly authorized and duly issued. *See* 15 U.S.C. 57b-1(c)(1); *see also* 16 C.F.R. § 2.7(a).⁴ It seeks documents, information, and testimony indisputably “relating to” the subject matter of the investigation, and it was duly signed by a member of the Commission (Chairwoman Edith Ramirez). Pet. Exh. 5. Based on this, and in light of its frequent conversations with FTC staff, Tracers has received ample notice of the purpose and scope of the investigation. *See* 15 U.S.C. § 57b-1(c)(2); 16 C.F.R. § 2.6.

obtaining consumer reports for any purposes “not authorized to be furnished under this section.” 15 U.S.C. § 1681b(a), (f). Section 607 of the FCRA provides,

Every consumer reporting agency shall maintain reasonable procedures designed . . . to limit the furnishing of consumer reports to the purposes listed under section 604 [§ 1681b] of this title. These procedures shall require that prospective users of the information identify themselves, certify the purposes for which the information is sought, and certify that the information is used for no other purpose. Every consumer reporting agency shall make a reasonable effort to verify the identity of a new prospective user and the uses certified by such prospective user prior to furnishing such user a consumer report. No consumer reporting agency may furnish a consumer report to any person if it has reasonable grounds for believing that the consumer report will not be used for a purpose listed in section 604 [§ 1681b] of this title.

15 U.S.C. § 1681e(a).

⁴ Section 2.7(a) of the Commission’s Rules of Practice provides, in relevant part: “The Commission or any Commissioner may, pursuant to a Commission resolution, issue a subpoena, or a civil investigative demand, directing the recipient named therein to appear before a designated representative at a specified time and place to testify or to produce documentary material, or both, and in the case of a civil investigative demand, to provide a written report or answers to questions, relating to any matter under investigation by the Commission.”

The CID seeks material that goes to the heart of the current investigation. The standard for judging relevancy in an investigation is a broad one. In an investigation, the Commission is not limited to seeking information that is necessary to prove specific charges. Rather, the objective of an investigation is to learn whether there is reason to believe that the law has been, or is being, violated and, if so, whether the issuance of a complaint would be in the public interest. *See Texaco*, 555 F.2d at 872; *see also Florida Azalea Specialists*, 19 F.3d at 622-23 (an agency “can investigate merely on suspicion that the law is being violated, or even just because it wants assurance that it is not”) (quoting *Morton Salt*, 338 U.S. at 642-43). The required documents and information, therefore, need only be relevant to the investigation—the boundary of which may be defined by the agency quite generally. *See Carter*, 636 F.2d at 787-88; *Texaco*, 555 F.2d at 874 & n.26.⁵

In this investigation, the FTC seeks to determine whether Tracers has complied with the FTC Act and the FCRA in its acquisition, handling, and sale of personal information and consumer report information, and whether any violations by Tracers would warrant monetary relief. *See* ¶¶ 6-8, *supra*; Pet. Exhs. 3 & 4 (investigative resolutions). As part of the investigation, the FTC has inquired, *inter alia*, about Tracers’ costs, revenues, and profits. *See* ¶ 8, *supra*. Such questions are “reasonably relevant” to this investigation.

⁵ The FTC’s investigatory authority is thus significantly broader than certain other agencies that issue administrative subpoenas, including the EEOC, whose subpoena power is limited to information “relevant to the charge under investigation.” 42 U.S.C. § 2000e-8(a); *see EEOC v. Shell Oil Co.*, 466 U.S. 54, 64 & n.14 (1984).

Tracers, however, has refused to provide information about its costs, revenues, or profits (Document Requests 7-8, as modified 9/28/15; Interrogatories 26-27), objecting that this information is irrelevant. *See* ¶ 14(d), *supra*. Again, Tracers has not exhausted its remedies on this issue (*see* ¶ 13, *supra*), and, in any event, its costs, revenues, and profits are central to this inquiry. Under the FTC Act, a practice is “unfair” only when it “causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers themselves and not outweighed by countervailing benefits to consumers or to competition.” 15 U.S.C. § 45(n). Tracers’ costs, revenues, and profits will help FTC staff understand whether Tracers’ practices have caused substantial consumer injury, and whether those practices produce benefits to consumers and competition that outweigh any consumer injury. Additionally, this inquiry also seeks to decide whether “Commission action to obtain redress of injury to consumers or others would be in the public interest.” Pet. Exhs. 3 & 4 (resolutions). *See FTC v. Invention Submission Corp.*, 965 F.2d 1086, 1087-88 (D.C. Cir. 1992) (“The purpose of an investigation is defined by the investigative resolution that authorizes compulsory process.”). Tracers’ costs, revenues, and profits will thus help Commission staff understand whether monetary relief is feasible or appropriate in this case.

III. The Commission’s Investigative Authority Encompasses Trade Secrets And Other Confidential Business Information.

Tracers may not rely on the confidential status of the materials sought as a basis for refusing to comply with a CID. “Congress, in authorizing the Commission’s investigatory power, did not condition the right to subpoena information on the sensitivity of the information sought.” *FTC v. Invention Submission Corp.*, Misc. No. 89-

272(RCL), 1991 WL 47104 at *4 (Feb. 14, 1991), *aff'd*, 965 F.2d at 1089. *See also FTC v. Gibson Prods. of San Antonio, Inc.*, 569 F.2d 900, 908 (5th Cir. 1978) (“We also do not believe the subpoenas are overly broad . . . simply because the requests may include confidential information.”); *FTC v. Rockefeller*, 441 F. Supp. 234, 242 (S.D.N.Y. 1977) (confidentiality of subpoenaed material “poses no obstacle to enforcement”).⁶ In fact, both the FTC Act and the FTC’s Rules of Practice provide robust confidentiality protections for information the Commission obtains through compulsory process. *See, e.g.*, 15 U.S.C. § 57b-2; 16 C.F.R. § 4.10.

Nonetheless, months after the Commission issued the CID and the parties held a meet-and-confer session, Tracers contended for the first time that it was entitled to withhold documents and responses to interrogatories on the basis that they were trade secrets or subject to confidentiality agreements with third parties. Specifically, Tracers invoked confidentiality when refusing to provide documents and information about its vetting and auditing of customers (modified Document Request 3(b));⁷ its customers’ identities (Interrogatories 9-10, 13, 17-18; modified Document Request 6); its collection, licensing, and sources of consumer information (Document Request 4(a); Interrogatories 8, 8(a)-(c), 19); and its costs, revenues, and profits (Document Requests 7-8). *See* ¶ 14(a)-(d), *supra*. As shown above, however, the confidential status of the information

⁶ *See also FTC v. Green*, 252 F. Supp. 153, 157 (S.D.N.Y. 1966) (“The fact that information sought by the Commission in an investigation constitutes a trade secret does not limit the Commission’s power to obtain it.”).

⁷ Tracers contradicted its own objection when it offered to produce the vetting and audit files for 50 of its customers. *See* ¶ 17, *supra*. If Tracers believes that confidentiality is no bar to producing the files of these 50 customers, the same logic must apply to its remaining customer files.

and documents sought by an FTC CID does not excuse a party from compliance. The Commission, therefore, is entitled to enforcement of the CID regardless of the confidentiality of the requested materials.

IV. Interrogatory 7 Identifies The Required Information With Sufficient Specificity.

The CID's document requests and interrogatories are clear, reasonably precise, and not "too indefinite." *See Tire Kingdom*, 80 F.3d at 450 (citing *Morton Salt*, 338 U.S. at 652). Tracers' assertion that Interrogatory 7 is vague (*see* ¶ 14(e), *supra*) is belied by its failure to raise this point either in the September 2015 meet-and-confer session with FTC staff or in an administrative petition to quash. The meaning of Interrogatory 7 is abundantly clear when viewed in the context of this investigation.

Interrogatory 7 directs Tracers to name the "category or categories" under which a Tracers customer may apply for access to each Tracers service using the company's subscriber application form. These categories relate to the purpose for which the user requests access to a service. Pet. Exh. 1 ¶ 15(e); *see* 15 U.S.C. § 1681e(a) (consumer reporting agencies must "require that prospective users of the information identify themselves, certify the purposes for which the information is sought, and certify that the information is used for no other purpose"). Tracers' application form requires customers to select the appropriate checkbox to indicate how they intend to use the requested personal information and consumer report information (e.g., "child support enforcement"; "collections"; "legal process service"). Pet. Exh. 10, at page 6. It is therefore obvious that the interrogatory requires Tracers to identify each category of intended use that customers may select to gain access to each Tracers service. Pet. Exh. 1 ¶ 15(e). Thus,

the scope of Interrogatory 7 is clear to anyone who has basic information about the FCRA, the nature of Tracers' business, and its subscriber application form.

V. The CID Is Not Unduly Burdensome.

Finally, Tracers has not established that complying with the CID would cause undue burden. It is well established that FTC administrative process "is not unreasonably burdensome unless 'compliance threatens to unduly disrupt or seriously hinder normal operations of a business.'" *FTC v. Jim Walter Corp.*, 651 F.2d 251, 258 (5th Cir. Unit A July 1981) (quoting *Texaco*, 555 F.2d at 882), *abrogated on other grounds by Ins. Corp. of Ireland, Ltd. v. Campagnie des Bauxites de Guinee*, 456 U.S. 694, 702-03 (1982).⁸ Some burden on the subpoenaed party is "to be expected and is necessary in furtherance of the agency's legitimate inquiry and the public interest." *Texaco*, 555 F.2d at 882. The party resisting compliance has the burden to show the "measure of their grievance rather than [asking the court] to assume it." *FTC v. Standard American, Inc.*, 306 F.2d 231, 235 (3d Cir. 1962); *see also Jim Walter*, 651 F.2d at 258 ("The subpoenaed party must not merely utter the claim; it must persuade us."). That burden is "not easily met," *Texaco*, 555 F.2d at 882, and Tracers cannot meet it here.

Although Tracers has claimed undue burden in producing its customer audit and vetting files (Document Request 3(b), as modified 9/28/15), FTC staff addressed that concern when it limited the CID by allowing Tracers to produce a representative sample of these files. Indeed, Tracers' counsel represented that a random sample would resolve

⁸ If a subpoena or CID recipient makes this showing, only then will the court proceed to "balance the hardships and benefits" of compliance. *Jim Walter*, 651 F.2d at 258 (quotation omitted).

Tracers' burden concerns. *See* ¶ 11, *supra*. Months later, however, Tracers objected to producing even this representative sample, claiming that it would be unduly burdensome to review a sample of approximately 600 files that it maintains in hard paper format. *See* ¶¶ 14(a), 17, *supra*. On this same ground, Tracers is also now refusing to provide the number of applicants who were denied access to its services (Interrogatory 12, as modified 9/28/15) and the names of customers it subjected to audits (Interrogatories 17-18). *See* ¶ 14(a)-(b), *supra*.

Given Tracers' failure to raise these issues in an administrative petition to quash—in which it could have provided “supporting documentation” for its burden claim (*see* 16 C.F.R. § 2.10(a)(1))—it may not raise these issues for the first time in defense of an enforcement petition. In any event, there is no reasonable basis to believe that review and production of a few hundred customer files would impose a substantial burden on Tracers' operations. Even assuming that Tracers would incur some burden in reviewing paper files, the manner in which Tracers has decided to maintain its files is not a proper basis for resisting enforcement. *See, e.g., EEOC v. Maryland Cup Corp.*, 785 F.2d 471, 477 (4th Cir. 1986) (company's allegation “that it needs constant access to all of the documents” is not “evidence that the company's normal operations will be seriously disrupted if it produces the documents”).

As for Tracers' reliance on burden to justify withholding its sources of information and any description of those sources (Interrogatories 8, 8(a)-(c)), *see* ¶ 17, *supra*, Tracers did not provide FTC staff with any support for its claim that producing this material would disrupt its business. It is therefore not entitled to object on this basis

before this Court. In any event, even if Tracers can no longer identify *all* of its sources, it remains obligated to provide the FTC with any responsive information in its possession, custody, or control. *See, e.g., Searock v. Stripling*, 736 F.2d 650, 653 (11th Cir. 1984) (“Control is defined not only as possession, but as the legal right to obtain the documents requested upon demand.”).

Prayer for Relief

WHEREFORE, the Commission invokes the aid of this Court and prays:

- a. For the immediate issuance of an order directing Tracers to appear and show cause why it should not comply in full with the CID;
- b. For a prompt determination of this matter and an order requiring Tracers to fully comply with the CID within ten (10) days of such order, or at such later date as may be established by the Commission;
- c. For such other relief as this Court deems just and proper.

Respectfully submitted,

JONATHAN E. NUECHTERLEIN
General Counsel

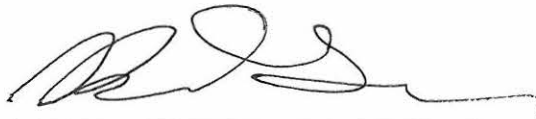
DAVID C. SHONKA
Principal Deputy General Counsel

LESLIE RICE MELMAN
Assistant General Counsel for Litigation

Of Counsel:

MEGAN COX
BENJAMIN ROSSEN
Division of Privacy and
Identity Protection

Dated: February 12, 2016



BRADLEY GROSSMAN, Litigation Counsel
Office of the General Counsel
Federal Trade Commission
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Washington, D.C. 20580
(202) 326-2994
(202) 326-2477 (fax)
bgrossman@ftc.gov

JS 44 (Rev. 12-12)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS Federal Trade Commission (b) County of Residence of First Listed Plaintiff _____ (EXCEPT IN U.S. PLAINTIFF CASES) (c) Attorneys (Firm Name, Address, and Telephone Number) Bradley D. Grossman, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580; 202-326-2994	DEFENDANTS Tracers Information Specialists, Inc. County of Residence of First Listed Defendant <u>Hernando</u> (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED. Attorneys (If Known) Richard G. Salazar, Buchanan Ingersoll & Rooney PC, 401 E. Jackson Street, Suite 2400, Tampa, FL 33602; 813-222-1142
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II. BASIS OF JURISDICTION (Place an "X" in One Box Only)	III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)																																			
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IV. NATURE OF SUIT (Place an "X" in One Box Only)						
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V. ORIGIN (Place an "X" in One Box Only)

1 Original Proceeding
 2 Removed from State Court
 3 Remanded from Appellate Court
 4 Reinstated or Reopened
 5 Transferred from Another District (specify)
 6 Multidistrict Litigation

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
15 U.S.C. s 57b-1(e)

Brief description of cause:
Enforcement of administrative investigative process

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. **DEMAND \$** _____ CHECK YES only if demanded in complaint:
JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions):

JUDGE _____ DOCKET NUMBER _____

DATE 2/12/16 SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

PETITION EXHIBIT 1

Declaration of Megan Cox
(February 11, 2016)

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

)	
FEDERAL TRADE COMMISSION,)	
)	
Petitioner,)	
)	Misc. No. _____
v.)	
)	
TRACERS INFORMATION)	
SPECIALISTS, INC.)	
)	
Respondent.)	
)	

DECLARATION OF MEGAN COX

Pursuant to 28 U.S.C. § 1746, I declare as follows:

1. I am an attorney employed by the U.S. Federal Trade Commission (FTC or Commission), in Washington, D.C., in the Division of Privacy and Identity Protection. I am assigned to the FTC’s investigation into Tracers Information Specialists, Inc. (Tracers) (FTC File No. 1523218). The purpose of the investigation is to determine whether Tracers’ business practices with respect to the sale of consumers’ personal information violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, which prohibits “unfair or deceptive acts or practices,” or the Fair Credit Reporting Act (FCRA), 15 U.S.C. §§ 1681, 1681a-x, which requires consumer reporting agencies to protect the accuracy, fairness, and privacy of information in their files.

2. I am authorized to execute a declaration verifying the facts that are set forth in the Petition of the Federal Trade Commission for an Order Enforcing Administrative Investigative Process. I have read the petition and exhibits thereto (hereinafter referred to as Pet. Exh.), and verify that Pet. Exh. 1 through Pet. Exh. 13 are true and correct copies of the original documents. The facts set forth herein are based on my personal knowledge or information made known to me in the course of my official duties.

3. Tracers is a privately held Massachusetts corporation with its principal place of business located at 15470 Flight Path Drive, Brooksville, Florida 34604. Tracers provides internet-based search services – including Asset Searches, Business Searches, Court Records, Criminal Records, License Searches, Profile Reports, and People Searches – which give customers access to information about persons and businesses that Tracers has culled from public records and proprietary databases. For example, customers who pay Tracers to access its People Searches service can retrieve an individual’s Social Security number (SSN), birthdate, home and email address, and information about the individual’s relatives and roommates. *See* Pet. Exh. 2 (printouts from Tracers’ website). Tracers’ customers include debt collectors, law enforcement agencies, private investigators, attorneys, and insurance companies. *Id.* As Tracers’ website acknowledges, in some instances the information generated by its search services constitutes a “consumer report” within the meaning of the FCRA. *Id.*; *see* 15 U.S.C. § 1681a(d).

4. FTC staff opened this investigation after learning that an individual, Eddie Maurice-Matthew Jones, had been indicted for conspiring to defraud the U.S. Department of Housing and Urban Development (HUD) and other entities using SSNs that he obtained as a Tracers customer. In his July 2015 guilty plea, Jones admitted that, posing as a debt collector, he was able to open a Tracers account and thereby access consumers' SSNs. *See United States v. Jones*, No. 2:15-cr-20019-MFL-MKM-3, ECF No. 26 (E.D. Mich. Jul. 23, 2015). Jones and his co-conspirators then used these SSNs to submit fraudulent claims to HUD for refunds of \$484,989 in upfront mortgage insurance premiums that HUD owed to those consumers. *Id.*
5. The Commission seeks to determine whether Tracers' sale of personal information or consumer report information was unfair or deceptive in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, and whether it has violated the FCRA, which, among other things, allows reporting agencies to disclose consumer reports only for certain permissible purposes, 15 U.S.C. § 1681b, and requires reporting agencies to verify the identity of prospective users and adopt reasonable compliance procedures to prevent unauthorized disclosures. 15 U.S.C. § 1681e(a).
6. In August 2015, FTC staff asked the Commission to issue a civil investigative demand (CID) to Tracers under the authority of two FTC investigatory resolutions. Resolution No. 992-3120 authorizes the use of compulsory process

to determine whether persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*, and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended, relating to information furnished to consumer reporting agencies, maintained in the files of consumer reporting agencies, or obtained as a consumer report from a consumer reporting agency. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

Pet. Exh. 3. Similarly, FTC Resolution No. P954807 authorizes the use of compulsory process

[t]o determine whether unnamed persons, partnerships, corporations, or others are engaged in, or may have engaged in, deceptive or unfair acts or practices related to consumer privacy and/or data security, including but not limited to the collection, acquisition, use, disclosure, security, storage, retention, or disposition of consumer information, in or affecting commerce, in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

Pet. Exh. 4.

7. The Commission issued a CID to Tracers on August 20, 2015. Pet. Exh. 5. The CID required Tracers to respond to document requests and interrogatories on or before September 23, 2015, and to provide oral testimony on 10 specified topics relevant to the investigation on October 23, 2015.
8. The CID seeks information relating to, *inter alia*, Tracers' corporate structure; the scope of its products and services; its sources of information; and its costs, prices, and profits. The CID also seeks to learn whether Tracers is complying with the FCRA and the FTC Act in vetting applications from prospective customers and

auditing the activities of existing customers. In particular, Tracers' response to the CID will help FTC staff learn about (a) Tracers' procedures for vetting new customers and auditing existing ones; (b) Tracers' communications with customers during the vetting and auditing process; (c) the documentation that Tracers requires from new and existing customers; and (d) the extent to which Tracers' vetting and auditing were able to identify whether its customers were engaged in identity theft or other unauthorized use of consumers' personal information or consumer report information, and if so, what actions Tracers took in response.

9. As required by the FTC's Rules of Practice (16 C.F.R. § 2.7(k)), Tracers and FTC staff participated in a meet-and-confer session on September 16, 2015. Tracers requested a thirty-day extension of time to respond to the CID, citing changes in ownership and management since issuance of the CID. Pet. Exh. 6 (9/18/2015 Letter). FTC staff granted the extension on the condition that Tracers provide the Commission with documents it stated it had previously produced to HUD by the original production deadline. *Id.* FTC staff also rescheduled the date for oral testimony. *Id.*
10. FTC staff also granted several other requests to modify the CID. Specifically, by letter of September 28, 2015 (Pet. Exh. 7), staff modified the CID as follows:
 - a. Staff narrowed the scope of Interrogatories 11, 12, and 14, which had directed Tracers to identify entities that applied for, but were denied access to, Tracers' search services since 2010. The modified CID

specifications require Tracers to provide the number of entities that were denied access without identifying those entities.

- b. Staff also narrowed Document Request 11, which had sought all documents and information that Nationwide Fund Recovery LLC (Nationwide) had accessed during the period when its principal, Eddie Jones, posed as a debt collector (*see* ¶ 4, *supra*). The modified CID specifications require only documents sufficient to show the types of search queries run by Nationwide and the data fields and types of consumer information Nationwide may have accessed through those searches.
- c. Staff narrowed Document Request 6, which had sought “all” documents concerning the prices Tracers charged for two search services, to instead require documents “sufficient to show” the prices for subscriptions to those search services. Staff also modified Document Request 7, which had required Tracers to produce documents reflecting its costs for providing services. Because Tracers clarified that it incurs costs through annual licensing fees (rather than per search), the modified request seeks documents concerning those annual fees. Likewise, staff modified Document Request 8, which had required Tracers’ profits by product line, to seek Tracers’ total profits instead.
- d. Finally, staff substantially narrowed Document Request 3, which had sought “all documents” concerning Tracers’ “auditing, investigation,

vetting, review, or verification” of anyone with whom it had a “business relationship” involving the purchase or use of personal information.

Tracers informed FTC staff that it maintained many of the requested documents solely in hard copy. The modified request permits Tracers to produce instead its policies and procedures for vetting prospective customers and auditing existing customers (Document Request 3(a)) and a “representative random sample” of Tracers’ documents related to its vetting and audits of specific applicants and customers since 2010 (Document Request 3(b)). Counsel for Tracers had informed FTC staff by phone that these modifications would resolve Tracers’ concerns about burden.

11. On October 23, 2015, FTC staff granted Tracers a second thirty-day extension to respond to the modified CID. Pet. Exh. 8 (10/23/15 Letter). Under this extension, Tracers was to produce all documents on a rolling basis and to complete its production by no later than November 23, 2015.
12. On October 27, 2015, FTC staff notified Tracers that it generated a statistically representative, random sample comprising 357 applicants and 257 existing customer audits, and directed Tracers to produce documents concerning its vetting or auditing of those entities, as specified in modified Document Request 3(b). *See* Pet. Exh. 9 (10/27/15 email). FTC staff drew this sample from a list of usernames for the more than 6,000 applicants and 800 customer audits that Tracers had maintained files for since 2010.

13. For roughly three months after the CID was issued, Tracers did not express any objections or concerns other than at the above-mentioned meet-and-confer, where Tracers requested certain modifications that FTC staff adopted shortly thereafter (*see* ¶¶ 9-10, *supra*).
14. On November 19, 2015, Tracers informed FTC staff for the first time that it intended to lodge objections to certain interrogatories and document requests and to withhold production of certain responsive documents. Tracers did not file a petition to limit or quash the CID with the Commission. *See* 16 C.F.R. § 2.10(a).
15. On November 23, 2015, Tracers submitted its responses to certain interrogatories and document requests, but stated that it was unwilling to provide the following categories of material:
 - a. Auditing and Vetting Documents: Although Tracers previously expressed a willingness (*see* ¶ 10(d), *supra*) to provide a representative sample of documents reflecting its audits and vetting of applicants and customers (Document Request 3(b), as modified 9/28/15), Tracers objected that these documents contained trade secrets and information that is subject to confidentiality agreements with its customers. Tracers also claimed that it did not have an electronic version of those documents and therefore that it would be unduly burdensome to produce them. Tracers even refused to specify the number of applicants that were denied access to its services (Interrogatory 12, as modified 9/28/15), again claiming that its vetting information was unduly burdensome to produce.

- b. Customer Identities: Tracers also refused to identify its customers and applicants, including those that it terminated after audits (Interrogatories 9-10, 13, 17-18), or to produce the prices that each customer paid for Tracers' services (Document Request 6, as modified 9/28/15). Tracers objected that the identities of its customers and applicants are a trade secret and are subject to confidentiality agreements with those entities. Tracers further objected that identifying its customers subject to audit (Interrogatories 17-18) would be unduly burdensome because Tracers keeps this information in paper files.
- c. Sources of Consumer Information: Tracers refused to produce documents regarding its policies, practices, and procedures for collecting information about consumers (Document Request 4(a)). Tracers also refused to identify its sources of personal information and consumer report information, to describe the information collected, to explain how it uses that information, or even to state the number of consumers whose personal information and consumer report information is provided by each source (Interrogatories 8, 8(a)-(c)). Likewise, Tracers refused to describe the search databases that it provides to customers (Interrogatory 19). Again, Tracers claimed that the identity of its sources is a trade secret and is subject to confidentiality agreements with those sources.
- d. Costs, Revenues, and Profits: Tracers also refused to provide information about its costs, revenues, and profits (Document Requests 7-8, as modified

9/28/15; Interrogatories 26-27), asserting that this information was confidential and a trade secret, and that it was not relevant to the investigation.

- e. Subscriber Applications: Finally, Tracers refused to answer Interrogatory 7, which directed it to name the “category or categories” under which a Tracers customer may apply for access to each Tracers service using the company’s subscriber application form. These categories relate to the purpose(s) for which the user requests access to a service. Tracers’ application form (Pet. Exh. 10, at page 6) requires customers to select the appropriate checkbox to indicate how they intend to use consumers’ personal information (*e.g.*, “child support enforcement”; “collections”; “legal process service”). The interrogatory thus requires Tracers to identify the category or categories of intended use for which customers may request access to each service. Tracers claimed this interrogatory was vague.
16. For several of the CID specifications (Interrogatory 12; Document Requests 3(b), 6-8), Tracers refused to provide responsive information even though FTC staff had already modified these requests as discussed at the September 2015 meet-and-confer (*see* ¶¶ 9, 10(a)-(d), *supra*).
17. In total, Tracers produced only 27 documents, including the 6 documents previously produced to HUD, and provided responsive answers to only 16 of the 27 interrogatories.


18. By letter of December 1, 2015 (Pet. Exh. 11), FTC staff notified Tracers of the specific deficiencies in the production and offered to forbear from referring the matter for enforcement if Tracers complied with the deadlines set forth in the letter. These deadlines required Tracers to respond fully to all interrogatories by December 8, 2015, produce documents in response to certain outstanding requests by December 14, and provide the remaining documents by December 28.
19. On December 4, 2015, the date for oral testimony was rescheduled to January 21, 2016 (Pet. Exh. 12). That date has since been rescheduled to March 17, 2016 (Pet. Exh. 13, 1/15/16 letter).
20. On December 16, 2015, Tracers informed staff that it would not produce anything further in response to the CID without a court order.
21. On January 7, 2016, Tracers supplemented its objections to Interrogatories 8, 8(a)-(c) and Document Request 3(b), but did not provide any additional responsive information. Instead, Tracers claimed that it would be unduly burdensome to identify and describe its sources of consumer report information, as required by Interrogatories 8, 8(a)-(c). For the first time, Tracers asserted that given the size of its databases, it likely cannot identify every source of its information, provide a meaningful answer regarding the types of information it obtains from each source, or provide an accurate answer about the number of individual consumers on whom it maintains information. Tracers also reiterated its refusal to provide a representative random sample of audit and vetting files (*see* ¶ 15(a), *supra*), but now offered to provide only 50 total files of the 357

applicants and 257 existing customer audit files that FTC staff had requested as a sample size.

22. Tracers' non-compliance with the CID has burdened, delayed, and impeded the Commission's investigation.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 11, 2016



Megan Cox, Staff Attorney
Division of Privacy and Identity Protection
Bureau of Consumer Protection
Federal Trade Commission

PETITION EXHIBIT 2

Printouts from the website of
Tracers Information Specialists, Inc.,
www.tracersinfo.com

Company

[Overview](#)[Industry News](#)[Events](#)[Privacy Policy](#)[Security](#)[Site Map](#)**About Tracers**

Since 1996, Tracers Information Specialists, Inc. has been supplying companies with the data and intelligence needed to conduct business in the information age. By combining technology with innovation, we deliver access to billions of public records and proprietary data sources to qualified organizations across multiple industries. Our robust database and powerful search technology make us the premier solution provider in several markets, including:

- Collections
- Law Enforcement
- Media
- Private Investigation
- Insurance
- Banking and Finance
- Corporate
- Legal

Tracers was built on the principle of providing excellent service and outstanding value to our customers. We pride ourselves in the personal attention we give each of our clients and are committed to being their

trusted information partner.

Products

[People Searches](#)[Profile Reports](#)[License Searches](#)[Criminal Records](#)[Court Records](#)[Asset Searches](#)[Business Searches](#)**People Searches**

People Searches give you essential information about individuals. Our advanced search logic quickly sorts through billions of records to instantly bring you information about your subject, including:

- Current address
- Address history
- SSN
- Relative information
- Phones (land lines, cell phones, VOIP, and unlisted numbers)
- Date of birth
- Roommate information
- E-mail addresses
- Deceased indicator
- Shared residence

Markets

Law Enforcement

Corporate

Insurance

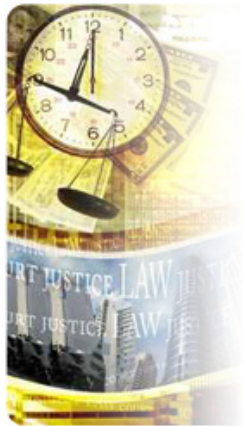
Attorneys

Banking and Finance

Collections

Private Investigators

Media



Collections

Tracers offers a comprehensive suite of data tools that help collection professionals quickly locate debtors and increase right-party contacts. Our high-speed search technology gives you instant access to billions of records, making it easy to find current phone numbers, addresses, business affiliations, assets, relatives and more. Tracers can also help you identify bankruptcy filings, as well as the presence of suits, liens and judgments. Our multiple data delivery methods and flexible pricing plans make Tracers an essential recovery tool for any Accounts Receivable Management (ARM) company.

Application

[Subscriber Application](#)

[Credit Card Authorization](#)

[Affidavit of Intended Use](#)

[FCRA Certification](#)



FCRA Certification

Access to FCRA products requires that you complete this certification in addition to the standard application:

 [FCRA Certification](#) (Adobe PDF)



These forms are available for you to download now in Adobe Acrobat PDF file format for viewing on your computer.

If you do not already have the Acrobat Reader installed on your computer, you will need to download a free copy of this program from the [Adobe website](#) to view these forms.

[Click here](#) if you would like more information about PDF files.

PETITION EXHIBIT 3

Resolution Directing Use of
Compulsory Process,
FTC File No. 992-3120
(Apr. 15, 1999)

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS:

Robert Pitofsky, Chairman
Sheila F. Anthony
Mozelle W. Thompson
Orson Swindle

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN NONPUBLIC
INVESTIGATION INTO THE ACTS AND PRACTICES OF UNNAMED PERSONS,
PARTNERSHIPS AND CORPORATIONS ENGAGED IN ACTS OR PRACTICES IN
VIOLATION OF 15 U.S.C. § 1681 ET SEQ. AND/OR 15 U.S.C. § 45

File No. 992-3120

Nature and Scope of Investigation:

An investigation to determine whether persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq., and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended, relating to information furnished to consumer reporting agencies, maintained in the files of consumer reporting agencies, or obtained as a consumer report from a consumer reporting agency. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

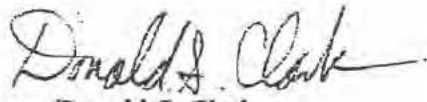
The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. § § 46, 49, 50 and 57b-1, as amended; FTC Procedures and Rules of Practices 16 C.F.R. 1.1 et seq. and supplements thereto.

Title VI of the Consumer Credit Protection Act, Section 621, 15 USCA § 1681s.

By direction of the Commission.


Donald S. Clark
Secretary

Dated: April 15, 1999

PETITION EXHIBIT 4

Resolution Directing Use of
Compulsory Process,
FTC File No. P954807
(Jan. 24, 2013)

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

COMMISSIONERS: Jon Leibowitz, Chairman
Edith Ramirez
Julie Brill
Maureen K. Ohlhausen
Joshua D. Wright

**RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN NONPUBLIC
INVESTIGATION OF ACTS AND PRACTICES RELATED TO CONSUMER PRIVACY
AND/OR DATA SECURITY**

File No. P954807

Nature and Scope of Investigation:

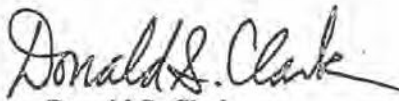
To determine whether unnamed persons, partnerships, corporations, or others are engaged in, or may have engaged in, deceptive or unfair acts or practices related to consumer privacy and/or data security, including but not limited to the collection, acquisition, use, disclosure, security, storage, retention, or disposition of consumer information, in or affecting commerce, in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation not to exceed five (5) years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, and 57b-1, as amended; FTC Procedures and Rules of Practice, 16 C.F.R. § 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: January 24, 2013

PETITION EXHIBIT 5

Civil Investigative Demand directed to
Tracers Information Specialists, Inc.,
FTC File No. 1523218
(Aug. 20, 2015)



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

1. TO

Tracers Information Specialists, Inc.
c/o Richard Salazar

This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

LOCATION OF HEARING

United States Attorneys Office
400 North Tampa Street
Suite 3200
Tampa, Fl. 33602

YOUR APPEARANCE WILL BE BEFORE

Megan Cox or other duly designated person

DATE AND TIME OF HEARING OR DEPOSITION

OCT 23 2015

You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.

You are required to answer the Interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS MUST BE AVAILABLE

SEP 23 2015

3. SUBJECT OF INVESTIGATION

See attached resolutions.

4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN

Matthew Smith/Megan Cox
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Mail Stop C08232
Washington DC 20580
(202) 326-2993

5. COMMISSION COUNSEL

Megan Cox
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Mail Stop CC-8232
Washington, DC 20580
(202) 326-2282

DATE ISSUED

8/20/15

COMMISSIONER'S SIGNATURE

Elizabeth R. ...

INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by DMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents and information required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to such interrogatory or uncompleted portion and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS:

Robert Pitofsky, Chairman
Sheila F. Anthony
Mozelle W. Thompson
Orson Swindle

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN NONPUBLIC
INVESTIGATION INTO THE ACTS AND PRACTICES OF UNNAMED PERSONS,
PARTNERSHIPS AND CORPORATIONS ENGAGED IN ACTS OR PRACTICES IN
VIOLATION OF 15 U.S.C. § 1681 ET SEQ. AND/OR 15 U.S.C. § 45

File No. 992-3120

Nature and Scope of Investigation:

An investigation to determine whether persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq., and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended, relating to information furnished to consumer reporting agencies, maintained in the files of consumer reporting agencies, or obtained as a consumer report from a consumer reporting agency. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

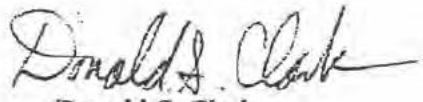
The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. § § 46, 49, 50 and 57b-1, as amended; FTC Procedures and Rules of Practices 16 C.F.R. 1.1 et seq. and supplements thereto.

Title VI of the Consumer Credit Protection Act, Section 621, 15 USCA § 1681s.

By direction of the Commission.


Donald S. Clark
Secretary

Dated: April 15, 1999

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

COMMISSIONERS: Jon Leibowitz, Chairman
Edith Ramirez
Julie Brill
Maureen K. Ohlhausen
Joshua D. Wright

**RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN NONPUBLIC
INVESTIGATION OF ACTS AND PRACTICES RELATED TO CONSUMER PRIVACY
AND/OR DATA SECURITY**

File No. P954807

Nature and Scope of Investigation:

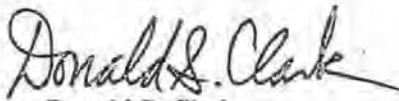
To determine whether unnamed persons, partnerships, corporations, or others are engaged in, or may have engaged in, deceptive or unfair acts or practices related to consumer privacy and/or data security, including but not limited to the collection, acquisition, use, disclosure, security, storage, retention, or disposition of consumer information, in or affecting commerce, in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation not to exceed five (5) years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, and 57b-1, as amended; FTC Procedures and Rules of Practice, 16 C.F.R. § 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: January 24, 2013

**CIVIL INVESTIGATIVE DEMAND
SCHEDULE FOR INTERROGATORIES AND
REQUESTS FOR THE PRODUCTION OF DOCUMENTS
AND ORAL TESTIMONY**

L DEFINITIONS

As used in this Civil Investigative Demand, the following definitions shall apply:

A. “**And,**” as well as “**or,**” shall be construed both conjunctively and disjunctively, as necessary, in order to bring within the scope of any specification in this Schedule all information that otherwise might be construed to be outside the scope of the specification.

B. “**Any**” shall be construed to include “**all,**” and “**all**” shall be construed to include the word “**any.**”

C. “**CID**” shall mean the Civil Investigative Demand, including the attached Resolutions and this Schedule, and including the Definitions, Instructions, and Specifications.

D. “**Company**” or “**Tracers**” shall mean Tracers Information Specialists, Inc., its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

E. “**Consumer**” shall mean a natural person.

F. “**Consumer Report**” shall mean any consumer report as that term is defined in section 603(d)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681a(d)(1).

G. “**Coasumer Report Information**” shall mean any information that would be in a consumer report, as that term is defined in section 603(d)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681a(d)(1).

H. “**Customer**” shall mean any person or business that has applied for access to Tracers’ products and services and has been given access to Tracers’ products and services.

I. “**Document**” shall mean the complete original and any non-identical copy (whether different from the original because of notations on the copy or otherwise), regardless of origin or location, of any written, typed, printed, transcribed, filmed, punched, or graphic matter of every type and description, however and by whomever prepared, produced, disseminated or made, including but not limited to any advertisement, book, pamphlet, periodical, contract, correspondence, file, invoice, memorandum, note, telegram, report, record, handwritten note, working paper, routing slip, chart, graph, paper, index, map, tabulation, manual, guide, outline, script, abstract, history, calendar, diary, agenda, minute, code book or label. “**Document**” shall also include all documents, materials, and information, including Electronically Stored Information, within the meaning of the Federal Rules of Civil Procedure.

J. **“Each”** shall be construed to include **“every,”** and **“every”** shall be construed to include **“each.”**

K. **“Electronically Stored Information”** or **“ESI”** shall mean the complete original and any non-identical copy (whether different from the original because of notations, different metadata, or otherwise), regardless of origin or location, of any writings, drawings, graphs, charts, photographs, sound recordings, images, and other data or data compilations stored in any electronic medium from which information can be obtained either directly or, if necessary, after translation by you into a reasonably usable form. This includes, but is not limited to, electronic mail, instant messaging, videoconferencing, and other electronic correspondence (whether active, archived, or in a deleted items folder), word processing files, spreadsheets, databases, and video and sound recordings, whether stored on: cards; magnetic or electronic tapes; disks; computer hard drives, network shares or servers, or other drives; cloud-based platforms; cell phones, PDAs, computer tablets, or other mobile devices; or other storage media.

L. **“FCRA”** shall mean the Fair Credit Reporting Act, 15 U.S.C. §§ 1681 – 1681x.

M. **“FTC”** or **“Commission”** shall mean the Federal Trade Commission.

N. **“Identify”** or **“the identity of”** shall be construed to require identification of (1) natural persons by name, title, present business affiliation, present business address and telephone number, or if a present business affiliation or present business address is not known, the last known business and home addresses; and (2) businesses or other organizations by name, address, identities of natural persons who are officers, directors or managers of the business or organization, and contact persons, where applicable.

O. **“Referring to”** or **“relating to”** shall mean discussing, describing, reflecting, containing, analyzing, studying, reporting, commenting, evidencing, constituting, setting forth, considering, recommending, concerning, or pertaining to, in whole or in part.

P. **“Personal Information”** shall mean individually identifiable information from or about an individual consumer including, but not limited to: (a) first and last name; (b) telephone number; (c) a home or other physical address, including street name and name of city or town; (d) date of birth; (e) Social Security number; or (f) financial information, including but not limited to financial institution account number, income tax information, information about debts owed, insurance policy information, and payment card or check-cashing card information.

Q. **“People Searches”** shall mean the Tracers’ product that is named **“People Searches”** and is described as a product on Tracers’ website.

R. **“Premium People Search”** shall mean the Tracers’ product that is named **“Premium People Search”** and is a type of transaction listed on subscribers’ account details.

S. **“You”** and **“Your”** shall mean the person or entity to which this CID is issued and includes the **“Company.”**

II. INSTRUCTIONS

A. **Sharing of Information:** The Commission often makes its files available to other civil and criminal federal, state, local, or foreign law enforcement agencies. The Commission may make information supplied by you available to such agencies where appropriate pursuant to the Federal Trade Commission Act and 16 C.F.R. § 4.11(c) and (j). Information you provide may be used in any federal, state, or foreign civil or criminal proceeding by the Commission or other agencies.

B. **Meet and Confer:** You must contact **Megan Cox** at 202-326-2282 as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after receipt of this CID, or before the deadline for filing a petition to quash, whichever is first, in order to discuss compliance and to address and attempt to resolve all issues, including issues relating to protected status and the form and manner in which claims of protected status will be asserted, and the submission of ESI and other electronic productions as described in these Instructions. Pursuant to 16 C.F.R. § 2.7(k), you must make available personnel with the knowledge necessary for resolution of the issues relevant to compliance with this CID, including but not limited to personnel with knowledge about your information or records management systems, relevant materials such as organizational charts, and samples of material required to be produced. If any issues relate to ESI, you must make available a person familiar with your ESI systems and methods of retrieval.

C. **Applicable time period:** Unless otherwise directed in the specifications, the applicable time period for the request shall be from July 1, 2009 until the date of full and complete compliance with this CID.

D. **Claims of Privilege:** If any material called for by this CID is withheld based on a claim of privilege, work product protection, or statutory exemption, or any similar claim (*see* 16 C.F.R. § 2.7(a)(4)), the claim must be asserted no later than the return date of this CID. In addition, pursuant to 16 C.F.R. § 2.11(a)(1), submit, together with the claim, a detailed log of the items withheld. The information in the log shall be of sufficient detail to enable the Commission staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. Submit the log in a searchable electronic format, and, for each document, including attachments, provide:

- (1) Document control number(s);
- (2) The full title (if the withheld material is a document) and the full file name (if the withheld material is in electronic form);
- (3) A description of the material withheld (for example, a letter, memorandum, or email), including any attachments;
- (4) The date the material was created;
- (5) The date the material was sent to each recipient (if different from the date the material was created);

- (6) The email addresses, if any, or other electronic contact information to the extent used in the document, from which and to which each document was sent;
- (7) The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all authors;
- (8) The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all recipients of the material;
- (9) The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all persons copied on the material;
- (10) The factual basis supporting the claim that the material is protected; and
- (11) Any other pertinent information necessary to support the assertion of protected status by operation of law.

16 C.F.R. § 2.11(a)(1)(i)-(xi).

In the log, identify by an asterisk each attorney who is an author, recipient, or person copied on the material. The titles, business addresses, email addresses, and relevant affiliations of all authors, recipients, and persons copied on the material may be provided in a legend appended to the log. However, provide in the log the information required by Instruction D.6. 16 C.F.R. § 2.11(a)(2). The lead attorney or attorney responsible for supervising the review of the material and who made the determination to assert the claim of protected status must attest to the log. 16 C.F.R. § 2.11(a)(1).

If only some portion of any responsive material is privileged, all non-privileged portions of the material must be submitted. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

E. Document Retention: You shall retain all documentary materials used in the preparation of responses to the specifications of this CID. The Commission may require the submission of additional documents at a later time during this investigation. Accordingly, you should suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents that are in any way relevant to this investigation during its pendency, irrespective of whether you believe such documents are protected from discovery by privilege or otherwise. See 15 U.S.C. § 50; see also 18 U.S.C. §§ 1505, 1519.

F. Petitions to Limit or Quash: Any petition to limit or quash this CID must be filed with the Secretary of the Commission no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition shall set forth all assertions of protected status or other factual and legal objections to the CID, including all appropriate arguments, affidavits, and other supporting documentation. 16 C.F.R. § 2.10(a)(1). Such petition shall not exceed 5,000 words as set forth in 16 C.F.R. § 2.10(a)(1) and

must include the signed separate statement of counsel required by 16 C.F.R. § 2.10(a)(2). **The Commission will not consider petitions to quash or limit absent a pre-filing meet and confer session with Commission staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process. 16 C.F.R. § 2.7(k); see also § 2.11(b).**

G. Modification of Specifications: If you believe that the scope of the required search or response for any specification can be narrowed consistent with the Commission's need for documents or information, you are encouraged to discuss such possible modifications, including any modifications of definitions and instructions, with Megan Cox at 202-326-2282. All such modifications must be agreed to in writing by the Bureau Director, or a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director. 16 C.F.R. § 2.7(l).

H. Certification: A responsible corporate officer shall certify that the response to this CID is complete. This certification shall be made in the form set out on the back of the CID form, or by a declaration under penalty of perjury as provided by 28 U.S.C. § 1746.

I. Scope of Search: This CID covers documents and information in your possession or under your actual or constructive custody or control including, but not limited to, documents and information in the possession, custody, or control of your attorneys, accountants, directors, officers, employees, and other agents and consultants, whether or not such documents and information were received from or disseminated to any person or entity.

J. Document Production: You shall produce the documentary material by making all responsive documents available for inspection and copying at your principal place of business. Alternatively, you may elect to send all responsive documents to Matthew Smith, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Mail Stop CC-8232, Washington, D.C. 20580. Because postal delivery to the Commission is subject to delay due to heightened security precautions, please use a courier service such as Federal Express or UPS. Notice of your intended method of production shall be given by email or telephone to Megan Cox, mcox1@ftc.gov, or 202-326-2282 at least five (5) days prior to the return date.

K. Document Identification: Documents that may be responsive to more than one specification of this CID need not be submitted more than once; however, your response should indicate, for each document submitted, each specification to which the document is responsive. If any documents responsive to this CID have been previously supplied to the Commission, you may comply with this CID by identifying the document(s) previously provided and the date of submission. Documents should be produced in the order in which they appear in your files or as electronically stored and without being manipulated or otherwise rearranged; if documents are removed from their original folders, binders, covers, containers, or electronic source in order to be produced, then the documents shall be identified in a manner so as to clearly specify the folder, binder, cover, container, or electronic media or file paths from which such documents came. In addition, number by page (or file, for those documents produced in native electronic format) all documents in your submission, preferably with a unique Bates identifier, and indicate the total number of documents in your submission.

L. Production of Copies: Unless otherwise stated, legible photocopies (or electronically

rendered images or digital copies of native electronic files) may be submitted in lieu of original documents, provided that the originals are retained in their state at the time of receipt of this CID. Further, copies of originals may be submitted in lieu of originals only if they are true, correct, and complete copies of the original documents; provided, however, that submission of a copy shall constitute a waiver of any claim as to the authenticity of the copy should it be necessary to introduce such copy into evidence in any Commission proceeding or court of law; and provided further that you shall retain the original documents and produce them to Commission staff upon request. Copies of marketing materials and advertisements shall be produced in color, and copies of other materials shall be produced in color if necessary to interpret them or render them intelligible.

M. Electronic Submission of Documents: See the attached “Federal Trade Commission, Bureau of Consumer Protection Production Requirements,” which details all requirements for submission of information, generally requiring that files be produced in native form and specifying the metadata to be produced (Attachment A). As noted in the attachment, some items require discussion with the FTC counsel **prior to** production, which can be part of the general “Meet and Confer” described above. If you would like to arrange a separate discussion involving persons specifically familiar with your electronically stored information (ESI) systems and methods of retrieval, make those arrangements with FTC counsel when scheduling the general meet and confer discussion.

N. Sensitive Personally Identifiable Information: If any material called for by these requests contains sensitive personally identifiable information or sensitive health information of any individual, please contact us before sending those materials to discuss ways to protect such information during production. If that information will not be redacted, contact us to discuss encrypting any electronic copies of such material with encryption software such as SecureZip and provide the encryption key in a separate communication.

For purposes of these requests, sensitive personally identifiable information includes: an individual’s Social Security number alone; or an individual’s name or address or phone number in combination with one or more of the following: date of birth; Social Security number; driver’s license number or other state identification number or a foreign country equivalent; passport number; financial account number; credit card number; or debit card number. Sensitive health information includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

O. Information Identification: Each specification and subspecification of this CID shall be answered separately and fully in writing under oath. All information submitted shall be clearly and precisely identified as to the specification(s) or subspecification(s) to which it is responsive.

P. Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity, which may reduce the need to subpoena the Company to testify at future proceedings in order to establish the admissibility of documents produced in response to this CID (Attachment B). You are asked to execute this Certification

and provide it with your response.

Q. — **Procedures:** This CID is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1. The taking of oral testimony pursuant to this CID will be conducted in conformity with that section and with Part 2A of the Commission's Rules, 16 C.F.R. §§ 2.7(f), 2.7(h), and 2.9.

III. SCHEDULE FOR INTERROGATORIES

Provide the following information:

1. State the following:
 - a. the complete legal name and all other names under which the Company has done or does business;
 - b. the corporate mailing address(es), and all addresses from which each named entity identified in Interrogatory 1(a) does or has done business;
 - c. the states in which each named entity identified in Interrogatory 1(a) is or has incorporated and the corresponding dates for each such incorporation; and
 - d. the identity of all officers and members of any Board of Directors for each named entity identified in Interrogatory 1(a).
 - e. the identity and management responsibilities of each officer and member of any Board of Directors, including, but not limited to, areas of responsibility for each officer and member named in Interrogatory 1(d).
2. Describe fully the corporate structure, state the names of all parents, subsidiaries (whether wholly or partially owned), divisions (whether incorporated or not), affiliates, branches, joint ventures, franchises, operations under assumed names, websites, or entities:
 - a. which exercise supervision or control over the Company; and
 - b. over which the Company exercises supervision or control.
3. List all products and services the Company offered or sold that include Consumer Report Information, including information bearing on an individual's credit worthiness, credit standing, credit capacity, character (including, but not limited to, criminal arrests and/or convictions), general reputation, personal characteristics or mode of living. Include a separate description of each product or service You describe.
4. For each product or service described in Your response to Interrogatory 3, indicate the number of such products or services sold for each month from January 1, 2010 through January 2013.
5. List all products and services the Company offered or sold that include Personal Information, but do not include Consumer Report Information. Include a separate description of each product or service You describe.

6. For each product or service described in Your response to Interrogatory 5, indicate the number of such products or services sold for each month from January 1, 2010 through January 2013.
7. For each product or service identified in Your responses to Interrogatories 3 and 5, name the category or categories under which a Customer or user applies for access to each product or service on Tracers' subscriber application form.
8. Identify all sources from which You obtain Consumer Report Information or Personal Information about consumers and describe fully:
 - a. what Consumer Report Information and Personal Information You receive from each source;
 - b. how many individual consumers You obtain information about from each source; and
 - c. how Tracers uses the information obtained from each source in each product or service described in Your responses to Interrogatory 3 and Interrogatory 5.
9. Identify all entities that have completed an application to be a subscriber of Tracers' products and services.
10. Identify all Customers that have been granted access to Tracers' products and services after submitting an application to be a subscriber of Tracers' products and services.
11. Identify all entities that have been denied all access to Tracers' products and services after submitting an application to be a subscriber of Tracers' products and services.
12. Identify all entities that have been denied some access to Tracers' products and services after submitting an application to be a subscriber of Tracers' products and services.
13. Identify all Customers that have been granted access to Tracers' People Searches and Premium People Search after submitting an application to be a subscriber of Tracers' products and services.
14. Identify all entities that have been denied access to Tracers' People Searches and Premium People Search after submitting an application to be a subscriber of Tracers' products and services.
15. Identify all Company employees responsible for setting up accounts, analyzing screening requirements, reviewing compliance reports, and performing any audits, investigations, vetting, or reviews, and describe each employee's individual responsibilities.
16. Describe fully the procedures implemented and steps taken to audit, investigate, vet, or review potential Customers and existing Customers.

17. Identify all Customers that have had their access audited, investigated, vetted, or reviewed after having access to Tracers' People Searches or Premium People Search.
18. Identify all Customers that have had their access to Tracers' People Searches or Premium People Search terminated after having been audited, investigated, vetted, or reviewed by Tracers.
19. Describe fully the database(s) through which Tracers or its Customers run People Searches and Premium People Searches, including the specific types and sources of information that are contained in the database(s), how data is maintained, and the purpose for which the data is or may be used.
20. Name and describe fully any private action, federal, state, or local law enforcement or governmental actions, inquiries, investigations, proceedings, or subpoenas (collectively "actions") relating to Tracers and any actual, alleged, or potential violation of any federal laws, rules, or regulations. Describe the nature of the actions and the status or outcome of any governmental or regulatory inquiry or private action.
21. Describe fully the steps the Company took in 2010 to audit, investigate, vet, or review Nationwide Fund Recovery LLC, what was found, and any steps the Company took to limit access or verify the Nationwide Fund Recovery LLC's need for access in response to what was found during the audit, investigation, vetting, or review.
22. Describe fully whether and under what circumstances the user known as "NATFUND26" had its access to Tracers' products and services suspended.
23. Describe fully a Consumer's ability to request Tracers delete and permanently remove all Personal Information or Consumer Report Information about them from Tracers' products and services or a consumer's ability to otherwise opt out from being part of Tracers' products and services.
24. Describe fully any complaints relating to FCRA compliance or disclosure of Consumer Reports.
25. Describe fully any complaints relating to disclosure or compromise of Personal Information.
26. Provide the total revenues earned by the Company from the sale of its products and services.
27. Provide the total costs incurred and profits earned by the Company from the sale of its products and services.

IV. SPECIFICATIONS FOR DOCUMENTS

Provide the following documents:

1. Documents sufficient to show all policies, practices, and procedures relating to Tracers' subscriber application process.
2. Documents sufficient to show all policies, practices, and procedures relating to Tracers' audits, investigations, vetting, review, or verification of its existing Customers and potential Customers.
3. All documents related to the auditing, investigation, vetting, review, or verification of any Customer, person, or entity with which Tracers had any business relationship relating to the use, purchase, sale, transfer, acquisition, or possession of Personal Information.
4. Documents sufficient to show all policies, practices, and procedures relating to Tracers' products and services identified in Your responses to Interrogatories 3 and 5, including, but not limited to:
 - a. the licensing and collection of data used to create Tracers products and services containing or providing consumer information;
 - b. all agreements, terms and conditions applicable to the sale and use of such products or services by Tracers' Customers; and
 - c. the bases for any decisions or conclusions reached regarding the applicability of the FCRA to Tracers' provision of products or services to Customers.
5. Documents sufficient to show Tracers' agreements, terms and conditions of use, or other documents provided by each source of Personal Information and Consumer Report Information.
6. All documents related to the price paid by Customers to access and search People Searches and Premium People Search.
7. Documents sufficient to show the cost to Tracers to provide People Searches and Premium People Search to Customers.
8. Documents sufficient to show Tracers' profits related to providing People Searches and Premium People Search to Customers.
9. Documents sufficient to show a representative sample of responses to queries run on People Searches and Premium People Search.
10. Documents sufficient to show Tracers' expenses related to any audits, investigations, vetting, or review of its Customers and potential Customers.
11. All documents and information about Consumers accessed by Nationwide Fund Recovery LLC through Tracers' products and services.
12. All documents related to the Customer or user known as "NATFUND26."

13. All documents related to Nationwide Fund Recovery LLC's application for a subscription, its access to products and services, and any audits, investigations, vetting, or review of Nationwide Fund Recovery LLC.
14. Copies of any complaints relating to FCRA compliance or disclosure of Consumer Reports.
15. Copies of any complaints relating to disclosure or compromise of Personal Information.

V. SPECIFICATIONS FOR ORAL TESTIMONY

The Company is required to designate and make available one or more officers, directors, or managing agents, or others who consent, to testify on its behalf. Unless a single individual is designated, the Company must designate in advance and in writing the matters on which each designee will testify. The person(s) designated must testify about information known or reasonably available to the Company and their testimony shall be binding upon it. 16 C.F.R. § 2.7(h). The person(s) designated must be prepared to provide testimony relating to the following topics:

1. The Company's responses to the Commission's Civil Investigative Demand requesting responses to interrogatories and the production of documents.
2. The authenticity of documents produced in response to the Federal Trade Commission's Civil Investigative Demand for documents to the Company.
3. All policies, practices, and procedures relating to Tracers' subscriber application process.
4. The Tracers' employees responsible for setting up 'Tracers' Customers' accounts, analyzing screening requirements, reviewing compliance reports, and performing any audits, investigations, vetting, or reviews.
5. All policies, practices, and procedures related to audits, investigations, vetting, or reviews of existing Customers and potential Customers.
6. All policies, practices, and procedures related to Tracers' Customers' use of its products and services.
7. The Customers Tracers audited, investigated, vetted, or reviewed after providing access to Tracers' products and services.
8. The steps taken to audit, investigate, vet, or review Nationwide Fund Recovery LLC, what was found, and steps taken to limit access or verify the business's need for access in response to what was found during the audit, investigation, vetting, or review.
9. The circumstances under which the Customer or user known as "NATFUND26" had its access to Tracers' products and services suspended.

10. Tracers' compliance with the FCRA.

Attachment A

Federal Trade Commission, Bureau of Consumer Protection Production Requirements

Submit all documents according to the instructions, below. Some instructions require **discussion with FTC counsel prior to production**, which can be part of a general “Meet and Confer” between the parties or a separate discussion involving persons specifically familiar with your electronically stored information (ESI) systems and methods of retrieval.

Types of Files

1. Native or Near-Native Files
 - a. Whenever possible, produce responsive ESI in its native form; that is, in the form in which the information was customarily created, used and stored by the native application employed by the producing party in the ordinary course of business (i.e., .doc, .xls, .ppt, .pdf).
 - b. If production of an ESI item in its native form is infeasible, it may be produced in a near-native form (i.e., there is not a material loss of content, structure or functionality as compared to the native form) that the FTC agrees to prior to production.
 - c. Native files containing embedded files must have those files extracted, produced in their native form in accordance with #1.a., and have the parent/child relationship identified in the accompanying production metadata.
2. Databases
 - a. Microsoft Access databases may be produced in either .mdb or .accdb format.
 - b. Discuss all other database formats with the FTC prior to production.
3. Multimedia
 - a. Multimedia files (i.e., audio, video) may be produced in .mp3 or .mp4 formats.
 - b. Discuss production of multimedia (i.e., audio, video) in other file formats with the FTC prior to production.
4. Discuss production of instant messages, CRM, proprietary applications, and any other type of ESI not specifically referenced in #1, 2, or 3 with the FTC prior to production.
5. Hard Copy Documents
 - a. Scan in an electronic format documents stored in hard copy in the ordinary course of business.

Attachment A

- b. Produce scanned documents as 300 DPI individual multi-page PDFs per document. For marketing materials and where necessary to interpret documents or render them intelligible, submit documents in color.
 - c. Produce scanned documents with embedded searchable text.
 - d. Produce hard copy documents in the order in which they appear in your files and without being manipulated or otherwise rearranged.
 - e. Treat documents kept in folders or binders as family members. Scan the cover of a binder or folder separately and have it serve as the parent document. Scan each document within a folder or binder as an individual document and have it serve as a child to the parent folder or binder.
6. Redacted Documents
- a. Produce ESI requiring redaction in a near native searchable PDF format.
 - b. Produce redacted documents as individual multi-page PDFs per document.
 - c. Produce redacted documents with embedded searchable text.
 - d. If hard copy documents require redaction, follow all requirements laid out in #5.

De-duplication, Email Threading, and Passwords

7. De-duplication
- a. De-duplication based on MD5 or SHA-1 hash value may be conducted within a custodian's set of files without FTC approval so long as the FTC is notified of the intent to de-duplicate prior to production.
 - b. Discuss de-duplication of any other scope or means with the FTC prior to production.
8. Use of email threading software must be discussed with the FTC prior to production.
9. For password protected files, remove their passwords prior to production. If password removal is not possible, provide a cross reference file including original filename, production filename, and the respective password.

Production Metadata

10. Family Relationships: Regardless of form of production, preserve the parent/child relationship in all files as follows:

Attachment A

- a. Produce attachments as separate documents and number them consecutively to the parent file.
- b. Complete the ParentID metadata field for each attachment.

11. Document Numbering and File Naming

- a. Each document must have a unique document identifier (“DOCID”) consisting of a prefix and 7-digit number (e.g., ABC0000001) as follows:
 - i. The prefix of the filename must reflect a unique alphanumeric designation, not to exceed seven (7) characters identifying the producing party. This prefix must remain consistent across all productions.
 - ii. The next seven (7) digits must be a unique, consecutive numeric value assigned to the item by the producing party. Pad this value with leading zeroes as needed to preserve its 7-digit length.
 - iii. Do not use a space to separate the prefix from numbers.
- b. Name each native or near native file with its corresponding DOCID number and appropriate file extension (e.g., ABC0000001.doc).

12. Load File Format

- a. Produce metadata in a delimited text file (.DAT) for each item included in the production. The first line of the delimited text file must contain the field names. Each subsequent line must contain the metadata for each produced document.
- b. Use these delimiters in the delimited data load file:

Description	Symbol	ASCII Code
Field Separator	¶	020
Quote Character	”	254
New Line	®	174
Multiple Field Entries	;	059

- 13. The following chart describes the required metadata for native, scanned, and redacted documents. If you want to submit additional metadata, discuss with the FTC prior to production.

Production Metadata				
Field Name	Native	Scanned	Redacted	Format
DOCID	Y	Y	Y	Alphanumeric (see #11 above)
PARENTID	Y	Y	Y	Alphanumeric
NATIVELINK	Y	Y	Y	Alphanumeric
CUSTODIAN	Y	Y	Y	Alphanumeric

Attachment A

RESPSPEC	Y	Y	Y	Alphanumeric (question # record responds to)
ORIGFILENAME	Y		Y	Alphanumeric
ORIGPATH	Y		Y	Alphanumeric
CONFIDENTIAL	Y	Y	Y	Boolean - Y/N
HASH	Y	Y	Y	Alphanumeric
From			Y	Alphanumeric
To			Y	Alphanumeric
CC			Y	Alphanumeric
BCC			Y	Alphanumeric
EmailSubject			Y	Alphanumeric
DateSent			Y	MM/DD/YYYY HH:MM:SS AM/PM
DateRcvd			Y	MM/DD/YYYY HH:MM:SS AM/PM
Author			Y	Alphanumeric
Subject			Y	Alphanumeric
DateCreated			Y	MM/DD/YYYY HH:MM:SS AM/PM
DateLastMod			Y	MM/DD/YYYY HH:MM:SS AM/PM

Production Media

14. Prior to production, scan all media and data contained therein for viruses and confirm the media and data is virus free.
15. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC hosted secure file transfer protocol. Contact the FTC to request this option. The FTC cannot accept files via Dropbox, Google Drive, or other third-party file transfer sites.
16. Use the least amount of media necessary for productions. Acceptable media formats are optical discs (CD, DVD), flash drives, and hard drives. Format all media for use with Windows 7.
17. Data encryption tools may be employed to protect privileged or other personal or private information. Discuss encryption formats with the FTC prior to production. Provide encryption passwords in advance of delivery, under separate cover.
18. Mark the exterior of all packages containing electronic media sent through the U.S. Postal Service or other delivery services as follows:

**MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR POSTAL INSPECTION.**

19. Provide a production transmittal letter with all productions which includes:
 - a. A unique production number (e.g., Volume I).
 - b. Date of production.

Attachment A

- c. The numeric range of documents included in the production.
- d. The number of documents included in the production.

Attachment B

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY

Pursuant to 28 U.S.C. § 1746

I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:

1. I have authority to certify the authenticity of the records produced by Tracers Information Specialists, Inc. and attached hereto.
2. The documents produced and attached hereto by Tracers Information Specialists, Inc. are originals or true copies of records of regularly conducted activity that:
 - a. Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b. Were kept in the course of the regularly conducted activity of Tracers Information Specialists, Inc.; and
 - c. Were made by the regularly conducted activity as a regular practice of Tracers Information Specialists, Inc.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on _____, 2015.

Signature

PETITION EXHIBIT 6

Letter from Maneesha Mithal, FTC
Division of Privacy and Identity Protection,
to Richard G. Salazar,
Buchanan Ingersoll Rooney PC
(Sept. 18, 2015)



UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Bureau of Consumer Protection
Division of Privacy and Identity Protection

September 18, 2015

By Electronic Mail

Richard G. Salazar, Esq.
Buchanan Ingersoll Rooney PC
501 E. Kennedy Blvd.
Suite 1700
Tampa, FL 33602

Re: Civil Investigative Demand to Tracers Information Specialists, Inc.

Dear Mr. Salazar:

I am writing in connection with your September 16, 2015, meet and confer with Megan Cox and Ben Rossen, during which I understand you requested a thirty-day extension to respond to the Commission's August 20, 2015, Civil Investigative Demand ("CID") to your client, Tracers Information Specialists, Inc. ("Tracers").¹

You explained that Tracers was requesting the extension because the company has recently undergone a change of ownership and because management of the business has changed since the issuance of the CID. You further explained that these recent changes have delayed Tracers' ability to respond to the CID. As a condition of the extension, you also agreed that you would produce to the Commission on September 23, 2015, all documents previously produced to the United States Department of Housing and Urban Development ("HUD") regarding Nationwide Fund Recovery LLC and the Tracers user known as "NATFUND26," corresponding to Specifications for Documents 11-13.²

Although we reserve all rights of the Commission to enforce the CID as originally propounded, I hereby move the date by which Tracers must respond to the Commission's interrogatories and specifications for documents to October 23, 2015, subject to the condition set forth above. Please note that, in accordance with Instruction D, claims of privilege should be received by this date as well. I also hereby move the date and time for oral testimony to Thursday, December 10, 2015.

¹ I understand that you discussed additional modifications to the terms of the CID during the September 16 meet and confer. This letter addresses only your request for an extension of time. We will write separately to address any further modifications to the CID.

² To the extent additional documents or information responsive to Specifications 11-13 exist and were not previously produced to HUD, those additional documents will be covered by the thirty-day extension of time set forth in this letter.

Richard G. Salazar, Esq.
September 18, 2015
Page 2 of 2

No other modifications of dates and terms set forth in the CID are intended or offered. We look forward to Tracers' continued cooperation in this matter.

If you have any further questions or concerns regarding the CID, please contact Megan Cox at (202) 326-2282, or Ben Rossen at (202) 326-3679.

Sincerely,



Maneesha Mithal
Associate Director
Division of Privacy and Identity Protection

cc: Carrie G. Amezcua, Esq.

PETITION EXHIBIT 7

Letter from Maneesha Mithal, FTC
Division of Privacy and Identity Protection,
to Richard G. Salazar,
Buchanan Ingersoll Rooney PC
(Sept. 28, 2015)



United States of America
FEDERAL TRADE COMMISSION
WASHINGTON, DC 20580

Bureau of Consumer Protection
Division of Privacy and Identity Protection

September 28, 2015

By Electronic Mail

Richard G. Salazar, Esq.
Buchanan Ingersoll Rooney PC
501 E. Kennedy Blvd.
Suite 1700
Tampa, FL 33602

Re: Civil Investigative Demand to Tracers Information Specialists, Inc.

Dear Mr. Salazar:

I am writing in connection with your September 16, 2015, meet and confer (the "Meet and Confer") with Megan Cox and Ben Rossen, during which I understand you requested modifications, in addition to a thirty-day extension to respond to the Commission's August 20, 2015, Civil Investigative Demand ("CID") to your client, Tracers Information Specialists, Inc. ("Tracers"). My letter of September 18, 2015 granted your request for an extension, and I write today with regard to the modifications. Without waiving the rights of the Commission to enforce the CID as originally propounded, we agree to modify the following specifications:

I. Interrogatories

Interrogatories 11, 12, and 14 seek the identity of all entities that were denied some or all access to Tracers' products and services or Tracers People Searches and Premium People Search. You informed us that the information responsive to these specifications is only available in hard copy and you requested we limit the applicable time period for these specifications from 2012 to 2015. We will not agree to modify the applicable time period as you requested. However, we will modify these specifications so that you may identify the number of entities that have been denied some or all access in response to each interrogatory since 2010, as follows:

- **Interrogatory 11:** "Identify the number of entities that have been denied all access to Tracers' products and services after submitting an application to be a subscriber of Tracers' products and services since January 1, 2010."
- **Interrogatory 12:** "Identify the number of entities that have been denied some access to Tracers' products and services after submitting an application to be a subscriber of Tracers' products and services since January 1, 2010."
- **Interrogatory 14:** "Identify the number of entities that have been denied access to Tracers' People Searches and Premium People Search after submitting an application to be a subscriber of Tracers' products and services since January 1, 2010."

Richard G. Salazar, Esq.
September 28, 2015
Page 2 of 4

II. Document Requests

Document Request 3 seeks all documents related to the auditing, investigation, vetting, review, or verification of any Customer, person, or entity with which Tracers had any business relationship relating to the use, purchase, sale, transfer, acquisition, or possession of Personal Information. You informed us of your belief that Tracers' auditing process has not changed since 2009. You also explained that many of the responsive documents may only be available in hard copy. Specifically, you informed us that Tracers' databases contain information concerning the verification and vetting of new Customers since 2012, but that documents concerning audits, investigations and/or verifications of existing Customers are maintained solely in hard copy. You requested that we limit the scope of this request.

As set forth below, we will agree to modify Document Request 3 to permit the production of Tracers' policies and procedures related to Tracers' auditing, investigation, vetting, review and/or verification of Customers and other persons or entities. However, this modification to Document Request 3 is contingent on Tracers' agreement to produce a representative random sample of documents relating to Tracers' auditing, investigation, vetting, review or verification of Tracers' Customers and any persons or entities that sought to acquire Personal Information from Tracers but never became Customers.

In order to establish the procedures for selecting an appropriate random sample, we will require information from you concerning Tracers' retention of documents responsive to Document Request 3, including the organization, accessibility and approximate volume of the following categories of documents from 2010 to the present: (1) verifications, vetting and review of new Customers; (2) verifications, vetting and review of entities that sought to acquire Personal Information from Tracers but never became Customers; and (3) audits, investigations and verifications of existing Customers since 2010. *Tracers will provide us with this information no later than October 5, 2015.*

Accordingly, without waiving the rights of the Commission to enforce the CID as originally propounded, I hereby modify Document Request 3 as follows:

- **Document Request 3(a):** "All documents related to Tracers' policies and procedures for auditing, investigation, vetting, review, or verification of Customers, persons or entities with which Tracers has had any business relationship relating to the use, purchase, sale, transfer, acquisition, or possession of Personal Information from 2010 to present."
- **Document Request 3(b):** "A representative random sample of documents related to the auditing, investigation, vetting, review or verification of any Customer, person or entity with which Tracers had any business relationship relating to the use, purchase, sale, transfer, acquisition, or possession of Personal Information since January 1, 2010."

Document Request 6 seeks all documents related to the price paid by Customers to access

Richard G. Salazar, Esq.
September 28, 2015
Page 3 of 4

People Searches and Premium People Search. Without waiving the rights of the Commission to enforce the CID as originally propounded, I hereby modify Document Request 6 as follows:

- **Document Request 6:** “Documents sufficient to show the prices paid by Customers for subscriptions that include access to People Searches and Premium People Search.”

Document Request 7 seeks documents sufficient to show the cost to Tracers to provide People Searches and Premium People Search to Customers. You explained that Tracers does not incur costs on a per search basis but rather licenses data sets for a yearly fee. Without waiving the rights of the Commission to enforce the CID as originally propounded, I hereby modify Document Request 7 as follows:

- **Document Request 7:** “Documents sufficient to show the costs incurred by licensing each data set used in Tracers’ search products on an annual basis from 2010 through the present and identify which data sets are used to create results returned for queries run on each product.”

Document Request 8 seeks documents sufficient to show Tracers’ profits related to providing People Searches and Premium People Search to Customers. You explained that Tracers does not track profitability for individual search product lines. Without waiving the rights of the Commission to enforce the CID as originally propounded, I hereby modify Document Request 8 as follows:

- **Document Request 8:** “Documents sufficient to show Tracers’ total profits on an annual basis from 2010 through the present.

Document Request 11 seeks all documents and information about Consumers accessed by Nationwide Fund Recovery LLC through Tracers’ products and services. Without waiving the rights of the Commission to enforce the CID as originally propounded, I hereby modify Document Request 11 as follows:

- **Document Request 11:** Documents sufficient to show for each year 2010 through 2014: (a) each type of search query run by Nationwide Fund Recovery LLC, including but not limited to Premium People Search, Social Security Death Index, High Risk Address Search, FEIN Search, Possible Relatives Search, SSN Verifier Plus, Fictitious Business Name, Judgments, Bankruptcies, Cell Phone and Unlisted Number Search, Phone Search, and E-People Search; and (b) all possible data fields and types of information about consumers returned for each type of query.

As discussed during the Meet and Confer regarding the production of email messages responsive to document requests, we agreed to de-duplication of emails and the use of email threading.

You also inquired about the confidentiality of information produced in response to the CID. Instruction A at page 3 of the CID addresses the sharing of information produced with

Richard G. Salazar, Esq.
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other law enforcement agencies. With respect to the confidentiality of information produced pursuant to compulsory process, we refer you to § 21 of the Federal Trade Commission Act, 15 U.S.C. § 57b-2. Further, 16 C.F.R. § 4.10 addresses nonpublic material, as relates to requests for material to be made public pursuant to the Freedom of Information Act, 5 U.S.C. § 552.

If you have any further questions or concerns regarding the CID, please contact Ms. Cox at (202) 326-2282, or Mr. Rossen at (202) 326-3679.

Sincerely,



Maneesha Mithal
Associate Director
Division of Privacy and Identity Protection

cc: Carrie G. Amezcua, Esq.

PETITION EXHIBIT 8

Letter from Maneesha Mithal, FTC
Division of Privacy and Identity Protection,
to Richard G. Salazar,
Buchanan Ingersoll Rooney PC
(Oct. 23, 2015)



United States of America
FEDERAL TRADE COMMISSION
WASHINGTON, DC 20580

Bureau of Consumer Protection
Division of Privacy and Identity Protection

October 23, 2015

By Electronic Mail

Richard G. Salazar, Esq.
Buchanan Ingersoll Rooney PC
501 E. Kennedy Blvd.
Suite 1700
Tampa, FL 33602

Re: Civil Investigative Demand to Tracers Information Specialists, Inc.

Dear Mr. Salazar:

I am writing in connection with your October 21, 2015 email and October 23, 2015 call with Megan Cox and Ben Rossen, during which I understand you requested a further extension of thirty days to respond to the Commission's August 20, 2015, Civil Investigative Demand ("CID") to your client, Tracers Information Specialists, Inc. ("Tracers"). This is the second extension of time you have requested. My previous letter of September 18, 2015 granted your first request for a thirty-day extension to respond to the Commission's CID. My letter of September 28, 2015 addressed other modifications to the CID.

I understand that Tracers has requested an additional extension because ongoing litigation relating to the company's recent changes in ownership and management have inhibited Tracer's ability to respond to the CID. You explained that these changes in ownership resulted from a preliminary injunction, and that an appeal of this preliminary injunction is scheduled for November 10, 2015. These circumstances have delayed Tracers' responses to the CID.

I also understand that you are still determining whether any information may be produced at an earlier date. As a condition to the extension, you agree to provide information to the Commission on a rolling basis. Furthermore, you will provide an update relating to the status of ownership of Tracers by November 17, 2015, and will promptly update the Commission of any scheduling changes to the preliminary injunction hearing referenced above.

Although we reserve all rights of the Commission to enforce the CID as originally propounded, I hereby move the date by which Tracers must respond to the Commission interrogatories and specifications for documents to November 23, 2015, subject to the condition set forth above. Please note that, in accordance with Instruction D, claims of privilege should be received by this date as well.

No other modifications of dates and terms set forth in the CID are intended or offered. We look forward to Tracers' continued cooperation in this matter.

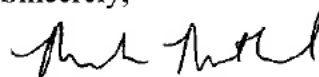
Richard G. Salazar, Esq.

October 23, 2015

Page 2 of 2

If you have any further questions or concerns regarding the CID, please contact Ms. Cox at (202) 326-2282, or Mr. Rossen at (202) 326-3679.

Sincerely,

A handwritten signature in black ink, appearing to read "Maneesha Mithal".

Maneesha Mithal

Associate Director

Division of Privacy and Identity Protection

cc: Carrie G. Amezcua, Esq.

PETITION EXHIBIT 9

Email from Megan Cox, FTC
Division of Privacy and Identity Protection,
to Richard G. Salazar and Carrie G.
Amezcuca, Buchanan Ingersoll Rooney PC
(Oct. 27, 2015)

From: [Cox, Megan](#)
To: ["Salazar, Richard"; "Amezcuca, Carrie G."](#)
Cc: [Rossen, Benjamin](#)
Subject: Follow up re Sampling for Tracers
Date: Tuesday, October 27, 2015 3:03:00 PM
Attachments: [2015.10.26 Sample- Apps and Audits.xlsx](#)

Hi Richard,

Please find attached the Excel spreadsheet noting the samples of files we request Tracers produce. Please note the spreadsheet has two tabs – one tab for the sample drawn for the applications and one tab for the sample drawn for audits. Please let us know if you have any questions about the sample.

As noted in our letter on Friday, and as we discussed on the phone, we expect information will be provided on a rolling basis, with the interrogatories and documents due by November 23, 2015.

Best,
Megan

Megan Cox
Federal Trade Commission
Bureau of Consumer Protection
Division of Privacy and Identity Protection
600 Pennsylvania Avenue, N.W., CC-8232
Washington, DC 20580
202.326.2282 (direct)
mcox1@ftc.gov

PETITION EXHIBIT 10

Tracers subscriber application form,
available at

[http://www.tracersinfo.com/subscriber-
application.pdf](http://www.tracersinfo.com/subscriber-application.pdf)

What We Need From You



1. **A fully-completed application.** We haven't asked for any information we don't need to complete the credentialing process. Please take the time to make sure you've supplied it all. Don't forget to...

- Include email addresses
- Include your FEIN (or SSN for Sole Proprietorships)
- Supply us with your actual physical address
- Make sure it's signed and dated.

We can't process your application unless it's complete and signed.



2. **A fully-completed Payment Authorization Form.** Believe it or not, this page is essential in establishing that applications we receive are, indeed, legitimate. Don't forget to...

- Supply the address where your credit card statements are sent
- Copy a government-issued photo ID containing your signature in the space provided
- Make sure it's signed and dated.

★ Every page needs input from you! ★



3. **Subscriber & Disclaimer Agreement.** Applications are most often returned because something we need is missing from this document. Don't forget to...

- Check all applicable boxes to indicate how you'll use our data
- Make sure to initial and sign where indicated.
- Supply us with the name and title of your "Security Designate."

Please note: Occasionally, we need to request additional documentation from an applicant for verification purposes. We'll make every effort to obtain independent verification, but if we need more information, please get it back to us as quickly as possible.

We also need...



1. A clear copy of a state-issued ID that contains your signature. (Enlarging often makes them easier for us to read.)



2. A clear copy of your business license, professional license, articles of incorporation or other state or federally issued document verifying your right to conduct business in your state.*



3. A copy of the cover page of your phone bill (the page that contains the phone number and the billing address).

* Licensing not required by your state? Not to worry... if your profession is not regulated by a state or federal agency, you may supply us with proof of professional liability insurance (also known as "Errors and Omissions Insurance") to establish the legitimacy of your business enterprise.

Tracers customers are charged a \$25 per month membership fee.



Application for Services

Full Legal Company Name:			
Physical Address:		Suite:	
	City:	State:	ZIP:
Mailing Address:		PO Box/Suite:	
	City:	State:	ZIP:
Phone:		Fax:	
Main Contact:		Main Contact Email Address:	
Accounts Payable Contact:		AP Contact Email Address:	
Company URL (Website):		Additional URL (Website):	
Is Business Home-Based?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Federal ID # or SSN:
Type of Business:		Number of Employees:	
How Long In Business:		Estimated Monthly Usage:	

Business is (please check one only):

Corporation
 Government
 Partnership
 LLC
 Sole Proprietorship
 Non-Profit

Where did you hear about us? Please be as specific as possible so that we know whom to thank for your business.	Trade Magazine?	Trade Show/Conference?	Search Engine?
	Referral From?	User Group?	Sales Rep Call?

Printed Name:	
Signature:	
Title:	
Date:	

The information submitted on this application will be used to determine eligibility for accessing information provided by Tracers Information Specialists, Inc. Incomplete applications will be returned to the applicant.

Request For Additional Authorized Signers and Account Users (Optional)

If more than one person in your company will have access to your Tracers account, we **STRONGLY** recommend that each user be issued a unique User ID and password. There is no additional charge for adding this important security measure to your account.

Please use this page to identify employees of your company who are authorized to make changes to and discuss details of your account ("authorized signers") and to access the Tracers system on your behalf ("additional users"). Please note: you are required to notify us immediately if there are any changes to the status of the below-listed individuals.

USER Number 1 <hr/> Signature (if Authorized Signer) <hr/> E-Mail Address <hr/>	New User ID – TO BE COMPLETED BY TRACERS <input type="checkbox"/> Yes <input type="checkbox"/> No Is this individual an Authorized Signer for your company?
Phone <hr/> Fax <hr/>	

USER Number 2 <hr/> Signature (if Authorized Signer) <hr/> E-Mail Address <hr/>	New User ID – TO BE COMPLETED BY TRACERS <input type="checkbox"/> Yes <input type="checkbox"/> No Is this individual an Authorized Signer for your company?
Phone <hr/> Fax <hr/>	

USER Number 3 <hr/> Signature (if Authorized Signer) <hr/> E-Mail Address <hr/>	New User ID – TO BE COMPLETED BY TRACERS <input type="checkbox"/> Yes <input type="checkbox"/> No Is this individual an Authorized Signer for your company?
Phone <hr/> Fax <hr/>	

USER Number 4 <hr/> Signature (if Authorized Signer) <hr/> E-Mail Address <hr/>	New User ID – TO BE COMPLETED BY TRACERS <input type="checkbox"/> Yes <input type="checkbox"/> No Is this individual an Authorized Signer for your company?
Phone <hr/> Fax <hr/>	

USER Number 5 <hr/> Signature (if Authorized Signer) <hr/> E-Mail Address <hr/>	New User ID – TO BE COMPLETED BY TRACERS <input type="checkbox"/> Yes <input type="checkbox"/> No Is this individual an Authorized Signer for your company?
Phone <hr/> Fax <hr/>	

USER Number 6 <hr/> Signature (if Authorized Signer) <hr/> E-Mail Address <hr/>	New User ID – TO BE COMPLETED BY TRACERS <input type="checkbox"/> Yes <input type="checkbox"/> No Is this individual an Authorized Signer for your company?
Phone <hr/> Fax <hr/>	

Primary Authorized Signer Please Initial Here: _____

Payment Authorization

For YOUR protection, incomplete Payment Authorization Forms will not be processed.
 All information will be verified before charges are made to your credit card.

1. Select a Payment Option

Monthly Auto-Debit	<input type="checkbox"/>	I hereby authorize Tracers Information Specialists, Inc. to charge the below-listed credit card each month for our system usage.
<p>After the 1st of each month, our automated system will process a credit card payment, for the previous month's use, using the information you have provided. A copy of your paid invoice will then be emailed to you. It is highly recommended that you print a copy of this invoice for your accounting records. Please make sure to add accounting@tracersinfo.com to your email address book, so that invoices will be received.</p> <p>To view the details of your monthly invoice, please log in to your www.tracersinfo.com account and then click on "my account." Once there, mark the radial button next to "Other" and enter the dates for the month you'd like to view (for example, August 1 through August 31); then click "show details." This will list all the searches you and your users have performed during the month. The total at the bottom of your screen should match the total of your invoice. From this screen you may also review your search results and, if you choose, print the page(s) to attach to your invoice for record keeping purposes.</p>		

2. Provide Your Credit Card Information

Credit Card #:	-- -- --	Expiration Date:	/
Name on Card:			

3. Supply Us With Complete Cardholder Address Information

Billing Address:					
City:		State:		Zip:	
Phone:		Fax:			
E-mail:					
Signature:					

4. Photocopy A Government-Issued ID Containing Your Signature Below

Please place your ID in this box before photocopying this form.

We recognize that your time is valuable, and nobody likes unnecessary bureaucracy. Please accept our assurance that the information we request from you is used to ensure that your identity is not being used fraudulently.

The extra steps we take to verify our customers' identities helps to keep our data secure, which helps us to maintain your access to current, complete information such as full SSNs.

We appreciate the time you've taken to supply us with the information we need in order to keep supplying you with the information you need.

5. Fax Completed Payment Authorization Forms to 877-820-8126.

Have you supplied ALL the requested information?
 Incomplete Forms or Forms that do not include photocopies of a government-issued identification card
 (such as driver's license or passport) will NOT be processed.

User ID:	Date:
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**TRACERS INFORMATION SPECIALISTS, INC.
SUBSCRIBER and DISCLAIMER AGREEMENT**

This Agreement is entered into on _____, 20____, by and between _____, (referred to herein as "Subscriber") and Tracers Information Specialists, Inc. (hereafter referred to as "Tracers") for commencement of services to begin on the first date of the approval of Subscriber Application for Services.

1. **SERVICES:** Tracers will furnish Subscriber on request consumer and business information or other data stored or accessed by Tracer's reporting system. Subscriber will provide Tracers with appropriate identifying information as to itself, its owners, partners, and/or officers of the business entity and other requested information.
2. **SUBSCRIBER USE LIMITATIONS:** WHEREAS, the Federal Gramm-Leach-Bliley Act, 15 U.S.C.A. Section 6801 *et seq.* (2000), ("GLB Act") was enacted to protect the use and disclosure of non-public personal information, including, in certain instances, the use of identifying information only; and WHEREAS, the Federal Fair Credit Reporting Act, 15 U.S.C. Section 1681 *et seq.* ("FCRA") was, in part, enacted to address the collection and use of information concerning consumers that relates to an individual's credit-worthiness, credit standing, credit capacity or the general reputation of the individual; and WHEREAS, the GLB Act provides limited exceptions under which such information may be used; NOW, THEREFORE, Subscriber hereby certifies to Tracers that Subscriber has determined that Subscriber's use of certain identification-only products ("Reference Products"), including but not limited to Credit Header Products is pursuant to an exception under the GLB Act and/or constitutes a permissible purpose as defined by the FCRA. Subscriber acknowledges that it is in its best interest to implement the Fair Information Practice Principles and agrees that in addition to using these Reference Products pursuant to a GLB Act exception and/or a permissible purpose as defined by the FCRA, it will use these Reference Products in compliance with Fair Information Practice Principles. Subscriber hereby certifies that its use of the Reference Products shall be for Purpose(s) designated below in the section entitled, "Certification of uses for Non-Public Information Products"

Subscriber acknowledges that Subscriber has read and does understand the information set forth above and understands that failure to abide by the Fair Information Practice Principles or attempting to access restricted information for any reason other than as designated by Subscriber may result in immediate termination of access or to other remedies. Further, Subscriber acknowledges receipt of "Access Security Requirements" and agrees to abide by the terms and conditions described therein.

Subscriber understands that Tracers cannot provide legal advice regarding the appropriate uses of non-public, personal information and that it is Subscriber's obligation and responsibility to seek legal counsel in interpreting the applicable laws. However, regardless of the opinion of Subscriber's legal counsel, Tracers will allow or restrict access to products based on Tracers' understanding of the applicable laws. All such decisions are the sole discretion of Tracers and shall be final.

Tracers will, from time to time, in the ordinary course of business, in order to fulfill its compliance obligations, routinely and randomly audit, through a variety of means, the use of information obtained by Tracers Subscribers from Tracers. Subscriber agrees to provide to Tracers such access or documentation as Tracers deems necessary to perform such audits in order to verify the legitimacy of a request for non-public information. Tracers shall protect the confidentiality of all information obtained through such audits. Subscriber acknowledges that failure to provide such access or documentation may result in immediate restriction of access or other remedies.

CERTIFICATION of Uses for Non-Public Information Products: Check all uses for which you will be requesting data.

- | | |
|--|---|
| <input type="checkbox"/> Child Support Enforcement | <input type="checkbox"/> Employment Screening |
| <input type="checkbox"/> Collections | <input type="checkbox"/> Employment Verification |
| <input type="checkbox"/> Legal Process Service | <input type="checkbox"/> Fraud Prevention |
| <input type="checkbox"/> Insurance Claims Investigation | <input type="checkbox"/> Locate Beneficiaries and Heirs |
| <input type="checkbox"/> Locate Missing Persons | <input type="checkbox"/> Locate Owners of Unclaimed Goods |
| <input type="checkbox"/> Locate Former Employees | <input type="checkbox"/> Locate Alumni - Class Reunions |
| <input type="checkbox"/> Locate Existing Customers | <input type="checkbox"/> Product Recalls |
| <input type="checkbox"/> People Locator Service | <input type="checkbox"/> Locate Former Patients (Medical Industry ONLY) |
| <input type="checkbox"/> Tenant Screening | |
| <input type="checkbox"/> Witness & Victim Locating in a documented criminal or civil action | |
| <input type="checkbox"/> Locating Fraud Victims in an active criminal or civil action | |
| <input type="checkbox"/> For required institutional risk control or for resolving consumer disputes or inquiries | |
| <input type="checkbox"/> Other (please describe) | |

While other uses for non-public records may be allowable under the FCRA, GLB and other Federal & State laws and by the principles of the Fair Information Practice Codes, the purposes for which we will allow access to these products are limited to those listed above unless specifically authorized by Tracers in writing.

Primary Authorized Signer Please Initial Here: _____

RESTRICTED USES: The following is a list of unacceptable uses for our services, products or information:

- a. May NOT be used to locate suspects in a criminal or civil lawsuit in order to develop a news story.
- b. May NOT be used to track down victims of fraud, their family members or friends to develop a news story.
- c. May NOT be used to locate lost loves, friends, family members or for personal reasons (dating, etc.)
- d. May NOT be used for purposes that may cause physical or emotional harm to the subject of the report (e.g. stalking, harassing, etc.)
- e. May NOT be used to search for individuals involved in an adoption (children, parents, siblings, etc.)
- f. May NOT be used to locate personal information on well known/high profile celebrities, government officials, etc.
- g. May NOT be used in connection with credit repair services, to locate previous debtors or to assist in the determination of whether or not to file a personal lawsuit or judgment against the subject of the report.
- h. May NOT be used to access individual reference data on ones self or out of personal curiosity.
- i. May NOT be used by Professional and Commercial users for purposes that are not within their normal course of business (e.g. A collection agency may NOT use our services/products to locate a witness to a crime)

ACCESS SECURITY REQUIREMENTS: We recognize and accept our obligation to support and implement policies that protect the confidential nature of information we provide through our services (which include providing access to information contained in the databases of the three national credit bureaus) and to ensure respect for consumer's rights to privacy. Therefore, we provide our services only to pre-approved companies that have an acceptable use for credit headers and credit header information.

We strive to achieve and to enforce the highest levels of legal and ethical conduct in the use of credit header information. We seek to tailor our credit header products, and to limit access to them, in a fair and balanced manner, one that respects both legitimate needs for information and legitimate privacy concerns. We provide the following notice to you so that you may avoid falling under the restrictions imposed by the Fair Credit Reporting Act (FCRA).

You may only use credit header information to locate or to further identify the subject of that credit header information. You may not and should not use credit header information, in whole or in part, to determine a consumer's eligibility for credit, for employment, or for insurance, nor may you use credit header information for any other purpose for which you might properly obtain a consumer report, except in connection with collection of a debt. If adverse action is to be taken against the subject of a credit header report and the basis for such adverse action is information obtained or derived from credit header information, you must verify such information from another source before taking such adverse action.

We require all third-party users to take strict precautions to secure any system or device used to access credit header information. To that end, we have established the following requirements:

- a. You must appoint and identify a Security Designate who will have responsibility within your company to oversee the stipulations listed below.

Name: _____ Title: _____
(Type or Print) (Type or Print)

- b. You consider and treat your account number and password as "sensitive information." You must protect your account number and password in a way that assures that only key personnel have access to and knowledge of this sensitive information. Under no circumstances should you give unauthorized persons information concerning your account number or password. You must notify Tracers immediately so that new passwords can be issued when: those company personnel who have access to Tracers' data are terminated from employment, transferred and/or job duties have been reassigned where access to data is no longer required; or you become aware of suspect or questionable activity regarding access to Tracers' data; or you become aware of any potential compromise of your systems that may expose Tracers' data to security vulnerabilities.
 - c. The system access software you use (whether developed by you or purchased from a third-party vendor) must "hide" or "embed" your account number and password so that only supervisory personnel know your account number and password. You must assign each end user of your system access software unique passwords.
 - d. You must not discuss your account number and password over the telephone with any unknown caller, even if the caller claims to be our employee.
 - e. You must restrict the ability to obtain credit header information to a few key personnel.
 - f. Credit header information obtained through our service CANNOT be sold to the general public, in whole or in part, under any circumstances.
 - g. Credit header information you obtain through our service must be obtained in a manner consistent with the principles of the Fair Information Practice Codes described by the Federal Trade Commission (<http://www.ftc.gov/reports/privacy3/fairinfo.htm>) and must be used pursuant to an exception as defined by the Gramm-Leach-Bliley Act and/or a permissible purpose as defined by the federal Fair Credit Reporting Act.
3. **DEATH MASTER FILE:** Subscriber shall not disclose any information contained in the DMF (Death Master File) with respect to any deceased individual to any person who uses the information for any purpose other than a legitimate fraud prevention interest or a legitimate business purpose pursuant to a law, governmental rule, regulation, or fiduciary duty.
Subscriber acknowledges that failure to comply with the provisions above may subject the Subscriber to penalties under Title 15 CFR §1110.200 (Code of Federal Regulations) of \$1,000 for each disclosure or use, up to a maximum of \$250,000 in penalties per calendar year.
4. **PERFORMANCE:** Tracers will exercise its best efforts to deliver accurate, up-to-date information in response to Subscriber's requests in an expeditious and efficient manner, and will use its best efforts to regularly maintain and augment its information gathered from its suppliers and from selected public records and to make reasonable efforts to verify that its sources of information are accurate to the greatest extent possible, but obligation or liability to Subscriber for any delay or failure of Tracers in its performance under this agreement is limited to the terms set forth herein.
5. **LIMITATION OF LIABILITY:** Subscriber and Tracers agree that the limitation of Tracers' liability to Subscriber will be the return of the fee paid by Subscriber to Tracers for the data accessed to the extent said data and information is found to be the sole basis upon which Subscriber incurred any injury or damage

resulting from furnishing of such information by Tracers. In no event will Tracers be liable to Subscriber for any other damage, consequential damages, omissions, or any other costs and expenses whatsoever except as expressly agreed to here and above. Additionally, Subscriber hereby holds harmless all directors, officers, employees, agents, or suppliers of Tracers for any injury or damages as a result of Tracers furnishing such data or information to Subscriber as set forth here and above.

6. **INDEMNIFICATION:** Subscriber acknowledges that the data it obtains from Tracers is compiled by Tracers from numerous suppliers and that Subscriber has been allowed access to the data because of its representations of its authorized use of this data. Subscriber shall indemnify, defend and hold harmless Tracers and its suppliers from and against any and all liabilities, damages, losses, claims, costs, fees and expenses (including attorney fees) arising out of or related to Subscriber's use of the data obtained from Tracers. Tracers and its suppliers are entitled to enforce the data security, use, legal compliance, and indemnification provisions of this and all other Agreements by and between Subscriber and Tracers directly against the Subscriber as third party beneficiaries. If Subscriber knowingly and willfully obtains information for an improper purpose or without the proper consent under the FCRA, GLB or any other applicable law, or knowingly and willfully uses the report improperly, Subscriber agrees that such are material breaches of this Agreement and such a breach may result in immediate termination of this Agreement and could result in material damage claims by the provider, Tracers, on the subscriber.
7. **CONTRACT IN ENTIRETY:** This agreement sets forth the entire understanding and agreement between Tracers and Subscriber and supersedes any prior or contemporaneous oral or written agreements or representations; it may be modified only by a written amendment duly executed by both parties. This Agreement shall be interpreted in accordance with the laws of the State of Florida.
8. **SURVIVAL OF AGREEMENT:** Provisions hereof related to release of claims, indemnification, use of information and data, payment for Tracers services and disclaimer of warranties shall survive any termination of the license to use the services provided by Tracers.
9. **RELATIONSHIP OF PARTIES:** Subscriber shall at no time represent that it is an agent or representative of Tracers.
10. **CHARGES AND PAYMENT REQUIREMENTS:** Access to Services is offered only to companies and individuals upon completion of Application for Services, signing of this Agreement and verification by Tracers of all information supplied. For all responses to requests for information (including "no record" responses), Subscriber agrees to pay Tracers the applicable charges then prevailing for the various services rendered to Subscriber, and any monthly membership fees. Prevailing charges will be specified in Tracers' published Price Lists and/or individual price quotes. Tracers reserves the right to change its fees and prices in the pricing schedule at any time in the term by giving Subscriber advance notice.
11. **PAST DUE ACCOUNTS:** At the option of Tracers, payments not received fifteen (15) after the date of the invoice will cause Subscriber's account to be placed on HOLD, with no additional requests being processed until the balance due is paid in full. Past due balances will be charged 1.5% per month service charge. Accounts that become 30 days or older will be billed directly to Subscriber's credit card. Subscriber and/or authorized parties further agree to pay any and all costs of collection on unpaid balances, including but not limited to reasonable attorney fees, court costs, and expenditures related thereto.
12. **GOVERNING LAW, VENUE and ATTORNEY'S FEES:** This Agreement will be governed by and construed in accordance with the internal substantive laws of the State of Florida, which are intended to supersede any choice of laws or rules that might require the application of the laws of another jurisdiction. Both parties hereby consent to the jurisdiction of the courts of Florida, whether federal, state or local, with respect to actions brought to enforce or interpret this Agreement. Venue for all actions shall be in the state of Florida. The prevailing party in any arbitration, or permitted legal or equitable action, shall be entitled to an award of its reasonable attorneys' fees and costs in enforcing its rights under this agreement.
13. **VIOLATIONS:** Any violation of state or federal law shall result in immediate irrevocable termination upon conviction, with time having run out for appeal. However, Tracers may suspend services upon finding by the court or a jury verdict.
14. **DEFINITION OF RESPONSIBLE PARTY:** "Responsible Party" shall be defined as those persons who have access to the client account issued by Tracers to facilitate inquiries into information systems and databases provided by Tracers, including passwords necessary for computer access should such access be granted to Subscriber by Tracers. "Responsible Party" also includes the persons whose names and/or signatures appear upon said Agreement and New Account Application (attached), including owner, partner, president, vice president, secretary, treasurer, qualified manager, licensees, or other authorized agents of said Subscriber entity. In the event of unauthorized access into the information systems and databases provided by Tracers, Subscriber and its responsible parties shall bear full responsibility for any unauthorized or unwarranted inquiries, including payment for said inquiries as set forth in Section 9 and 10 of this Agreement.
15. **TERMS:** This agreement shall continue in force without any fixed date of termination; however, either Tracers or Subscriber may terminate the Agreement upon fifteen (15) days prior written notice to the other or by Subscriber violating rules of membership. Subscriber must include payment in full along with cancellation letter. Non-payment or breach of this Agreement may cause immediate revocation of privileges without prior notice by Tracers.
16. **ASSIGNMENT:** The license granted pursuant to this agreement to Subscriber may not be assigned by Subscriber, in whole or in part without the prior written consent of Tracers.
17. **SIGNING OF THIS AGREEMENT** and completion of the New Account Application in its entirety shall indicate that all statements and information as provided by Subscriber are, to the best of Subscriber's knowledge, true and correct. Subscriber further agrees that the intended use of all information, as provided under this contract through Tracers, will be utilized within the legal purposes as set forth in the Agreement, as Tracers assumes no liability, directly or indirectly, for the misuse of said information by Subscriber.

In connection with my application, I understand that inquiries may be made into the background of the company, and (if the business is a sole proprietorship) myself, and that such inquiries may include but are not limited to identity verification, professional licensing verification, credit history, banking references, domain registration, and other information. I authorize without reservation any company, agency, party, or other source to furnish the above information as requested by Tracers Information Specialists in connection with my application for services on this date and periodic account reviews in the future.

IN WITNESS WHEREOF, TRACERS INFORMATION SPECIALISTS, INC. and Subscriber have caused this Agreement to be executed by their duly authorized representatives as of the date first written below.

_____ Typed or Printed Company Name	_____ Typed or Printed Name of Authorized Signer
	*
_____ Company Address	_____ Authorized Signature
_____ Tax ID or Social Security Number	_____ Date

TRACERS INFORMATION SPECIALISTS, INC.

AFFIDAVIT OF INTENDED USE

ACCESS REQUIREMENTS

In compliance with the Driver’s Privacy Protection Act, you **MUST:**

- Supply the full legal name and complete physical address of your company. No Post Office Boxes will be accepted.
- Immediately provide a new Affidavit of Intended Use should the name or address of your company change
- Certify the purpose for which each department of motor vehicle record sought
- Certify that the record information will be used for no other purpose or purposes
- Be explicit and specific in your certification regarding those uses.
- Immediately file a new affidavit with Tracers Information Specialists, Inc. certifying the new purpose or purposes for which the information is sought if the use or uses to which we will put those reports should change.

USES OF DATA

My company will be requesting records for the permitted use(s) checked below only and for no other reason(s).

I understand that regardless of the intended use, Department of Motor Vehicle Reports (MVRs) may not be sold to the general public or over the internet.

- | | |
|--|---|
| <input type="checkbox"/> With written consent of individual | <input type="checkbox"/> Law Enforcement |
| <input type="checkbox"/> In connection with a court proceeding | <input type="checkbox"/> Investigation for Litigation |
| <input type="checkbox"/> Insurance underwriting, rating, claims or antifraud | <input type="checkbox"/> Operation of private toll facilities |
| <input type="checkbox"/> For government function | <input type="checkbox"/> For matters of vehicle or driver safety |
| <input type="checkbox"/> To verify or correct information provided | <input type="checkbox"/> Provide owner notice of towed/ impounded vehicle |
| <input type="checkbox"/> Parking | <input type="checkbox"/> Verify Fraud/Debt (Plate) |
| <input type="checkbox"/> Verify Fraud/Debt | |

CERTIFICATION

I (we) have read and understand the Federal Driver Privacy Protection Act (DPPA) and I understand the legal uses of personal information defined by the Act and summarized in the list above. I certify that the business use(s) of the information provided by Tracers indicated above are allowable under the DPPA. This certification shall apply to every one of my (our) dealings with Tracers and Tracers' related companies. Prior to reselling any data obtained from Tracers, I certify that we will acquire and maintain on file an affidavit from each of our clients obtaining an MVR.

I understand that access to Department of Motor Vehicle records may be subject to additional restriction due to increasingly stringent requirements in Federal and State legislation, and that while Tracers will make a reasonable effort to make prior notification of such changes in access requirements, access is subject to change without prior notice.

Tracers does not provide the MVR’s for any use under the Fair Credit Reporting Act (FCRA). I understand that should my use of the MVR’s be subject to any provisions of the FCRA that any and all obligations under the FCRA are my responsibility and I indemnify and hold Tracers harmless against any FCRA claims made based on my use of the MVR’s.

The affidavit must be signed by an officer of the corporation or owner of the firm who has the authority to certify the company’s or firm’s compliance.

 Typed or Printed Company Name

 Typed or Printed Name of Authorized Signer

 Company Address

 Authorized Signature

 Tax ID or Social Security Number

 Date

Scan and email to credentialing@tracersinfo.com

Or fax to: (877) 820-8125

PETITION EXHIBIT 11

Letter from Ben Rossen, FTC
Division of Privacy and Identity Protection,
to Richard G. Salazar,
Buchanan Ingersoll Rooney PC
(Dec. 1, 2015)



United States of America
FEDERAL TRADE COMMISSION
WASHINGTON, DC 20580

Bureau of Consumer Protection
Division of Privacy and Identity Protection

December 1, 2015

By Electronic Mail

Richard G. Salazar, Esq.
Buchanan Ingersoll Rooney PC
501 E. Kennedy Blvd.
Suite 1700
Tampa, FL 33602

Re: Civil Investigative Demand to Tracers Information Specialists, Inc. ("Tracers")

Dear Mr. Salazar:

I am writing about Tracers' November 23, 2015 responses and objections (the "Responses and Objections") to the Civil Investigative Demand ("CID") issued on August 20, 2015. According to the CID, Tracers was required to produce all documents and to answer all interrogatories on or before September 23, 2015. Subsequently, we twice extended the deadlines by thirty days, at Tracers' request, postponing the deadline for compliance until November 23, 2015. We extended these deadlines after Tracers had committed to respond to the modified CID and produce documents on a rolling basis, as memorialized in letters dated September 18, September 28, and October 23.

On November 19, 2015, you informed us for the first time that Tracers intended to object to certain interrogatories and document requests and to withhold production of documents pursuant to its objections. These objections, set forth in more detail below, are both untimely and unpersuasive, and they do not excuse noncompliance with the CID's specifications. Accordingly, staff is evaluating whether to recommend that this matter be referred to the Commission's Office of General Counsel for enforcement. This letter sets forth the deadlines Tracers must meet in order to demonstrate that it intends to cooperate in good faith and cure its noncompliance.

Tracers objects to Interrogatories 8-10, 13, 18, 19, 26, and 27, and Document Requests 3(b), 4(a), and 6-8 on the grounds that they request trade secrets or confidential information, and that Tracers' contracts with data providers may contain confidentiality provisions that prevent disclosure. Tracers further objects to Document Request 3(b), as modified, and Interrogatory 18, on the ground that they are "unduly burdensome and oppressive," and similarly objects to Interrogatory 12, as modified, and Interrogatory 8(b) on grounds of burden. Tracers objects to Interrogatory 7 as vague. Finally, Tracers objects to Interrogatories 26 and 27 and Document Requests 7-8, which seeks information about Tracers' revenues and costs, as "irrelevant and not reasonably related to the scope of this matter as outlined in the Resolution."

Richard G. Salazar, Esq.
December 1, 2015
Page 2 of 4

As an initial matter, Tracers' objections are untimely. Under Commission rules, Tracers was required to file any objection to limit or quash the CID with the Secretary of the Commission no later than twenty days after service of the CID. *See* 16 C.F.R. § 2.10(a)(1). Moreover, Tracers' failure to raise *any* relevance, vagueness, or confidentiality objections at the September 16 meet and confer is a further bar to these objections now. As memorialized in our letter of September 28, Tracers only raised objections to certain Interrogatories and Document Requests as overly burdensome, all of which we subsequently modified.¹

The Responses and Objections also fail to raise valid objections. First, the fact that a CID requires production of confidential or sensitive information is no basis for noncompliance. *See FTC v. Invention Submission Corp.*, 1991 WL 47104 at *4-5 (D.D.C. Feb. 14, 1991), *aff'd*, 965 F.2d 1086, 1089 (D.C. Cir. 1992). The FTC is not required to obtain waivers of a recipient's confidentiality agreements in order to obtain confidential information. The FTC routinely obtains sensitive information and has statutory and regulatory confidentiality protections for information produced pursuant to CID. 15 U.S.C. § 57b-2; 16 C.F.R. § 4.10.

Tracers' relevance objections to Interrogatories 26 and 27 and Document Requests 7 and 8, which request information related to Tracers' costs, revenues and profits, are similarly without merit. These specifications plainly fall within the scope of FTC Resolution Nos. 992-3120 and P954807, which authorize the use of compulsory process in FCRA and privacy/data security investigations, respectively. Both resolutions specifically authorize investigations to determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest. *See, e.g., FTC v. Texaco, Inc.*, 555 F.2d 862, 874 (D.C. Cir. 1977) (recognizing an agency in a pre-complaint investigation is under no obligation to propound discovery for a narrowly focused theory of a possible future case).

Finally, Tracers asserts that Document Request 3(b) and Interrogatories 8(b), 12, and 18 are unreasonably burdensome. These objections are unwarranted, and are particularly surprising in light of our extensive negotiations over the scope of Document Request 3(b) during the past three months. As originally propounded, Document Request 3 requested "[a]ll documents related to the auditing, investigation, vetting, review, or verification of any Customer, person, or entity with which Tracers had any business relationship relating to the use, purchase, sale, transfer, acquisition, or possession of Personal Information." We considered how Tracers stores its information and worked with you to narrow this request. In our letter of September 28, we modified Document Request 3 as follows:

- **Document Request 3(a):** "All documents related to Tracers' policies and procedures for auditing, investigation, vetting, review, or verification of Customers, persons or entities with which Tracers has had any business relationship relating to the use, purchase, sale, transfer, acquisition, or possession of Personal Information from 2010

¹ As set forth in our letter of September 28, Tracers also inquired about the confidentiality of information produced in response to the CID. Tracers did not, however, raise any specific objections to the CID on the grounds confidentiality or trade secrets.

Richard G. Salazar, Esq.
December 1, 2015
Page 3 of 4

to present.”

- **Document Request 3(b):** “A representative random sample of documents related to the auditing, investigation, vetting, review or verification of any Customer, person or entity with which Tracers had any business relationship relating to the use, purchase, sale, transfer, acquisition, or possession of Personal Information since January 1, 2010.”

In order to establish procedures for the representative random sample sought in Document Request 3(b), Tracers produced information about the volume and organization of documents responsive to the request. You subsequently informed us that a random sample would address Tracers’ concerns about burden. We then requested Tracers provide us a list of unique identifiers for each of the “over 6,000” entities that have completed an application for access to Tracers’ services and the “over 800” entities that have been subjected to a customer audit during the applicable time period. Tracers timely provided this information and on we accordingly drew a random sample comprising 357 customer applications and 257 customer audits, to be produced on a rolling basis by November 23, 2015.

In light of this history, there is no basis upon which to contend that Document Request 3(b) is unduly burdensome because it threatens to “seriously hinder or unduly disrupt” Tracers’ normal business operations. *See FTC v. Texaco, Inc.*, 555 F.2d at 882. Nor is there any justification to object to Interrogatories 12 and 18, which seek only the number of entities that have been denied some access to Tracers’ products and services, and the identities of the customers that have had their access to certain of Tracers’ services terminated after having been audited by Tracers. Lastly, there is no justification for objecting to Interrogatory 8(b) on the basis of burden, as it seeks only information about how many individual consumers for whom Tracers obtains information from each source.

Tracers’ deficient responses, as set forth above, place Tracers in default of its obligations to fully comply with the CID by the extended deadline of November 23, 2015. Because we have previously granted two thirty-day extensions, we decline to provide any further extensions of time. However, in light of your prior productions that were in cooperation with this investigation, we will forbear from recommending that this matter be immediately referred to the Office of General Counsel for enforcement in federal district court, *provided that* Tracers does the following:

- Provides complete, substantive responses to all interrogatories by Tuesday December 8, 2015;
- Produces all documents responsive to Document Requests 4(a), 6, 7, and 8 by Monday, December 14, 2015; and
- Produces all documents responsive to Document Request 3(b) by Monday, December 28, 2015.

If any one of the above-noted deadlines is not met, we will recommend that this matter be refer to the Office of General Counsel for judicial enforcement.

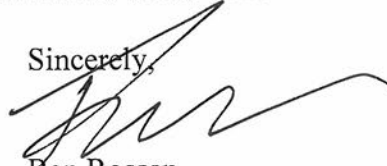
Richard G. Salazar, Esq.

December 1, 2015

Page 4 of 4

This letter does not constitute a further extension of the deadline to respond to the CID, nor does it further modify any of the terms or specifications in the CID.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben Rossen", written over the word "Sincerely,".

Ben Rossen

Attorney

Division of Privacy and Identity Protection

cc: Carrie G. Amezcua, Esq.
Megan Cox, Esq.

PETITION EXHIBIT 12

Letter from Maneesha Mithal, FTC
Division of Privacy and Identity Protection,
to Richard G. Salazar,
Buchanan Ingersoll Rooney PC
(Dec. 4, 2015)



UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Bureau of Consumer Protection
Division of Privacy and Identity Protection

December 4, 2015

By Electronic Mail

Richard G. Salazar, Esq.
Buchanan Ingersoll Rooney PC
501 E. Kennedy Blvd.
Suite 1700
Tampa, FL 33602

Re: Civil Investigative Demand to Tracers Information Specialists, Inc.

Dear Mr. Salazar:

I am writing in connection with my letter of September 18, 2015, in which I granted an extension of time to produce documents and interrogatories in response to the Commission's August 20, 2015, Civil Investigative Demand ("CID") to your client, Tracers Information Specialists, Inc. ("Tracers") and moved the date and time for oral testimony to Thursday, December 10, 2015.

In light of your client's responses and objections to the CID, produced on November 23, 2015, and staff's letter of December 1, 2015, I am moving the date and time for oral testimony to provide your client time to cure its noncompliance with the CID. Although we reserve all rights of the Commission to enforce the CID as originally propounded, I hereby move the date for the investigational hearing to Thursday, January 21, 2016. No other modifications of dates and terms set forth in the CID are intended or offered.

If you have any further questions or concerns regarding the CID, please contact Megan Cox at (202) 326-2282, or Ben Rossen at (202) 326-3679.

Sincerely,

A handwritten signature in blue ink, appearing to read "Maneesha Mithal".

Maneesha Mithal
Associate Director
Division of Privacy and Identity Protection

cc: Carrie G. Amezcua, Esq.

PETITION EXHIBIT 13

Letter from Maneesha Mithal, FTC
Division of Privacy and Identity Protection,
to Richard G. Salazar,
Buchanan Ingersoll Rooney PC
(Jan. 15, 2016)



UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Bureau of Consumer Protection
Division of Privacy and Identity Protection

January 15, 2016

By Electronic Mail

Richard G. Salazar, Esq.
Buchanan Ingersoll Rooney PC
501 E. Kennedy Blvd.
Suite 1700
Tampa, FL 33602

Re: Civil Investigative Demand to Tracers Information Specialists, Inc.

Dear Mr. Salazar:

I am writing in connection with my letter of December 4, 2015, in which I moved the date and time for oral testimony required by the Commission's August 20, 2015, Civil Investigative Demand ("CID") to your client, Tracers Information Specialists, Inc. ("Tracers") to Thursday, January 21, 2016.

In light of your client's continued objections to the CID, I am moving the date and time for oral testimony pending enforcement of the CID. Although we reserve all rights of the Commission to enforce the CID as originally propounded, I hereby move the date for the investigational hearing to Thursday, March 17, 2016. No other modifications of dates and terms set forth in the CID are intended or offered.

If you have any further questions or concerns regarding the CID, please contact Megan Cox at (202) 326-2282, or Ben Rossen at (202) 326-3679.

Sincerely,

A handwritten signature in black ink that reads "Maneesha Mithal".

Maneesha Mithal
Associate Director
Division of Privacy and Identity Protection

cc: Carrie G. Amezcua, Esq.

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

<hr/>		
FEDERAL TRADE COMMISSION,)	
)	
Petitioner,)	
)	Misc. No. _____
v.)	
)	
TRACERS INFORMATION)	
SPECIALISTS, INC.)	
)	
Respondent.)	
)	
<hr/>		

**(PROPOSED) ORDER TO SHOW CAUSE WHY
RESPONDENT TRACERS INFORMATION SPECIALISTS, INC.
SHOULD NOT COMPLY WITH FEDERAL TRADE COMMISSION
ADMINISTRATIVE INVESTIGATIVE PROCESS**

Pursuant to the authority conferred by Sections 16 and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 56 and 57b-1, Petitioner, the Federal Trade Commission (FTC), has invoked the aid of this Court for an order requiring Respondent, Tracers Information Specialists, Inc. (Tracers), to comply in full with the August 20, 2015 civil investigative demand (CID) issued in aid of an FTC investigation (FTC File No. 1523218).

The Court has considered the Commission’s Petition for an Order to Enforce Administrative Investigative Process and the papers filed in support thereof; and it appears to the Court that Petitioner has shown good cause for the entry of this Order. It is by this Court hereby

ORDERED that Respondent Tracers appear at _____ a.m./p.m. on the _____ day of _____, 2016, in Courtroom No. _____ of the United States Courthouse for the Middle District of Florida, 801 North Florida Avenue, in Tampa, Florida, and show cause, if any there be, why this Court should not grant said Petition and enter an Order enforcing the CID and directing it to produce the documents and information requested by the CID within ten (10) days of the receipt of the Court's enforcement order, or at such later time as may be directed by the FTC, and thereafter appear and give testimony to the FTC. Unless the Court determines otherwise, notwithstanding the filing or pendency of any procedural or other motions, all issues raised by the Petition and supporting papers, and any opposition to the Petition, will be considered at the hearing on the Petition, and the allegations of said Petition shall be deemed admitted unless controverted by a specific factual showing.

IT IS FURTHER ORDERED that, if Respondent believes it necessary for the Court to hear live testimony, it must file an affidavit reflecting such testimony (or if a proposed witness is not available to provide such an affidavit, a specific description of the witness's proposed testimony) and explain why Respondent believes live testimony is required.

IT IS FURTHER ORDERED that, if Respondent intends to file pleadings, affidavits, exhibits, motions or other papers in opposition to said Petition or to the entry of the Order requested therein, such papers must be filed with the Court and received by Petitioner's counsel by _____ a.m./p.m. on _____, 2016. Such submission shall include, in the case of any affidavits or exhibits not previously

submitted, or objections not previously made to the Federal Trade Commission, an explanation as to why such objections were not made or such papers or information not submitted to the Commission. Any reply by Petitioner shall be filed with the Court and received by Respondents by _____ a.m./p.m. on _____, 2016.

IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 26(a)(1)(B)(v) and 81(a)(5), that this is a summary proceeding and that no party shall be entitled to discovery without further order of the Court upon a specific showing of need; and that the dates for a hearing and the filing of papers established by this Order shall not be altered without prior order of the Court upon good cause shown; and

IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 81(a)(5), that a certified copy of this Order and copies of said Petition and Memorandum in support thereof filed herein, be served forthwith by Petitioner upon Respondent or its counsel by personal service, or by certified or registered mail with return receipt requested, or by overnight express delivery service.

SO ORDERED:

United States Magistrate Judge

Dated: _____, Tampa, Florida

PRESENTED BY:

JONATHAN E. NUECHTERLEIN
General Counsel

DAVID C. SHONKA
Principal Deputy General Counsel

Of Counsel:

LESLIE RICE MELMAN
Assistant General Counsel for Litigation

MEGAN COX
BENJAMIN ROSSEN
Division of Privacy and
Identity Protection

BRADLEY GROSSMAN, Litigation Counsel
Office of the General Counsel
Federal Trade Commission
600 Pennsylvania Ave., N.W.
Washington, D.C. 20580
(202) 326-2994
(202) 326-2477 (fax)
bgrossman@ftc.gov

Dated: February 12, 2016

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

)	
FEDERAL TRADE COMMISSION,)	
)	
Petitioner,)	
)	Misc. No. _____
v.)	
)	
TRACERS INFORMATION)	
SPECIALISTS, INC.)	
)	
Respondent.)	
)	

**(PROPOSED) ORDER FOR TRACERS INFORMATION SPECIALISTS, INC.
TO COMPLY IN FULL WITH FEDERAL TRADE COMMISSION
ADMINISTRATIVE INVESTIGATIVE PROCESS**

Pursuant to the authority conferred by Sections 16 and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 56 and 57b-1, Petitioner, the Federal Trade Commission, has invoked the aid of this Court for an order requiring Respondent, Tracers Information Specialists, Inc., to comply in full with the August 20, 2015 civil investigative demand issued to it in aid of a law enforcement investigation being conducted by the Commission (FTC File No. 1523218).

The Court has considered the Commission’s Petition for an Order Enforcing Administrative Investigative Process and the papers and arguments in support of and in opposition thereto. It is by this Court hereby

ORDERED that Respondent, Tracers Information Specialists, Inc., comply in full with the Commission's Civil Investigative Demand by producing all responsive documents and information in compliance with the CID within ten (10) days of the receipt of the Court's enforcement order, or at such later time as may be directed by the FTC, and thereafter appear and give testimony at such time as is set by the FTC.

IT IS FURTHER ORDERED that a certified copy of this Order be served forthwith by Petitioner upon Respondent or its counsel by personal service, or by certified or registered mail with return receipt requested, or by overnight express delivery service.

SO ORDERED:

United States Magistrate Judge

Dated: _____, Tampa, Florida

PRESENTED BY:

JONATHAN E. NUECHTERLEIN
General Counsel

DAVID C. SHONKA
Principal Deputy General Counsel

Of Counsel:

LESLIE RICE MELMAN
Assistant General Counsel for Litigation

MEGAN COX
BENJAMIN ROSSEN
Division of Privacy and
Identity Protection

BRADLEY GROSSMAN, Litigation Counsel
Office of the General Counsel
Federal Trade Commission
600 Pennsylvania Ave., N.W.
Washington, D.C. 20580
(202) 326-2994
(202) 326-2477 (fax)
bgrossman@ftc.gov

Dated: February 12, 2016