

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

<i>In the Matter of</i>)	
)	AGREEMENT CONTAINING
PREMIER CAPITAL LENDING, INC.,)	CONSENT ORDER
a corporation,)	
and)	FILE NO: 072 3004
)	
DEBRA STILES,)	
individually and as an officer of)	
the corporation.)	
)	

The Federal Trade Commission has conducted an investigation of certain acts and practices of Premier Capital Lending, Inc. (“PCL”) and its principal, Debra Stiles (“proposed respondents”). Proposed respondents are willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore

IT IS HEREBY AGREED by and between PCL, Debra Stiles, and counsel for the Federal Trade Commission that:

1. Proposed respondent PCL is a Texas Corporation with its principal place of business at 901 W. Bardin Road, Suite 200, Arlington, Texas 76017.
2. Proposed respondent Debra Stiles (“Stiles”) is a co-owner of PCL, Secretary of the company, and Manager of its headquarters office in Arlington, Texas. Individually or in concert with others, she formulates, directs, or controls the policies, acts, or practices of respondent PCL. Her principal place of business is the same as PCL’s.
3. Proposed respondents admit all the jurisdictional facts set forth in the draft complaint.
4. Proposed respondents waive:
 - A. any further procedural steps;
 - B. the requirement that the Commissions decision contain a statement of findings of fact and conclusions of law; and
 - C. all rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

5. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.
6. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the draft complaint, or that the facts as alleged in the draft complaint, other than the jurisdictional facts, are true.
7. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to proposed respondents' addresses as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or the agreement may be used to vary or contradict the terms of the order.
8. Proposed respondents have read the draft complaint and consent order. Proposed respondents understand that they may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

ORDER

DEFINITIONS

For purposes of this order, the following definitions shall apply:

1. "Personally identifiable information" or "personal information" shall mean individually identifiable information from or about an individual consumer including, but not limited to: (a) a first and last name; (b) a home or other physical address, including street name and name of city or town; (c) an email address or other online contact information, such as an instant messaging user identifier or a screen name that reveals an individual's email address; (d) a telephone number; (e) a Social Security number; (f) credit or debit card information, including card number, expiration date, and security code; (g) a persistent

identifier, such as a customer number held in a “cookie” or processor serial number, that is combined with other available data that identifies an individual consumer; or (h) any information that is combined with any of (a) through (g) above.

2. “Gramm-Leach-Bliley Act” or “GLB Act” refers to 15 U.S.C. §§ 6801-6809, as amended, the “Safeguards Rule” or the “Standards for Safeguarding Customer Information Rule” refers to 16 C.F.R. Part 314, issued pursuant to Title V, Subtitle A of the GLB Act, 15 U.S.C. §§ 6801-6809, and the “Privacy Rule” or the “Commission’s Privacy of Consumer Financial Information Rule” refers to 16 C.F.R. Part 313, issued pursuant to the GLB Act.
3. “Financial institution” shall mean as defined in Section 509(3)(A) of the GLB Act, 15 U.S.C. § 6809(3)(A).
4. Unless otherwise specified, “respondents” shall mean Premier Capital Lending, Inc. and its subsidiaries, divisions, affiliates, successors and assigns (“PCL”), and Debra Stiles.
5. “Commerce” shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

I.

IT IS ORDERED that respondents, and their officers, agents, representatives, and employees, shall not directly or through any corporation, subsidiary, division, website, or other device, in connection with the advertising, marketing, promotion, offering for sale, or sale of any product or service, in or affecting commerce, misrepresent in any manner, expressly or by implication, the extent to which respondents maintain and protect the privacy, confidentiality, or security of any personal information collected from or about consumers.

II.

IT IS FURTHER ORDERED that respondents, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, website, or other device, no later than the date of service of this order, shall establish and implement, and thereafter maintain, a comprehensive information security program that is reasonably designed to protect the security, confidentiality, and integrity of consumers’ personal information. Such program, the content and implementation of which must be fully documented in writing, shall contain administrative, technical, and physical safeguards appropriate to respondent PCL’s size and complexity, the nature and scope of its activities, and the sensitivity of the personal information collected from or about consumers, including:

- A. the designation of an employee or employees to coordinate and be accountable for the information security program;
- B. the identification of material internal and external risks to the security, confidentiality, and integrity of personal information that could result in the

unauthorized disclosure, misuse, loss, alteration, destruction, or other compromise of such information, and assessment of the sufficiency of any safeguards in place to control these risks. At a minimum, this risk assessment should include consideration of risks in each area of relevant operation, including, but not limited to, (1) employee training and management, (2) information systems, including network and software design, information processing, storage, transmission, and disposal, and (3) prevention, detection, and response to attacks, intrusions, or other systems failure;

- C. the design and implementation of reasonable safeguards to control the risks identified through risk assessment, and regular testing or monitoring of the effectiveness of the safeguards' key controls, systems, and procedures;
- D. the development and use of reasonable steps to select and retain service providers capable of appropriately safeguarding personal information they receive from respondents and requiring service providers by contract to implement and maintain appropriate safeguards; and
- E. the evaluation and adjustment of respondents' information security program in light of the results of the testing and monitoring required by subpart C, any material changes to respondents' operations or business arrangements, or any other circumstances that respondents know or have reason to know may have a material impact on the effectiveness of their information security program.

III.

IT IS FURTHER ORDERED that respondents, and their officers, agents, representatives, and employees, shall not, directly or through any corporation, subsidiary, division, website, or other device, violate any provision of:

- A. the Safeguards Rule, 16 C.F.R. Part 314; or
- B. the Privacy Rule, 16 C.F.R. Part 313.

In the event that either of these Rules is hereafter amended or modified, respondents' compliance with that Rule as so amended or modified shall not be a violation of this order.

IV.

IT IS FURTHER ORDERED that, in connection with their compliance with Parts II and III.A. of this order, respondents, and their officers, agents, representatives, and employees, shall obtain initial and biennial assessments and reports ("Assessments") from a qualified, objective, independent third-party professional using procedures and standards

generally accepted in the profession. The reporting period for the Assessments shall cover: (A) the first one hundred and eighty (180) days after service of the order for the initial Assessment; and (B) each two (2) year period thereafter for twenty (20) years after service of the order for the biennial Assessments. Each Assessment shall:

- A. set forth the specific administrative, technical, and physical safeguards that respondent PCL has implemented and maintained during the reporting period;
- B. explain how such safeguards are appropriate to respondent PCL's size and complexity, the nature and scope of respondent PCL's activities, and the sensitivity of the personal information collected from or about consumers;
- C. explain how the safeguards that have been implemented meet or exceed the protections required by the Safeguards Rule; and
- D. certify that respondent PCL's security program is operating with sufficient effectiveness to provide reasonable assurance that the security, confidentiality, and integrity of personal information is protected and, for biennial reports, has so operated throughout the reporting period.

Each Assessment shall be prepared and completed within sixty (60) days after the end of the reporting period to which the Assessment applies by: a person qualified as a Certified Information System Security Professional (CISSP) or as a Certified Information Systems Auditor (CISA); a person holding Global Information Assurance Certification (GIAC) from the SysAdmin, Audit, Network, Security (SANS) Institute; or a similarly qualified person or organization approved by the Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission.

Respondents shall provide the initial Assessment to the Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580, within ten (10) business days after the Assessment has been prepared. All subsequent biennial Assessments shall be retained by respondents until three years after completion of the final Assessment and provided to the Associate Director of Enforcement upon request within ten (10) business days after respondents receives such request.

V.

IT IS FURTHER ORDERED that respondents shall maintain, and upon request make available to the Federal Trade Commission for inspection and copying, a print or electronic copy of each document relating to compliance, including by not limited to:

- A. for a period of five (5) years:
 - 1. any documents, whether prepared by or on behalf of either respondent, that contradict, qualify, or call into question respondents' compliance with this

order;

2. consumer complaints (whether received in written or electronic form, directly, indirectly or through any third party), and any responses to those complaints, whether in written or electronic form, that relate to respondents' activities as alleged in the draft Complaint and respondents' compliance with the provisions of this order;
 3. copies of all subpoenas and other communications with law enforcement entities or personnel, whether in written or electronic form, if such documents bear in any respect on respondents' collection, maintenance, or furnishing of consumer reports or other personal information of consumers; and
 4. all records and documents necessary to demonstrate full compliance with each provision of this order; and
- B. for a period of three (3) years after the date of preparation of each Assessment required under Part III of this order, all materials relied upon to prepare the Assessment, whether prepared by or on behalf of either respondent, including but not limited to all plans, reports, studies, reviews, audits, audit trails, policies, training materials, and assessments, and any other materials relating to respondents' compliance with Parts II and III.A. of this order, for the compliance period covered by such Assessment. Respondents shall provide such documents to the Associate Director of Enforcement within ten (10) days of request.

VI.

IT IS FURTHER ORDERED that respondents shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities relating to the subject matter of this order. Respondents shall deliver this order to such current personnel within thirty (30) days after service of this order, and to such future personnel within thirty (30) days after the person assumes such position or responsibilities.

VII.

IT IS FURTHER ORDERED that respondent Stiles, for a period of ten (10) years after the date of issuance of the order, shall notify the Commission of the discontinuance of her current business or employment or of her affiliation with any new business or employment that provides financial products or services. The notice shall include respondent Stiles' new business address and telephone number and a description of the nature of the business or employment and her duties or responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

VIII.

IT IS FURTHER ORDERED that respondents shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including, but not limited to: a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation(s) about which respondents learn fewer than thirty (30) days prior to the date such action is to take place, respondents shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

IX.

IT IS FURTHER ORDERED that respondents shall, within one hundred and eighty (180) days after service of this order, and at such other times as the Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

X.

This order will terminate twenty (20) years from the date of its issuance, or twenty (20) years from the most recent date that the United States or the Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. any Part in this order that terminates in fewer than twenty (20) years;
- B. this order's application to any respondent that is not named as a defendant in such complaint; and
- C. this order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that respondent(s) did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order as to such respondent(s) will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this _____ day of _____ 2008.

PREMIER CAPITAL LENDING, INC.

By: _____
KEN STILES, President

**PREMIER CAPITAL LENDING, INC., and
DEBRA STILES**

By: _____
DEBRA STILES, Secretary

FEDERAL TRADE COMMISSION

By: _____
LAURA D. BERGER
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APPROVED:

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