

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

In the Matter of

**Aleksandr Kogan,
an individual, and**

**Alexander Nix, Individually and as Chief
Executive Officer of Cambridge Analytica,
LLC, and**

FILE NOS: 182 3106, 182 3107

**AGREEMENT CONTAINING CONSENT
ORDER AS TO RESPONDENT
ALEXANDER NIX**

The Federal Trade Commission (“Commission”) has conducted an investigation of certain acts and practices of Aleksandr Kogan and Alexander James Ashburner Nix. The Commission’s Bureau of Consumer Protection (“BCP”) has prepared a draft of an administrative Complaint (“draft Complaint”). BCP and Proposed Respondent Alexander James Ashburner Nix (“Proposed Respondent”) enter into this Agreement Containing Consent Order (“Consent Agreement”) to resolve the allegations in the attached draft Complaint through a proposed Decision and Order to present to the Commission, which is also attached and made a part of this Consent Agreement.

IT IS HEREBY AGREED by and between the Proposed Respondent and BCP, that:

1. The Proposed Respondent is Alexander James Ashburner Nix (“Nix”), a British citizen currently residing in the United Kingdom.
2. Proposed Respondent neither admits nor denies any of the allegations in the Complaint, except as specifically stated in the Decision and Order. Only for purposes of this action, Proposed Respondent admits the facts necessary to establish jurisdiction.
3. Proposed Respondent waives:
 - a. Any further procedural steps;
 - b. The requirement that the Commission’s 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 Decision and Order issued pursuant to this Consent Agreement.

4. This Consent Agreement will not become part of the public record of the proceeding unless and until it is accepted by the Commission. If the Commission accepts this Consent Agreement, it, together with the draft Complaint, will be placed on the public record for 30 days and information about them publicly released. Acceptance does not constitute final approval, but it serves as the basis for further actions leading to final disposition of the matter. Thereafter, the Commission may either withdraw its acceptance of this Consent Agreement and so notify Proposed Respondent, in which event the Commission 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, which may include an Order. *See* Section 2.34 of the Commission's Rules, 16 C.F.R. § 2.34 ("Rule 2.34").

5. If this agreement is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to Rule 2.34, the Commission may, without further notice to Proposed Respondent: (1) issue its Complaint corresponding in form and substance with the attached draft Complaint and its Decision and Order; and (2) make information about them public. Proposed Respondent agrees that service of the Order may be effected by its publication on the Commission's website (ftc.gov), at which time the Order will become final. *See* Rule 2.32(d). Proposed Respondent waives any rights he may have to any other manner of service. *See* Rule 4.4.

6. When final, the Decision and Order will 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 Commission orders.

7. The Complaint may be used in construing the terms of the Decision and Order. No agreement, understanding, representation, or interpretation not contained in the Decision and Order or in this Consent Agreement may be used to vary or contradict the terms of the Decision and Order.

8. Proposed Respondent agrees to comply with the terms of the proposed Decision and Order from the date that Proposed Respondent signs this Consent Agreement. Proposed Respondent understands that he may be liable for civil penalties and other relief for each violation of the Decision and Order after it becomes final.

ALEXANDER JAMES ASHBURNER NIX

FEDERAL TRADE COMMISSION

By: _____
Alexander James Ashburner Nix

By: _____
Linda Holleran Kopp
Attorney, Bureau of Consumer Protection

Date: _____

APPROVED:

By: _____
Kory Langhofer
Statecraft PLLC
Attorney for Proposed Respondent
Alexander James Ashburner Nix

By: _____
Robert Schoshinski
Assistant Director
Division of Privacy & Identity Protection

Date: _____

By: _____
Maneesha Mithal
Associate Director
Division of Privacy & Identity Protection

By: _____
Daniel Kaufman
Deputy Director
Bureau of Consumer Protection

Date: _____

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Joseph J. Simons, Chairman**
 Noah Joshua Phillips
 Rohit Chopra
 Rebecca Kelly Slaughter
 Christine S. Wilson

In the Matter of

Aleksandr Kogan,
an individual, and

Alexander Nix, individually and as Chief
Executive Officer of Cambridge Analytica,
LLC.

DECISION AND ORDER

DOCKET NO. C-

DECISION

The Federal Trade Commission (“Commission”) initiated an investigation of certain acts and practices of the Respondents named in the caption. The Commission’s Bureau of Consumer Protection (“BCP”) prepared and furnished to Respondents a draft Complaint. BCP proposed to present the draft Complaint to the Commission for its consideration. If issued by the Commission, the draft Complaint would charge the Respondent Alexander James Ashburner Nix (“Respondent”) with violations of the Federal Trade Commission Act.

Respondent and BCP thereafter executed an Agreement Containing Consent Order (“Consent Agreement”). The Consent Agreement includes: (1) statements by Respondent that he neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Decision and Order, and that only for purposes of this action, he admits the facts necessary to establish jurisdiction; and (2) waivers and other provisions as required by the Commission’s Rules.

The Commission considered the matter and determined that it had reason to believe that Respondent has violated the Federal Trade Commission Act, and that a Complaint should issue stating its charges in that respect. The Commission accepted the executed Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of

public comments. The Commission duly considered any comments received from interested persons pursuant to Section 2.34 of its Rules, 16 C.F.R. § 2.34. Now, in further conformity with the procedure prescribed in Rule 2.34, the Commission issues its Complaint, makes the following Findings, and issues the following Order:

Findings

1. The Respondent is Alexander James Ashburner Nix (“Nix”), a British citizen currently residing in the United Kingdom.
2. The Commission has jurisdiction over the subject matter of this proceeding and over Respondent, and the proceeding is in the public interest.

ORDER

Definitions

For purposes of this Order, the following definitions apply:

- A. “Covered Information” means the following information from or about an individual consumer, including: (a) a first and last name; (b) a physical address or precise geolocation; (c) an email address or other online contact information, such as an instant messaging user identifier or a screen name; (d) a telephone number; (e) a Social Security number; (f) a driver’s license or other government-issued identification number; (g) a financial institution account number; (h) credit or debit card information; (i) a persistent identifier, such as a customer number held in a “cookie,” a mobile device ID, or processor serial number; (j) data fields that can be accessed or collected through Facebook from or about Facebook Users or their Friends (*e.g.*, “likes,” “hometowns,” “birthdates,” “photos,” “gender,” “educational information,” “religious or political views” or “marital” or other “relationship” status); (k) information that is created, maintained, or accessed by the consumer (*e.g.*, “messages”); (l) any data regarding a consumer’s activities online (*e.g.*, searches conducted, web pages visited, or content viewed); or (m) any user credentials, such as a username and password.
- B. “Facebook” means Facebook Inc., its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.
- C. “GSRApp” means all iterations of the GSRApp Facebook application that first began operating on the Facebook platform in May 2014.
- D. “Respondent” means Alexander James Ashburner Nix.
- E. “U.S. Entity” means any business entity that is domiciled, incorporated, maintains a physical presence, or transacts business in the United States, or collects or uses Covered Information from or about individuals known to be domiciled in the United States.

Provisions

I. Prohibition against Misrepresentations about Covered Information

IT IS ORDERED that Respondent, and Respondent's officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with any product or service must not misrepresent in any manner, expressly or by implication, the extent to which they protect the privacy and confidentiality of any Covered Information, including:

- A. The extent to which they collect, use, share, or sell any Covered Information; and
- B. The purposes for which they collect, use, share, or sell any Covered Information.

II. Required Deletion of Data

IT IS FURTHER ORDERED that Respondent, and Respondent's officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, must:

- A. Provide, within ten (10) days from the effective date of this Order, the Commission with a written statement, sworn under penalty of perjury, providing the name, address, and phone number for each person with whom Respondent shared any Covered Information collected from consumers through GSRApp, and any information that originated, in whole or in part, from this Covered Information;
- B. Delete or destroy all Covered Information collected from consumers through GSRApp, and any information or work product, including any algorithms or equations, that originated, in whole or in part, from this Covered Information. Such deletion or destruction must occur within ten (10) days of the effective date of this Order, or if such information is in the possession of a government regulatory or law enforcement agency, including the United Kingdom's Information Commissioner's Office, as of the effective date of this Order, within ten (10) days after the Covered Information is returned to Respondent. Provided, however, that such Covered Information, or any information that originated in whole or in part from such Covered Information, need not be deleted or destroyed for so long as requested by a government agency or otherwise required by regulation, court order or other legal obligation; and
- C. Provide a written statement to the Commission, sworn under penalty of perjury, confirming the foregoing. This statement must be provided: (1) within thirty (30) days after the effective date of the Order; or, if applicable, (2) within thirty (30) days after the Covered Information is returned to Respondent from a government regulatory or law enforcement agency, or within thirty (30) days after any legal obligation to preserve the Covered Information has ended.

III. Acknowledgments of the Order

IT IS FURTHER ORDERED that Respondent obtain acknowledgments of the receipt of this Order:

- A. Respondent, within ten (10) days after the effective date of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.
- B. For five (5) years after the issuance date of this Order, Respondent for any business that he, individually or collectively with any other Respondents, is the majority owner or controls directly or indirectly, and that is a U.S. Entity, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for conduct related to the subject matter of the Order and all agents and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Provision titled Compliance Report and Notices. Delivery must occur within ten (10) days after the effective date of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.
- C. From each individual or entity to which Respondent delivered a copy of this Order, he must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

IV. Compliance Report and Notices

IT IS FURTHER ORDERED that Respondent make timely submissions to the Commission:

- A. One year after the issuance date of this Order, Respondent must submit a compliance report, sworn under penalty of perjury, in which:
 - 1. Respondent must: (a) identify all his telephone numbers and all his physical, postal, email and Internet addresses, including all residences; (b) identify all his business activities with U.S. entities, including any business for which he performs services, whether as an employee or otherwise, and any entity in which he has any ownership interest; (c) describe in detail his involvement in each such business activity, including title, role, responsibilities, participation, authority, control, and any ownership; (d) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Respondent; (e) identify all U.S. Entities that Respondent owns or controls directly or indirectly by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (f) describe the activities of each such business, including the goods

and services offered, and the means of advertising, marketing, and sales, and the involvement of any other Respondent (which Respondent must describe if he knows or should know due to his own involvement); (g) describe in detail whether and how Respondent is in compliance with each Provision of this Order, including a discussion of all of the changes Respondent made to comply with the Order; and (h) provide a copy of each Acknowledgment of the Order obtained pursuant to this Order, unless previously submitted to the Commission.

- B. For five (5) years after the issuance date of this Order, Respondent must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following information:
1. Respondent must submit notice of any change in: (a) name, including alias or fictitious name, or residence address; (b) title or role in any business activity, including (i) any U.S. Entity for which he performs services whether as an employee or otherwise and (ii) any U.S. Entity in which he has any ownership interest. For each such business activity, also identify its name, physical address, and any Internet address; (c) any designated point of contact; or (d) the structure of any entity that Respondent has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.
- C. Respondent must submit notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against Respondent within fourteen (14) days of its filing.
- D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s full name, title (if applicable), and signature.
- E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *In re Cambridge Analytica, LLC et al.*, Docket No. [XXXX]

V. Recordkeeping

IT IS FURTHER ORDERED that Respondent must create certain records for five (5) years after the issuance date of the Order, and retain each such record for five (5) years, unless otherwise specified below. Specifically, for any business that Respondent, individually or

collectively with any other Respondents, is a majority owner or controls directly or indirectly, and that is a U.S. Entity, Respondent must create and retain the following records:

- A. Accounting records showing the revenues from all goods or services sold, the costs incurred in generating those revenues, and resulting net profit or loss;
- B. Personnel records showing, for each person providing services in relation to any aspect of the Order, whether as an employee or otherwise, that person's: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. Copies or records of all consumer complaints, whether received directly or indirectly, such as through a third party, and any response;
- D. A copy of each unique advertisement, other marketing material, or widely disseminated statement making a representation subject to this Order;
- E. A copy of each widely disseminated representation by Respondent that describes the extent to which Respondent collects, uses, shares, or sells Covered Information, or the purpose for which Respondent collects, uses, shares, or sells any Covered Information;
- F. For 5 years from the date received, copies of all subpoenas and other communications with law enforcement, if such communications relate to Respondent's compliance with this Order; and
- G. All records necessary to demonstrate full compliance with each Provision of this Order, including all submissions to the Commission.

VI. Compliance Monitoring

IT IS FURTHER ORDERED that, for the purpose of monitoring Respondent's compliance with this Order:

- A. Within ten (10) days of receipt of a written request from a representative of the Commission, Respondent must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury, and produce records for inspection and copying, provided that such additional compliance reports or other requested information will be limited only to the Respondent individually, U.S. Entities, or any entity that the Commission has reason to believe is a U.S. Entity.
- B. For matters concerning this Order, representatives of the Commission are authorized to communicate directly with Respondent. Respondent must permit representatives of the Commission to interview anyone affiliated with any Respondent who has agreed to such an interview. The interviewee may have counsel present.

- C. The Commission may use all other lawful means, including posing through its representatives as consumers, suppliers, or other individuals or entities, to Individual Respondent or any individual or entity affiliated with Respondent, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

VII. Order Effective Dates

IT IS FURTHER ORDERED that this Order is final and effective upon the date of its publication on the Commission's website (ftc.gov) as a final order. This Order will terminate twenty (20) years from the date of its issuance (which date may be stated at the end of this Order, near the Commission's seal), or twenty (20) years from the most recent date that the United States or the Commission files a complaint (with or without an accompanying settlement) in federal court alleging any violation of this Order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- A. Any Provision in this Order that terminates in less 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 Provision.

Provided, further, that if such complaint is dismissed or a federal court rules that Respondent did not violate any Provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this Provision 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.

By the Commission.

April J. Tabor
Acting Secretary

SEAL:
ISSUED: