

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

**COMMISSIONERS:**        **Lina M. Khan, Chair**  
                                  **Rebecca Kelly Slaughter**  
                                  **Christine S. Wilson**  
                                  **Alvaro M. Bedoya**

FTC Matter No. P224500

**ORDER TO FILE A SPECIAL REPORT**

Pursuant to a resolution of the Federal Trade Commission (“FTC” or “the Commission”) dated March 16, 2023, titled “*Resolution Directing Use of Compulsory Process to Collect Information Regarding Social Media and Video Streaming Platforms’ Advertising Review and Monitoring of Commercial Advertising to Detect, Prevent, and Reduce Deceptive Advertisements, Including Related to Fraudulent Health-Care Products, Financial Scams, and the Sale of Fake Goods,*” a copy of which is enclosed, [COMPANY NAME] (“the Company,” “You,” or “Your”) is ordered to file with the Commission, no later than 45 days after date of service, a Special Report containing the information and Documents specified herein.

The information provided in the Special Report will assist the Commission in conducting a study of the Social Media and Video Streaming Platforms’ policies, procedures, and practices to detect, prevent, and reduce deceptive Commercial Advertising and online shopping fraud, including the Platforms’ maintenance and enforcement of advertising standards; verification and authentication of advertisers; screening for misleading, deceptive, and fraudulent ads; and use of disclosures and other techniques to ensure commercial messages are identifiable as advertising. The Commission also is seeking information concerning the range of advertising formats offered to advertisers on Social Media and Video Streaming Platforms, including Shoppable Ads and ads using extended or virtual reality media, and the consumer groups most affected by deceptive Commercial Advertising and online shopping fraud on the Platforms.

The Special Report should restate each item of this Order with which the corresponding answer is identified. If You already have provided the same information in response to another Section 6(b) order from the Commission, and that information remains current and accurate, in lieu of reproducing it, You may specify the relevant order by name and matter number, and provide the date of Your response, the item of the other order to which the response pertained, and the bates number(s) for any responsive documents. Your Special Report must be subscribed and sworn to by an official of the Company who has prepared or supervised the preparation of the report from books, records, correspondence, and other data and material in Your possession. If any questions cannot be answered fully, give the information that is available and explain in what respects and why the answer is incomplete. The Special Report and all accompanying documentary responses should be bates-stamped and electronic submissions of documents should conform with the attached “Federal Trade Commission, Bureau of Consumer Protection Production Requirements.” **Unless otherwise directed in the specifications, the Applicable Time Period for the request shall be from January 1, 2019 until the date of full and complete**

**compliance with this Order.**

You are required to respond to this Order using information in Your possession, custody, or control. However, You should not seek any responsive information and data from separately incorporated subsidiaries or affiliates or from individuals (other than in their capacity as Your employee or as Your agent). Your response as it relates to separately incorporated subsidiaries or affiliates should only include information from or about such entities if You already have access to it, including information maintained in a central data repository. No later than 14 days from the date of service, You should contact Commission staff and indicate whether all of the information required to respond to this Order is in Your possession, custody, or control. If certain information is not in Your possession, custody, or control, no later than 14 days from date of service, You also must: (1) Identify, both orally and in writing, each question or sub-question that You are not able to answer fully because such information is not in Your possession, custody, or control, and (2) for each, provide the full names and addresses of all entities or individuals who have possession, custody, or control of such information.

Confidential or privileged commercial or financial information will be reported by the Commission on an aggregate or anonymous basis, consistent with Sections 6(f) and 21(d) of the FTC Act. 15 U.S.C. §§ 46(b), 57b-2(d). Individual submissions responsive to this Order that are marked “confidential” will not be disclosed without first giving the Company ten (10) days’ notice of the Commission’s intention to do so, except as provided in Sections 6(f) and 21(d) of the FTC Act. *Id.*

**SPECIFICATIONS**

Produce the following information, Documents, and items, consistent with the definitions, instructions, and formatting requirements contained in Attachment A.

**Identification of Report Author**

1. Identify by full name, business address, telephone number, and official capacity the individual(s) who prepared or supervised the preparation of the Company’s response to this Order, and Describe in Detail the steps taken by the Company to respond to this Order. For each Specification, Identify the individual(s) who assisted in preparation of the response. Provide a list Identifying the individual(s) whose files were searched and Identify the individual(s) who conducted the search.

**Responses to Specifications 2-17 should be provided no later than thirty days from the date that this Order issued.**

**Company Information**

2. State the Company’s complete legal name and all other names under which it has done business, its corporate mailing address, all addresses from which it does or has done business, and the dates and states of its incorporation.

3. Describe in Detail the Company's corporate structure, and state the names of all parents, subsidiaries, divisions, affiliates, branches, joint ventures, franchises, operations under assumed names, websites, and entities over which it exercises supervision or control. For each such entity, Describe in Detail the nature of its relationship to the Company and the date it was created, acquired, sold, or otherwise changed ownership or control. Produce organizational charts sufficient to detail the Company's corporate structure.
4. If the Company is not publicly traded, Identify each individual or entity having an ownership interest in the Company, as well as their individual ownership stakes and their positions and responsibilities within the Company.
5. Identify each Social Media and Video Streaming Service provided or sold by the Company.

**In responding to Specifications 6 through 53, provide the following for each Social Media and Video Streaming Service Identified in response to Specification 5.**

**General Information Regarding Advertising on Social Media and Video Streaming Services**

6. **Identification of Digital Advertising Services:** Identify each Digital Advertising Service offered or sold by the Company that serves, displays, or amplifies Paid Ads on the Social Media and Video Streaming Service, and for each such Digital Advertising Service, provide the following information:
  - a) a description of the Digital Advertising Service, including, but not limited to, whether it involves the sale or provision of Boosted Ads;
  - b) the Digital Advertising Service's intended user or user segment;
  - c) how the Digital Advertising Service is priced (e.g., by cost-per-click, cost-per-impression, revenue split, or other formula);
  - d) the intended focus of the Digital Advertising Service (e.g., brand awareness advertising, performance advertising, product purchase, or other purposes); and
  - e) the targeting capabilities of the product or service, including, but not limited to, a description of all data points that can be used to target (e.g., user information, mobile device type, location information, application being used, keywords), and the source of that data.
7. **Identification of Ad Formats:** Identify and Describe in Detail each Ad Format offered or sold by the Company to Advertising Customers. For each such Ad Format, Describe in Detail how ads are priced (e.g., by cost-per-click, cost-per-impression, revenue split, or

other formula). Produce representative examples of each Ad Format, including, but not limited to, through graphic representation (e.g., screenshots and screencasts), and state the date the Ad Format was first available and, if applicable, the end date.

8. Other than those Identified in response to Specifications 6 and 7, Describe in Detail any product or service offered or sold by the Company that amplifies or promotes to a wider audience any existing or already posted content on the Social Media and Video Streaming Service, in exchange for consideration from an Advertising Customer (collectively “**Boosted Ads**”), including, but not limited to:

- a) how the Company refers to the product or service in the ordinary course of business;
- b) how the product or service is priced;
- c) the product or service’s intended purpose and intended user or user segment; and
- d) the product or service’s targeting capabilities.

Produce representative examples of Boosted Ads sold or offered by the Company to advertisers, including, but not limited to, through graphic representation (e.g., screenshots and screencasts), and state the date any such Boosted Ad was first available and, if applicable, the end date.

9. **Ad Account Creation:** Describe in Detail, including, but not limited to, through graphic representation (e.g., screenshots and screencasts), any processes and mechanisms by which Advertising Customers create and manage accounts to publish Paid Ads on the Social Media and Video Streaming Service (collectively and hereinafter, “**Ad Accounts**”), including, but not limited to:

- a) any automated features or tools, including, but not limited to, each manually selectable option available to the Advertising Customer;
- b) any information requested from the Advertising Customer (e.g., payment method, name, contact information, Tax Identification Number, or other unique identifier) and any information the Advertising Customer is required to provide;
- c) any Ad Account support or advice offered by the Company to Advertising Customers (e.g., advice on structuring ad campaigns, offering payment plans, or other account management services);
- d) the eligibility of Advertising Customers to receive any such Ad Account support or advice;
- d) any records maintained on any such Ad Accounts created and policies governing whether and for how long to preserve such records; and

- e) whether and how such processes and mechanisms vary based on the characteristics of the Advertising Customer (e.g., amount of ad spend; existing relationship).
10. **Advertising Customer Categorizations:** Describe in Detail any processes to assign a unique identifier to Advertising Customers (or to the Ad Accounts created by Advertising Customers). Describe in Detail any processes, methods, or criteria used by the Company to classify or categorize Advertising Customers (or Ad Accounts), including, but not limited to, based on the following (collectively and hereinafter, “**Relevant Advertising Customer Categories**”):
- a) industry vertical (e.g., ecommerce, consumer packaged goods, professional services, affiliate marketer);
  - b) advertising spend tier or bracket;
  - c) active or inactive status;
  - d) number of active Ad Accounts; and
  - e) length of time that an entity has been an Advertising Customer of the Social Media and Video Streaming Service (e.g., whether a new Advertising Customer).
11. **Creating and Publishing Ads:** Describe in Detail, including, but not limited to, through graphic representation (e.g., screenshots and screencasts), any processes and mechanisms for creating or publishing Paid Ads on the Social Media and Video Streaming Service, including, but not limited to:
- a) any automated features or tools offered by the Company to Advertising Customers for content creation, design and formatting, or ad targeting, including all selectable options and templates and any information that Advertising Customers are prompted to input;
  - b) any selectable criteria, keywords, or user attributes offered by the Company to Advertising Customers to determine the audience for a Paid Ad (e.g., demographics, interests, behavior, location, or prior contact with the Advertising Customer), including, but not limited to, any audiences based on similar characteristics to a seed audience;
  - c) any information about the Paid Ad requested from Advertising Customers and any information the Advertising Customers is required to provide;
  - d) any algorithmic, machine learning, or automated systems, including generative artificial intelligence systems, used by the Company to create and optimize Paid Ads’ content (e.g., wording, images, audio, video, simulations, product placements, or code), formatting, or design (e.g., adding disclosures or ad labels);

- e) any ad support or advice offered by the Company to Advertising Customers, including, but not limited to, human support and through any automated features or tools, on how to format, design, or target Paid Ads; and
- f) eligibility of advertisers to receive any such human support or advice (e.g., assistance with designing or developing ad creative or with ad targeting).

If any such processes or mechanisms vary by Ad Format (including for Boosted Ads) provide responsive information for each such Ad Format.

12. **Ad Categories Generally:** Describe in Detail any methods, processes, and criteria used by the Company to classify or categorize Paid Ads based on the content of the Paid Ad (e.g., the type of good or service advertised, subject matter), including through human review or any algorithmic, machine learning, or other automated system, including, but not limited to, the following:

- a) the total number and names of each such mutually exclusive classification or categorization (collectively and hereinafter, “**Ad Categories**”) in effect during the Applicable Time Period;
- b) the Company’s use of any information provided by the Advertising Customer to determine the Ad Category for a Paid Ad;
- c) any processes for reviewing, evaluating, or validating the Company’s classifications of Paid Ads by Ad Category; and
- d) whether and how Advertising Customers are informed about any such classifications.

13. Describe in Detail how the Company tracks or uses any Ad Categories Identified in response to Specification 12, including, but not limited to, in connection with targeting Paid Ads to users of the Social Media and Video Streaming Service, allowing the users to control the Paid Ads served to them, or enforcing Company Advertising Policies. If any methods, processes, or criteria described in response to Specification 12 vary by the Relevant Language of the Paid Ad, provide responsive information for each Relevant Language.

14. **Identification of Relevant Ad Categories: Of those Ad Categories Identified in response to Specification 12,** Identify each mutually exclusive Ad Category concerning Paid Ads relating to the following (collectively and hereinafter, “**Relevant Ad Categories**”):

- a) products or services intended to prevent, cure, or treat substance use disorders;

- b) products or services intended to prevent, cure, or treat diseases, including, but not limited to, COVID-19 or cancer;
- c) weight-loss products or services;
- d) income opportunities, including participation in multi-level marketing businesses;
- e) day-trading or other investment courses or programs;
- f) cryptocurrency products or services; and
- g) job or employment listings.

If any such Ad Category varies by Relevant Language of the Paid Ad, provide responsive information for each Relevant Language. For each Ad Category Identified in response to this Specification, provide the time period during which it was in effect.

15. **Identification of Advertising Objectives:** Identify and Describe in Detail each selectable objective offered by the Company to Advertising Customers for conveying or establishing the marketing goals of Paid Ad campaigns or individual Paid Ads on the Social Media and Video Streaming Service (e.g., brand awareness, reach, website visits, lead generation, conversions, store traffic, app installs, store sales or traffic) (collectively and hereinafter, “**Advertising Objectives**”). Describe in Detail how the Company uses such information, including, but not limited to, in the targeting of Paid Ads to users of the Social Media and Video Streaming Service; in the pricing and tracking of advertising on the Social Media and Video Streaming Service; and in developing and enforcing Company Advertising Policies.
16. **Relevant Demographic Data:** Describe in Detail any methods, processes, and criteria used by the Company to classify or categorize users of the Social Media and Video Streaming Service based on the following demographic attributes (collectively and hereinafter, “**Relevant Demographic Data**”):
- a) age (e.g., 2-11; 12-17; 18-24; 25-34; 35-44; 45-54; 55-64; 65+);
  - b) gender;
  - c) race and ethnicity;
  - d) sexual orientation and gender identity (“SOGI”);
  - e) membership in a religious group or religious affiliation;
  - f) geographic location of the user in the United States (e.g., state, county, metropolitan areas, zip code);

- g) education level;
- h) income;
- i) military service status (including veterans and active service members);
- j) immigration status; and
- k) disability and disease markers.

17. **Identification of Advertising Metrics:** Identify and Describe in Detail, by each Ad Format Identified in response to Specification 7, each metric tracked or used by the Company to evaluate the performance, effectiveness, value to the Company, and reach of Paid Ads on the Social Media and Video Streaming Service, including, but not limited to, metrics for the following (collectively and hereinafter, “**Advertising Metrics**”):

- a) ad revenue;
- b) number of impressions (i.e., ads served to a user);
- c) number of viewed impressions (i.e., ads shown on a user’s screen);
- d) number of unique users of the Social Media and Video Streaming Service who viewed the ad (i.e., reach);
- e) viral reach (i.e., unique users of the Social Media and Video Streaming Service who view an ad due to the action of another user, such as likes, shares, tags, or comments);
- f) click-through rate;
- g) any cost-per-action (e.g., cost-per-click, sale, contact request, app installs, or form submission);
- h) number of user interactions with an ad (e.g., clicks, video plays, unmuting, watching a video ad for 10 seconds, shares, likes, taps, swipes, or comments);
- i) rate of user interactions with an ad or the engagement rate (i.e., number of times users of the Social Media and Video Streaming Service interact with an ad divided by the number of ad impressions);
- j) conversion rate (i.e., number of conversions, such as sales or leads, per user interaction or the number of ads before advertiser achieves a desired Advertising Objective);
- k) average price determined by the auction for ads shown to a user of the Social Media and Video Streaming Service (e.g., average cost-per-click or cost-per-action); and



- l) ad campaign duration.

If any such Advertising Metrics vary by Ad Format (including for Boosted Ads) or the Relevant Language of the Paid Ad, provide responsive information for each Ad Format and Relevant Language. For each Advertising Metric Identified in response to this Specification, provide the time period during which it was in effect.

18. **Affiliate Marketing:** Describe in Detail any Company policies, procedures, and practices concerning the provision or sale of Digital Advertising Services to affiliate marketers or lead generators, including, but not limited to:

- a) any outreach conducted by the Company (e.g., organizing or attending business conferences geared to affiliate marketers or lead generators);
- b) any discounts or sales promotions targeted to affiliate marketers or lead generators; and
- c) any strategic goals or plans to increase sales of Paid Ads to affiliate marketers or lead generators.

Produce Documents showing any such policies, procedures, or practices, including any written policies or guidance, or instructions to internal and external staff responsible for ad sales and business operations. Produce all presentations, reports, or recommendations submitted to or prepared by management committees, executive committees, boards of directors, or senior management concerning the subjects described in this Specification.

19. **Company Strategy and Planning Documents:** Produce all strategy or planning Documents (including, but not limited to, long-term and short-term business strategies or goals; objectives and key results; marketing plans or advertising strategies; presentations to management committees, executive committees, and boards of directors; and budgets and financial projections), relating to:

- a) improving Company Advertising Policies and enforcement of those policies;
- b) addressing potentially misleading, deceptive, or fraudulent Paid Ads on the Social Media and Video Streaming Service, including Paid Ads in the Relevant Ad Categories;
- c) the Ad Formats offered or sold by the Company to Advertising Customers, including any Ad Formats under development, Shoppable Ads, or ads using extended reality media (e.g., virtual, augmented, and mixed reality ads); and
- d) using algorithmic, machine learning, or automated systems, including generative artificial intelligence systems, to create and optimize Paid Ads' content (e.g.,

wording, images, audio, video, simulations, product placements, or code), formatting, or design (e.g., adding disclosures or ad labels).

For any regularly prepared budgets or financial projections, the Company need only produce one copy of final year-end Documents for prior years, and cumulative year-to-date Documents for the current year.

20. **Advertiser Materials and Reports:** Produce representative samples of:
- a) reports, analytics, or other Documents provided to Advertising Customers concerning the performance and effectiveness of ads or ad campaigns, including any Advertising Objectives described in Specification 15 and Advertising Metrics described in Specification 17; and
  - b) reports, analytics, or other Documents provided to Advertising Customers concerning any audience insights and other information relating to ad targeting.

### **Advertising Standards and Policies**

21. Describe in Detail all Company Advertising Policies, plans, and directives, whether formally adopted, informally issued, internal or made public, including, but not limited to, relating to the following:
- a) any Paid Ad content or Advertising Customers that are disallowed or restricted on the Social Media and Video Streaming Service;
  - b) any Paid Ad content or advertisers that require pre-approval or other screening process;
  - c) any restrictions on the audiences or demographic groups to whom Paid Ads are targeted, including restrictions on the use of targeting based on similarity to a seed audience or age of the user, and Identify each mutually exclusive Ad Category subject to such restrictions;
  - d) whether and how such Company Advertising Policies, plans, and directives apply to:
    - i) any page or other destination to which a Paid Ad leads users of the Social Media and Video Streaming Service (e.g. a landing page to which an ad directs users who click on it); and
    - ii) Paid Ads involving affiliate marketing or lead generation; and
  - e) the consequences of violating any such Company Advertising Policy, plan, or directive (e.g., ad removal; temporary or permanent bans from advertising on the

Social Media and Video Streaming Service; campaign spending limits or caps; limitations on ad targeting).

If any such Company Advertising Policy, plan, or directive varies by the Ad Format, (including for Boosted Ads) or by the Relevant Language of the Paid Ad, provide responsive information for each Relevant Language and Ad Format. Describe how any such Company Advertising Policy, plan, or directive varies based on the age of the user. Describe in Detail the steps taken by the Company to implement such Company Advertising Policies, plans, and directives, including guidance or instructions to internal or external staff responsible for ad review and sales, and for engineering any related algorithmic, machine learning, or other automated systems. Produce copies of any such (i) Advertising Policies, plans, and directives described in response to this Specification and (ii) written guidance or instructions to internal or external staff, including written policies, procedures, guidelines, training materials, manuals, or talking points.

22. Describe in Detail the Company's methods, processes, and criteria for reviewing, updating, or changing any Company Advertising Policy, plan, or directive described in response to Specification 21 (based, e.g., on marketplace developments; reports or complaints from users of the Social Media and Video Streaming Service; new laws or regulations), including, but not limited to:
- a) any information considered or analyzed to identify deficiencies or gaps in any such Company Advertising Policies, plans, and directives;
  - b) any criteria or benchmarks used by the Company in evaluating whether to adopt or implement any proposed or recommended changes to such Company Advertising Policies, plans, or directives; and
  - c) any recommended or proposed changes to Company Advertising Policies that the Company rejected or otherwise failed to implement.

If any such methods, processes, or criteria vary by the Relevant Language of the Paid Ad, provide responsive information for each Relevant Language. Produce Documents showing (i) any such methods, processes, or criteria and (ii) all recommended or proposed changes to Company Advertising Policies, including those that the Company rejected or otherwise failed to implement.

23. Other than the Company's policies, procedures, and practices reported in response to Specifications 21 and 22, Describe in Detail Company policies, procedures, and practices concerning Paid Ads relating to:
- a) potentially misleading, deceptive, or fraudulent Paid Ads in the Relevant Ad Categories;
  - b) online shopping fraud, including Paid Ads for counterfeit or fake products;

- c) Impersonator Scams;
- d) affiliate marketing or lead generation; and
- e) any algorithmic, machine learning, or automated systems, including generative artificial intelligence systems, for creating deepfakes, product placements or simulations, or falsified content.

Describe in Detail whether and how any such policies, procedures, or practices vary from those for Nonpaid Commercial Advertising relating to the subjects described in this Specification. If such policies, procedures, or practices vary by Ad Format (including for Boosted Ads) or by the Relevant Language of the ad, provide responsive information for each Ad Format and Relevant Language. Produce all presentations, reports, or recommendations submitted to or prepared by management committees, executive committees, boards of directors, or senior management concerning the subjects described in this Specification, including, but not limited to, any recommended or proposed changes to any such policies, procedures, and practices that the Company rejected or otherwise failed to implement.

24. **Identification of Advertising Policy Violation Codes:** Describe in Detail any methods, processes, or criteria used by the Company to classify, code, or record violations of Company Advertising Policies by violation type or seriousness (e.g., advertised an unsafe product; contained potentially deceptive, misleading, or fraudulent claims; advertised a prohibited or restricted product; mismatched landing page and ad creative; misuse of the Company’s brand) (collectively and hereinafter, “**Advertising Policy Violation Codes**”), including, but not limited to:

- a) the number and name of each mutually exclusive Advertising Policy Violation Code tracked or used by the Company and the time period any such code was in effect;
- b) any information or materials relating to any such Advertising Policy Violation Code provided to Advertising Customers; and
- c) any policies, procedures, or processes followed by the Company to create, maintain, and preserve records of violations of Company Advertising Policies, including whether and for how long to preserve such records.

If any such methods or criteria vary by Ad Format or the Relevant Language of the ad, provide responsive information for each Ad Format and Relevant Language.

### **Complaints and Inquires**

25. Describe in Detail, including, but not limited to, through graphic representation (e.g., screenshots and screencasts), any feature or mechanism offered by the Company to users of the Social Media and Video Streaming Service for reporting or flagging Paid Ads as

violating Company Advertising Policies and the means through which these users specify the reason for reporting or flagging a Paid Ad. Provide the menu of any selectable options offered by the Company to users of the Social Media and Video Streaming Service during this process. Describe in Detail how consumers are notified of any such feature or mechanism. If any such feature or mechanism varies by Ad Format (including for Boosted Ads) or by the Relevant Language of the ad, provide responsive information for each Ad Format and Relevant Language.

26. Describe in Detail any processes, methods, or criteria used by the Company to track or analyze user reports or flags submitted to the Company through the feature(s) or mechanism(s) described in response to Specification 25. Describe in Detail the policies, procedures, and practices followed by the Company to create, maintain, and preserve records of any such user reports or flags, including, but not limited to, policies governing whether and for how long to preserve such records. If any such (i) processes, methods, or criteria or (ii) policies, procedures, or practices vary by Ad Format (including for Boosted Ads) or by the Relevant Language, provide responsive information for each Ad Format and Relevant Language.
27. Separately for each Relevant Language, produce any reports, surveys, or summaries analyzing the volume, rate, and reason for user reports or flags described in response to Specification 25.
28. Separately for each Relevant Language, produce any reports, surveys, strategy or planning Documents, or analyses relating to the Company's responses to complaints, inquiries, or concerns from: (i) Advertising Customers; (ii) app store and marketplace platforms; and (iii) any government or industry self-regulatory group or consumer protection organization (e.g., any state or federal government entity; industry self-regulatory organization; or Better Business Bureau office or associated organization, such as the National Advertising Division) about potentially misleading, deceptive, or fraudulent Commercial Ads on the Social Media and Video Streaming Service, including, but not limited to, complaints, inquiries, or concerns about:
  - a) potentially misleading, deceptive, or fraudulent Paid Ads in Relevant Ad Categories;
  - b) online shopping fraud, including Paid Ads for counterfeit or fake products;
  - c) Impersonator Scams;
  - d) Paid Ads that are not recognizable as ads, including Paid Ads deceptively formatted as news stories or other independent journalistic content; and
  - e) consumer deception or fraud relating to any feature, product, or service offered or sold by the Company that enables or supports direct selling or buying of advertised products or services, including, but not limited to, Shoppable Ads.

29. Describe in Detail the processes or procedures used or followed by the Company to respond to: (i) user reports or flags about Paid Ads; and (ii) other complaints, inquiries, and concerns submitted to the Company on the subjects described in Specification 28. If such processes or procedures vary by Ad Format (including for Boosted Ads) or by the Relevant Language of the ad, provide responsive information for each Ad Format and Relevant Language.

### **Advertising Review and Monitoring**

30. Describe in Detail the Company's policies, procedures, or practices for reviewing, vetting, verifying, and authorizing prospective Advertising Customers on the Social Media and Video Streaming Service, including, but not limited to:
- a) any human review or any algorithmic, machine-learning, or other automated systems used by the Company;
  - b) any information about prospective Advertising Customers used or analyzed by the Company to vet or verify the identity of the prospective Advertising Customer, including, but not limited to, any information submitted by a prospective Advertising Customer during the Ad Account creation process;
  - c) whether and how the Company considers or weighs information about Paid Ads previously run by an Advertising Customer on the Social Media and Video Streaming Service (e.g., whether any such Paid Ads were disallowed or removed by the Company or reported or flagged for violating Company Advertising Policies);
  - d) whether and how any such policies, procedures, or practices vary based on the characteristics of prospective Advertising Customers, including, but not limited to:
    - i. the prospective Advertising Customer's size or industry vertical;
    - ii. the prospective Advertising Customer's advertising spend tier or bracket;
    - iii. any Advertising Objective; and
    - iv. whether Paid Ads from the prospective Advertising Customer are targeted to a particular subgroup of users of the Social Media and Video Streaming Service (e.g., children; cancer patients or survivors);
  - e) the criteria and mechanisms for disallowing, suspending, or permanently blocking Advertising Customers from the Social Media and Video Streaming Service, including, but not limited to, removing Paid Ads associated with that Advertising Customer on the Social Media and Video Streaming Service; and
  - f) any efforts undertaken by the Company to prevent Advertising Customers from circumventing Company actions to disallow, suspend, or permanently block any

Advertising Customer (e.g., the Advertising Customer creating an Ad Account with a misappropriated, fake, or fabricated identity or alias, or having Paid Ads served from another party's Ad Account).

If any such policies, procedures, or practices vary by the Ad Format (including for Boosted Ads) or by the Relevant Language of ads from the advertiser, provide responsive information for each Ad Format and Relevant Language. Produce written guidance or instructions relating to such policies, procedures, or practices provided to internal or external staff responsible for ad review or sales, or for engineering any related algorithmic, machine learning, or other automated systems, including, but not limited to, written policies, procedures, guidelines, training materials, manuals, or talking points.

31. Describe in Detail the methods, processes, and criteria used by the Company to evaluate and validate the efficacy or quality of any such policies, procedures, or practices described in response to Specification 30, including, but not limited to:
- a) any information considered or analyzed to identify deficiencies or gaps in such review, vetting, or verification processes for prospective Advertising Customers;
  - b) any criteria, standards, or benchmarks used by the Company to evaluate the efficacy of any such policies, procedures, or practices, including any recommended or proposed changes; and
  - c) any recommended or proposed changes to such policies, procedures, or practices that the Company has rejected or otherwise failed to implement.

Produce any Documents showing (i) any such methods, processes, and criteria described in response to this Specification, including materials provided to internal or external staff responsible for ad review or sales, or for engineering any related algorithmic, machine learning, or other automated system; and (ii) all recommended or proposed changes to such Company policies, procedures, and processes described in response to Specification 30, including those that the Company rejected or otherwise failed to implement.

32. Describe in Detail the Company's policies, procedures, and practices for reviewing, screening, approving, and removing Paid Ads on the Social Media and Video Streaming Service, including, but not limited to:
- a) any human review or any algorithmic, machine learning, or other automated system used by the Company to determine whether to disallow or remove ads from the Social Media and Video Streaming Service;
  - b) whether and how Paid Ads are reviewed for compliance with Company Advertising Policies before being served to users of the Social Media and Video Streaming Service, including any efforts undertaken by the Company to review, validate, or authenticate Paid Ad content and other data provided by Advertising Customers;

- c) the criteria or factors weighed in determining the Paid Ads for human review (e.g., user reports or flags about ads; whether Paid Ads are from Advertising Customers with a history of Advertising Policy violations);
- d) any processes for reviewing or evaluating the page or other destination to which Paid Ads lead users of the Social Media and Video Streaming Services (e.g., a landing page to which an ad directs users who click on it);
- e) any efforts undertaken by the Company to detect, prevent, and reduce potentially misleading, deceptive, or fraudulent Paid Ads on the Social Media and Video Streaming Service, including:
  - i) potentially misleading, deceptive, or fraudulent Paid Ads in Relevant Ad Categories;
  - ii) online shopping fraud, including Paid Ads for counterfeit or fake products; and
  - iii) Impersonator Scams; and
- f) how any such policies, procedures, and practices function or are applied differently with respect to:
  - i) the Ad Category of the Paid Ads, including with respect to Paid Ads in the Relevant Ad Categories;
  - ii) whether Paid Ads are targeted to a particular subgroup of users of the Social Media and Video Streaming Service (e.g., children; cancer patients or survivors);
  - iii) any Advertising Objective (e.g., brand awareness; customer acquisition; lead generation);
  - iv) whether Paid Ads enable or support the direct selling or buying of goods or services (e.g., Shoppable Ads);
  - v) amount of ad revenue generated for the Company; and
  - vi) any characteristics of the Advertising Customer associated with the ads, including (e.g., the Advertising Customer's size or industry vertical; the Advertising Customer's spend tier or bracket).

If any such policies, procedures, and practices vary by Ad Format (including for Boosted Ads) or Relevant Language of the ad, provide responsive information for each Ad Format and Relevant Language. Produce any written guidance, instructions, or assessments relating to any such policies, procedures, and practices provided to internal and external staff responsible for ad review or sales, or for engineering any related algorithmic, machine learning, or other automated systems, including, but not limited to, written policies,



procedures, training materials, manuals, performance evaluations or reviews, or talking points.

33. Describe in Detail how such Company algorithmic, machine learning, or other automated systems described in response to Specification 32 operate, including, but not limited to:
- a) the criteria and weighting of factors used by any such systems to determine which ads to disallow, approve, or remove (e.g., user reports or flags about ads; whether ads are from Advertising Customers with a history of Advertising Policy violations);
  - b) any information about ads' content analyzed or considered by any such systems (e.g., text, images, co-signals with other ads);
  - c) any underlying models used to sort or order ads according to compliance with Company Advertising Policies;
  - d) the processes, methods, or criteria for training, tuning, or evaluating the performance of any such systems, including with respect to detecting potentially misleading, deceptive, or fraudulent Commercial Ads;
  - e) any predetermined categories according to which Paid Ads are labeled;
  - f) any benchmarks or standards against which performance is measured (e.g., achieving a desired level of accuracy); and
  - g) whether and how any such systems operate differently with respect to any particular subsets of Paid Ads, including Paid Ads in any Relevant Ad Category or Paid Ads targeted to particular subgroups of users of the Social Media and Video Streaming Service (e.g., children; cancer patients or survivors).

Produce Documents showing any assessment, evaluation, adjustment, or criticism of any such systems, the criteria and weighting of factors used by any such systems, the training of the models underlying any such systems, and any benchmarks or other standards by which performance is measured.

34. Describe in Detail all efforts undertaken by the Company (including conducting or commissioning any audits, assessments, or studies) to evaluate or validate the efficacy or accuracy of the Company's algorithmic, machine learning, or other automated systems described in response to Specification 32, including, but not limited to, whether any such systems are effective in detecting, preventing, or reducing potentially misleading, deceptive, or fraudulent Paid Ads on the Social Media and Video Streaming Service, including with respect to:

- a) potentially misleading, deceptive, or fraudulent Paid Ads in the Relevant Ad Categories;
- b) online shopping fraud, including Paid Ads for counterfeit or fake products; and
- c) Impersonator Scams.

Produce all presentations or recommendations submitted to or prepared by management committees, executive committees, boards of directors, or senior management concerning any such efforts undertaken by the Company. Produce Documents showing any audits, assessments, or studies, including reports analyzing or summarizing the results or findings of such audits, assessments, and studies.

35. Other than reported in response to Specification 34, Identify and Describe in Detail, any independent audits, assessments, or reviews commissioned by the Company, whether completed or merely proposed, to evaluate or validate the efficacy of the Company's policies, procedures, or practices, including any human review or any algorithmic, machine learning, or automated systems, for the following:
- a) reviewing, vetting, verifying, or authorizing prospective advertisers on the Social Media and Video Streaming Service, as described in response to Specification 30;
  - b) the Company's policies, procedures, or practices for reviewing, screening, approving, or removing ads, as described in response to Specification 32; and
  - c) the Company's efforts otherwise to detect, prevent, or reduce potentially misleading, deceptive, or fraudulent Commercial Ads on the Social Media and Video Streaming Service, including, but not limited to:
    - i) potentially misleading, deceptive, or fraudulent Paid Ads in the Relevant Ad Categories;
    - ii) online shopping fraud, including ads for counterfeit or fake products; and
    - iii) Impersonator Scams.

Identify the Person(s) who conducted, or were retained by the Company to conduct, any such independent audits, assessments, or reviews. Provide the date any such audits, assessments, or reviews were conducted. Produce all such audits, assessments, or reviews, whether final or preliminary.

36. Describe in Detail the Company's policies, processes, or procedures for challenging or appealing any Company decision to: (i) approve, disallow, suspend, or permanently block any Advertising Customer; and (ii) approve, disallow, or remove Paid Ads from the Social Media and Video Streaming Service for violating Company Advertising Policies, including, but not limited to:

- a) who is eligible outside the Company to challenge or appeal these decisions (e.g., the Advertising Customer; other businesses; users of the Social Media and Video Streaming Service);
- b) how any such policies, processes or procedures are disclosed;
- c) any mechanisms or processes allowing for internal challenges or appeals of ad compliance decisions (from, e.g., the chief revenue officer; personnel responsible for ad sales);
- d) the mechanisms or procedures for making any such challenges or appeals; and
- e) the methods, criteria, and processes used or followed by the Company to review and resolve such challenges or appeals, including the involvement of the teams, groups, or Persons responsible for the original decisions.

If any such policies, processes, or procedures vary by whether the challenger or appellant is an Advertising Customer, another business, or a user of the Social Media and Video Streaming Service, provide responsive information for each such challenger or appellant. If any such policies, processes, or procedures vary by Ad Format (including for Boosted Ads) or Relevant Language of the Paid Ad, provide responsive information for each Ad Format and Relevant Language. Produce any written guidance or instructions relating to any such policies, processes, or procedures provided to internal or external staff responsible for handling or resolving any such challenges or appeals, including, but not limited to, written policies, guidelines, procedures, manuals, or talking points.

**Information Regarding Whether Commercial Advertising on Social Media and Video Streaming Services Is Recognizable as Advertising**

- 37. Describe in Detail the Company’s policies, plans, and directives, whether formally adopted, informally issued, internal, or made public, for ensuring that Paid Ads on the Social Media and Video Streaming Service are recognizable as advertising to users of the Social Media and Video Streaming Service, including, but not limited to:
  - a) any processes for reviewing, approving, or disallowing Paid Ads based on the ad’s design or format, including, but not limited to, Paid Ads resembling news stories or other independent journalistic content;
  - b) any method of disclosure, including, but not limited to, through graphic representation (e.g., screenshots and screencasts), used by the Company to distinguish Paid Ads from other content published on the Social Media and Video Streaming Services (including, but not limited to, any ad labels or other visual or audio cues);

- c) whether and how such ad disclosure methods are maintained when users of the Social Media and Video Sharing Service share or republish Paid Ads; and
- d) whether and how any such ad disclosure methods vary depending on any particular subgroup of users of the Social Media and Video Sharing Service viewing a Paid Ad (e.g., older consumers, children), the device on which the Paid Ad is viewed (e.g., mobile, desktop), or the user interface in which the Paid Ad appears.

For each ad disclosure method described in response to this Specification, provide the time period that it was in effect. If such policies, plans, or directives vary by Ad Format or the Relevant Language of the ad, provide responsive information for each Ad Format and Relevant Language. Describe in Detail the steps taken by the Company to implement such policies, plans, or directives, including, but not limited to, any guidance or instruction provided to any ad review, UX design, or ad sales teams. Produce any such written guidance or instructions, including, but not limited to, written policies, procedures, training materials, manuals, or talking points.

- 38. For each ad disclosure method described in response to Specification 37, Describe in Detail, including through graphic representation (e.g., screenshots and screencasts), any change or redesign implemented by the Company from **January 1, 2016** until the date of full and complete compliance with this Order. Produce all presentations, reports, or recommendations prepared by or submitted to management committees, executive committees, boards of directors, or senior management concerning any such disclosure methods and any changes or redesigns considered or implemented by the Company during this time period.
- 39. Describe in Detail the Company's policies, plans, and directives, whether formally adopted, informally issued, internal or made public, governing whether and how Nonpaid Commercial Advertising published on the Social Media and Video Streaming Service is identifiable to users of the Social Media and Video Streaming Service as advertising (e.g., influencer marketing or paid placement), including, but not limited to:
  - a) any automated features or tools, or other support, offered by the Company to influencer marketers or endorsers for identifying Nonpaid Commercial Advertising content as advertising, including disclosing material connections between endorsers and the sellers of advertised products or services;
  - b) the mechanisms and processes, including, but not limited to, through graphic representation (e.g., screenshots and screencasts), by which any ad labels or other disclosures are implemented or included in Nonpaid Commercial Advertising content through use of any such Company features or tools;
  - c) how any such implemented or included ad labels or other disclosures are maintained when users of the Social Media and Video Streaming Service share or republish Nonpaid Commercial Advertising content;

- d) whether and how any such ad labels or other disclosures implemented or included vary based on the user interface design in which Nonpaid Commercial Advertising content appears, any particular subgroup of users of the Social Media and Video Streaming Service viewing Nonpaid Advertising content (e.g., older consumers, children), or the device on which users of the Social Media and Video Streaming Service view it; and
- e) the consequences of noncompliance with any such policies, plans, and directives (e.g., removal of violative content; account suspension).

For each automated feature or tool described in response to this Specification, provide the time period that it was in effect. If any such policies, procedures, or practices vary by Relevant Language, provide responsive information for each Relevant Language. Describe in Detail the steps taken by the Company to implement such policies, procedures, and practices, including any guidance or instructions provided to any UX design teams. Produce any such written guidance or instructions, including written policies, procedures, guidelines, training materials, manuals, or talking points.

- 40. Describe in Detail any public statements or disclosures to consumers, advertisers, and endorsers concerning the existence or efficacy of any automated feature or tool described in response to Specification 39. Produce representative samples of all such public statements and disclosures.
- 41. Describe in Detail any efforts undertaken by the Company, including through human review and any algorithmic, automated, or other automated systems, to detect, prevent, or reduce deceptively formatted or designed Commercial Advertising on the Social Media and Video Streaming Service (i.e., Commercial Advertising that misleads consumers as to its source or commercial nature), including Commercial Advertising resembling news stories or other independent journalistic content.
- 42. Regardless of time period, Describe in Detail all efforts undertaken by the Company to evaluate, validate, or substantiate, including conducting or commissioning any studies, experiments, user testing, or other research, the efficacy of:
  - a) any ad disclosure methods described in response to Specification 37; and
  - b) any automated features or tools described in response to Specification 39.

Specify any other information on which the Company relies to validate or substantiate the efficacy of any such ad disclosure methods or automated features or tools.

### **Ecommerce-Related Features, Products, or Services**

- 43. Describe in Detail each feature, product, or service offered or sold by the Company that enables or supports direct selling or buying of advertised products or services (e.g.,

Shoppable Ads, storefronts, order processing and fulfillment, payment systems and processing, customer service, digital shopping assistants and other forms of customer service, and any features allowing for users of the Social Media and Video Streaming Service to test, or experience, advertised products in extended or virtual reality environments) (collectively and hereinafter, “**Ecommerce-Related Products**”). For each Ecommerce-Related Product, Describe in Detail:

- a) how it operates, including through representative examples and graphic representations (e.g., screenshots and screencasts);
  - b) its intended user or user segment;
  - c) any eligibility criteria governing which Advertising Customers are allowed to purchase or use it;
  - d) how it is priced (e.g., by one time or recurring payment, cost-per-click, cost-per-impression, revenue split, or other formula);
  - e) whether it is offered or sold as part of any Company Digital Advertising Service;
  - f) whether it involves integration with or use of any other online platforms and the Identity of any such online platform and a description of the platform’s relationship to the Company;
  - g) any support or advice, including, but not limited to, human support, offered or provided by the Company to Advertising Customers using it; and
  - h) any efforts undertaken by the Company to evaluate and validate its efficacy or quality.
44. Produce representative samples of each type of promotional material that the Company disseminates to prospective customers of any Ecommerce-Related Product described in response to Specification 43.
45. Describe in Detail any efforts undertaken by the Company to prevent or detect consumer deception or fraud relating to any Ecommerce-Related Product described in response to Specification 43, including, but not limited to, any human review or any algorithmic, machine learning, or other automated systems used by the Company. Describe the Company’s policies, processes, and procedures for addressing complaints, inquiries, or concerns submitted to the Company concerning any sales transactions enabled or supported by any such Ecommerce-Related Product. Produce all presentations, reports, or recommendations submitted to or prepared by management committees, executive committees, boards of directors, or senior management concerning any such efforts undertaken by the Company.

46. State, on a monthly basis, in total and separately for each Relevant Ad Category, the number of: (a) Shoppable Ads viewed on the Social Media and Video Streaming Service, in total and as a share of all ads viewed; and (b) product purchases from those ads.
47. Identify and Describe in Detail each metric tracked or used by the Company to evaluate the performance, effectiveness, value to the Company, and reach of any Ecommerce-Related Product described in response to Specification 43, including Shoppable Ads.
48. State on a monthly, quarterly, and annual basis, in total and separately for each Ecommerce-Related Product described in response to Specification 43, the Company's revenue attributable to the provision or sale of Ecommerce-Related Products, including Shoppable Ads, stated in dollars, stated separately by type of revenue, including gross and net revenue, and describe how such revenues were attributed and calculated.

### **Research and Analyses**

49. Produce all research, studies, testing, reports, or analyses (including surveys, copy tests, focus groups, experiments, or A/B testing), regardless of whether completed or merely proposed, and whether qualitative, empirical, or otherwise, relating to the following:
  - a) the use or efficacy of any ad disclosure methods described in response to Specification 37 (including, but not limited to, whether consumers comprehend or notice any ad labels or other visual or audio cues used by the Company);
  - b) the use or efficacy of any automated features or tools described in response to Specification 39, including any ad labels or other disclosures implemented or included through use of any such feature or tool;
  - c) consumers' ability to recognize Commercial Advertising or to distinguish between Paid Ads and nonpaid content on the Social Media and Video Streaming Service;
  - d) the effect of ads' content, messaging, or formatting, or an ad's intended audience, on consumer or user perceptions or behavior, activity, or engagement with ads on the Social Media and Steaming Service, or with the Social Media and Video Streaming Service generally;
  - e) the extent to which ads served or viewed on the Social Media and Video Streaming Service violate Company Advertising Policies, or the extent of potentially misleading, fraudulent, or deceptive Commercial Ads served or viewed on the Social Media and Video Streaming Service, including, but not limited to:
    - i) potentially misleading, deceptive, or fraudulent ads in the Relevant Ad Categories;
    - ii) online shopping fraud, including ads for counterfeit or fake products; and

- iii) Impersonator Scams;
- f) whether or the extent to which any particular subgroups of users of the Social Media and Video Streaming Service (e.g., older users; users located in certain areas; military service members or veterans) are served, or view or interact with, or otherwise are disproportionately affected by:
    - i) potentially misleading, deceptive, or fraudulent Commercial Ads on the Social Media and Video Streaming Service; and
    - ii) ads in any of the Relevant Ad Categories;
  - g) the efficacy or accessibility of any features or mechanisms described in response to Specification 25 for users of the Social Media and Video Streaming Service to report or flag ads to the Company, including, but not limited to, whether these users notice and employ any such features or mechanisms, or whether and the extent to which any particular subgroups of users are more or less likely to avail themselves of such features or mechanisms;
  - h) the effect of Company Advertising Policies, plans, or directives, and enforcement of any such Advertising Policy, plan, or directive on advertising inventory volume and performance, on advertising revenue generated, the pricing of ads, or profitability of the Social Media and Video Streaming Service; and
  - i) the efficacy of any Company efforts described in response to Specification 45 in preventing any Ecommerce-Related Product offered or sold by the Company from being used by advertisers to engage in consumer deception or fraud.
50. Produce all presentations, reports, or recommendations submitted to or prepared by management committees, executive committees, boards of directors, and senior management concerning the subjects described in Specification 49.

### **Personnel Responsibilities and Related Expenditures**

51. Identify, and Describe in Detail the responsibilities of, each department, group, and team, including any external staff, and all oversight provided by senior leadership as Identified by position, involved in:
  - a) the subjects described in Specifications 21 through 50 above; and
  - b) the sale of Paid Ads or business operations relating to Paid Ads.

For any such department, group, and team, Describe in Detail the means used by the Company to review or evaluate job performance, including, but not limited to, any incentives or penalties or performance measures (based on, e.g., rate of ads reviewed; accuracy of human review or any algorithmic, machine learning, or other automated



systems; or ad revenue generated, ad volume, or ad spend per ad campaign). Describe in Detail the composition, size, and reporting structure of any such departments, teams, or groups, including, but not limited to, through visual representation. Produce Documents setting forth the performance expectations and basis for compensation of personnel in such departments, teams, or groups.

52. Describe in Detail the role, if any, including decision making and setting of strategic goals and planning, of any department, team, group Identified in response to Specification 51(b), with respect to the following:
- a) the specifications and scope of any Company Advertising Policies, any proposed or recommended updates to such policies, and the enforcement of the policies;
  - b) the Company's methods, processes, and criteria for reviewing, vetting, verifying, and authorizing prospective Advertising Customers;
  - c) the Company's policies, procedures, and practices for reviewing, screening, approving, and removing Paid Ads;
  - d) any Company efforts to detect, prevent, and reduce potentially misleading, deceptive, or fraudulent Commercial Ads on the Social Media and Video Streaming Service, including:
    - i. potentially misleading, deceptive, or fraudulent Paid Ads in Relevant Ad Categories;
    - ii. online shopping fraud, including ads for counterfeit or fake products;
    - iii. Impersonator Scams; and
    - iv. deceptively formatted or designed Commercial Advertising (i.e., misleads consumers as to its source or commercial nature);
  - e) the operation of Company algorithmic, machine learning, and other automated systems described in response to Specification 33, including the criteria and weighting of factors used and any benchmarks or standards against which performance is measured;
  - f) the review and resolution of challenges or appeals of Company ad compliance decisions, including actions to: (i) disallow, suspend, or permanently block an advertiser or (ii) disallow or remove ads from the Social Media and Video Streaming Service for violating Company Advertising Policies;
  - g) the formatting and design of ads, including any disclosure methods used by the Company to ensure that ads are recognizable as advertising to users of the Social

Media and Video Streaming Service or distinguishable from nonpaid content on the Social Media and Video Streaming Service;

- h) advertisers or ads' eligibility for any Ecommerce-Related Product described in Specification 43, including, but not limited to, Shoppable Ads, sold or offered by the Company; and
- i) the Company's commissioning or conducting any research, testing, or analyses (including any independent audits, assessments, or reviews) described in Specifications 34, 35, and 49.

Describe in Detail the policies, processes, and procedures governing the relationship between any such departments, groups, or teams Identified in response to Specification 51(a) and (b) regarding the subjects described in this Specification, including, but not limited to, with respect to resolving any disagreements or disputes. Describe in Detail the flow of information on such subjects, if any, between any such departments, groups, or teams, including any guidance, reporting, regular meetings or task forces, or shared access to data dashboards.

- 53. State, on a monthly, quarterly, and annual basis, separately for each Relevant Language, the Company's: (i) costs and expenditures (e.g., labor, research and development, machine learning infrastructure) and (ii) head count, relating to developing, maintaining, and enforcing Company Advertising Policies, including through human review or any algorithmic, machine learning, or other automated system.

### **Reporting on Revenue and Other Metrics for Paid Ads Viewed on Social Media and Video Streaming Services**

**Provide responses to Specifications 54 to 62 for each Social Media and Video Streaming Service Identified in response to Specification 5. Provide reported information separately for: (a) each Relevant Language and (b) desktop and mobile. Unless specified, do not include responsive information for Boosted Ads. Before submitting a full response to Commission counsel, submit a list of available Relevant Ad Categories and Relevant Advertiser Customer Categories and meet and confer with Commission counsel regarding the format of Your response. Include in Your response a description of how each responsive metric is calculated and a data dictionary with each such metric.**

- 54. **Revenue from Advertising:** Report, on a monthly, quarterly, and annual basis, the dollar amount of revenue from ads on the Social Media Service, for: (a) all Paid Ads in total; (b) Paid Ads in each Relevant Ad Category; and (c) Boosted Ads, stated separately for gross and net revenue.
- 55. **Ads Viewed:** Report, on a monthly basis, and separately for Boosted Ads, the number of Paid Ads viewed for:

- a) all Paid Ads in total; and
- b) each Relevant Ad Category.

Report responsive information in total and broken down by (i) Ad Format; (ii) Relevant Advertising Customer Categories Identified in response to Specification 10; and (iii) by Advertising Objectives Identified in response to Specification 15.

56. **Pre-screening of ads:** Report, on a monthly basis, before delivery to users of the Social Media and Video Streaming Service, the number of ads, in total and as a share of all ads submitted to the Company, and separately for Boosted Ads, for:

- a) Paid Ads reviewed manually; and
- b) Paid Ads disallowed from the Social Media and Video Streaming Service for violating Company Advertising Policies.

Report responsive information in total and broken down by: (a) whether ad sales were direct or by auction; and (b) Ad Category.

57. **Advertiser Suspensions and Removals:** Report, on a monthly basis, the number of Advertising Customers that the Company:

- a) disallowed from creating an Ad Account, in total and as a share of all Ad Accounts created;
- b) suspended from serving ads on the Social Media and Video Streaming Service, in total and as a share of active Advertising Customers; and
- c) permanently blocked from serving ads on the Social Media and Video Streaming Service, in total and as a share of active Advertising Customers.

Report the Identity (including any unique ID value used by the Company) of any such (i) disallowed; (ii) suspended; or (iii) permanently blocked Advertising Customer. Report responsive information in total and broken down by Relevant Advertiser Customer Categories.

58. **User Reports or Flags:** Report, on a monthly basis, and separately for Boosted Ads, the total number of user reports or flags described in response to Specification 25, and the reason specified and the Identity of the Advertising Customer (including any unique ID value used by the Company), for:

- a) all Paid Ads in total; and
- b) each Relevant Ad Category.

Report responsive information in total and broken down by Ad Format and Advertising Objective.

59. **Removed Ads:** Report, on a monthly basis, and separately for Boosted Ads, the total number of Paid Ads removed from the Social Media and Video Streaming Service for violating Company Advertising Policies, and the relevant Advertising Policy Violation Code and Identity of the advertiser (including any unique ID value used by the Company), for:
- a) all Paid Ads in total; and
  - b) each Relevant Ad Category.

Report responsive information in total and broken down by Ad Format and Advertising Objective.

60. **Demographic Information and Advertiser Metrics:** For Paid Ads reported in response to Specifications 55(b), 58, and 59, provide Relevant Demographic Data Identified in response to Specification 16 for users of the Social Media and Video Streaming Service who viewed such ads and the following Advertising Metrics:
- a) ad revenue;
  - b) number of unique users of the Social Media and Video Streaming Service who viewed the Paid Ad;
  - c) number of viewed impressions;
  - d) viral reach;
  - e) click-through rate;
  - f) cost-per-action;
  - g) rate of any user interactions other than reported in response to (d); and
  - h) conversion rate; and
  - i) average ad campaign duration.

61. **Audit Sample:** Produce a sample consisting of 300 randomly selected ads among the Paid Ads viewed on the Social Media and Video Streaming Service on two days (as determined by Commission counsel) during the calendar years 2019, 2020, 2021, 2022, and 2023 for each Relevant Ad Category. For each sampled ad provide the following:

- a) copy of the ad creative shown to users of the Social Media and Video Streaming Service (including, but not limited to, the landing page or other destination to which the ad leads users and corresponding hyperlink for any such landing page or other destination);
  - b) the start and end date of the ad campaign;
  - c) the Advertising Objectives (including any target audience selected by the advertiser);
  - d) audience insights and other information related to ad targeting;
  - e) the value of each Advertising Metric listed in Specification 60 above;
  - f) whether the Paid Ad was reported or flagged by users of the Social Media and Video Streaming Service for violating Company Advertising Policies and, if so, the number of times and the reason(s) specified;
  - g) whether the Company subsequently removed the ad for violating Company Advertising Policies and, if so, the relevant Advertising Policy Violation Code and date of removal; and
  - h) the Identity of the Advertising Customer (including any unique ID value used by the Company) and:
    - i) each Relevant Advertising Customer Categorization; and
    - ii) whether any other ads from the Advertising Customer were reported or flagged by users.
62. **Advertising Records:** Describe in Detail the policies, procedures, or processes followed by the Company to create, maintain, and preserve records on the subjects described in Specifications 54 to 61, including whether and for how long to preserve such records.

## Attachment A

### DEFINITIONS & ADDITIONAL INSTRUCTIONS

- A. **“Ad Format”** means, and information shall be provided separately for, each type of Paid Ad by media type (e.g., text, photo, video, or extended reality media, including, but not limited to, virtual, augmented, and mixed reality ads), by design and function (e.g., carousel ad, slideshow ad, collection ad, playable ad, in-stream or in-feed ad, native ad, or Shoppable Ad), and location (e.g., specific locations on a web page or app) on Company Social Media and Video Streaming Services.
- B. **“Advertising Customer”** means any Person that uses or avails themselves of a Company Digital Advertising Service.
- C. **“Advertising Policy”** means, and information shall be provided separately for, each Company policy, code of conduct, advertising standard or guideline, that the Company applies or otherwise uses to determine what types of Paid Ad content are allowed on Company Social Media and Video Streaming Services, or otherwise are subject to user audience or location restrictions.
- D. **“Boosted Ad”** means any existing or already posted content on Company Social Media or Video Streaming Services that the Company amplifies or promotes to a wider audience in exchange for consideration from an Advertising Customer.
- E. **“Commercial Advertisement”** or **“Commercial Advertising”** or **“Commercial Ad”** means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service (excluding, e.g., social issue, election, or political ads).
- F. **“Company,” “You,”** or **“Your”** means [COMPANY NAME], its domestic and foreign parents, predecessors, 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. The terms “Company,” “You” or “Your” do not include separately incorporated subsidiaries and affiliates unless it relates to information from or about such entities if you already have access to it, including information maintained in a central data repository.
- G. **“Describe in Detail”** means providing the information requested in narrative form, and including an explanation of each material change, if any, during the Applicable Time Period relating to the matter described, as well as the effective date of the change(s), and the reason(s) for such changes.
- H. **“Digital Advertising Service”** means each Company product or offering that serves, displays, or amplifies, or Company service relating to the service, display, or

amplification of, Paid Ads through an application or website on any device (e.g., personal computer, iOS device, Android device, etc.).

I. **“Document”** means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedures 34(a)(1)(A).

J. **“Identify”** or **“the Identity of”** requires identification of (a) natural Persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present address is not known, the last known business and home address; and (b) businesses or other organizations by name, address, and the Identities of the Company’s contact Persons at the business or organization.

When used in reference to facts, items, or things, **“Identify”** or **“the Identity of”** means to describe, with particularity, the fact, item, or thing in question, including how the Company names or references it.

K. **“Impersonator Scams”** means a form of Commercial Advertising that pretends to be from or impersonates a Person to convince the consumer to send that Person money or to promote a good or service (e.g., Social Security Administration scams, Internal Revenue Service scams, fake celebrity or expert endorsements, tech support scams, romance scams, nanny and caregiver scams, grandkid scams, and family emergency scams).

L. **“Paid Ad”** means content that the Company delivers to users of a Social Media and Video Streaming Services in exchange for payment or other compensation from an Advertising Customer, including, but not limited to, Boosted Ads.

M. **“Nonpaid Commercial Advertising”** means Commercial Advertising posted or published on Company Social Media and Video Streaming Services by users of these services of these services for which the Company does not receive compensation (e.g., brand account content, paid placements, influencer marketing, or brand partnerships with content creators).

N. **“Person”** means a natural Person, an organization, or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.

O. **“Relevant Language”** means, and information shall be provided separately for, advertising targeted to: (1) English speakers; and (2) Spanish speakers.

P. **“Shoppable Ads”** means Paid Ads that allow consumers to purchase the advertised product or service directly from the ad.

- Q. **“Social Media and Video Streaming Service”** includes, and information shall be provided separately for, any product or service that allows users of the product or service to create and share content with other users of the product or service (whether a private or group interaction) through an application or website on any device (e.g., personal computer, iOS device, Android device, etc.), or stream video, including, but not limited to, any social networking service, messaging service, video streaming service, or photo, video, or other content sharing application, whether offered for a fee or for free.
- R. “You” and “Your” mean the Person or Entity to whom this CID is issued and include the “Company.”
- S. **Responses to Specifications 54-62:** The Company must produce responses to these Specifications in a format, in part, in one or more delimited text files, that the staff will provide after the meet and confer discussions.
- T. **Meet and Confer:** You must contact **Laura Sullivan** at **(202) 326-3327; lsullivan@ftc.gov** or **Rafael Reyneri** at **(202) 326-3026; rreyneri@ftc.gov** as soon as possible to schedule a meeting (telephonic or in person) in order to confer regarding Your response.
- U. **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 the Commission counsel named above.
- V. **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. As noted in the attachment, some items require discussion with Commission 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 ESI systems and methods of retrieval, make those arrangements with Commission counsel when scheduling the general Meet and Confer discussion.
- W. **Applicable Time Period:** Unless otherwise directed in the Specifications the Applicable Time Period for the requests shall be from **January 1, 2019 until the date of full and complete compliance with this Order.**
- X. **Production of Copies:** 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.



- Y. **Sensitive Personally Identifiable Information and Sensitive Health Information:** If any material called for by these requests contains Sensitive Personally Identifiable information or Sensitive Health Information of any individual, please contact Commission counsel before sending those materials to discuss ways to protect such information during production. 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 telephone 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.
- Z. **Withholding Requested Material / Privilege Claims:** For specifications requesting production of Documents or answers to written interrogatories, if You withhold from production any responsive material based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim before full and complete compliance with this Order, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a)–(c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each Document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. 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).

You are advised that penalties may be imposed under applicable provisions of federal law for failure to file special reports or for filing false reports.

By direction of the Commission

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Lina M. Kahn, Chair

DATED: March 16, 2023