

Consumer Sentinel Network Confidentiality Agreement

This agreement is entered into between the Bureau of Consumer Protection ("Bureau") of the Federal Trade Commission ("FTC") and the Australian Competition and Consumer Commission ("ACCC") in conjunction with all other domestic and foreign entities similarly agreeing, and in furtherance of the Agreement Between the Federal Trade Commission of the United States of American and the Australian Competition & Consumer Commission on the Mutual Enforcement Assistance in Consumer Protection Matters signed on July 17, 2000. The purpose of this agreement is to facilitate the confidential exchange of consumer complaint information, including information about consumer fraud and deception perpetrated through the Internet, direct mail, telemarketing, or other media, under the conditions set forth below.

The Consumer Sentinel Network

1. The FTC, in conjunction with the National Association of Attorneys General, Canshare, and PhoneBusters, has developed the Consumer Sentinel--an automated database to store investigatory information provided by participating law enforcement agencies and other contributors about consumer fraud and deception. Pursuant to the Identity Theft and Assumption Deterrence Act of 1998, 18 U.S.C. §1028, the FTC also has developed the Identity Theft Data Clearinghouse--an automated database to store investigatory information provided by consumers, participating law enforcement agencies, and other contributors about identity theft. The FTC makes information contained in the Consumer Sentinel and the Identity Theft Data Clearinghouse available through the Consumer Sentinel Network. The information contained in both databases is known collectively as "Consumer Sentinel Network" information. This information exchange program is consistent with Section 6 (f) of the Federal Trade Commission Act, 15 U.S.C. § 46(f), Commission Rules 4.6, 4.10, and 4.11(c) and (d), 16 C.F.R. §§ 4.6, 4.10, and 4.11(c) and (d) (2000), and the Privacy Act of 1974, as amended, 5 U.S.C. § 552a.

2. The information contained in the Consumer Sentinel Network does not include confidential commercial material, but is limited to information derived primarily from consumer complaints and other information gathered during identity theft, fraud, and other consumer protection investigations. This information may include, among other things, the names of companies and company representatives; the identity of the products or services involved; the status of ongoing law enforcement actions; and the names and telephone numbers of assigned staff.

Data Contribution

3. The ACCC and other data contributors may enter relevant information into one or both databases through the use of computer terminals located in their offices or by providing such information to other participants who will input such data into the system. Where necessary, the FTC subsequently loads this information into the automated databases, which are controlled by the FTC. The ACCC undertakes to use best efforts to provide relevant and appropriate consumer complaints and other information for inclusion in the Consumer Sentinel network.

Access to Consumer Sentinel Network Information

4. Information in the Consumer Sentinel Network shall be made available as follows:

a. Information in the Consumer Sentinel database will be available only to the FTC and participating domestic and foreign law enforcement agencies that sign this confidentiality agreement. The form, substance and extent of disclosures to foreign law enforcement entities shall be within the discretion of the FTC, subject to mutual agreement between staff of the FTC and staff of the foreign law enforcement entity.

b. Information in the Identity Theft Data Clearinghouse will be made available to the FTC and participating domestic law enforcement agencies. Limited information from the Identity Theft Data Clearinghouse also will be available to other participating domestic government agencies, consumer reporting agencies, and private entities that sign this agreement, to the extent consistent with the Identity Theft and Assumption Deterrence Act of 1998, 18 U.S.C. §1028, and the Privacy Act, 5 U.S.C. 552a. The form and substance of disclosures to other participating domestic government agencies, consumer reporting agencies, and private entity participants is at the discretion of the FTC.

Confidentiality and Use of Consumer Sentinel Network Information

5. All parties participating in this information exchange system do so with the understanding that all Consumer Sentinel Network information will be kept confidential. In particular, the party signing this agreement agrees not to release information contained in the Network to anyone other than its employees, consultants and contractors, or bona fide law enforcement agency personnel who are bound by this agreement and have a need to know such information.

6. The party signing this agreement agrees to use information contained in the Consumer Sentinel Network in the manner indicated below (check only one designation):

a. _____ The party signing this agreement is a domestic or foreign law enforcement entity and agrees to use the Consumer Sentinel Network information to which it has access under paragraph 4 of this agreement only in connection with law enforcement purposes.

OR

b. _____ The party signing this agreement is a participating domestic government agency, consumer reporting agency, or private entity, and agrees to use the limited Identity Theft Data Clearinghouse information disclosed to it only to prevent or investigate frauds described in 18 U.S.C. § 1028 (a), subject to such additional conditions as designated by the FTC.

7. Except as authorized by law, the Bureau agrees that information contained in the Consumer Sentinel Network will not be released to anyone other than participating entities as delineated in this agreement, and to employees of and consultants and contractors of such entities and of the FTC with a need to know such information. Should the FTC receive an official request from another federal law enforcement agency or from Congress⁽¹⁾ or should the FTC be directed to

furnish information in the Consumer Sentinel Network to a nonparticipant by a court with jurisdiction to issue such an order, however, the FTC may, in its discretion, furnish that information subject to applicable statutory restrictions and in a manner consistent with the need to preserve the confidentiality of that information. In addition, the FTC will make aggregate statistics available to participants upon request and will continue to release trend data to the general public.

8. The signing party agrees that should it receive a request for access to this material or should that information become subject to compulsory process, it will immediately notify the FTC contact person of these facts so that a timely decision can be made on whether to furnish the requested information and, if the information is to be furnished, how to furnish it in a manner that will preserve its confidentiality.

9. The FTC has appointed the Associate Director for Planning and Information, Bureau of Consumer Protection, to be its contact person for purposes of this information exchange program. This official is responsible for ensuring the confidentiality of the information contained in the Consumer Sentinel Network and, in appropriate circumstances, for authorizing participants to make further disclosures of the material in response to requests for access or compulsory process. The Associate Director has also been delegated authority from the Commission to respond to requests for access from domestic law enforcement agencies to any FTC documentary materials relating to consumer fraud. Such requests will be handled under the procedures set forth in Commission Rule 4.11(c), 16 C.F.R. § 4.11(c), whereby the requesting party must submit a certification that the material will be used for law enforcement purposes and be kept confidential. The Director of the Bureau of Consumer Protection, subject to redelegation, may also respond to foreign access requests for certain information on consumer protection pursuant to the delegation authority set forth at 62 Fed. Reg. 15185 (1997).

_____ agrees to the above conditions.

Signature _____

Name _____

Title _____

Dated _____

Hugh Stevenson
Associate Director, Division of Planning and Information
for the Bureau of Consumer Protection

Dated: _____

Endnote:

1. It is the FTC's policy to provide information to Congress upon official request, although the Federal Trade Commission will request that the confidentiality of the information be maintained.