

TRUSTe Web site Privacy Seal Program Watchdog Compliance and Escalation Process

Part I – Overview

1.1 General

The TRUSTe Web site Privacy Seal Program provides an online third party dispute resolution mechanism whereby an eligible complaint reported by a consumer about a licensed TRUSTe seal bearer is reviewed by TRUSTe. This review is carried out through TRUSTe's Watchdog and Escalation process.

1.2 Parties to the Watchdog and Escalation Process

The parties to the Watchdog and Escalation Process are:

- the Watchdog Reporter - the individual complaining about misuse of information or misstatement of a privacy policy, and
- the Respondent - the company, organization or individual about whom the Watchdog reporter is complaining.

1.3 Parties Waiver of Subpoena Rights and of Liability Claims

By participating in the Watchdog and Escalation Process, the parties agree that they will not subpoena the staff of TRUSTe, its Board members, or advisors, or any records of TRUSTe in any subsequent legal proceeding arising out of the matters at issue in the process in which they are participating. They also agree that TRUSTe, its staff, Board members and advisors shall not be liable for any act or omission in connection with the online Watchdog and Escalation Process.

1.4 Confidentiality of TRUSTe Files

TRUSTe shall maintain a record of its proceedings, but a verbatim record is not required. TRUSTe shall treat all deliberations, meetings, proceedings, and writings of a TRUSTe review, other than their decisions, as confidential. Licensee's direct email responses to Watch Dog reports shall not be considered Licensee Confidential Information and such responses may be shared with individual Watchdog Reporters unless otherwise expressly indicated by Licensee. A TRUSTe decision regarding a Watchdog or resulting from the Escalation process is the only permanent record of a Watchdog complaint, the issues defined, the facts presented, and the conclusions reached by TRUSTe.

Case materials, other than confidential materials, that are not required to be kept as part of the case record shall be kept for a period of three years. Confidential materials submitted to TRUSTe shall be returned or destroyed when TRUSTe closes a case and issues its Statement of Resolution in the matter or closes a case without a decision.

1.5 Parties' Treatment of Information Received During the Process

By participating in a TRUSTe Watchdog or Escalation Process, the parties agree that during the course of the process they will treat any information provided to them by the TRUSTe staff as information provided exclusively for the purpose of furthering the review and that they will not provide the material to anyone except persons directly involved in the handling of the complaint. If a party violates this agreement, TRUSTe may refuse to proceed with the case.

1.6 Referrals to Government Agencies and Revocation Review Because of Failure to Participate

When TRUSTe's preliminary review of a complaint indicates it is an eligible claim and the Respondent indicates directly or indirectly during the TRUSTe review that it is not willing to participate in the process, or a Respondent fails to comply or appeal after a TRUSTe decision requiring corrective action, TRUSTe shall take appropriate action to revoke or suspend the TRUSTe privacy seal and refer the matter to the appropriate government agency. If a TRUSTe licensee indicates directly or indirectly in the course of a TRUSTe appeal that it is not willing to participate in the Escalation process or fails to comply after a TRUSTe decision requiring corrective action, TRUSTe may refer the matter to the appropriate government agency. Reports of such referrals shall be included in the TRUSTe internal reports and may be published on TRUSTe's Web site.

Part 2 - Eligible Complaints

2.1 Summary

- To have a complaint eligible for resolution through the dispute resolution process, the Watchdog Reporter must be personally eligible to file a complaint and must have an eligible claim.
- the use of information that identifies himself/herself that was collected online from another individual; and
- information that was collected by an organization through a Web site or online service displaying the TRUSTe privacy seal.

The Watchdog Reporter must be (i) the person who provided the personal information to the organization or individual that collected it and allegedly misused it, (ii) the parent or legal guardian of the person in the case of information related to an individual that was collected online from a child under 13, or (iii) the subject of the information in the case of information related to an individual that was collected online from another individual. The Watchdog Reporter must have made a good faith attempt to resolve his/her complaint directly with the organization or individual about whom he or she is complaining, following the procedures set out in the organization's or individual's statement of its privacy policies.

2.2 Eligible Claims

The TRUSTe Watchdog and Escalation Process is an online dispute resolution mechanism. The party registering a complaint with TRUSTe must do so by completing the online Watchdog Report form found on the Web site. Complaints registered in email but outside the formal Watchdog process, by phone or by paper mail will be returned by TRUSTe to the party making the complaint, with a request that a formal Watchdog complaint be lodged.

The TRUSTe Watchdog and Escalation Process is carried out exclusively by email.

The Watchdog Reporter must allege that the TRUSTe licensee that collected the identifying information from the Reporter used such information in a manner inconsistent with its published online privacy policies.

The complaint must not be ineligible for one of the reasons stated below.

2.3 Ineligible Claims

TRUSTe shall not consider a claim

- in which the Watchdog Reporter is only seeking some form of monetary damages
- in which the Watchdog Reporter is only alleging fraud or other violations of statutory or regulatory law
- in which the Respondent is not a participant in the TRUSTe program operating under a valid license agreement
- that has been resolved under a previous court action, arbitration, or other form of dispute settlement
- that is lodged with TRUSTe via telephone, voice mail, paper mail or fax.

2.4 Frivolous and harassing claims

TRUSTe is under no obligation to pursue any complaint which TRUSTe, in its sole discretion, deems to be frivolous or to constitute harassment of TRUSTe or a Licensee. A complaint is frivolous if it has no factual basis, or if it has no basis in any obligations imposed by the License Agreement. Harassing complaints include successive complaints based on allegations previously rejected by TRUSTe, or the filing of multiple complaints with TRUSTe employees other than those designated by TRUSTe to receive complaints.

2.5 Available Remedies

A Watchdog Reporter may seek to have the information that she or he submitted online which is the subject of the complaint used in a manner inconsistent with the company's published privacy policies and, if applicable, the TRUSTe Privacy Seal Program Requirements . A complaint also may seek to have that information corrected TRUSTe may require corrective action in the form of a change in online privacy or practices or by requiring a third party audit if, based on the evidence in the case, such action to be required.

TRUSTe cannot direct corrective action that would require:

- Monetary damage
- Relief that would require the respondent to violate legal requirements imposed on it.

2.6 Watchdogs

Filing of a Watchdog Report is the first point of contact for those who want to submit a complaint under the TRUSTe Watchdog process. Upon receipt of any Watchdog report, TRUSTe will evaluate the information submitted through the online Watchdog form, and determine whether the complaint is eligible for TRUSTe review. The Watchdog report may be sent to the Licensee to obtain further clarification and to assess its eligibility.

TRUSTe may contact the Watchdog Reporter for further clarification of the complaint, for a description of the contact he or she has made with the respondent, or to request further information that would assist in addressing the complaint. TRUSTe may also request copies of unsolicited e-mails that may form the basis for a Watchdog Report.

2.6.1. Inquiry Into the Status of the Potential Respondent

When the TRUSTe staff receives a Watchdog report, its first step is to determine whether the potential Respondent is a TRUSTe licensee. If it is not, TRUSTe will notify the Watchdog Reporter that the report is not appropriate for TRUSTe review. If it is, TRUSTe will process the complaint.

The second step is to determine whether the Watchdog Report filed pertains to a privacy-related matter. If it is not, TRUSTe will notify the Watchdog Reporter that the report is not appropriate for TRUSTe review. If it is, TRUSTe will process the complaint.

2.6.2. Inquiry Into Prior Attempt to Resolve the Subject of the Watchdog Report

After determining the status of the potential Respondent as a TRUSTe licensee, TRUSTe will inquire into whether the Watchdog Reporter has made an attempt to resolve the complaint through contact with the organization or individual complained about. If the person who submitted the complaint indicates that there was contact, he/she will be asked to describe the contact and the results where such information was not already submitted through the Watchdog and TRUSTe will proceed to the next step. If he/she indicates there was not attempt to resolve the complaint through contact with the organization or individual, he/she will be asked to try to so resolve the complaint and will be given the information as to the person to be contacted. The individual will be advised that he/she can return to TRUSTe if his/her attempt to resolve the complaint does not yield satisfactory results.

2.6.3. Acknowledging the Watchdog

When TRUSTe determines it has adequate information about a prior attempt to resolve a potential complaint, it shall promptly provide the Watchdog Reporter with an acknowledgment of its receipt of the Watchdog.

Part 3 - DISPUTE RESOLUTION BY TRUSTe

TRUSTe shall be responsible in the dispute resolution process for determining the eligibility of a complaint and evaluating, investigating, analyzing and making a decision on the merits of an eligible complaint.

3.1 Information in TRUSTe proceedings

3.1.1 Information required to sustain a complaint

Information submitted by the Watchdog Reporter should include a description of the respondent's disposition of the individual's initial complaint to it and must be sufficiently complete to permit the respondent and the TRUSTe staff to adequately evaluate the complaint. The TRUSTe staff shall be the sole judge of whether the information submitted is sufficiently complete to permit the opening of a case after providing the Watchdog Reporter with an opportunity to submit any additional information it deems necessary.

3.1.2 When information may be treated as confidential.

A Respondent or Watchdog Reporter may submit information to TRUSTe with the request that such information not be made available to the other party. A party seeking such treatment shall: (i) identify in its submission which materials are confidential and which are not; and (ii) affirm that the information for which confidentiality is claimed is not publicly available. Any information submitted with a request that it be held in confidence shall be returned to the submitting party or destroyed promptly upon conclusion of the TRUSTe Watchdog.

3.2 TRUSTe Watchdog Review

Upon receipt of a Watchdog Report on the TRUSTe Watchdog page, TRUSTe's Compliance Department shall promptly determine whether the Watchdog Reporter has an eligible complaint and take one of the following actions.

Whenever TRUSTe receives a Watchdog Report, it shall acknowledge that report within 7-10 business days.

- If TRUSTe, in its sole judgment, concludes that the Watchdog presents an eligible complaint and contains all necessary information, TRUSTe shall submit the Watchdog Report to the Respondent at that time and request a response within five business days to the Watchdog. Any information submitted by the Watchdog Reporter shall be submitted to the Respondent at that time.
- If TRUSTe, in its sole judgment, concludes that additional information is needed to establish the eligibility of the complaint and to appropriately investigate it, it shall promptly contact the Watchdog Reporter and advise him/her of the need for the further information for the process to go forward. If TRUSTe receives the requested information on a timely basis, it shall docket and proceed with the investigation. If TRUSTe does not receive the requested information within 10 business days of its request, it shall advise the Watchdog Reporter that it cannot

proceed with investigation of the Watchdog and it shall discontinue any further action on the Watchdog.

- If TRUSTe, in its sole judgment, concludes that the Watchdog Report does not meet the TRUSTe eligibility guidelines for reasons other than a lack of information, it shall advise the Watchdog Reporter that it cannot proceed with investigation of the report. Where appropriate, TRUSTe shall provide the Reporter with information about where the complaint may be appropriately resolved.

3.3 Replies and Responses to Watchdog and Requests from TRUSTe

3.3.1 Respondent's Answer to a Complaint

After docketing a Watchdog, TRUSTe shall forward the Watchdog Report to the Respondent and request an answer. The Respondent has 5 business days after receipt of the complaint to submit a substantial written answer, that is, an answer that includes some facts or information to support its responses to the complaint. The Respondent shall submit the answer to the Watchdog Reporter, and send a copy to TRUSTe. If TRUSTe considers an answer to be deficient in this respect, it shall request a further answer by a time that it shall designate, which shall be no longer than five (5) business days.

3.3.2 Watchdog Reporter's Reply to Respondent's Answer.

The Watchdog Reporter has 10 business days after receipt of the answer to submit a written reply to the answer to TRUSTe and to the Respondent. If the Watchdog Reporter does not submit a reply or a notification that it wishes to proceed with the case, TRUSTe shall close the case following the expiration of the Watchdog Reporter's time to reply.

3.3.3 Respondent's response to a reply

If the Watchdog Reporter submits a reply, TRUSTe shall promptly forward that reply to the Respondent. The Respondent has 10 days after receipt of the reply to submit a written response. On receipt of the response or expiration of the time limit for submission of a response, TRUSTe shall close the case, subject to a request by TRUSTe for additional comments or data under Section 3.3.4. On receipt of any such response, TRUSTe shall immediately forward it to the other party, who will have six business days after receipt to submit its response to the submission.

3.3.4 TRUSTe Request for Additional Information of Comments

In the event that TRUSTe request comments or information from a Respondent or Watchdog Reporter in addition to the answer, reply and response provided for above, the

party receiving the request has six business days after receipt of the request to submit a written response thereto. On receipt of any such response, TRUSTe shall immediately forward it to the other party, who will have six business days after receipt to submit its response to the submission.

If a party fails to respond to the TRUSTe request for additional information or comments or fails to respond to the other party's submission in response to such request, TRUSTe shall proceed with its consideration of the case giving the fact of non-response such weight as TRUSTe deems appropriate.

3.3.5 Conferences

TRUSTe in its discretion may accept a proposal by a respondent or Watchdog Reporter for a conference to be held within 10 days after TRUSTe's receipt of the last written submission in the matter as an addition to the written submissions provided for under the preceding paragraphs, or may request such a conference on its own. A party's proposal or TRUSTe's request shall delineate the reasons for requesting such a conference, a date, the identity of the participants in the conference, and the agenda. Where the conference is proposed by a party, the proposed date must have been agreed to by the other party if it wishes to participate in the conference. The conference shall be held by teleconference or other electronic means and be limited to oral discussion of the matter without any written submissions.

3.3.6 Failure to Answer a Complaint

If a Respondent fails to file a substantial written answer to the complaint within the period provided in Section 3.3.3, or fails to make a timely response to a TRUSTe request for a further answer, TRUSTe shall advise the Respondent that its default will be noted in the next published report and that unless the Respondent files a substantial written answer to the complaint within 15 days after receipt of this notice it will refer the matter to the appropriate government agency and, in the case of a privacy seal participant, withdraw or suspend the privacy seal.

If the Respondent files a timely answer after this notice, the answer will be forwarded to the Watchdog Reporter as provided for in Section 3.3.3 and the case will proceed from that point on in the manner prescribed in Sections 3.3.4, and 3.3.5.

If the Respondent fails to file a timely answer after this notice, TRUSTe shall refer the file to the appropriate government agency and shall report the matter and the referral in the next periodic TRUSTe report. In addition, TRUSTe shall suspend the privacy seal.

3.3.7. Late Filings

For a submission under this section to be timely, it must be received by TRUSTe within the specified period for submission. The parties may agree between themselves to extend

the time limits specified in this section. In such case, the agreed upon limits will be controlling upon TRUSTe's receipt of a copy of the parties agreement. If a party files a reply or response or submits requested information after the specified time limits, the untimely document shall not be considered by TRUSTe, unless the party receives an extension for good cause. No party shall receive more than one extension and no extension granted by TRUSTe shall exceed 20 business days, except in extraordinary circumstances.

PART 4 – THE ESCALATION PROCESS

TRUSTe Escalation Process Resolution Statements

4.1 TRUSTe's Statement of Resolution

Where TRUSTe has docketed a Watchdog Report as a case and has not closed the Watchdog because of the Respondent's nonparticipation, it shall formulate its Statement of Resolution, including any corrective action and a time frame for such action. It shall complete this statement within 15 business days of its receipt of the last document authorized by section 3.3.4, or the expiration of the time limit for submitting such document. It shall then promptly provide a copy of such Statement to the Respondent and offer it an opportunity to submit, within 10 business days of its receipt of the document, brief comments for inclusion in the Statement of Resolution.

Where corrective action is required, TRUSTe shall request comments within the 10 day period that includes an assertion as to whether the Respondent agrees to take the corrective action(s) or chooses to take the issues to appeal, under part 5. During this period, the Watchdog Reporter may also submit comments regarding the corrective action. The Respondent's and the Watchdog Reporter's time to submit comments may be extended for good cause. The comments shall not become public before issuance of a final Statement of Resolution.

4.1.1 - Statement of Resolution where corrective action is not required.

Where corrective action is not required, TRUSTe will proceed to issue a final Statement of Resolution on receipt of the Respondent's comments for inclusion in such Statement or expiration of the time limit for such submission. The Statement of Resolution shall include TRUSTe's findings, recommendations and conclusions, and any comments submitted by the respondent in response thereto. A copy of such Statement of Resolution will be provided to the parties on issuance, and made available to the public on the Website. The decision will also be noted in the next published report. (see Section 3.3.6.)

4.1.2 Statement of Resolution where Corrective Action is Required

A statement of resolution shall include the findings, recommendations and conclusions and any comments submitted by the respondent in response thereto.

If, in the case where corrective action is required, the respondent submits a timely statement indicating an intention to take the required corrective action or to appeal, TRUSTe shall immediately issue its final decision and provide the respondent and the Watchdog Reporter with copies.

If the required corrective action includes a direction to change online privacy policies or practices, and the Respondent submits a timely statement asserting that the required action is impossible to perform, TRUSTe shall promptly consider such a claim. To be considered, a statement claiming impossibility of performance must include a specific statement of the factors that give rise to the impossibility and contain facts to support the assertions. If TRUSTe finds that a statement is lacking in the necessary specificity, it shall promptly advise the respondent that it has 5 business day from receipt of the notification to submit a statement of its intention with regard to taking the corrective action or appealing. If TRUSTe finds the submission contains the required specificity, it shall proceed to evaluate the claim with such additional evidence as it deems necessary an issue a decision that either modifies its earlier findings, recommendations and conclusions or affirms them. It shall then forward this statement to the respondent, with a request for a statement of intent within 5 business days from receipt.

If the Respondent does not provide a timely statement indicating an intent to take corrective action or appeal, TRUSTe shall issue its Statement of Resolution and provide the Respondent and Watchdog Reporter with copies. TRUSTe shall refer the file to the appropriate government agency and shall report the respondent's nonparticipation and the referral as well as the decision in the next periodic TRUSTe reports. In addition, TRUSTe shall withdraw the privacy seal.

PART 5 – Appeal to the TRUSTe Appeal Board

The Watchdog Reporter and the Respondent shall be given the opportunity to appeal the decision of the TRUSTe Escalation Process to the TRUSTe Appeal Board. Notification of the right to appeal shall be posted on the TRUSTe Website.

5.1 Verifying the Identity of the Watchdog Reporter Filing an Appeal

TRUSTe will undertake some inquiry into the identity of the Watchdog Reporter filing an appeal to attempt to ascertain their identity before proceeding with the Appeals process.

5.2- Grounds for Appeal

Any Watchdog Reporter or Respondent may appeal the decision of the TRUSTe Escalation Process if the TRUSTe Appeal Board determines that:

TRUSTe licensees, the public, and/or TRUSTe would benefit from a TRUSTe Appeal Board resolution of a substantial and important question regarding the interpretation or applicability of TRUSTe privacy standards applicable to the case; or

There is a substantial possibility that a TRUSTe Appeal Board would reach a resolution different from that reached through the Escalation Process

There is indication of a pattern of repetitive occurrence of noncompliance with the TRUSTe program.

5.3- Right to Appeal

A Watchdog Reporter may appeal the final decision of an Escalation Process that includes corrective action requiring, either directly or as an indirect consequence of compliance with the decision, a significant change in the Respondent's company policies or practices applicable to all or to a category of individuals from whom information is collected online.

5.4- Requests for Appeal

5.4.1 – Filing an Appeal

Requests for appeal to the TRUSTe Appeal Board must be submitted in writing to TRUSTe within 10 business days of receiving TRUSTe's Escalation Process decision. Such written notice should explain the reasons for requesting the Appeal Board review and should not exceed 1000 words. All written notices should be submitted to TRUSTe by e-mail . TRUSTe will convene the Appeal Board within 30 days of receipt of e-mail.

5.4.2 – Filing a Cross Appeal

If the TRUSTe Appeal Board grants an appeal, the appellee shall have the right to appeal any additional issues raised in the TRUSTe Escalation that have not been appealed by the

appellant. To exercise this right, the appellee shall submit a letter of appeal to the TRUSTe Appeal Board within 5 business days of receipt of the TRUSTe Appeal Board letter granting the appeal and copy the letter to the appellant. This letter shall specify the issues the appellee wishes to appeal.

5.4.3. – Explanations of grounds for appeal

Any party appealing shall, within 10 business days of the receipt of the case record prepared by TRUSTe, submit to the TRUSTe Appeal Board a letter explaining its position. It shall also forward a copy of its letter to the other party, who shall have 10 business days in which to submit a response to the TRUSTe Appeal Board with a copy to the other party.

5.4.4. – Late Filings

If a party files an appeal or cross appeal or submits an explanation of the reasons for appeal after the specified time limits, the untimely document shall not be considered by the TRUSTe Appeal Board, unless the party receives an extension for good cause. No party shall receive more than one extension and no extension granted by the TRUSTe Appeal Board shall exceed 20 business days, except in extraordinary circumstances.

5.5– Constitution of the TRUSTe Appeal Board

5.5.1.– Appointment of the Chair

The TRUSTe Board of Directors shall select a person to serve as Chair of the TRUSTe Appeal Board.

5.5.2. – Appointment of TRUSTe Appeal Board Members

The TRUSTe Appeal Board shall consist of (1) a representative from TRUSTe’s Board of Directors designated by its Chairman; (2) a privacy expert from the academic/university community (3) a representative chosen by a consumer/privacy advocacy group designated by TRUSTe’s CEO/Executive Director.

5.5.3. – Eligibility of Appeal Board Members

A TRUSTe Appeal Board member shall disqualify himself/herself from service if for any reason arising out of past or present employment or affiliation he/she believes that he/she cannot reach a completely unbiased decision. In addition, the TRUSTe Appeal Board

shall inform the appellant and appellee of their right to object, for cause, to the inclusion of individual Appeal Board members, and to request that replacement members be appointed. Such requests will be subject to approval by the TRUSTe Appeal Board Chair.

5.6 – Forwarding of Case Record to the Parties

Whenever the TRUSTe Appeal Board determines an appeal is warranted, it shall forward a copy of the appeal letter to the TRUSTe Appeal Board within 2 business days of its decision, and forward any subsequent letter of cross appeal promptly on its receipt.

5.6.1 - Record on Appeal

The record on appeal shall consist of the case record portions resulting from the TRUSTe Escalation Process, the record of resolution of the TRUSTe Escalation Process, the letters of appeal and the submissions under section 5.3 No other written submissions shall be made during the appeal unless a) a party chooses to resubmit confidential information submitted below or is asked to do so by the TRUSTe Appeal Board, or b) TRUSTe, on its own initiative or at the request of the Board, submits written information to the Appeal Board. Any participation by TRUSTe in TRUSTe Appeal Board proceedings is to represent the public interest in the integrity of the program.

5.7– Procedure of the Board

The Appeal Board will meet at the call of its Chair, who will preside over its meetings, hearings and deliberations. The concurring vote of two of the three Appeal Board members is required to decide any substantive question before the Appeal Board. Any Appeal Board member may write a separate concurring or dissenting opinion which will be published with the majority opinion.

All parties to a matter before the Appeal Board and TRUSTe shall be given 10 days notice of any hearing at which the matter is to be presented to the Appeal Board. Such notice shall set out the date and place of the hearing, and the procedure to be followed.

In the absence of the agreement of the parties, no facts or arguments shall be considered by the Appeal Board if they are outside the facts in the TRUSTe Escalation Process record or inconsistent with the arguments made during the TRUSTe Escalation Process as reflected in that record. In the event a party offers newly discovered evidence germane to the issues before the Appeal Board which was not reasonably available to it during the TRUSTe Escalation Process, the Appeal Board may remand the case back into TRUSTe Escalation Process for further consideration and decision.

The decision of the Appeal Board will be based upon the record on appeal and any summaries or arguments presented during the hearing. If a party has submitted confidential information during the appeal, the Appeal Board will honor the request for

confidentiality, even though the party may have instituted the appeal, and will exclude the other party from the hearing during any discussion of the confidential material.

5.8–Appeal Board Decisions

5.8.1– Issuance of a Decision

The Appeal Board shall endeavor to forward its written decision, including the rationale for its conclusion to the TRUSTe Appeal Board Chair within 15 business days after the hearing. The TRUSTe Appeal Board shall transmit its decision to the parties in the appeal. If the resolution is in favor of the party who was the Watchdog Reporter in the Escalation Process proceedings, the TRUSTe Appeal Board will ask the respondent to furnish it, within five business days of receipt of the decision, with a brief statement indicating its intentions with regard to implementing the corrective action directed by the resolution and any comments it may wish to make on the resolution. Except as provided in the following paragraph, on receipt of such statement, the TRUSTe Appeal Board shall forward the Statement of Resolution to the other party, and make the Resolution public.

5.8.2 – Nature of the Appeal Board Decision

The TRUSTe Appeal Board shall issue its decision, finding in one of two ways:

1. That the resolution of the Watchdog Report by TRUSTe is satisfactory and certified;
or
2. That the resolution of the Watchdog Report by TRUSTe is not satisfactory, stating the reasons, and directing TRUSTe to re-evaluate its resolution of the Watchdog Report.

5.8.3. Noncompliance With a Decision

If, upon issuance of the Statement of Resolution, the Respondent fails to indicate within the five day period described in section 4.4.1.2--- that it intends to take the required corrective action(s), the Chair shall issue a Notice of Intent to the respondent. The Notice shall advise the Respondent that the case will be referred to the appropriate government agency, and seal compliance will be undertaken, within 10 business days of the respondent's receipt of the Notice, unless the Chair is notified by that date of the respondent's intent to take the corrective action. If the Respondent does not submit a timely response indicating an intent to take the corrective action, the Chair shall direct that the matter be referred and that the TRUSTe be notified of the need to withdraw or suspend the seal. The TRUSTe Appeal Board shall also forward the decision to the parties and make the decision public, and the respondent's noncompliance and the referral shall be noted in the next periodic reports.

PART 6 – CLOSING A CASE

A Watchdog and Escalation file on a Watchdog report shall be closed when:

1. TRUSTe has issued a final decision and neither party has requested an appeal within the time limits or a requested escalation has not been granted.
2. TRUSTe has resolved a Watchdog in favor of the respondent or the respondent has agreed to comply with a TRUSTe.
4. TRUSTe has referred the matter to a government agency because of the respondent's nonparticipation in the process or failure to comply with a decision.
5. TRUSTe refuses to proceed with the case because of a party's failure to abide by its agreement under section.

When a case has been closed, no further materially similar complaints on the Watchdog(s) in question need be accepted by TRUSTe and where closure results from a decision on the merits, no further materially similar complaint on the claim(s) in question shall be accepted by TRUSTe.

PART 7 – REPORTING OF TRUSTe ACTIVITY AND PUBLICATION OF DECISIONS

TRUSTe shall publish TRUSTe Watchdog Reporting Summaries at least 2 times each year, summarizing matters concluded during the previous period. These reports shall:

With respect to public filing of Watchdog Reports, provide a statistical summary of the number and nature of contacts from the public and the actions taken by TRUSTe with respect to those inquiries.

With respect to complaints:

Provide a statistical report of the number and nature of complaints deemed ineligible for processing during the period, including the specific reason for a determination of ineligibility;

Provide a statistical report of the number of cases resolved during the period, including the number resolved to the Watchdog Reporter's satisfaction and the type of corrective action required (correction of error that occurred in the individual case, change in policy, change in practice).

For each complaint which results in the revocation of the TRUSTe seal, provide a summary report (including the name of the organization) of the nature of the claim and the TRUSTe action in the case.

TRUSTe decision shall be published on the TRUSTe Web site promptly after issuance.