

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

Commissioners: **William E. Kovacic, Chairman
Pamela Jones Harbour
Jon Leibowitz
J. Thomas Rosch**

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<i>In the Matter of</i>)	
)	
PREMIER CAPITAL LENDING, INC.,)	DOCKET NO. C- 4241
a corporation,)	
)	DECISION AND ORDER
and)	
)	
DEBRA STILES,)	
individually and as an officer of)	
the corporation.)	
)	

DECISION AND ORDER

The Federal Trade Commission, having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft Complaint, which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge the respondents with violation of the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801 et seq. and the Federal Trade Commission Act, 15 U.S.C. § 45 et seq.; and

The respondents and counsel for the Commission, having thereafter executed an Agreement Containing Consent Order (“Consent Agreement”), including an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft Complaint, a statement that the signing of the Agreement is for settlement purposes only and does not constitute an admission by the respondents that the law has been violated as alleged in such Complaint, or that any of the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Acts, and that a Complaint should issue stating its charges in that respect, and having thereupon accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30)

days for the receipt and consideration of public comment, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its Complaint, makes the following jurisdictional findings, and enters the following Order:

1. Respondent Premier Capital Lending, Inc. (“PCL”) is a Texas Corporation with its principal place of business at 901 W. Bardin Road, Suite 200, Arlington, Texas 76017.
2. Respondent Debra Stiles (“Stiles”) is a co-owner of PCL, Secretary of the company, and Manager of its headquarters office in Arlington, Texas. Individually or in concert with others, she formulates, directs, or controls the policies, acts, or practices of respondent PCL. Her principal place of business is the same as PCL’s.

ORDER

DEFINITIONS

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

1. “Personally identifiable information” or “personal information” shall mean individually identifiable information from or about an individual consumer including, but not limited to: (a) a first and last name; (b) a home or other physical address, including street name and name of city or town; (c) an email address or other online contact information, such as an instant messaging user identifier or a screen name that reveals an individual’s email address; (d) a telephone number; (e) a Social Security number; (f) credit or debit card information, including card number, expiration date, and security code; (g) a persistent identifier, such as a customer number held in a “cookie” or processor serial number, that is combined with other available data that identifies an individual consumer; or (h) any information that is combined with any of (a) through (g) above.
2. “Gramm-Leach-Bliley Act” or “GLB Act” refers to 15 U.S.C. §§ 6801-6809, as amended, the “Safeguards Rule” or the “Standards for Safeguarding Customer Information Rule” refers to 16 C.F.R. Part 314, issued pursuant to Title V, Subtitle A of the GLB Act, 15 U.S.C. §§ 6801-6809, and the “Privacy Rule” or the “Commission’s Privacy of Consumer Financial Information Rule” refers to 16 C.F.R. Part 313, issued pursuant to the GLB Act.
3. “Financial institution” shall mean as defined in Section 509(3)(A) of the GLB Act, 15 U.S.C. § 6809(3)(A).
4. Unless otherwise specified, “respondents” shall mean Premier Capital Lending, Inc. and its subsidiaries, divisions, affiliates, successors and assigns (“PCL”), and Debra Stiles.
5. “Commerce” shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

I.

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

II.

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

- A. the designation of an employee or employees to coordinate and be accountable for the information security program;
- B. the identification of material internal and external risks to the security, confidentiality, and integrity of personal information that could result in the unauthorized disclosure, misuse, loss, alteration, destruction, or other compromise of such information, and assessment of the sufficiency of any safeguards in place to control these risks. At a minimum, this risk assessment should include consideration of risks in each area of relevant operation, including, but not limited to, (1) employee training and management, (2) information systems, including network and software design, information processing, storage, transmission, and disposal, and (3) prevention, detection, and response to attacks, intrusions, or other systems failure;
- C. the design and implementation of reasonable safeguards to control the risks identified through risk assessment, and regular testing or monitoring of the effectiveness of the safeguards' key controls, systems, and procedures;
- D. the development and use of reasonable steps to select and retain service providers capable of appropriately safeguarding personal information they receive from respondents and requiring service providers by contract to implement and maintain appropriate safeguards; and
- E. the evaluation and adjustment of respondents' information security program in

light of the results of the testing and monitoring required by subpart C, any material changes to respondents' operations or business arrangements, or any other circumstances that respondents know or have reason to know may have a material impact on the effectiveness of their information security program.

III.

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

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

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

IV.

IT IS FURTHER ORDERED that, in connection with their compliance with Parts II and III.A. of this order, respondents, and their officers, agents, representatives, and employees, shall obtain initial and biennial assessments and reports ("Assessments") from a qualified, objective, independent third-party professional using procedures and standards generally accepted in the profession. The reporting period for the Assessments shall cover: (A) the first one hundred and eighty (180) days after service of the order for the initial Assessment; and (B) each two (2) year period thereafter for twenty (20) years after service of the order for the biennial Assessments. Each Assessment shall:

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

Each Assessment shall be prepared and completed within sixty (60) days after the end of the

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

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

V.

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

- A. for a period of five (5) years:
 - 1. any documents, whether prepared by or on behalf of either respondent, that contradict, qualify, or call into question respondents' compliance with this order;
 - 2. consumer complaints (whether received in written or electronic form, directly, indirectly or through any third party), and any responses to those complaints, whether in written or electronic form, that relate to respondents' activities as alleged in the draft Complaint and respondents' compliance with the provisions of this order;
 - 3. copies of all subpoenas and other communications with law enforcement entities or personnel, whether in written or electronic form, if such documents bear in any respect on respondents' collection, maintenance, or furnishing of consumer reports or other personal information of consumers; and
 - 4. all records and documents necessary to demonstrate full compliance with each provision of this order; and
- B. for a period of three (3) years after the date of preparation of each Assessment required under Part III of this order, all materials relied upon to prepare the Assessment, whether prepared by or on behalf of either respondent, including but not limited to all plans, reports, studies, reviews, audits, audit trails, policies, training materials, and assessments, and any other materials relating to

respondents' compliance with Parts II and III.A. of this order, for the compliance period covered by such Assessment. Respondents shall provide such documents to the Associate Director of Enforcement within ten (10) days of request.

VI.

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

VII.

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

VIII.

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

IX.

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

X.

This order will terminate on December 10, 2028, or twenty (20) years from the most recent date that the United States or the Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

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

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

By the Commission.

Donald S. Clark
Secretary

SEAL:
ISSUED: December 10, 2008