

August 22, 2012



Intelius
500 108th N.E., Floor 22
Bellevue, WA 98004

Hon. Edward J. Markey
2108 Rayburn House Office Building
Washington, DC 20515

Hon. Joe Barton
2109 Rayburn House Office Building
Washington, DC 20515

Hon. Henry A. Waxman
2204 Rayburn House Office Building
Washington, DC 20515

Hon. Steve Chabot
2351 Rayburn House Office Building
Washington, DC 20515

Hon. G.K. Butterfield
2305 Rayburn House Office Building
Washington, DC 20515

Hon. Austin Scott
516 Cannon House Office Building
Washington, DC 20515

Hon. Bobby Rush
2268 Rayburn House Office Building
Washington, DC 20515

Hon. Jan Schakowsky
2367 Rayburn House Office Building
Washington, DC 20515

Dear Honorable Representatives:

We write in response to your July 25, 2012 letter to Intelius Inc.¹ (“Intelius”) regarding data brokerage business practices. Intelius shares your concern about consumer privacy and welcomes the opportunity to provide information on what we are doing to ensure a transparent and responsible industry.

Intelius is a retail e-commerce business that provides consumers with access to data compilations of public record and other generally available data sources. Intelius is not a data broker in the terms discussed in the June 16, 2012 New York Times article and your letter.

Through its websites, Intelius offers a range of search products which provide, when available, phone numbers, address history, birthdates and household members in response to a user input of specific information (e.g. first name, middle initial, last name and city and state). Intelius also offers other individual searches, such as a reverse phone lookup (based on input of a phone number), criminal records search (based on input of name), and social media search (based on input of name). Intelius empowers individual consumers to, among other things, help them reconnect with friends and relatives, get to know their neighborhood, and glean what

¹ Intelius primarily offers its database searches through the following sites: www.intelius.com, www.ussearch.com,

information may be publicly available about them through social media websites. This information is otherwise available to the public, but would usually require personally reviewing public records files or a time consuming search on the Internet. Intelius simply makes it easier and less time consuming to access this otherwise publicly available information.

Through Intelius' free TrueRep.com service, individuals and businesses can review information that appears when others search for them on Intelius' sites, claim the profile associated with that information, execute privacy controls, and annotate their profile.

In order to provide these services, Intelius licenses data from a range of sources. While Intelius provides access to data through its website search, it does not develop or market "hidden dossiers" on U.S. consumers. It does not develop or sell information to third-parties to use for targeted advertisements. Nor does it rank consumers or otherwise "classify some people as high-value prospects...." as discussed in the June 16, 2012 New York Times article cited in your letter. To the extent that any of the data made available through Intelius may be pertinent for marketing purposes (e.g. a Seattle address could be used to mail promotional materials for a Seattle restaurant), the website's search results are generated based on specific identifier criteria inputted by the individual user (e.g. name, phone number, address) not on any marketing criteria. The Intelius website does not provide a general search for any aggregate class of consumers; for example, a user cannot use Intelius' website to search for "Seattle addresses with property values above \$250,000." Additionally, the Terms and Conditions governing use of Intelius' data require a user to agree that the information is being used "solely for the purpose of performing data verification, person, property and address location and related searches for qualified individual non-commercial use only."²

Your July 25, 2012 letter appropriately emphasizes concerns about aggregation of personal details regarding children and teens. Intelius' terms and conditions expressly prohibit the use of its databases to attempt to locate any individual under the age of eighteen. Moreover, Intelius does not intentionally collect any information about children and teens (i.e. anyone under the age of eighteen). In any case where Intelius determines that information relates to an individual under the age of eighteen, Intelius filters the corresponding records from its database. Intelius does not market its websites to minors and operates its websites in compliance with the Children's Online Privacy Protection Act (COPPA).

The balance of this correspondence addresses the questions raised in your July 25, 2012 letter.

- 1. Please provide a list of each entity (including private sources and government agencies and offices) that has provided data from or about consumers to you or your contractors or affiliates from January 2009 through the present.**

Intelius licenses data from a broad range of sources. The types of data Intelius obtains include publicly available information from civil court records, Internet Domain Registration records, publicly available social media profiles, phone number histories, address histories, e-mail addresses, property records, voter registration records, local and state criminal records, date

² Intelius Terms and Conditions, Par. 1 (emphasis added). A copy is attached as Ex. A.

of birth, workplace history, education history, federal criminal records, and business records. The content and licensing agreements governing Intelius' access to these data include confidentiality provisions that do not allow Intelius to identify the providers in this correspondence. With regard to its federal criminal records, Intelius purchases those data from PACER (Public Access to Court Electronic Records). See www.pacer.gov.

2. Please list each type of data you or your affiliates or enterprise partners has collected from or about consumers, including racial, ethnic, or religious information, from January 2009 through the present.

Intelius has two groups of data: (a) the limited data collected from Intelius' customers in connection with completing their transaction at the website (i.e., the customer information) and (b) the public records and other publicly available information licensed by Intelius from its data suppliers (i.e., the Intelius databases).

Intelius does not collect information about its customers except for the limited purposes described in its Privacy Policy, which is attached as Ex. B. Intelius' Privacy Policy has been awarded the TRUSTe Privacy Seal, signifying that its privacy policy and practices meet the best practices recommended by TRUSTe. Pursuant to its Privacy Policy, Intelius handles the information used to create an Intelius customer account as follows:

Fulfilling your Transaction Request. If you request something from this Website, for example, a product or service, a callback, or specific marketing materials, we will use the information you provide to fulfill your request. To help us do this, we will share information with service providers to help us bring you the products and services we offer, either directly as the provider of such product or service, or indirectly such as financial institutions for credit card processing, email service providers, outsourced Customer Care providers, survey providers, or postal service providers. These third parties are prohibited from using your personally identifiable information for any other purpose. We also require these third parties to maintain your personal information in the strictest confidence. In addition, we will give the information you provide to our advertisers from whom you have indicated you want to purchase a product or service.

Communications from Us. When you request something from this Website, we will send you transactional emails related to your service request. You cannot opt out of receiving these communications. However, you can opt in to receive promotional and newsletter emails from us. If you later choose to opt out of receiving these emails, you can unsubscribe by clicking on the link included in the email or logging into your account and changing your preferences.

Marketing Use. The information you provide to us on this Website will also be used, with your permission, by us and selected third parties for marketing purposes. Before we use it, we will offer you the opportunity to choose whether or not to have your information used for this purpose. Otherwise, we do not share,

sell, rent, or trade your personal information with third parties for their promotional purposes. In addition, like many websites, we gather certain information automatically (including cookies and log files). This information includes internet protocol (IP) addresses, browser type, internet service provider (ISP), referring/exit pages, operating system, date/time stamp and click stream data. We use this information, which does not identify individual users, to analyze trends, to administer this Website, to track users' movements around this Website and to gather demographic information about our user base as a whole.

Third Party Monitoring. In addition, service providers and other third parties such as advertisers may also use information gathering technologies on this Website (including cookies and beacons) in connection with their services to collect anonymous information. Shared and/or collected information, as described above, is controlled by the relevant affiliated company or third party and is not controlled by us; specifically, (i) such information is governed by the privacy policy and terms of use of the relevant other party and (ii) we will in no way be responsible or liable to you for any data breach by such other party that compromises or otherwise affects your information.³

Intelius' customer account information is securely stored pursuant to industry leading Information Technology security standards. Intelius' customers' information is not transferred to the public records and proprietary databases that can be searched through its website.

The Intelius databases include several types of generally available, public information licensed by Intelius from its data suppliers. The following list is representative of the types of information that may be available; it is not intended to suggest that Intelius has all of the information fields for any specific individual or property address. The publicly available information includes:

- Biographical information, including date of birth, date of death, ethnicity, cultural group, relatives, and gender.
- Educational information, including start and end date, degree, major, and school.
- Publicly available Internet and social media website information, including e-mail domain, type, and user email address, screen names, website addresses, professional history, and interests.
- Social security numbers (not available for purchase; these are used internally to match searches if the user inputs a social security number in combination with other identifying information).
- Image information, including URL.

³ Ex. B, also available at <https://www.intelius.com/privacy.php>

- Drivers' licenses number (not available for purchase pursuant to Drivers Privacy Protection Act).
- Location and real property information, public directory information, including, when available, phone number history, address history, and property details.

3. Please describe each method by which you have collected information from or about consumers from January 2009 through the present and answer the following questions:

a. Do you use social media to collect information about consumers? If yes, what types of information do you collect from social networks (i.e., friends, interests, etc.)? If yes, from what platforms do you collect this information?

Intelius collects publicly available Internet information from the public profiles posted on various websites, such as LinkedIn, Facebook, Blogspot, Twitter, Wordpress, MySpace, and YouTube.

b. Do you collect data on consumers' mobile use and activity? If yes, what types of information do you collect about consumers' mobile use and activity? If yes, for what purposes is this information used (i.e., targeting on real-time ad exchanges)?

The only data Intelius websites may collect relating to this topic would be its customer data, which would, for example, indicate to Intelius that the website visitor is accessing the Intelius website via a mobile device. Intelius handles any such data in accordance with our Privacy Policy. <https://www.intelius.com/privacy.php>.

4. Please explain each product or service, both online and offline, that you have offered to third parties from January 2009 to the present that uses data collected from or about consumers. For each product or service, please describe:

- a. Each type of data that is used in or by the product or service.
- b. Each type of entity that you sell or otherwise provide the product or service to.
- c. Any prohibitions or restrictions (i.e., contractual, technological, etc.) on the sale or use of the product or service.
- d. Whether or not the products or services involve lead-generation, including the sale of offer clicks or leads. If so, please explain.
- e. Whether or not the products, services, or business practices subject you or any affiliates to the Fair Credit Reporting Act (FCRA). If so, what products or services are subject to FCRA?
- f. Whether or not your company maintains completely separate, firewalled databases or data used for both FCRA and non-FCRA purposes. If used for both purposes, please explain.

Intelius offers a range of search products directly to consumers that provide information in response to the specific user input. The data available depends on the type of report ordered and the data input by an individual user. Examples of search reports are available for free on Intelius' website.

None of the Intelius search products involves lead-generation. As discussed above, Intelius offers individuals access to the information in its databases "solely for the purpose of performing data verification, person, property and address location and related searches for qualified individual non-commercial use only."⁴ The Terms and Conditions governing use of Intelius' databases restrict underlying uses, including expressly prohibiting:

- use of the databases to search for individuals under the age of eighteen;
- use of the databases for FCRA purposes;
- use of the databases to bother, stalk, harass, threaten or embarrass any individual.

5. Are consumers able to access personal information that is held by your company? If no, why not?

Yes, consumers may access information about them through Intelius' TrueRep.com service, which is available through the main website and also at TrueRep.com. Initially, certain features of the service were fee based. Beginning in June 2012, the entire suite of TrueRep.com services was provided for free to registered users. The specific details regarding the services are available at <http://www.trurep.com>.

6. Are consumers able to correct personal information that is held by your company? If no, why not?

No, Intelius does not originate the contents of the public records and proprietary sources that are displayed on its website. As an Internet provider of aggregated information from other sources, Intelius does not have access to the source information. However, through TrueRep.com, Intelius allows consumers to add remarks to the information about them.

7. Are consumers able to opt-out of the use or sharing of personal information about them? If no, why not? If yes:

Intelius permits consumers to opt-out of the use of personal information about them. An individual can opt out by providing confirmation of their identity. Intelius does not charge a fee for the opt-out and does not require that the requesting individual provide a reason for the opt out

⁴The Terms and Conditions are attached as Ex. A and are available at <https://www.intelius.com/useragreement.php>. Website visitors who indicate an interest in obtaining a report for purposes covered by the FCRA are transferred to TalentWise Solutions, LLC ("TalentWise"). TalentWise is an independently operated affiliate of Intelius. It provides enterprise solutions, including Fair Credit Reporting Act compliant employment background checks, for businesses.

request. The opt-out process is substantially the same across Intelius' sites, www.intelius.com, www.zabasearch.com, and www.ussearch.com.

8. Are consumers able to request the deletion of their personal information? If not, why not?

Through the opt-out process, individuals can remove records from appearing within people search results, as described in our Privacy Policy. In addition, Intelius expunges criminal records from its databases if provided with a court order expunging the relevant records from the public record.

9. Does the company charge consumers a fee for any access, correction, opt-out, or deletion services? If yes, state the amount the company charges for each service. If yes, what is the total revenue earned by the company through such fees during each of the last five years?

No, these options are provided to consumers for free.

10. How does your company store each type of data collected from or about consumers (please distinguish between types of data, if applicable)? What security measures do you have in place to safeguard the data collected?

Intelius handles data collected from its customers in accordance with its Privacy Policy. The process of collecting customer data includes multiple steps, beginning with the customer's submission of payment account number through the Internet, and is protected by multiple firewalls within Intelius' Information Technology system. For certain sensitive customer data, Intelius uses tokenization to ensure the security of that data. Intelius' handling of its customer data meets the requirements of the Payment Card Industry (PCI) and is subjected to several third party audits, including an annual PCI Data Security Standard (DSS) Security Assessment to assess Intelius' compliance with PCI standards.

Intelius secures its database information in accordance with several industry standards, including the encryption of certain sensitive information. Intelius' layered security approach is audited by third-parties, including certain of its data suppliers.

11. What encryption protocols or other security measures do you put in place to prevent the loss of or acquisition of data that is transferred between your company and outside entities?

The transfer of data between Intelius and its customers is protected using Secure Sockets Layer (SSL), which are cryptographic protocols that secure communications made over the Internet. In addition, Intelius has obtained an Extended Validation Certificate, which enables encrypted communications with its website.

12. What review process do you have in place for entities who wish to purchase personal information from you (i.e., do you evaluate their data security measures or

whether the entity is a legitimate business)? Do you conduct any follow-up audits? If not, why not? If yes, please describe the nature and timing of these audits.

As discussed above, Intelius provides access only to consumers for non-commercial use.

13. Do you provide notice to consumers about your data collection, use, or sharing practices? If no, why not? If yes, please describe how you provide this notice.

Yes, the Intelius Privacy Policy is available via a hyperlink on the Intelius home page and every page throughout the website.

14. Does your company compile information from or about children or teens?

No, Intelius does not intentionally compile information about children or teenagers. The Intelius terms and conditions expressly prohibit the use of Intelius' databases for the purpose of searching for any individual under the age of eighteen. In any case where Intelius determines that information relates to an individual under the age of eighteen, Intelius filters the corresponding records from its database. Intelius does not market its websites to minors and operates its websites in compliance with the Children's Online Privacy Protection Act (COPPA).

Intelius is committed to protecting privacy. If you would like to meet to discuss these subjects in greater detail, we would be pleased to host any of you or your staff members at our offices in Bellevue, Washington. Alternatively, we can arrange to visit you in Washington, D.C. on a mutually convenient date.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Adler", with a long horizontal flourish extending to the right.

Jim Adler

Chief Privacy Officer and General Manager of Data Systems