

PRIVACY AND INFORMATION SECURITY LAW BLOG

GLOBAL PRIVACY AND CYBERSECURITY LAW UPDATES AND ANALYSIS

August 2013

This Client Alert is a monthly update on privacy and cybersecurity developments as posted on Hunton & Williams' [Privacy and Information Security Law Blog](#). If you would like to receive email alerts when new posts are published, please visit our [blog](#) and enter your email address in the subscribe field.

Recent posts on the Privacy and Information Security Law blog include:

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FTC Files Complaint Against Medical Testing Lab for Exposing Consumers' Personal Data August 30, 2013

On August 29, 2013, the FTC [announced](#) that it had filed a complaint against LabMD, Inc. ("LabMD") for failing to protect consumers' personal data. According to the complaint, LabMD, which performs various laboratory tests for consumers, exposed the personal information of more than 9,000 consumers on a peer-to-peer ("P2P") file-sharing network. Specifically, a LabMD spreadsheet that was found on the P2P network contained names, Social Security numbers, dates of birth, health insurance information and medical treatment codes. In another instance, identity thieves were able to obtain LabMD documents that contained the personal information of more than 500 consumers, including names, Social Security numbers and bank account information. [Continue reading...](#)

South Africa Passes Comprehensive Personal Data Protection Legislation August 30, 2013

As [reported](#) by *Bloomberg BNA*, the South African Parliament passed the [Protection of Personal Information Bill](#) on August 22, 2013. The bill, which was sent to President Jacob Zuma to be signed into law, represents South Africa's first comprehensive data protection legislation. [Continue reading...](#)

Obama Administration Releases Draft Preliminary Cybersecurity Framework August 29, 2013

On August 28, 2013, the Obama Administration issued several documents relating to the Cybersecurity Framework that the President called for in [Executive Order 13636: Improving Critical Infrastructure Cybersecurity](#). The documents include:

- [Preliminary Cybersecurity Framework \(Discussion Draft\)](#);
- [Preliminary Cybersecurity Framework: Illustrative Examples \(Discussion Draft\)](#);
- [Message to Senior Executives on the Cybersecurity Framework \(Discussion Draft\)](#); and
- [Cybersecurity Framework Performance Goals \(Draft\)](#).

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Court Approves 20 Million Dollar Facebook Settlement August 20, 2013

On August 26, 2013, the U.S. District Court for the Northern District of California approved a [settlement](#) with Facebook, Inc., related to the company's alleged misappropriation of certain Facebook members' personal information, such as names and profile pictures, that was then used in ads to promote products and services via Facebook's "Sponsored Stories" program. [Continue reading...](#)

Tiao Discusses Cyber Threats on CNBC August 27, 2013

On August 22, 2013, Hunton & Williams partner [Paul M. Tiao](#) was [featured](#) on CNBC's *Fast Money* discussing NASDAQ's recent crash. In the feature, "Are markets ready for cyber threats?", Tiao talked about the steps the financial services industry has taken to protect against significant cybersecurity incidents, including "putting in best-of-breed information security policies" and "working across the industry to share information in a way that many other industries are not."

[View the video coverage now.](#)

Hunton Launches Global Privacy Update Webcast Series August 27, 2013

As always, the privacy team at Hunton & Williams continues to closely monitor the latest global developments in data protection, privacy and cybersecurity, including progress on the proposed EU General Data Protection Regulation. To keep you informed, we will be hosting regular, 30-minute webcasts to provide brief updates on the most pressing issues. These [Hunton Global Privacy Update](#) sessions will take place every two months. Please join us on September 19, 2013, at 11:00 a.m. EDT, for the first Hunton Global Privacy Update webcast.

[Register for the complimentary September 19th webcast now.](#)

New EU Breach Regulation in Force August 23, 2013

This week a new breach notification regulation takes effect across the EU. The [Regulation on the measures applicable to the notification of personal data breaches under Directive 2002/58/EC](#) (the

“Regulation”) specifies the [technical measures](#) of how Internet service providers, telecommunications providers and other public electronic communications service (“ECS”) providers must notify of data breaches. [Continue reading...](#)

Federal Court Finds No Reasonable Expectation of Privacy in Computer Files Shared on a Public Network **August 22, 2013**

On August 1, 2013, the United States District Court for the District of Minnesota [denied](#) a criminal defendant’s motion to suppress, holding that the defendant had no reasonable expectation of privacy in computer files he shared on a peer-to-peer network. [Continue reading...](#)

FTC Announces 3.5 Million Dollar Settlement in FCRA Case **August 20, 2013**

On August 15, 2013 the Federal Trade Commission [announced](#) a [settlement](#) with Cetergy Check Services, Inc. (“Cetergy”) stemming from allegations that Cetergy violated various provisions of the Fair Credit Reporting Act (“FCRA”). The settlement agreement includes a \$3.5 million civil penalty for “knowing violations ... that constituted a pattern or practice of violations.” [Continue reading...](#)

FTC Seeks Input on Proposed COPPA Parental Consent Mechanism **August 16, 2013**

On August 15, 2013, the Federal Trade Commission [announced](#) that it is seeking public comment regarding a proposed mechanism to obtain verifiable parental consent in accordance with the new Children’s Online Privacy Protection Rule (the “COPPA Rule”) that [came into effect](#) July 1, 2013. The COPPA Rule requires operators of certain websites and online services to obtain a parent’s consent before collecting personal information online from a child under 13. [Continue reading...](#)

HHS Settles with Affinity Health Plan Over Photocopier Security Breach **August 15, 2013**

On August 14, 2013, the Department of Health and Human Services (“HHS”) [announced](#) a [resolution agreement](#) and \$1,215,780 settlement with Affinity Health Plan (“Affinity”) stemming from a security breach that affected approximately 350,000 individuals. [Continue reading...](#)

Tiao Speaks on Homeland Security and Electronic Surveillance in Privacy Piracy Radio Interview **August 12, 2013**

On August 12, 2013, [Privacy Piracy](#) host Mari Frank interviewed [Paul M. Tiao](#) on KUCI 88.9 FM radio in Irvine, California. Paul is a partner in the Washington, D.C. office of Hunton & Williams, and the former Senior Counselor for Cybersecurity and Technology to the Director of the Federal Bureau of Investigation. The interview included discussion of hot-button electronic surveillance issues such as the PRISM surveillance program and private sector management of government data requests.

[Access the radio interview.](#)

**Hunton Hosts International Data Privacy Seminar with the Department of Commerce on September 30
August 12, 2013**

On September 30, 2013, Hunton & Williams LLP will host a panel discussion with the U.S. Department of Commerce on [The Latest International Data Privacy Developments](#). The panel will take place in Hunton & Williams' New York office from 5:30 – 7:00 p.m. EDT, with a cocktail reception following the presentation. The Department of Commerce's International Trade Administration ("ITA") will brief participants on important international data privacy issues, including:

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**Obama Administration Releases Incentive Reports on Cybersecurity
August 7, 2013**

On August 6, 2013, the Obama Administration posted links on [The White House Blog](#) to reports from the Departments of [Commerce](#), [Homeland Security](#) and [Treasury](#) containing recommendations on incentivizing companies to align their cybersecurity practices with the Cybersecurity Framework. These reports respond to the [Administration's February 2013 executive order](#) entitled [Improving Critical Infrastructure Cybersecurity](#) (the "Executive Order"). [Continue reading...](#)

**Ireland DPA Will Not Investigate Facebook or Apple over Involvement in the PRISM Program
August 5, 2013**

As [reported by Bloomberg BNA](#), the Irish Office of the Data Protection Commissioner ("ODPC") has stated that it will not investigate complaints relating to the alleged involvement of Facebook Ireland Inc. ("Facebook") and Apple Distribution International ("Apple") in the PRISM surveillance program. [Continue reading...](#)



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