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7 [REDACTED]
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People of the State of California
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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF SAN DIEGO
12
13

14 **THE PEOPLE OF THE STATE OF CALIFORNIA,**
15Plaintiff

Case No.

FINAL JUDGMENT

16 ,
17 **v.**

18 **LIFELOCK, INC.,** a Delaware Corporation,
19Defendant
20
21

22 Plaintiff the People of the State of California, (“Plaintiff” or the “People”), having
23 filed its complaint and appearing through its attorney, Edmund G. Brown Jr., Attorney General,
24 by Frances T. Grunder, Senior Assistant Attorney General, and Catherine Z. Ysrael, Supervising
25 Deputy Attorney General, and Lifelock, Inc., (“Lifelock” or “Defendant”) appearing through its
26 attorneys Greenberg Traurig LLP by Robert Adel, and Todd Davis, Chief Executive Officer of
27 Lifelock, Inc., having stipulated as follows:
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1 That this Final Judgment (hereafter “Judgment”) may be signed by any judge of the San
2 Diego Superior Court; and,

3 That Plaintiff, the People of the State of California, by Edmund G. Brown Jr., Attorney
4 General of the State of California, has filed a Complaint for a permanent injunction and other
5 relief in this matter pursuant to California Business and Professions Code sections 17200 and
6 17500 *et seq.*, alleging Defendant, LifeLock, Inc., committed violations of 17200 and 17500 *et*
7 *seq.*; and

8 That this Judgment is made without trial or adjudication of any issue of fact or law or
9 finding of wrongdoing or liability of any kind, and that Lifelock does not admit any violation of
10 law or any wrongdoing and that no part of this Judgment, including its statements and
11 commitments, shall constitute evidence of any liability, fault or wrongdoing by Lifelock; and,

12 The Court having considered the pleadings and the Stipulation for Entry of Final Judgment
13 executed by the Plaintiff and Lifelock and filed herewith, and good cause appearing,

14 IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

15 **PARTIES**

16 1. Plaintiff is the People of the State of California, by Edmund G. Brown Jr., Attorney
17 General of the State of California (“State” or “Plaintiff”). Plaintiff is charged with, among other
18 things, the enforcement of California Business and Professions Code sections 17200 *et seq.* and
19 17500 *et seq.*

20 2. LifeLock, Inc. (“Lifelock” or “Defendant”) is a corporation formed under the laws of
21 the State of Delaware, with its principal place of business at 60 E Rio Salado Parkway, Suite 400,
22 Tempe, AZ 85281. Any reference to “LifeLock” or “Defendant” shall mean LifeLock, Inc.,
23 including all of its officers, directors, affiliates, subsidiaries and divisions, predecessors,
24 successors and assigns doing business in the United States. As used below, “Parties” shall mean
25 Plaintiff and LifeLock collectively

26 **JURISDICTION AND VENUE**

27 3. The Court has jurisdiction over the subject matter of this action, jurisdiction over the
28 parties to this action, and venue is proper in this Court. Jurisdiction is retained by this Court for

the purpose of enabling Plaintiff to apply to this Court for such further orders and directions as may be necessary or appropriate for the construction, modification or execution of this Judgment, including the enforcement of compliance therewith and penalties for violation thereof.

DEFINITIONS

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

4. “Effective Date” shall mean the date on which this Judgment is entered by this Court.

5. “State Consumer Protection Laws” shall mean the consumer protection laws¹ under which the Attorneys General have conducted the investigation.

INJUNCTIVE PROVISIONS

I. REPRESENTATIONS CONCERNING THE DEFENDANT’S SERVICE

6. Pursuant to Sections 17203 and 17535 of the California Business and Professions Code, Defendant, directly or through any corporation, partnership, subsidiary, division, trade name, device, affiliate, or other entity, and their officers, agents, servants, employees, and all

¹ ALASKA – Alaska Unfair Trade Practices and Consumer Protection Act, AS 45.40.471, *et seq.*; ARIZONA – Arizona Consumer Fraud Act, A.R.S. §44-1530 *et seq.*; CALIFORNIA – Bus. & Prof. Code §§ 17200 *et seq.* and 17500 *et seq.*; DELAWARE - Delaware Consumer Fraud Act, DEL. CODE ANN. tit. 6, §§ 2511 to 2527; FLORIDA - Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes, §501.201 *et seq.*; HAWAII - Hawaii Rev. Stat. §480-2; IDAHO – Consumer Protection Act, Idaho Code §§ 48-601 *et seq.*; ILLINOIS - Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2 *et seq.*; INDIANA - Deceptive Consumer Sales Act, Ind. Code Ann. §§ 24-5-0.5-1 to 24-5-0.5-12; IOWA - Consumer Fraud Act, Iowa Code § 714.16; KENTUCKY - Consumer Protection Act, KRS 367.110 *et seq.*; MAINE - Maine Unfair Trade Practices Act, 5 M.R.S. §§ 205-A *et seq.*; MARYLAND - Maryland Consumer Protection Act, Md. Code Ann., Com. Law §13-101, *et seq.*; MASSACHUSETTS - Mass. Gen. Laws c. 93A, §§ 2 and 4; MICHIGAN - Michigan Consumer Protection Act, MCL §445.901 *et seq.*; MISSISSIPPI – Miss. Code Ann. §75-24-1 *et seq.*; MISSOURI - MO ST §407.010 to 407.145; MONTANA – Mont. Code Ann. § 30-14-101 *et seq.*; NEBRASKA - Nebraska Consumer Protection Act, Neb. Rev. Stat. §§ 59-1601 *et seq.*, Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. §§ 87-301; NEVADA – Nevada Deceptive Trade Practices Act, Nevada Revised Statutes 598.0903 *et seq.*; NEW JERSEY – Consumer Fraud Act, N.J.S.A. 56:8-1 *et seq.*; NEW MEXICO - New Mexico Unfair Practices Act, NMSA 57-12-1 *et seq.*; NEW YORK - N.Y. Gen. Bus. Law §§ 349 & 350 and Executive Law § 63(12); NORTH CAROLINA – North Carolina Unfair and Deceptive Trade Practices Act, N.C.G.S. 75-1,1, *et seq.*; NORTH DAKOTA - N.D.C.C. §§ 51-15-01 *et seq.*; OHIO - Ohio Consumer Sales Practices Act, R.C. 1345.01, *et seq.*; OREGON - Oregon Unlawful Trade Practices Act, ORS 646.605 *et seq.*; PENNSYLVANIA - Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. 201-1 *et seq.*; SOUTH CAROLINA – South Carolina Unfair Trade Practices Act, S C Code Ann. Sections 39-5-10, *et seq.*; SOUTH DAKOTA – South Dakota Deceptive Trade Practices and Consumer Protection, SD ST 37-24-1, 37-24-6, 37-24-23, 37-24-31, 22-41-10; TENNESSEE – Tennessee Consumer Protection Act, Tenn. Code Ann. Section 47-18-101 *et seq.*; TEXAS – Texas Deceptive Trade Practices and Consumer Protection Act, Tex. Bus. And Com. Code 17.41, *et seq.*; VERMONT – Consumer Fraud Act, 9 V.S.A. §§ 2451 *et seq.*; VIRGINIA - Virginia Consumer Protection Act, Section 59.1-196 *et seq.*; WASHINGTON – Washington Consumer Protection Act, RCW §§ 19.86 *et seq.*; WEST VIRGINIA – W. Va. Code § 46A-1-101 *et seq.*

1 persons and entities in active concert or participation with them who receive actual notice of this
2 Judgment, by personal service or otherwise, is hereby permanently restrained and enjoined from:

3 A. in connection with the advertising, distribution, promoting, offering for sale, or
4 sale of any product, service, or program intended for the purpose of preventing, mitigating, or
5 recovering from any form of identity theft as defined in California Penal Code section 530.5 et
6 seq., misrepresenting in any manner, expressly or by implication:

7 1) that such product, service, or program provides complete protection
8 against all forms of identity theft by making customers' personal information useless to
9 identity thieves;

10 2) that such product, service, or program prevents unauthorized changes to
11 customers' address information;

12 3) that such product, service, or program constantly monitors activity on
13 each of its customers' consumer reports;

14 4) that such product, service, or program ensures that a customer will always
15 receive a phone call from a potential creditor before a new credit account is opened in the
16 customer's name;

17 5) the means, methods, procedures, effects, effectiveness, coverage, or scope
18 of such product, service, or program;

19 6) the risk of identity theft to consumers;

20 7) whether a particular consumer has become or is likely to become a victim
21 of identity theft; and/or

22 8) the opinions, beliefs, findings, or experiences of an individual or group of
23 consumers related in any way to any such product, service, or program. Such products,
24 services, or programs include, but are not limited to, the placement of fraud alerts on behalf
25 of consumers, searching the Internet for consumers' personal data, monitoring commercial
26 transactions for consumers' personal data, identity theft protection for minors, and
27 guarantees of any such products, services, or programs.
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1 **II. DEFENDANT’S MANDATORY ARBITRATION PROVISIONS**

2 7. The terms and conditions of Defendant’s service, or any customer or member
3 agreement, shall not require customers, including current and former customers, to submit to
4 arbitration in a state other than the state of the customer’s residence.

5 8. This Judgment constitutes a complete settlement and release by Plaintiff of all civil
6 claims against Defendant, and its successors, employees, officers, directors and assigns, with
7 respect to the marketing, advertising, and offering for sale its identity theft protection services,
8 which were or could have been asserted prior to the Effective Date of this Judgment by Plaintiff
9 under California Business and Professions Code sections 17200 et seq. and 17500 et seq.

10 9. This Judgment shall bind Defendant and shall be binding on any and all of its
11 successors, employees, officers, directors, and assigns.

12 10. Defendant shall provide a copy of this Judgment and an accurate summary of the
13 material terms of this Judgment to its senior executive officers who have managerial
14 responsibility for the matters subject to this Judgment. Upon written request, Defendant will
15 provide the Attorneys General with proof it has completed this process within 30 days of the
16 request.

17 11. Neither Defendant nor anyone acting on its behalf shall state or imply or cause to be
18 stated or implied that the Attorney General of the State of California or any government agency
19 of the State of California has approved, sanctioned, or authorized any practice, act, advertising
20 material, or conduct of Defendant.

21 12. Nothing in this Judgment shall be construed as a waiver of or limitation on
22 Defendant’s right to defend itself from or to make agreements in any private individual or class
23 action, state, or federal claim, suit or proceeding relating to the existence, subject matter or terms
24 of this Judgment.

25 13. Nothing in this Judgment shall be construed to affect or deprive any private right of
26 action that any consumer, person, entity, or by any local, state, federal or other governmental
27 entity, may hold against Defendant, except as otherwise provided by law.

14. The titles and headers to each section of this Judgment are for convenience purposes only and are not intended by Defendant or the Attorneys General to lend meaning to the actual terms of this Judgment.

15. Nothing in this Judgment shall limit Plaintiff's right to obtain information, documents, or testimony from Defendant pursuant to any state or federal law or regulation.

16. If any clause, provision or section of this Judgment shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Judgment, and this Judgment shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or provision had not been contained herein.

17. Nothing in this Judgment shall be construed as relieving Defendant of its obligation to comply with all state and federal laws and regulations, nor shall any of the terms of this Judgment be deemed to grant Defendant permission to engage in any acts or practices prohibited by such laws and regulations.

18. Any failure by any party to this Judgment to insist upon the strict performance by any other party of any of the provisions of this Judgment shall not be deemed a waiver of any of the provisions of this Judgment, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Judgment and the imposition of any applicable penalties, including but not limited to contempt, civil penalties and/or the payment of attorneys fees to Plaintiff.

19. Time shall be of the essence with respect to each provision of this Judgment that requires action to be taken by Defendant within a stated time period or upon a specified date.

COMPLIANCE

20. Defendant shall develop and implement compliance procedures reasonably designed to ensure compliance by Defendant with the obligations contained in this Judgment. With respect to its agents, Defendant shall (a) notify its agents of the relevant provisions of this Judgment; (b) ensure that all advertisements provided by Defendant to its agents for their use in the marketing and sale of Defendant's identity theft protection services are in conformity with the terms of this

1 Judgment; and (c) not direct its agents to take any action or implement any practice that is in
2 contravention of this Judgment.

3 **PAYMENT TO THE STATES**

4 21. Defendant shall pay one million dollars (\$1,000,000.00) to the Participating States.
5 Defendant represents that their undersigned counsel holds these funds in escrow for no purpose
6 other than payment to the states. Such individual payment shall be made to each Participating
7 State (in a specified amount and based on a payment allocation provided to Defendant by
8 Participating States) within 21 days from the date that state enters its Judgment in court. These
9 funds shall be paid to each Participating State by electronic fund transfer in accordance with
10 instructions previously provided to Defendant by Participating States.

11 22. The payment Plaintiff receives shall be paid to the Attorney General of the State of
12 California for attorney's fees and other costs of investigation and litigation.

13 **MODIFICATION OF CERTAIN OPERATIONAL PROVISIONS**

14 23. Prior to filing a motion with the court seeking a modification of this Judgment,
15 Defendant shall send a written request for modification to the Attorney General of Illinois on
16 behalf of the Participating States along with a detailed explanation of the reason and need for any
17 requested modification. The Participating States shall give such petition reasonable consideration
18 and shall respond to Defendant within 90 days of receiving such request. At the conclusion of
19 this 90 day period, Defendant reserves all rights to pursue any legal or equitable remedies that
20 may be available to it.

21 **NOTIFICATION TO STATE**

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23 24. For five (5) years following execution of this Judgment, Defendant shall notify the
24 Plaintiff, care of Supervising Deputy Attorney General Catherine Z. Ysrael, California Office of
25 the Attorney General, 110 West A Street, 11th Floor, San Diego, CA 92101, in writing at least
26 thirty (30) days prior to the effective date of any proposed changes in its corporate structure, such
27 as dissolution, assignment, or sale resulting in the emergence of a successor corporation or firm,
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1 the creation or dissolution or subsidiaries, or any other changes in Defendant's status that may
2 impact in any way compliance with obligations arising out of this Judgment.

3 25. Any notices required to be sent to the State or the Defendant by this Judgment
4 shall be sent by United States mail, certified mail return receipt requested or other nationally
5 recognized courier service that provides for tracking services and identification of the person
6 signing for the document. The documents shall be sent to the following addresses:

7
8 For Plaintiff:

9 Supervising Deputy Attorney General Catherine Z. Ysrael
10 California Office of the Attorney General
11 110 West A Street, 11th Floor
12 San Diego, Ca 92101

13 For Defendant:

14 Clarissa Cerda, General Counsel
15 LifeLock, Inc.
16 60 East Rio Salado Pkwy
17 Tempe, AZ 85281

18 Copy to:

19 Robert Sherman
20 Greenberg Traurig
21 One International Place
22 Boston, MA 02110

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24 26. The Clerk is ordered to enter this Judgment forthwith.

25 Dated: _____

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JUDGE OF THE SUPERIOR COURT

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