



San Diego City Attorney Mara W. Elliott

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## **City Attorney Sues Experian for Unreported Security Lapse**

*Credit agency kept consumers in the dark after info was sold on the Dark Web*

City Attorney Mara W. Elliott today announced that she has sued the consumer credit reporting agency Experian for failing to notify victims of a security lapse that exposed their personal information to identity thieves and other criminals working on the Dark Web.

The consumer-protection lawsuit was filed March 6 on behalf of the People of the State of California under the state's Business and Professions Code.

In addition to Experian Data Corporation of Costa Mesa, California, the lawsuit names as defendants Court Ventures, Inc., and U.S. Infosearch.com, LLC. The defendants collectively aggregate and sell confidential information about consumers, including Social Security numbers, email passwords, and mothers' maiden names.

From July 2010 through February 2013, the defendants sold access to their databases containing personal information on hundreds of millions of Americans to a teenager living in Vietnam. That teenager, Hieu Minh Ngo, has admitted to reselling the information to more than 1,300 criminals, and to making more than \$1.9 million in profits through those sales. The records of at least 30 million people were known to have been sold to these criminals.

An estimated 250,000 of Experian's victims live in San Diego County.

Among other crimes resulting from the security lapse, hackers obtained \$65 million in fraudulent tax returns.

The lawsuit alleges that these companies were aware of the security lapses for years yet took no steps to notify consumers, despite California law requiring companies to notify victims of security lapses that put them at risk by exposing personal information.

The lawsuit seeks to compel the defendants to:

- Notify the victims that the security lapse occurred, as required by law, so they can take steps to review and protect their financial data,
- Provide credit-monitoring and identity-theft protection services to the victims at no cost, and
- Pay fines and penalties as ordered by a court.

**“Experian harmed millions of consumers by failing to protect their personal information and then by not telling them the truth about what happened,”** City Attorney Mara W. Elliott said. **“Individual consumers do not have the time or the resources to fight back against corporate malfeasance, so my office will seek justice on their behalf.”**

The case will be prosecuted by Deputy City Attorney Mark Ankcorn of the Affirmative Civil Enforcement Unit of the Civil Litigation Division.

The Affirmative Civil Enforcement Unit was created this year to civilly prosecute crimes against San Diego consumers under the Business and Profession Code, pollution, and egregious violations of wage laws.

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