

Fact Sheet on 2019 FTC Order with Facebook

- Facebook will pay an unprecedented \$5 billion in civil penalties for violating its 2012 order with the FTC.
- The new order approved by the Commission requires Facebook

- Conduct and document privacy reviews of each new or modified product, service, or practice;
 - Share written privacy reviews with the assessor, Facebook CEO, and (upon request) the FTC;
 - Carry out closer oversight of third-party developers and terminate them as appropriate;
 - Expand the program to cover other services that share Facebook covered information, including WhatsApp and Instagram; and
 - Submit incident reports to the assessor and the FTC.
- Facebook must have a stronger and more independent assessor.
 - The assessor can be approved or removed only by the independent privacy committee and the FTC.
 - Facebook must give the assessor all relevant privacy information.
 - The assessor must “look under the hood” to judge the effectiveness of Facebook’s privacy program—not rely solely on what management says.
 - It must meet regularly and in private with the board committee and send reports to the FTC.
- Facebook must create a comprehensive data security program and must encrypt user passwords.
 - Facebook cannot use phone numbers it received specifically for security purposes for advertising.
 - Facebook cannot ask for passwords to other third-party accounts when people sign up for Facebook accounts.
 - Facebook must not create, or delete any existing, facial recognition templates for new and existing users who have its “Tag Suggestions” setting, unless it obtains the user’s affirmative express consent. It also must obtain affirmative consent before using facial recognition technology in a manner that materially exceeds prior disclosures to users.
 - Facebook must delete from its servers personal information deleted by users.
 - Facebook must implement strict employee-access controls to user information.
 - In addition to prohibiting misrepresentations about the collection or disclosure of information, the order prohibits Facebook from misrepresenting how it *uses* personal information.