

CIVIL ACTION
DOCKET NO.

COMPLAINT

3. Plaintiff, STATE OF MAINE, by JANET T. MILLS, Attorney General of the State of Maine, is charged, inter alia, with the enforcement of the Unfair Trade Practices Act, 5 M.R.S. §§ 205-A *et seq.*

4. Defendant, LIFELOCK, INC., is a Delaware corporation that is not registered as a foreign corporation, doing business in Maine.

III. COMMERCE

5. 5 M.R.S. § 206(3), defines “trade” and “commerce” as “the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade or commerce directly or indirectly affecting the people of this State.”

6. Defendant was at all times relevant hereto, engaged in trade and commerce in the State of Maine to wit: advertising, soliciting, offering for sale and selling of identity theft protection services, and accepting monies from Maine consumers for the same.

IV. DEFENDANT’S COURSE OF CONDUCT

A. Defendant’s Services Offered

7. Since at least July 4, 2005, Defendant has engaged in trade or commerce by advertising, soliciting, offering for sale, and selling identity theft protection services to Maine consumers. Defendant advertises in all 50 states, including Maine, via print and electronic media.

8. Defendant charges consumers \$10.00 per month, or \$110.00 per year, for its identity theft protection services.

9. Prior to September 2009, Defendant took the following steps for each consumer upon enrollment in its identity theft protection services:

- A. Requested that credit reporting agencies place a fraud alert on the consumer’s credit record – a free service available to every consumer under the Fair Credit Reporting Act; and

B. Renewed fraud alerts that it placed with credit reporting agencies on behalf of its consumers every 90 days until instructed otherwise by the consumer.

10. After September 2009, Defendant discontinued the services specified in paragraph 9, but continued to offer identity theft protection services to consumers.

11. After a customer enrolls in the identity theft protection service, Defendant orders each customer's free annual credit reports from each of the credit reporting agencies – free service available to every consumer under the Fair Credit Reporting Act.

12. After a customer enrolls in the identity theft protection service, Defendant sends opt-out requests to credit reporting agencies requesting that customer's removal from pre-approved credit offer lists.

13. According to its Web site, Defendant's eRecon™ service "scours thousands of known criminal websites for illegal selling or trading of your personal information."

14. According to its Web site, Defendant's TrueAddress™ service "proactively detect[s] any new address information in address databases nationwide."

15. Defendant offers identity theft protection services for children.

B. Defendant's Representations Concerning the Effectiveness of Services

16. In September, 2006, Defendants conducted a national promotion and stated "[o]ur company makes your personal information useless to any criminal immediately. We guarantee it."

17. In June, 2008 Defendants conducted a national advertising campaign that appeared to be a news article about identity theft and stated, "LifeLock became the nation's leader in identity theft protection by taking a proactive approach to protecting consumers from identity theft."

18. That advertisement in June 2008, stated, "I'm Todd Davis, CEO of LifeLock, and 457-55-5462 is my real Social Security number. I give it out to show how confident I am in LifeLock's proactive identity theft protection."

19. A Defendant's September 2009, advertisements contain a picture of Todd Davis displaying his Social Security number and the caption reads in part, "Todd Davis, CEO of identity theft protection company LifeLock, demonstrates his confidence in his company by sharing his Social Security number."

20. As of July 24, 2008, Defendant's Web site stated "LifeLock, the industry leader in proactive identity theft protection, offers a proven solution that prevents your identity from being stolen before it happens."

21. As of July 23, 2008, Defendant's Web site stated, with respect to identity theft protection for minor children that "[w]e were the first company in the country that makes sure that kids are protected from Identity thieves."

22. The Defendant's June 2008 advertisement quotes Defendant's CEO, Todd Davis, describing the Defendant's service that searched for information in criminal chat rooms: "We're working around the clock monitoring criminal web sites for the illegal selling and trading of our member's information...."

23. Defendant does not remove information found on criminal web sites, but rather notifies customers that such information has been compromised.

C. Defendant's Representations about Fraud Alerts

24. As of July 7, 2008, Defendant's Web site stated that after a fraud alert was placed, "[i]f someone is trying to use your personal information, you will be contacted by the creditor

that is issuing the line of credit. If you receive a call and you are not the one applying for credit, the transaction should be stopped immediately.”

25. As of July 7, 2008, Defendant’s Web site further stated that when a fraud alert is in place, “[e]very time you apply for new credit or someone tries to do something with your credit: You should receive a phone call from the bank asking if you are actually the person applying for credit in your name. If you are, great. If not, the transaction stops.”

26. As of June 11, 2009, Defendant’s Web site stated, “LifeLock places fraud alert requests at the three credit bureaus and automatically renews the requests every 90 days. It does not freeze your credit, rather; it safeguards your credit from unauthorized use.”

E. Representations Concerning Defendant’s Service Guarantee

27. Defendant offers a \$1 million total service guarantee for its services.

28. Defendant’s September, 2006 advertisement states, “We are so sure that our service works, we are backing it up with a \$1 Million Guarantee. If your identity is ever stolen while you are our client, we will fix the problem, repair your credit, and replace every dime you lost from the theft up to \$1,000,000.”

29. Defendant’s Web site states “[w]e will do whatever it takes to help you recover your good name and we will spend up to \$1,000,000 to do it.”

30. As of July 7, 2008, Defendant’s Web site claimed, “[i]f you lose money as a result of the theft, we’re going to give it back to you...”

31. In fact, Defendant’s \$1 million total service guarantee does not replace out of pocket expenses, but covers the cost of lawyers, investigators, and case managers for customers who become victims of identity theft due to a failure in Defendant’s service.

F. Defendant's Terms and Conditions

32. As of November 17, 2009, Defendant's terms and conditions contained a clause requiring each customer to "agree that any dispute, controversy or claim arising out of, or relating to, this Agreement or the Services shall be settled by confidential arbitration in Maricopa County, Arizona, in accordance with the American Arbitration Association's ("AAA") Commercial Arbitration Rules (including without limitation the Supplementary Procedures for Consumer-Related Disputes) then in effect."

V. APPLICABLE STATUTES

33. Pursuant to 5 M.R.S. § 207 Unfair or deceptive acts in trade or commerce are unlawful.

VI. COUNT I

VIOLATIONS OF THE UNFAIR TRADE PRACTICES ACT

34. Defendant has engaged in a course of trade or commerce which constitutes unfair and/or deceptive acts and practices declared unlawful under Section 207 of the Unfair Trade Practices Act, in that Defendant:

- A. represented to consumers, expressly or by implication, that Defendant's services protect against all types of identity theft, including criminal and employment identity theft, when in fact Defendant's services did not protect against all types of identity theft;
- B. represented to consumers, expressly or by implication that Defendant's services fully protect children from identity theft, when in fact Defendant's services do not fully protect children from identity theft;

- C. represented to consumers by implication that the Defendant removes its customer's personal information from Web sites where criminals post fraudulently obtained personal information, when in fact Defendant only notifies consumers when their information appears on such Web sites;
- D. represented to consumers, expressly or by implication, that customers with fraud alerts will always receive a phone call prior to new credit being issued, when in fact a phone call is not required by the Fair Credit Reporting Act and many times is not placed by the potential creditor;
- E. represents to consumers by implication that a security freeze or a credit freeze provide weaker proactive protection against unauthorized use of credit than a 90-day fraud alert, when in fact they can be even more effective;
- F. represented to consumers expressly that it will reimburse customers for losses incurred, when in fact it only covers losses resulting from a failure or defect in Defendant's services;
- G. represented to consumers, expressly or by implication, that Defendant will pay customers back for expenses incurred as a result of identity theft, when in fact Defendant will pay a professional to restore losses and expenses only where the loss is due to a failure or defect in Defendant's services; and
- H. failed in print, television, radio advertisements and on its Web site to disclose that fraud alerts are not meant to act as a proactive measure for all consumers.

VII. STATUTORY REMEDIES

35. Pursuant to 5 M.R.S.A. § 209, whenever the Attorney General reasonably believes that someone is violating or is about to violate the Act, and that such action is in the public

interest, she may bring an action to enjoin the acts and seek injunctive relief, including restitution, to remedy the unfair and deceptive acts, as well as civil penalties for intentional violations and costs of suit.

VIII. PRAYER FOR RELIEF

WHEREFORE, Plaintiff, STATE OF MAINE, prays for the following relief:

- A. Finding that Defendant violated the Maine Unfair Trade Practices Act, 5 M.R.S. §207, including, but not limited to, the unlawful acts and practices alleged herein;
- B. Temporarily, preliminarily and permanently enjoining Defendant from engaging in the deceptive practices alleged herein;
- C. Declaring that all contracts entered into between Defendant and Maine consumers by the use of methods and practices declared unlawful are rescinded and requiring that full restitution be made to said consumers;
- D. Assessing a civil penalty in the amount of Ten Thousand Dollars (\$10,000) per intentional violation of the Act.
- E. Requiring Defendant to pay all costs for the prosecution and investigation of this action. ;
- F. Providing such other and further equitable relief as justice and equity may require.

JANET T. MILLS
ATTORNEY GENERAL

DATED: March 9, 2010



LINDA CONTI BAR NO. 3638
Assistant Attorney General
Chief, Consumer Protection Division
State House Station 6
Augusta, Maine 04333
207 626 8591

Attorneys for the State of Maine

STATE OF MAINE
KENNEBEC, SS.

SUPERIOR COURT
CIVIL ACTION NO.2010- 35

STATE OF MAINE

Plaintiff,

-vs-

LIFELOCK, INC.,
a Delaware Corporation,

Defendant.

**FINAL JUDGMENT
AND CONSENT DECREE**

Plaintiff, STATE OF MAINE, by JANET T. MILLS, Attorney General has filed a Complaint for a permanent injunction and other relief in this matter pursuant to the Maine Unfair Trade Practices Act, 5 M.R.S. §§ 205-A *et seq.*, (the "Act") alleging Defendant, LifeLock, Inc. committed violations of the Act.

Plaintiff and LifeLock, Inc. have agreed to the Court's entry of this Final Judgment and Consent Decree without trial or adjudication of any issue of fact or law or finding of wrongdoing or liability of any kind. LifeLock denies the allegations of the Complaint and denies having violated the Act.

CONSUMER PROTECTION DIVISION
RECEIVED
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OFFICE OF ATTORNEY GENERAL

PREAMBLE

The Attorneys General (collectively, the “Attorneys General,” and the “AGs”) of the states of Alaska, Arizona, California, Delaware, Florida, Hawaii¹, Idaho, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee², Texas, Vermont, Virginia, Washington, and West Virginia (collectively, the “Participating States”)³ conducted an investigation under the State Consumer Protection Laws regarding Defendant’s identity theft protection services; and

Defendant is willing to enter into a Final Judgment and Consent Decree (the “Judgment” or “Order”) regarding the marketing, advertising, and offering for sale of its identity theft protection services in order to resolve the AGs’ investigation under the State Consumer Protection Laws and arrive at a complete and total settlement and resolution of any disagreement as to the matters addressed in this Judgment and thereby avoid unnecessary expense, inconvenience, and uncertainty.

PARTIES

¹ With regard to Hawaii, Hawaii is represented by its Office of Consumer Protection, an agency which is not part of the state Attorney General’s Office, but which is statutorily authorized to represent the State of Hawaii in consumer protection actions.

² With regard to Tennessee, Tennessee is represented by its Office of the Tennessee Attorney General on behalf of the Tennessee Division of Consumer Affairs of the Department of Commerce and Insurance.

³ Hereafter, when the entire group is referred to as the “Participating States” or “Attorneys General,” such designation as it pertains to Hawaii refers to the Executive Director of the State of Hawaii Office of Consumer Protection.

The State of Maine (hereinafter “the State”) is the plaintiff in this case. THE STATE OF MAINE, by JANET T. MILLS, Attorney General of the State of Maine, is charged, inter alia, with the enforcement of the Act.,

LifeLock, Inc. (hereinafter “Defendant”) is a corporation formed under the laws of the State of Delaware, with its principal place of business at 60 E Rio Salado Parkway, Suite 400, Tempe, AZ 85281. As used herein, any reference to “LifeLock” or “Defendant” shall mean LifeLock, Inc., including all of its officers, directors, affiliates, subsidiaries and divisions, predecessors, successors and assigns doing business in the United States.

TRADE AND COMMERCE

Defendant, at all times relevant hereto, engaged in trade and commerce affecting consumers, within the meaning of 5 M.R.S. § 206(3) in the State of Maine.

IT IS HEREBY ORDERED that:

DEFINITIONS

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

1. “State Consumer Protection Laws” shall mean the consumer protection laws⁴ under which the Attorneys General have conducted the investigation.

⁴ALASKA – Alaska Unfair Trade Practices and Consumer Protection Act, AS 45.40.471, *et seq.*; ARIZONA – Arizona Consumer Fraud Act, A.R.S. §44-1521 *et seq.*; CALIFORNIA – Bus. & Prof Code §§ 17200 *et seq.* and 17500 *et seq.*; FLORIDA - Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes, §501.201 *et seq.*; DELWARE- Delaware Consumer Fraud Act, CODE ANN.tit.6 §§2511 to 2527; 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.*

INJUNCTIVE PROVISIONS

I. Representations Concerning the Defendant's Service

2. Defendant, directly or through any corporation, partnership, subsidiary, division, trade name, device, affiliate, or other entity, and their officers, agents, servants, employees, and all persons and entities in active concert or participation with them who receive actual notice of this Judgment, by personal service or otherwise, is hereby permanently restrained and enjoined from:

1. in connection with the advertising, distribution, promoting, offering for sale, or sale of any product, service, or program intended for the purpose of preventing, mitigating, or recovering from any form of identity theft as defined in 18 U.S.C. § 1028, misrepresenting in any manner, expressly or by implication:

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

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 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, I, *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.*

- b) that such product, service, or program prevents unauthorized changes to customers' address information;
- c) that such product, service, or program constantly monitors activity on each of its customers' consumer reports;
- d) that such product, service, or program ensures that a customer will always receive a phone call from a potential creditor before a new credit account is opened in the customer's name;
- e) the means, methods, procedures, effects, effectiveness, coverage, or scope of such product, service, or program;
- f) the risk of identity theft to consumers;
- g) whether a particular consumer has become or is likely to become a victim of identity theft; and/or
- h) the opinions, beliefs, findings, or experiences of an individual or group of consumers related in any way to any such product, service, or program.

Such products, services, or programs include, but are not limited to, the placement of fraud alerts on behalf of consumers, searching the Internet for consumers' personal data, monitoring commercial transactions for consumers' personal data, identity theft protection for minors, and guarantees of any such products, services, or programs.

II. Defendant's Mandatory Arbitration Provisions

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

GENERAL PROVISIONS

4. The Parties have agreed to resolve the issues raised by the marketing, advertising, and offering for sale of Defendant's identity theft protection services under the State Consumer Protection Laws by entering into this Judgment. Defendant is entering into this Judgment solely for the purpose of settlement and nothing contained herein may be taken as or construed to be an admission or concession of any violation of law or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, all of which Defendant expressly denies. Defendant does not admit any violation of the State Consumer Protection Laws, and does not admit any wrongdoing that was or could have been alleged by any Attorney General before the date of the Judgment under those laws.

5. This Judgment is made without trial or adjudication of any issue of fact or law or finding of wrongdoing or liability of any kind. Except to the extent required by law, it is the intent of the Parties that this Judgment shall not be admissible in any other matter, including, but not limited to, any investigation or litigation, or bind Defendant in any respect other than in connection with the enforcement of this Judgment.

6. This Judgment constitutes a complete settlement and release by the Participating States of all civil claims against Defendant, and its successors, employees, officers, directors and assigns, with respect to the marketing, advertising, and offering for sale its identity theft protection services, which were or could have been asserted prior to the date

this Judgment is entered by the Participating States under the State Consumer Protection Laws cited in footnote 4 of this Judgment.

7. This Judgment shall be governed by the laws of the Participating States and is subject to court approval in those Participating States whose procedures require court approval. By entering into this Judgment, Defendant and the Attorneys General agree to all such court approvals, provided that there are no modifications to the terms of this Judgment without the express written consent of Defendant and the Attorneys General. This Judgment does not constitute an admission by Defendant of any Participating State's jurisdiction over it other than with respect to this Judgment, and does not alter any Participating State's jurisdiction over it.

8. Defendant represents that it has fully read and understood this Judgment, it understands the legal consequences involved in signing this Judgment, and there are no other representations or agreements between Defendant and the Attorneys General not stated in writing herein.

9. Defendant represents and warrants that it is represented by legal counsel, that it is fully advised of its legal rights in this matter and that the person signing below is fully authorized to act on its behalf.

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

11. Defendant shall provide a copy of this Judgment and an accurate summary of the material terms of this Judgment to its senior executive officers who have managerial responsibility for the matters subject to this Judgment. Upon written request, Defendant

will provide the Attorneys General with proof it has completed this process within 30 days of the request.

12. This Judgment contains the entire agreement between Defendant and the Attorneys General. Except as otherwise provided herein, this Judgment shall be modified as to any Participating State and/or Defendant only by a written instrument signed by or on behalf of the Attorney General of that Participating State and signed by or on behalf of Defendant. Defendant understands that in some Participating States court approval of any modification will be necessary. Defendant and the Attorneys General for such Participating States agree to use their best efforts to obtain such court approval.

13. Neither Defendant nor anyone acting on its behalf shall state or imply or cause to be stated or implied that a Participating State, an Attorney General, or any governmental unit of a Participating State has approved, sanctioned, or authorized any practice, act, advertising material, or conduct of Defendant.

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

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

16. 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.

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

18. 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.

19. 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.

20. 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 the State.

21. 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.

22. This Judgment sets forth the entire agreement between the parties, and there are no representations, agreements, arrangements, or understandings, oral or written, between

the parties relating to the subject matter of this Judgment which are not fully expressed herein or attached hereto.

23. Defendant has provided the Attorneys General with certain documents, advertisements, and contracts. Defendant acknowledges and agrees that providing these documents to the Attorneys General in no way constitutes the AGs' pre-approval, review for compliance with state or federal law, or with this Judgment, or a release of any issues relating to such documents.

24. Defendant agrees that this Judgment does not entitle Defendant to seek or to obtain attorneys' fees as a prevailing party under any statute, regulation or rule, and Defendant further waives any rights to attorneys' fees that may arise under such statute, regulation or rule.

25. Defendant further agrees to execute and deliver all authorizations, documents and instruments which are necessary to carry out the terms and conditions of this Judgment.

26. This document may be executed in any number of counterparts and by different signatories on separate counterparts, each of which shall constitute an original counterpart hereof and all of which together shall constitute one and the same document. One or more counterparts of this Judgment may be delivered by facsimile or electronic transmission with the intent that it or they shall constitute an original counterpart thereof.

27. This Judgment is conditioned upon the prior approval of the Federal Trade Commission of the FTC's *Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable Relief*.

Jurisdiction

28. Jurisdiction of this Court over the subject matter and over the Defendant for the purpose of entering into and enforcing this Judgment is admitted. Jurisdiction is retained by this Court for the purpose of enabling the State 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.

Compliance

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

Payment to the States

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

electronic fund transfer in accordance with instructions previously provided to Defendant by participating States.

31. Said payment may be used by the Participating States for attorney's fees and other costs of investigation and litigation, or to be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund; used to defray the costs of the inquiry leading hereto; or used for any other purposes permitted by State law, at the sole discretion of each respective Attorney General.

Restitution

32. The States will be participating in the joint FTC and Participating States' Eleven Million Dollar (\$11,000,000) consumer redress program outlined in the FTC's *Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable Relief*.

Modification of Certain Operational Provisions

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

Notification to State

34. For five (5) years following execution of this Judgment, Defendant shall notify the Attorney General, c/o Linda Conti, Assistant Attorney General, State House Station 6,

Augusta, ME 04333], in writing at least thirty (30) days prior to the effective date of any proposed changes in its corporate structure, such as dissolution, assignment, or sale resulting in the emergence of a successor corporation or firm, the creation or dissolution or subsidiaries, or any other changes in Defendant's status that may impact in any way compliance with obligations arising out of this Judgment.

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

For the State Attorney General:

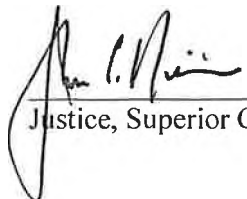
Linda Conti, Assistant Attorney General
State House Station 6
Augusta, ME 04333

For the Defendant:

Clarissa Cerda, General Counsel
Lifelock
60 East Rio Salado Pkwy
Tempe, AZ 85281

Robert Sherman, Esq.
Greenberg Traurig
One International Place
Boston, MA 02110

DATE: 3/15/10


Justice, Superior Court

WE CONSENT:

DATE: 3/4/10

FOR LIFELOCK, INC.

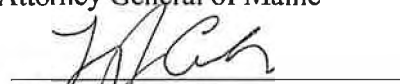


Todd Davis, CEO
Life lock
60 East Rio Salado Pkwy
Tempe, AZ 85281

FOR THE STATE OF MAINE:

JANET T. MILLS
Attorney General of Maine

DATE: 3/8/10



LINDA J. CONTI,
Assistant Attorney General
Maine Bar No. 3638
Consumer Protection Division
6 State House Station
Augusta, ME 04333-0006

ADVERTISEMENT

IDENTITY THEFT REPORT:

Nation's leading identity theft protection service can help protect you from one of America's fastest growing crimes

TEMPE, AZ - Identity theft remains one of the fastest growing crimes in America, and has topped the FTC's list of consumer complaints for eight consecutive years. In fact, another identity is stolen every three to four seconds. So why is LifeLock CEO Todd Davis still giving out his real Social Security number to anyone who will listen?

Yes, That's His Real Number

"Because of LifeLock's proactive approach and our \$1 million service guarantee, I'm more confident than ever before in LifeLock's ability to continue keeping my identity safe," Davis said.

"Of course, you should never share your Social Security number unless completely necessary," he added, "but for the record, mine is 457-55-5462."

LifeLock became the nation's leader in identity theft protection by taking a proactive approach to protecting consumers from identity theft. Why is that so important?

In the past, many people looked to credit monitoring after becoming victims of identity theft. According to Davis, that was the problem.

"Credit monitoring does nothing to stop identity theft. It only tells you after there's been suspicious activity on your account," Davis said. "LifeLock works to help stop identity theft before it happens by taking proactive steps to reduce the risk of identity thieves ruining your credit and good name - even if your information gets in the wrong hands."

More importantly, what LifeLock doesn't stop, we fix at our expense up to \$1,000,000. That's our \$1 Million Total Service Guarantee.

Does it work? Look at the facts.

"With over a million LifeLock members, statistically you would expect to see over 30,000 identity thefts annually, costing our members hundreds of hours and thousands of dollars," Davis said.

"Now, those are thefts that would come under the protection of our \$1 Million Total Service Guarantee, so our members would be out nothing, but we haven't seen anywhere near 30,000 victims. We haven't even seen 3,000."

The fact is, only 105 out of over one million LifeLock members have ever reported their identities stolen, and because of LifeLock's guarantee, none of them were ever out the time or money experienced by other identity theft victims.

And Davis is quick to add that he's one of the 105.

"Isn't that amazing? I have the most famous Social Security number in the world and LifeLock's only had to help me once."

The incident occurred a year ago when Davis' identity was used to get a \$500 payday advance loan. Davis points out that check cashing and payday advance companies are not required to check for fraud alerts to verify identities. It's a flaw in the law that he believes would have stopped the theft cold, but adds that's not the most important part of the story.

"What's important is the whole incident proves that LifeLock works, because I was never out a dime of my own money or hours of my own time. LifeLock protected me and the other 104 members exactly as they promised."

Davis is clearly passionate about his company and all it has accomplished.

"No one can stop all identity theft but our proactive

approach has resulted in successfully protecting over 99 percent of our members. That's unprecedented. And the less than one-tenth of one percent that fell victim to identity theft were completely protected by our guarantee."

So how big of a problem is identity theft?

Financial costs aside, identity theft victims can spend hundreds of frustrating hours talking to credit card companies, banks, police and credit bureaus repairing the damage. Now, when you factor in that thieves may hold onto information for six months before using it, and that a single stolen identity may be used up to 30 times, the full weight of the crime really begins to take shape.

\$1 Million Service Guarantee

The fact is you could already be a victim many times over and not know it for months.

Before becoming a member of LifeLock, one victim had two homes purchased and furnished using her name and personal information. Then, to add insult to injury, the thieves took out second mortgages on both homes as well.

Another had his identity stolen at age 7, but didn't find out until ten years later when he was denied a student loan and a job due to poor credit. He was 17-years-old and \$40,000 in debt because someone had purchased a houseboat in his name. He struggled for 10 years to clear his name.

"Children and young people are popular targets because no one regularly checks their credit history," Davis said. "That's why LifeLock was one of the first companies to offer full protection to minors, including the \$1 million

service guarantee."

But it's not always about finances. Other types of identity theft have nothing to do directly with money.

One victim had his identity stolen by a man who went on to commit rape and murders using the victim's name. Another was turned

have already taken great strides toward guarding consumers.

Deter, Detect, Defend

"The FTC's site (www.ftc.gov/idtheft) does a great job of educating consumers with their "Deter, Detect, Defend" campaign," Davis

credit reports if they have been victimized or believe they could become a victim of identity theft. Fraud alerts can make it more difficult for someone else's name because it tells creditors to use "reasonable policies and procedures" to verify the consumer's identity before issuing new credit in their name.

Consumers can request their annual credit reports by going to www.annualcreditreport.com. The site also has information on how to request free fraud alerts. Fraud alerts last 90 days, and then must be renewed. LifeLock facilitates requesting both the fraud alerts and credit reports on behalf of their members as part of their service. They also request renewals for the alerts every 90 days.

But that's not all LifeLock does.

"We're working around the clock monitoring criminal web sites for the illegal selling and trading of our members' information. We notify you when a change of address is made in your name to make sure it's not an identity thief rerouting your mail to them. We also have your name taken off of junk mail and pre-approved credit card lists because they're just one more avenue thieves can use to get your information."

"And if anything gets past us, you have the peace of mind knowing you're protected by our \$1 million service guarantee," he added. "There's a reason we're #1."

If you'd like the same peace of mind and comfort Davis and the rest of LifeLock's members enjoy, he'd like you to have LifeLock free for 30 days by calling 877 517 8293 or visit www.lifelock.com/free30.

Things You Can Do:

1. Place Fraud Alerts On Your Credit Report.

Fraud alerts make it extremely difficult for thieves to open new lines of credit in your name. Fraud alerts have proven 82% effective in stopping unauthorized use of personal information. You can place fraud alerts with all three major credit reporting agencies (Equifax, Experian, TransUnion), but alerts last only 90 days and must be renewed continuously to be effective.

2. Order ALL THREE Free Credit Reports.

Whether or not you are a victim of identity theft, take advantage of your free annual credit reports. Visit www.annualcreditreport.com.

3. Opt Out Of Unsolicited Credit Card Offers.

Opt out of pre-approved offers of credit at www.optoutprescreen.com. You may choose a five-year opt-out period or permanent opt-out status. This reduces the possibility of someone rifling through your mail and opening credit under your name.

4. Become Acquainted With A Shredder.

All read mail should go through the shredder before it goes to the trash. Though identity theft is steadily transferring to online forums, most identity theft is still done by trash digging. Using a shredder on all of your personal documents, makes the job for any would-be identity thief infinitely more difficult.

5. Let Experts Protect You:

While preventative measures can be done by anyone, many companies exist to provide consumers with expertise when it comes to the confusing ID theft issues. When selecting one of these companies, make sure that they provide the convenience, knowledge, support and protection found in LifeLock's proactive approach and \$1 million service guarantee.

don't for public assistance because someone else was using the Social Security number of her 10-year-old son and earning more money than her.

Davis is campaigning for even stronger federal protections from identity theft, but says the FTC and federal government

said. And Congress passed laws several years ago allowing consumers to get free annual credit reports from the three major credit bureaus so you can see exactly what is happening with your credit history."

The government also allows consumers to place free fraud alerts on their



I'm Todd Davis, CEO of LifeLock,

and 457-55-5462 is my real Social Security number. I give it out to show how confident I am in LifeLock's proactive identity theft protection.

ing out his real Social Security number to anyone who will listen?

Yes, That's His Real Number

"Because between LifeLock's proactive approach and our \$1 million service guarantee, I'm more confident than ever before in LifeLock's ability to continue keeping my identity safe," Davis said.

"Of course, you should never share your Social Security number unless completely necessary," he added, "but for the record, mine is 457-55-5462."

LifeLock became the nation's leader in identity theft protection by taking a proactive approach to protecting consumers from identity theft. Why is that so important?

In the past, many people looked to credit monitoring after becoming victims of identity theft. According to Davis, that was the problem.

"Credit monitoring does nothing to stop identity theft. It only tells you after there's been suspicious activity on your account," Davis said. "LifeLock works to help stop identity theft before it happens by taking proactive steps to reduce the risk of identity thieves ruining your credit and good name – even if your information gets in the wrong hands."

More importantly, what LifeLock doesn't stop, we fix at our expense up to \$1,000,000. That's our \$1 Million Total Service Guarantee.

that would come under the protection of our \$1 Million Total Service Guarantee, so our members would be out nothing, but we haven't seen anywhere near 30,000 victims. We haven't even seen 3,000."

The fact is, only 105 out of over one million LifeLock members have ever reported their identities stolen, and because of LifeLock's guarantee, none of them were ever out the time or money experienced by other identity theft victims.

And Davis is quick to add that he's one of the 105.

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Credit monitoring doesn't stop identity theft, it only alerts you after something has already happened. That's why LifeLock works to help stop identity theft before it happens by taking proactive steps to reduce your risk – even if your information gets in the wrong hands. And what we don't stop, we'll fix at our expense, up to \$1 million.

I'm so confident in LifeLock's ability to protect my identity I publish my real Social Security number. To give you that same level of confidence and peace of mind, I'd like to give you LifeLock for 30 days, absolutely free.

TRY FOR 30 DAYS

RISK FREE

CALL 877-517-8293

OR GO TO LIFELOCK.COM/FREE30

No payment, no obligation for 30 days. After 30 days your credit card will automatically be billed. You can cancel at any time without penalty.



LifeLock.
#1 In Identity Theft Protection

Do not share your Social Security number or personal information unnecessarily. LifeLock™ does not cover pictures, cash and other monies.

STATE OF MAINE
KENNEBEC, SS.

SUPERIOR COURT
CIVIL ACTION NO.2010-

STATE OF MAINE

Plaintiff,

-vs-

LIFELOCK, INC.,
a Delaware Corporation,

Defendant.

**FINAL JUDGMENT
AND CONSENT DECREE**

Plaintiff, STATE OF MAINE, by JANET T. MILLS, Attorney General has filed a Complaint for a permanent injunction and other relief in this matter pursuant to the Maine Unfair Trade Practices Act, 5 M.R.S. §§ 205-A *et seq.*, (the "Act") alleging Defendant, LifeLock, Inc. committed violations of the Act.

Plaintiff and LifeLock, Inc. have agreed to the Court's entry of this Final Judgment and Consent Decree without trial or adjudication of any issue of fact or law or finding of wrongdoing or liability of any kind. LifeLock denies the allegations of the Complaint and denies having violated the Act.

PREAMBLE

The Attorneys General (collectively, the “Attorneys General,” and the “AGs”) of the states of Alaska, Arizona, California, Delaware, Florida, Hawaii¹, Idaho, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee², Texas, Vermont, Virginia, Washington, and West Virginia (collectively, the “Participating States”)³ conducted an investigation under the State Consumer Protection Laws regarding Defendant’s identity theft protection services; and

Defendant is willing to enter into a Final Judgment and Consent Decree (the “Judgment” or “Order”) regarding the marketing, advertising, and offering for sale of its identity theft protection services in order to resolve the AGs’ investigation under the State Consumer Protection Laws and arrive at a complete and total settlement and resolution of any disagreement as to the matters addressed in this Judgment and thereby avoid unnecessary expense, inconvenience, and uncertainty.

PARTIES

¹ With regard to Hawaii, Hawaii is represented by its Office of Consumer Protection, an agency which is not part of the state Attorney General’s Office, but which is statutorily authorized to represent the State of Hawaii in consumer protection actions.

² With regard to Tennessee, Tennessee is represented by its Office of the Tennessee Attorney General on behalf of the Tennessee Division of Consumer Affairs of the Department of Commerce and Insurance.

³ Hereafter, when the entire group is referred to as the “Participating States” or “Attorneys General,” such designation as it pertains to Hawaii refers to the Executive Director of the State of Hawaii Office of Consumer Protection.

The State of Maine (hereinafter “the State”) is the plaintiff in this case. THE STATE OF MAINE, by JANET T. MILLS, Attorney General of the State of Maine, is charged, inter alia, with the enforcement of the Act.

LifeLock, Inc. (hereinafter “Defendant”) is a corporation formed under the laws of the State of Delaware, with its principal place of business at 60 E Rio Salado Parkway, Suite 400, Tempe, AZ 85281. As used herein, any reference to “LifeLock” or “Defendant” shall mean LifeLock, Inc., including all of its officers, directors, affiliates, subsidiaries and divisions, predecessors, successors and assigns doing business in the United States.

TRADE AND COMMERCE

Defendant, at all times relevant hereto, engaged in trade and commerce affecting consumers, within the meaning of 5 M.R.S. § 206(3) in the State of Maine.

IT IS HEREBY ORDERED that:

DEFINITIONS

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

1. “State Consumer Protection Laws” shall mean the consumer protection laws⁴ under which the Attorneys General have conducted the investigation.

⁴ALASKA – Alaska Unfair Trade Practices and Consumer Protection Act, AS 45.40.471, *et seq.*; ARIZONA – Arizona Consumer Fraud Act, A.R.S. §44-1521 *et seq.*; CALIFORNIA – Bus. & Prof Code §§ 17200 *et seq.* and 17500 *et seq.*; FLORIDA - Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes, §501.201 *et seq.*; DELWARE- Delaware Consumer Fraud Act, CODE ANN.tit.6 §§2511 to 2527; 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.*;

INJUNCTIVE PROVISIONS

I. Representations Concerning the Defendant's Service

2. Defendant, directly or through any corporation, partnership, subsidiary, division, trade name, device, affiliate, or other entity, and their officers, agents, servants, employees, and all persons and entities in active concert or participation with them who receive actual notice of this Judgment, by personal service or otherwise, is hereby permanently restrained and enjoined from:

1. in connection with the advertising, distribution, promoting, offering for sale, or sale of any product, service, or program intended for the purpose of preventing, mitigating, or recovering from any form of identity theft as defined in 18 U.S.C. § 1028, misrepresenting in any manner, expressly or by implication:

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

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 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.*

- b) that such product, service, or program prevents unauthorized changes to customers' address information;
- c) that such product, service, or program constantly monitors activity on each of its customers' consumer reports;
- d) that such product, service, or program ensures that a customer will always receive a phone call from a potential creditor before a new credit account is opened in the customer's name;
- e) the means, methods, procedures, effects, effectiveness, coverage, or scope of such product, service, or program;
- f) the risk of identity theft to consumers;
- g) whether a particular consumer has become or is likely to become a victim of identity theft; and/or
- h) the opinions, beliefs, findings, or experiences of an individual or group of consumers related in any way to any such product, service, or program.

Such products, services, or programs include, but are not limited to, the placement of fraud alerts on behalf of consumers, searching the Internet for consumers' personal data, monitoring commercial transactions for consumers' personal data, identity theft protection for minors, and guarantees of any such products, services, or programs.

II. Defendant's Mandatory Arbitration Provisions

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

GENERAL PROVISIONS

4. The Parties have agreed to resolve the issues raised by the marketing, advertising, and offering for sale of Defendant's identity theft protection services under the State Consumer Protection Laws by entering into this Judgment. Defendant is entering into this Judgment solely for the purpose of settlement and nothing contained herein may be taken as or construed to be an admission or concession of any violation of law or regulation, or of any other matter of fact or law, or of any liability or wrongdoing, all of which Defendant expressly denies. Defendant does not admit any violation of the State Consumer Protection Laws, and does not admit any wrongdoing that was or could have been alleged by any Attorney General before the date of the Judgment under those laws.

5. This Judgment is made without trial or adjudication of any issue of fact or law or finding of wrongdoing or liability of any kind. Except to the extent required by law, it is the intent of the Parties that this Judgment shall not be admissible in any other matter, including, but not limited to, any investigation or litigation, or bind Defendant in any respect other than in connection with the enforcement of this Judgment.

6. This Judgment constitutes a complete settlement and release by the Participating States of all civil claims against Defendant, and its successors, employees, officers, directors and assigns, with respect to the marketing, advertising, and offering for sale its identity theft protection services, which were or could have been asserted prior to the date

this Judgment is entered by the Participating States under the State Consumer Protection Laws cited in footnote 4 of this Judgment.

7. This Judgment shall be governed by the laws of the Participating States and is subject to court approval in those Participating States whose procedures require court approval. By entering into this Judgment, Defendant and the Attorneys General agree to all such court approvals, provided that there are no modifications to the terms of this Judgment without the express written consent of Defendant and the Attorneys General. This Judgment does not constitute an admission by Defendant of any Participating State's jurisdiction over it other than with respect to this Judgment, and does not alter any Participating State's jurisdiction over it.

8. Defendant represents that it has fully read and understood this Judgment, it understands the legal consequences involved in signing this Judgment, and there are no other representations or agreements between Defendant and the Attorneys General not stated in writing herein.

9. Defendant represents and warrants that it is represented by legal counsel, that it is fully advised of its legal rights in this matter and that the person signing below is fully authorized to act on its behalf.

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

11. Defendant shall provide a copy of this Judgment and an accurate summary of the material terms of this Judgment to its senior executive officers who have managerial responsibility for the matters subject to this Judgment. Upon written request, Defendant

will provide the Attorneys General with proof it has completed this process within 30 days of the request.

12. This Judgment contains the entire agreement between Defendant and the Attorneys General. Except as otherwise provided herein, this Judgment shall be modified as to any Participating State and/or Defendant only by a written instrument signed by or on behalf of the Attorney General of that Participating State and signed by or on behalf of Defendant. Defendant understands that in some Participating States court approval of any modification will be necessary. Defendant and the Attorneys General for such Participating States agree to use their best efforts to obtain such court approval.

13. Neither Defendant nor anyone acting on its behalf shall state or imply or cause to be stated or implied that a Participating State, an Attorney General, or any governmental unit of a Participating State has approved, sanctioned, or authorized any practice, act, advertising material, or conduct of Defendant.

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

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

16. 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.

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

18. 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.

19. 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.

20. 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 the State.

21. 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.

22. This Judgment sets forth the entire agreement between the parties, and there are no representations, agreements, arrangements, or understandings, oral or written, between

the parties relating to the subject matter of this Judgment which are not fully expressed herein or attached hereto.

23. Defendant has provided the Attorneys General with certain documents, advertisements, and contracts. Defendant acknowledges and agrees that providing these documents to the Attorneys General in no way constitutes the AGs' pre-approval, review for compliance with state or federal law, or with this Judgment, or a release of any issues relating to such documents.

24. Defendant agrees that this Judgment does not entitle Defendant to seek or to obtain attorneys' fees as a prevailing party under any statute, regulation or rule, and Defendant further waives any rights to attorneys' fees that may arise under such statute, regulation or rule.

25. Defendant further agrees to execute and deliver all authorizations, documents and instruments which are necessary to carry out the terms and conditions of this Judgment.

26. This document may be executed in any number of counterparts and by different signatories on separate counterparts, each of which shall constitute an original counterpart hereof and all of which together shall constitute one and the same document. One or more counterparts of this Judgment may be delivered by facsimile or electronic transmission with the intent that it or they shall constitute an original counterpart thereof.

27. This Judgment is conditioned upon the prior approval of the Federal Trade Commission of the FTC's *Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable Relief*.

Jurisdiction

28. Jurisdiction of this Court over the subject matter and over the Defendant for the purpose of entering into and enforcing this Judgment is admitted. Jurisdiction is retained by this Court for the purpose of enabling the State 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.

Compliance

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

Payment to the States

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

electronic fund transfer in accordance with instructions previously provided to Defendant by participating States.

31. Said payment may be used by the Participating States for attorney's fees and other costs of investigation and litigation, or to be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund; used to defray the costs of the inquiry leading hereto; or used for any other purposes permitted by State law, at the sole discretion of each respective Attorney General.

Restitution

32. The States will be participating in the joint FTC and Participating States' Eleven Million Dollar (\$11,000,000) consumer redress program outlined in the FTC's *Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable Relief*.

Modification of Certain Operational Provisions

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

Notification to State

34. For five (5) years following execution of this Judgment, Defendant shall notify the Attorney General, c/o Linda Conti, Assistant Attorney General, State House Station 6,

Augusta, ME 04333], in writing at least thirty (30) days prior to the effective date of any proposed changes in its corporate structure, such as dissolution, assignment, or sale resulting in the emergence of a successor corporation or firm, the creation or dissolution or subsidiaries, or any other changes in Defendant's status that may impact in any way compliance with obligations arising out of this Judgment.

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

For the State Attorney General:

Linda Conti, Assistant Attorney General
State House Station 6
Augusta, ME 04333

For the Defendant:

Clarissa Cerda, General Counsel
Lifelock
60 East Rio Salado Pkwy
Tempe, AZ 85281

Robert Sherman, Esq.
Greenberg Traurig
One International Place
Boston, MA 02110

DATE: _____

Justice, Superior Court

WE CONSENT:

DATE: 3/4/10

FOR LIFELOCK, INC.



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FOR THE STATE OF MAINE:

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