

RETURN DATE: SEPTEMBER 10, 2013 :	:	SUPERIOR COURT
STATE OF CONNECTICUT,	:	JUDICIAL DISTRICT OF HARTFORD
<i>Plaintiff,</i>	:	
v.	:	AT HARTFORD
CITIBANK, N.A.,	:	
<i>Defendant.</i>	:	AUGUST 29, 2013

COMPLAINT

COUNT ONE

1. This is an action pursuant to the Connecticut Unfair Trade Practices Act (“CUTPA”), Chapter 735a of the Connecticut General Statutes, and more particularly, General Statutes §§ 42-110m(a) and 42-110(b), for the purpose of seeking appropriate relief for the Defendants’ violations of Conn. Gen. Stat § 42-110b(a).

THE PARTIES

2. The Plaintiff is the State of Connecticut, represented by George Jepsen, Attorney General of the State of Connecticut, acting at the request of William M. Rubenstein, Commissioner of Consumer Protection, pursuant to General Statutes § 42-110m(a).

3. Defendant Citibank, N.A., (“Citibank”) is a national bank with its head office located at 701 East 60th Street North, Sioux Falls, South Dakota 57104.

THE DEFENDANTS' COURSE OF CONDUCT

4. Citibank is engaged in the business of banking. Citibank provides banking services to Connecticut citizens, including checking and savings accounts, credit card and debit card accounts, and has numerous bank branches located within the State of Connecticut. Citibank also provides a Web site located at <https://accountonline.com> ("Account Online") through which Citibank provides its credit card and debit card customers with access to information relating to their accounts.

5. Citibank at all times mentioned herein has transacted business within the State of Connecticut.

6. On or about May 10, 2011, Citibank discovered that its Account Online service had been breached by a computer hacking exploit (the "Breach"). The Breach took advantage of a known technical vulnerability that had been implemented by Citibank on Account Online in July of 2008. The vulnerability permitted the hacker(s) to access multiple user accounts on Account Online by logging in with a known account number and password, then modifying a few characters of a query string that appeared in the resulting Web browser's Universal Resource Locator ("URL") bar in order to access additional accounts.

7. A simplified example of such a query string modification hack is as follows: if the hacker(s) properly logged into account number 12345, the hacker(s) could then merely modify a

few characters on the URL and then have access to account number 12346, without having to independently authenticate or log in. The hacker(s) then used a simple script that automatically scraped all of the account information, saved it, and then changed the numbers in the URL and repeated the process.

8. Citibank did not permanently fix this vulnerability until on or about May 27, 2011. Citibank started notifying its affected customers about the breach on or about June 3, 2011, and did not complete its notifications until on or about June 11, 2011, over one month after the breach was first detected by Citibank and almost three years after the vulnerability was known to exist.

9. Through this preventable exploit, account information for over 360,000 Citibank customers, including approximately 5,066 Connecticut citizens, was accessed and/or obtained by the hacker(s). The account information included customer names, street addresses, email addresses, phone numbers, and credit card account numbers.

10. On its website, Citibank posts a privacy policy that states that Citibank protects customer's personal information "by maintaining physical, electronic, and procedural safeguards that meet applicable law."

CUTPA VIOLATIONS

11. The acts and practices alleged herein occurred in the trade or commerce of the

State of Connecticut.

12. The Breach, which compromised the personal information of Connecticut citizens, including customer names and account numbers, constitutes a “breach of security,” as that term is defined by General Statutes § 36a-701b(a).

13. The disclosure of the Breach to consumers, made nearly three years after the known vulnerability put consumers’ information at risk and almost a month after Defendant discovered the Breach, was not made without unreasonable delay, as required by General Statutes § 36a-701b(b).

14. Pursuant to General Statutes § 36a-701b(g), the defendants’ failure to disclose the Breach without unreasonable delay constitutes an unfair trade practice pursuant to General Statutes § 42-110b enforceable by the plaintiff Attorney General.

COUNT TWO

1-14. The allegations of paragraphs 1-14 of Count One are incorporated by reference as paragraphs 1-14 of Count Two as if fully set forth herein.

15. The Defendant engaged in the unfair acts or practices alleged herein willfully when they knew, or reasonably should have known, that their conduct was unfair or deceptive, in violation of General Statutes § 42-110o(a), and therefore, are liable for civil penalties of up to

\$5,000 per willful violation pursuant to General Statutes § 42-110o(b).

COUNT THREE

1-11. The allegations of paragraphs 1-11 of Count One are incorporated by reference as paragraphs 1-11 of Count Three as if fully set forth herein.

12. The Defendant was in possession of Connecticut customers' "personal information" as that term is defined in General Statutes § 42-471(c), including credit and/or debit card account numbers.

13. The Defendant's policies and procedures regarding the security of its Account Online System, even if followed, did not adequately safeguard Connecticut customers' personal information.

14. The Defendant therefore failed to safeguard its data, computer files and documents containing such personal information from misuse by third parties, in violation of General Statutes § 42-471(a).

COUNT FOUR

1-14. The allegations of paragraphs 1-14 of Count Three are incorporated by reference as paragraphs 1-14 of Count Four as if fully set forth herein.

15. The Defendant engaged in the unfair acts or practices alleged herein in violation of General Statutes § 42-471(a), and therefore, is liable for civil penalties of \$5,000 per violation pursuant to General Statutes § 42-471(e).

COUNT FIVE

1-11. The allegations of paragraphs 1-11 of Count One are incorporated by reference as paragraphs 1-11 of Count Five as if fully set forth herein.

12. The Defendant represented to consumers, either implicitly by collecting personal information from consumers or explicitly as described in Paragraph 10 that the consumers' personal information would be protected and/or safeguarded from misuse by third parties.

13. Contrary to the implicit and explicit representations by Defendant, consumers' personal information was not adequately protected or safeguarded from misuse by third parties.

14. The Defendant's acts or practices, as described herein, were likely to mislead consumers acting reasonably under the circumstances into believing that their personal information was safeguarded from misuse by third parties.

15. The Defendant's acts or practices, as described herein, were and are material to consumers' decisions about whether or not to transact business with Defendant and whether or not to utilize Defendant's Account Online system.

16. The Defendant has therefore engaged in deceptive acts practices in violation of General Statutes § 42-110b(a).

COUNT SIX

1-16. The allegations of paragraphs 1-16 of Count Five are incorporated by reference as paragraphs 1-16 of Count Six as if fully set forth herein.

17. Defendants engaged in the acts or practices alleged herein when they knew or should have known that their conduct was unfair or deceptive, in violation of General Statutes § 42-110b(a), and, therefore, are liable for civil penalties of up to \$5,000 per willful violation pursuant to General Statutes § 42-110o(b).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays this Court for the following relief:

1. Enter judgment against the Defendants and in favor of the Plaintiff on each count of this Complaint;
2. Permanently enjoin and restrain the Defendant from continuing the unfair acts or practices complained of herein under Connecticut state law, General Statutes §§ 36a-701b, 42-471, 42-110b and 42-110m.
3. An order, pursuant to General Statutes § 42-110o(b), directing the Defendants to

pay civil penalties of not more than \$5,000 for each willful violation of General Statutes § 42-110b(a);

4. An order, pursuant to General Statutes § 42-471(e), directing the Defendants to pay civil penalties of \$5,000 for each violation of General Statutes § 42-471(a);

5. An award of reasonable attorneys fees and costs of this suit to the State of Connecticut, pursuant to General Statutes § 42-110m(a);

6. Any such other relief in law or equity as the Court deems appropriate and just.

The Plaintiff hereby states that the amount in controversy is more than Fifteen Thousand Dollars (\$15,000.00), exclusive of interests and costs.

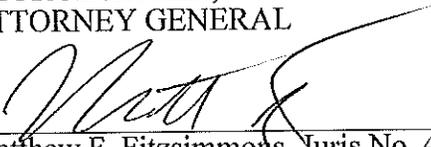
Dated at Hartford, Connecticut this 29th day of August, 2013.

Respectfully submitted,

PLAINTIFF
STATE OF CONNECTICUT,

GEORGE JEPSEN,
ATTORNEY GENERAL

BY:


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