II. DEFENDANT

- **2.1** Defendant, Uber Technologies, Inc. ("Uber") is a Delaware corporation with its principal place of business at 1455 Market Street, No. 400, San Francisco, California. Uber is registered with the Washington Secretary of State.
- 2.2 Uber is in the business of connecting drivers with passengers who are looking for vehicles for hire. Uber transacts or has transacted business in the state of Washington.
- 2.3 When used in this Complaint, "Uber Technologies, Inc.," "Uber," and "Defendant" refer to Uber Technologies, Inc. and its agents, servants, employees, or representatives.

III. JURISDICTION AND VENUE

- 3.1 The State files this Complaint and institutes these proceedings under RCW 19.86 and RCW 19.255.
- 3.2 The Defendant engaged in the conduct set forth in this Complaint in King County and elsewhere in the state of Washington.
 - 3.3 Venue is proper in King County pursuant to RCW 4.12.020.

IV. NATURE OF TRADE OR COMMERCE

- **4.1** Defendant is now, and has been at all times relevant to this lawsuit, engaged in trade or commerce within the meaning of RCW 19.86.020.
- **4.2** Uber is a ride hailing service that connects drivers with passengers who are looking for a vehicle for hire. Uber markets its ride hailing service to passengers and drivers, including through a website it operates, <u>www.uber.com</u>. Drivers and passengers are consumers of Uber's ride hailing service.
- 4.3 Uber operates its ride hailing service by means of a mobile software application ("App") that connects drivers and passengers. Uber markets different versions of the App to drivers and passengers. As part of the services it provides, Uber collects information about drivers and passengers, including personally identifiable information such as names, addresses,

email addresses, payment card information, driver's license numbers of vehicle drivers, and other information.

4.4 Defendant has been at all times relevant to this action in competition with others engaged in similar business in the state of Washington.

V. FACTS

- 5.1 On or about November 14, 2016, Uber was contacted by an individual who claimed he had accessed Uber user information. Following the contact, Uber investigated the claim and determined that the individual who had made the contact and another person had obtained access to information stored electronically in Uber's databases and files. The individuals were not authorized to have access to the information. The unauthorized access began on or about October 13, 2016 and the unauthorized access was terminated on or about November 15, 2016.
- 5.2 The unauthorized access, or hack, of Uber's electronic data included information on 57 million passengers and drivers around the world. The hackers accessed the names, email addresses, and telephone numbers of about 50 million passengers. The hackers also accessed the names and driver's license number of about seven million drivers 600,000 of whom reside in the United States and at least 10,888 of whom are in Washington state.
- 5.3 When it learned about the breach, Uber did not notify law enforcement authorities or consumers about it. Rather, at the hackers' demand, Uber paid the hackers to delete the consumer data and keep quiet about the breach.
- 5.4 Uber notified the Washington Attorney General's Office of the breach on Tuesday, November 21, 2017. On November 22, 2017, Uber began the process of notifying affected consumers that an unauthorized person or persons accessed their personal information, including driver's license numbers. A copy of Uber's notice to the Attorney General is attached as Exhibit A.
 - 5.5 Uber executives were aware of the breach as early as November 2016.

5.6 Uber is aware of its responsibilities to provide notice of data security breaches. In 2016, the New York Attorney General fined Uber for failing to notify drivers and that office about a data breach that occurred in 2014.

VI. FIRST CAUSE OF ACTION Failure To Provide Notice of Security Breach to Affected Consumers

- **6.1** Plaintiff realleges paragraphs 1.1 through 5.6 and incorporates them herein by this reference.
- 6.2 Defendant became aware of a data security breach on or about November 14, 2016. The data security breach resulted in the unauthorized access of personal information of Washington consumers, consisting of the names and driver's license numbers of at least 10,888 Uber drivers.
- 6.3 RCW 19.255.010(16) requires Defendant to provide notice of the security breach to affected consumers "in the most expedient time possible and without unreasonable delay, no more than forty-five calendar days after the breach was discovered." Defendant failed to notify the affected drivers until November 22, 2017.
- 6.4 Defendant's conduct is made more egregious by the fact that Uber paid the hackers to delete the personal information and keep quiet about the breach.
- 6.5 The conduct described in paragraphs 6.1 through 6.4, violates RCW 19.255.010. Pursuant to RCW 19.255.010(17), violations of RCW 19.255 constitute violations of the Consumer Protection Act, RCW 19.86.
- 6.6 Notwithstanding RCW 19.222.010(17), failing to notify affected consumers that their driver's license numbers had been access by unauthorized individuals is an unfair or deceptive act or practice in violation of RCW 19.86.020. Failing to notify affected consumers that their driver's license numbers were accessed by unauthorized individuals is not reasonable in relation to the development and preservation of business and is inconsistent with the public interest.

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SECOND CAUSE OF ACTION Failure To Notify the Attorney General of Data Security Breach

- · 7.1 Plaintiff realleges paragraphs 1.1 through 6.6 and incorporates them herein by this reference.
- 7.2 RCW 19.255.010(15) requires Defendant to provide notice of the November 14, 2016 security breach to the Attorney General because the personal information of more than 500 Washington residents was affected by the data security breach. As set forth in RCW 19.255.010(16), Defendant was required to notify the Attorney General "in the most expedient time possible and without unreasonable delay, no more than forty-five calendar days after the breach was discovered." Defendant failed to notify the Attorney General until November 21, 2017.
- 7.3 The conduct described in paragraphs 7.1 through 7.2 violates RCW 19.255.010. Pursuant to RCW 19.255.010(17), violations of RCW 19.255 constitute violations of the Consumer Protection Act, RCW 19.86.

VIII. PRAYER FOR RELIEF

WHEREFORE, Plaintiff, State of Washington, prays for relief as follows:

- 8.1 That the Court adjudge and decree that the Defendant has engaged in the conduct complained of herein.
- 8.2 That the Court adjudge and decree that the conduct complained of constitutes unfair or deceptive acts and practices and an unfair method of competition and is unlawful in violation of the Consumer Protection Act, RCW 19.86.020, and RCW 19.255.010.
- 8.3 That the Court issue a permanent injunction enjoining and restraining the Defendant, and its representatives, successors, assigns, officers, agents, servants, employees, and all other persons acting or claiming to act for, on behalf of, or in active concert or participation with the Defendant, from continuing or engaging in the unlawful conduct complained of herein.
 - 8.4 That the Court assess civil penalties, pursuant to RCW 19.86.140, of up to two

EXHIBIT A

PERKINSCOIE

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November 21, 2017

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Office of the Washington Attorney General Consumer Protection 800 5th Ave, Suite 2000 Seattle, WA 98104-3188

Email Address: SecurityBreach@atg.wa.gov

Re: Notification of Security Breach

To Whom It May Concern:

On behalf of our client Uber Technologies, Inc. ("Uber"), we are writing to notify you of a data security incident.

In November 2016, Uber was contacted by an individual who claimed he had accessed Uber user information. Uber investigated and determined that the individual and another person working with him had obtained access to certain stored copies of Uber databases and files located on Uber's private cloud data storage environment on Amazon Web Services. Uber determined the means of access, shut down a compromised credential, and took other steps intended to confirm that the actors had destroyed and would not use or further disseminate the information. Uber also implemented additional measures to improve its security posture. To the best of Uber's knowledge, the unauthorized actor's access to this data began on October 13, 2016, and there was no further access by the actor to Uber's data after November 15, 2016.

As determined by Uber and outside forensic experts, the accessed files contained user information that Uber used to operate the Uber service. Most of this information does not trigger data breach notifications under state law. However, the files did include, for a subset of users in the files, the names and driver's license numbers of about 600,000 Uber drivers in the United States, including at least 10,888 drivers in Washington (we will update this number in the next few days after the mailing count is finalized). Beginning on November 22, 2017, Uber is providing notice to the individuals whose driver's license information was downloaded in this incident. Uber will offer 12 months of credit monitoring and identity theft protection services to these individuals free of charge, and the notice will provide information on how to use such services. A copy of the notice is enclosed.

Perkins Cole LLP

¹ The files also included other types of data and salted and hashed user passwords, but they do not trigger notification.

EXHIBIT A

November 21, 2017 Page 2

As it has publicly announced today, Uber now thinks it was wrong not to provide notice to affected users at the time. Accordingly, Uber is now providing notice. In order to treat its driver partners consistently throughout the United States, Uber is providing notice to affected drivers in all states without regard to whether the facts and circumstances of this incident (or the number of affected individuals) trigger notification in each particular state.

Uber is taking personnel actions with respect to some of those involved in the handling of the incident. In addition, Uber has implemented and will implement further technical security measures, including improvements related to both access controls and encryption.

Uber sincerely regrets that this incident occurred. It is committed to working with your office to address this matter. Please do not hesitate to contact me with any questions or for more information. My contact information is above.

Very truly yours,

Rebecca S. Engrav

Attachment