



**PERSONAL INFORMATION PROTECTION ACT**  
**Breach Notification Decision**

<b>Organization providing notice under section 34.1 of PIPA</b>	Hyatt Hotels Corporation (Organization)
<b>Decision number (file number)</b>	P2017-ND-141 (File #006836)
<b>Date notice received by OIPC</b>	October 13, 2017
<b>Date Organization last provided information</b>	October 13, 2017
<b>Date of decision</b>	October 23, 2017
<b>Summary of decision</b>	There is a real risk of significant harm to the individuals affected by this incident. The Organization is required to notify those individuals pursuant to section 37.1 of the <i>Personal Information Protection Act</i> (PIPA).
<b>JURISDICTION</b>	
<b>Section 1(1)(i) of PIPA “organization”</b>	The Organization is an “organization” as defined in section 1(1)(i) of PIPA.
<b>Section 1(1)(k) of PIPA “personal information”</b>	<p>The incident involved all or some of the following information:</p> <ul style="list-style-type: none"><li>• name, and</li><li>• payment card number, expiry date, verification code (CVV).</li></ul> <p>This information is about identifiable individuals and is “personal information” as defined in section 1(1)(k) of PIPA. The information was collected from cards manually entered or swiped at the front desk of certain of the Organization’s managed and franchised locations. To the extent these transactions occurred in Alberta, I have jurisdiction in this matter.</p>
<b>DESCRIPTION OF INCIDENT</b>	
<input type="checkbox"/> loss <input checked="" type="checkbox"/> unauthorized access <input type="checkbox"/> unauthorized disclosure	
<b>Description of incident</b>	<ul style="list-style-type: none"><li>• On July 7, 2017, the Organization identified suspicious activity on one of its corporate servers.</li></ul>

	<ul style="list-style-type: none"> <li>The Organization investigated and determined that there was unauthorized access to payment card information from cards manually entered or swiped at the front desk of certain of the Organization’s managed and franchised locations between March 18, 2017 and July 2, 2017.</li> </ul>
<b>Affected individuals</b>	The incident affected 66 Alberta residents.
<b>Steps taken to reduce risk of harm to individuals</b>	<ul style="list-style-type: none"> <li>Launched a comprehensive investigation to identify what happened and engaged leading third-party experts, payment card networks and authorities.</li> <li>Reported the incident to law enforcement.</li> <li>Set up a call center staffed with dedicated support specialists.</li> <li>Reminding potentially affected individuals to review their account statements and credit reports for any indicators of fraud.</li> <li>Continuing to evaluate security measures and processes to identify where additional improvements are necessary.</li> </ul>
<b>Steps taken to notify individuals of the incident</b>	The Organization reported it is “notifying all individuals who used payment cards at the identified... locations during the relevant time period” and “notifying 66 Alberta residents.”
<b>REAL RISK OF SIGNIFICANT HARM ANALYSIS</b>	
<p><b>Harm</b> Some damage or detriment or injury that could be caused to affected individuals as a result of the incident. The harm must also be “significant.” It must be important, meaningful, and with non-trivial consequences or effects.</p>	<p>The Organization reported “The potentially affected individuals could experience financial loss from fraudulent payment card charges; however, the payment card networks have rules that prohibit them from requiring consumers to pay for fraudulent charges that are timely reported”.</p> <p>In my view, the financial information at issue could be used to cause the harms of identity theft, fraud and financial loss. These are significant harms.</p>
<p><b>Real Risk</b> The likelihood that the significant harm will result must be more than mere speculation or conjecture. There must be a cause and effect relationship between the incident and the possible harm.</p>	The Organization reported that “Given that in Canada there is zero liability for fraudulent payment card charges on an individual’s payment card, there is no risk of significant harm to the affected individuals in Alberta arising from this incident. The affected individuals will be made whole by their credit card issuer. There may be some inconvenience associated with obtaining a replacement card, but that is not significant harm.”

	<p>In my view, the likelihood of harm resulting from this incident is increased because the incident resulted from malicious intent (deliberate unauthorized access) and the information was exposed for approximately two and a half months. The Organization can only speculate that affected individuals will not be held responsible for any credit card fraud and misuse. Even if this were the case, it does not necessarily mitigate the potential harm from identity theft or other forms of fraud.</p>
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**DECISION UNDER SECTION 37.1(1) OF PIPA**

Based on the information provided by the Organization and given the circumstances of the incident, I have decided that there is a real risk of significant harm to the affected individuals.

The financial information at issue could be used to cause the harms of identity theft, fraud and financial loss. These are significant harms. The likelihood of harm resulting from this incident is increased because the incident resulted from malicious intent (deliberate unauthorized access) and the information was exposed for approximately two and a half months. The Organization can only speculate that affected individuals will not be held responsible for any credit card fraud and misuse. Even if this were the case, it does not necessarily mitigate the potential harm from identity theft or other forms of fraud.

I require the Organization to notify the affected individuals in Alberta in accordance with section 19.1 of the *Personal Information Protection Act Regulation* (Regulation).

The Organization reported it is “notifying 66 Alberta residents.” I require the Organization confirm to me within 10 days of the date of this decision that Alberta residents have been notified.

Jill Clayton  
Information and Privacy Commissioner