



PERSONAL INFORMATION PROTECTION ACT
Breach Notification Decision

Organization providing notice under section 34.1 of PIPA	Franklin Templeton Investments Corp. (Organization)
Decision number (file number)	P2019-ND-041 (File #003875)
Date notice received by OIPC	September 23, 2016
Date Organization last provided information	December 12, 2016
Date of decision	March 1, 2019
Summary of decision	There is a real risk of significant harm to the individuals affected by this incident. The Organization is required to notify the individuals whose personal information was collected in Alberta, pursuant to section 37.1 of the <i>Personal Information Protection Act</i> (PIPA).
JURISDICTION	
Section 1(1)(i) of PIPA “organization”	The Organization is an “organization” as defined in section 1(1)(i) of PIPA.
Section 1(1)(k) of PIPA “personal information”	The Organization reported the incident involved tax slips that “...contained Investor name and Social Insurance Number”. This information is about identifiable individuals and is “personal information” as defined in section 1(1)(k) of PIPA.
DESCRIPTION OF INCIDENT	
<input checked="" type="checkbox"/> loss <input type="checkbox"/> unauthorized access <input type="checkbox"/> unauthorized disclosure	
Description of incident	<ul style="list-style-type: none">• On February 19, 2016, the Organization inadvertently mailed tax slips to investors at invalid addresses.• The addresses had been identified by the Organization as invalid where mailings had been returned because the investor had moved and failed to notify the Organization, or the investor had provided an inaccurate or incomplete address.• The incident was discovered on August 22, 2016.
Affected individuals	The Organization reported the number of investor tax slips that were mailed to known invalid address, but not returned to the Organization, is 258 across Canada, including 35 in Alberta.

<p>Steps taken to reduce risk of harm to individuals</p>	<ul style="list-style-type: none"> • Identified and corrected the system process that caused the breach and took steps to ensure that mailings to known invalid addresses do not occur in the future. • Initiated a full review of business and technology processes around known invalid address accounts to further strengthen follow up process. • Enhanced processes to resolve instances of invalid addresses. • Implemented additional security verification steps on both phone and transaction inquiries (switches, redemptions, address changes etc.) for all impacted accounts. • Reviewed impacted accounts for abnormal activities or inquiries. • Enhanced monitoring of accounts.
<p>Steps taken to notify individuals of the incident</p>	<p>The Organization reported:</p> <p><i>Since we have no ability to reach the impacted Investors directly, we have taken the following steps to try to locate them:</i></p> <ul style="list-style-type: none"> • <i>We have contacted the registered dealer/investment advisor responsible for the client relationship in order to advise them of the privacy incident</i> • <i>We have initiated follow up with the registered dealer/investment advisor responsible for the client relationship for an up to date address</i> • <i>On an annual basis we subscribe to a service through Equifax Canada to verify... investor address against the credit agency's record in order to determine a more up to date address that will enable us to reach the investor</i> <p>On December 12, 2016, the Organization reported it was able to obtain updated addresses for some of the affected individuals and notified those individuals about the breach. The Organization committed to continuing its efforts to locate affected individuals.</p>
<p>REAL RISK OF SIGNIFICANT HARM ANALYSIS</p>	
<p>Harm 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 did not specifically identify the type(s) of harm that might result from the breach.</p> <p>In my view, a reasonable person would consider that the contact, financial and identity information at issue could be used to cause the significant harms of identity theft and fraud.</p>

<p>Real Risk</p> <p>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>	<p>The Organization did not specifically assess the likelihood of harm resulting in this case, but did report that it had “Reviewed all impacted accounts, and ... confirmed that no abnormal activities or inquiries have occurred to date”.</p> <p>In my view, the likelihood of harm resulting from this incident is reduced because it was the result of a technical error and not malicious intent. Nonetheless, the information is sensitive and has not been recovered. The lack of reported incidents is not a mitigating factor, as identity theft and fraud can occur months and years after a data breach.</p>
<p>DECISION UNDER SECTION 37.1(1) OF PIPA</p>	
<p>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.</p> <p>A reasonable person would consider that the contact, financial and identity information at issue could be used to cause the significant harms of identity theft and fraud. The likelihood of harm resulting from this incident is reduced because it was the result of a technical error and not malicious intent. Nonetheless, the information is sensitive and has not been recovered. The lack of reported incidents is not a mitigating factor, as identity theft and fraud can occur months and years after a data breach.</p> <p>I require the Organization to notify the affected individuals whose personal information was collected in Alberta, in accordance with section 19.1 of the <i>Personal Information Protection Act Regulation</i> (Regulation).</p> <p>I understand the Organization has no ability to directly contact the affected individuals, but took steps to reach them and was subsequently able to obtain some updated addresses and notify affected individuals. The Organization committed to continuing its efforts to locate affected individuals. In my view, the Organization has taken reasonable steps to notify affected individuals.</p>	

Jill Clayton
Information and Privacy Commissioner