

# Austin American-Statesman

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## Stratfor aims to settle suit over data breach

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Attorneys involved with a class-action lawsuit against Austin's Stratfor Inc. are circulating a proposed settlement to several hundred thousand former and current Stratfor customers and others affected by a data breach.

Stratfor is an Austin-based Internet service that studies and writes reports on world affairs. The company lost thousands of customer records — including credit card numbers — when they were hacked in December.

The original lawsuit, filed Jan. 20 in federal court in New York, sought more than \$50 million in damages on behalf of customers whose personal and credit card information was compromised in the breach.

Bill Cobb, an Austin lawyer representing Stratfor in the settlement, said the class includes more than 800,000 people or businesses that could have been affected. That number includes about 65,000 Stratfor customers who had their credit card information compromised and more than 700,000 others who had given email information to the company that was compromised.

Stratfor shut down its site for a few weeks after the hack. The company brought the website back online after substantially fortifying its computer security.

In March, the FBI said it had arrested members of the hacker group LulzSec, which had been involved in numerous hacking incidents. One of those was Jeremy Hammond of Chicago, also known as "Anarchaos." Hammond was the main perpetrator of the attack on Stratfor, the FBI said.

Those who are part of the settlement class are being offered one month's free service to Stratfor and a new e-book on world affairs, "The Blue Book," written by Stratfor CEO George Friedman. The settlement estimates that the value of those two offers is \$42.07. The settlement class also has the option to pursue a further settlement from Scottsdale Indemnity Co., which carried the officers and directors insurance policy for Stratfor.

Those who are part of the settlement class have until Aug. 15 to notify the settlement administrator whether they will opt out of the class-action suit and sue the company separately.

Those with questions about the settlement can go to [www.stratforsettlement.com](http://www.stratforsettlement.com).

A final settlement hearing on the case is set for Sept. 24 in the U.S. District Court for the Eastern District of New York.

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