

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100091	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
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TITLE:

Indemnification of Experian Consumer Direct

PURPOSE:

Request Board approval to indemnify Experian Consumer Direct as part of a contract to provide credit monitoring services for employees and retirees.

DESCRIPTION:

WMATA inadvertently posted certain employee and retiree personal data on the internet as part of the Solicitation CQ-8141. This personal data included Social Security numbers. In order to protect employees and retirees from potential identity theft and to mitigate WMATA's potential liability, WMATA decided to provide credit monitoring services to all employees and retirees whose personal information may have been disclosed as part of Solicitation CQ-8141.

On July 3, 2008, WMATA entered into a Credit Monitoring Products Agreement with Experian Consumer Direct ("ECD") to provide the credit monitoring services to employees and retirees. The agreement contained an indemnification provision requiring that WMATA indemnify ECD for claims arising out of or resulting from (i) any agreement, arrangement or relationship between WMATA and the employees/retirees, (ii) WMATA's data breach, failure to maintain security measures, or violation or failure by WMATA to comply with any Law, (iii) WMATA's misconduct or disregard of ordinary care in performing any of its obligations hereunder, or WMATA's breach of any provisions of this Agreement. Given the urgency of the matter, ECD agreed that indemnification provision in the contract was subject to disapproval by the Board of Directors at the July 24, 2008 meeting.

FUNDING IMPACT:

No impact on funding

RECOMMENDATION:

That the Board approve the indemnification of Experian Consumer Direct.

PRESENTED AND ADOPTED:

SUBJECT: INDEMNIFICATION OF EXPERIAN CONSUMER DIRECT

PROPOSED
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, Metro inadvertently posted certain employee and retiree personal data as part of the Solicitation CQ-8141 and is providing credit monitoring services to all employees and retirees whose personal information may have been disclosed; and

WHEREAS, The Credit Monitoring Products Agreement with Experian Consumer Direct includes an indemnification provision requiring that Metro indemnify Experian Consumer Direct for claims arising out of or resulting from (i) any agreement, arrangement or relationship between Metro and the employees/retirees; (ii) Metro's data breach, failure to maintain security measures, or violation or failure by Metro to comply with any Law; (iii) Metro's misconduct or disregard of ordinary care in performing any of its obligations hereunder, or Metro's breach of any provisions of this Agreement; and

WHEREAS, The Board of Directors' approval is required for Metro to indemnify a third-party; and

WHEREAS, Given the urgency of the matter, Experian Consumer Direct agreed that indemnification provision in the contract was subject to disapproval by the Board of Directors at the July 24, 2008 meeting; now, therefore be it

RESOLVED, That the Board of Directors approves the granting of the requested indemnification contained in the Credit Monitoring Products Agreement between Metro and Experian Consumer Direct; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel