

**August 1, 2019**

**ATTORNEY GENERAL RAOUL ANNOUNCES \$6 MILLION SETTLEMENT WITH CISCO SYSTEMS**

**Chicago** — Attorney General Kwame Raoul, along with a coalition of 18 attorneys general, today announced a \$6 million settlement with Cisco Systems, Inc. The settlement resolves a multistate lawsuit against Cisco Systems, Inc. concerning security surveillance system software sold to Illinois, a collection of other states, and the federal government. A whistleblower came forward under the federal and state false claims acts to assert that Cisco's software had major flaws rendering the system vulnerable to hackers, and that despite learning of the exposure, Cisco failed to report or remedy this security flaw for several years.

"I applaud the software engineer who came forward and alerted us to this security issue," Raoul said. "We should be able to trust that security surveillance systems will in fact keep us safe – not make us more vulnerable to hackers. This settlement will help right Cisco's wrongs and ensure that Illinois remains safe from any threat of hackers to our security systems."

In 2009, Cisco discovered security flaws in a software product designed to control security camera systems, but the company failed to report or remedy these flaws until 2013, after commencement of the investigation of the action. The now-discontinued software contained flaws that would permit unauthorized access to the system, with the potential to control and otherwise manipulate security cameras and the recorded footage.

Raoul and the coalition opened an investigation after receiving information from a software engineer who came forward as a whistleblower and filed an action under the federal False Claims Act and false claims acts of the multiple states involved, including the Illinois False Claims Act. The joint investigation uncovered no evidence that a hack or any unauthorized access of security surveillance systems ever took place.

The \$6 million settlement will be distributed among the plaintiff states, with a share for the whistleblower. The Illinois False Claims Act allows private persons to file civil actions on behalf of the government, and to share in any recovery. Illinois will receive approximately \$382,000 of the total settlement payment.

Joining Raoul in the investigation were the attorneys general of California, Delaware, the District of Columbia, Florida, Hawaii, Indiana, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Rhode Island, Tennessee, and Virginia.