



OFFICE OF THE SHERIFF

RICHARD J. DALEY CENTER
COOK COUNTY
CHICAGO, ILLINOIS 60602

THOMAS J. DART
SHERIFF

June 29, 2015

Mr. Charles W. Scharf
Chief Executive Officer
Visa Incorporated
P.O. Box 8999
San Francisco, CA 94128-8999

Members of the Board of Directors, Visa Incorporated,

Dear Mr. Scharf and Members of the Board of Directors,

As the Sheriff of Cook County, a father and a caring citizen, I write to request that your institution immediately cease and desist from allowing your credit cards to be used to place ads on websites like Backpage.com, which we have objectively found to promote prostitution and facilitate online sex trafficking.

After years of unchecked growth in the online sex trade, it has become increasingly indefensible for any corporation to continue to willfully play a central role in an industry that reaps its cash from the victimization of women and girls across the world.

Sex trafficking is among the most pervasive and persistent of social evils. It is one that law enforcement strives daily to mitigate to reduce the number of victims. Yet, the unfettered proliferation of websites like Backpage.com has provided this violent industry with a mask of normalcy, driving demand ever higher and increasing the enslavement of prostituted individuals, including children.

In just one month this spring, Backpage.com posted 1,461,227 ads in its "Adult Escort" section in the United States. I challenge you to find an ad in that section that is not selling sex. Most of them even include prices, hotel locations, nude photos and, increasingly, videos. Still, this deluge of ads is just a comparative drop in the bucket as Backpage.com now operates in over 80 countries.

In the Chicago area – where I'm charged with eradicating such trafficking – more than 20,000 prostitution ads are placed every month on Backpage.com, according to an outside

analysis.ⁱ In more than 800 instances, we have responded to a Backpage ad and **each and every** time we have made an arrest for crimes ranging from prostitution to child trafficking. My officers could spend every day answering ads and setting up stings and they would not be able to put a dent in such traffic.

Key to this growth is the sense of normalcy that credit card institutions provide by allowing traffickers to pay for their ads with credit cards, just as if they were placing an ad for a used car or buying a book on Amazon. That flood of ads makes the practice of buying sex appear increasingly normal and harmless to Johns across the country. As the demand then rises, the supply – women and girls – is increased, often through coercion and violence.

For years, law enforcement agencies and advocacy organizations have screamed and howled about Backpage.com and similar sites to no avail.ⁱⁱ But Congress is too hamstrung to act and the Courts continue to follow antiquated laws to the point of nonsensical outcomes.ⁱⁱⁱ

But such absurdity is no excuse for institutions to ignore their own rules, precedents and their own sense of decency. To the contrary, institutions such as yours have the moral, social and legal right to step up on this pervasive problem and make a fundamental and everlasting difference.

Your own credit card user and merchant “Terms of Use” clearly give you the right to cancel or block transactions over activities that can impair your brand’s reputation.

Financial institutions have the legal duty to file “Suspicious Activity Reports” to authorities in cases of human trafficking and sexual exploitation of minors.^{iv} In fact, the Justice Department's criminal head recently said banks may need to go beyond filing suspicious activity reports when they encounter a risky customer: “We encourage those institutions to consider whether to take more action: specifically, to alert law enforcement authorities about the problem.”^v

Meanwhile, the financial industry has already decided to block specific transactions and close certain accounts in other cases, for both legal and illegal industries. Chase Bank, JPMorgan and PayPal have closed accounts for various adult entertainers, online sex toy sales and pornography activities. The institutions cited “reputational risk” or “high risk” as reasons for closing the accounts.^{vi}

Both Visa and MasterCard have blocked their cards from being used in certain online gambling transactions. Credit cards can’t be used in many cases for medical and recreational marijuana purchases, even though they are **legal** activities in those states.^{vii} Recently, American Express decided to stop allowing its cards to be used to buy ads in the adult section of Backpage.com.

If the industry has decided not to allow credit cards to be used to gamble, buy pot or watch pornography, then why allow them to be used to facilitate prostitution, even in cases of

child sex trafficking? Make no mistake: Your cards have and will continue to be used to buy ads that sell children for sex on sites like Backpage.com.

If you think I'm being hyperbolic, I ask you to please go to Backpage.com and click on the ads for 'escorts,' 'dom & fetish' or 'adult jobs.' There you will easily be able to check out hourly rates and nude photos of women and girls across your area, even for a 'young, young, young, pretty girl,' as was recently posted in Chicago.

Now, click on the blue 'Post Ad' button at the top of the Web site. After you click through a bevy of laughable rules, you will see familiar credit card icons: the ubiquitous red and yellow globes of MasterCard and the blue and gold bars of Visa.

For every one of the millions of ads on Backpage.com alone, your institution is making money. But at what cost to your image, our society and to those thousands of victims?

The use of credit cards in this violent industry implies an undeserved credibility and sense of normalcy to such illicit transactions and only serves to increase demand. You now have a chance to reverse the trend and join in the fight to help protect vulnerable and victimized women and children.

Within the next week, please provide me with contact information for an individual within your organization that I can work with on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas J. Dart', written in a cursive style.

Thomas J. Dart
Cook County Sheriff

Cc: Visa Investors:

Frederick William McNabb III
Vanguard Group, Inc.

Abigail Pierrepont Johnson
Fidelity Management and Research Co.

James Kennedy
T. Rowe Price Associations, Inc.

Joseph L. Hooley
State Street Corp.

Laurence D. Fink
BlackRock Fund Advisors

ⁱ Data collected in conjunction with a Cease Network initiative.

ⁱⁱ *Kirk Leads Letter to DOJ Requesting Immediate Investigation of Backpage.com* (Jan. 28, 2015), http://www.kirk.senate.gov/?p=press_release&id=1315; Letter from the National Association of Attorneys General regarding Backpage.com's ongoing failure to effectively limit prosecution and sexual trafficking activity on its website, signed by 51 Attorneys General (August 31, 2011); Letter from the United States Senate, signed by 19 Senators, asking Backpage to shut its Adult Escort section down (March 23, 2012); Letter to Village Voice Media asking for Backpage to shut down its Adult Escort section, signed by a coalition of 53 organizations and individuals, including **Polaris** (Dec. 2, 2011); Mass. Amicus Brief, *supra* n. 2; *Amicus Curiae* Brief of the National Center for Missing and Exploited Children, J.S., S.L., and L.C. v. Backpage.com, Supreme Court of the State of Washington (filed Sept. 4, 2014) [hereinafter WA NCMEC Amicus Brief]; *Amicus Curiae* Brief from the City and County of San Francisco, City of Atlanta, City and County of Denver, City of Houston, City of Philadelphia and City of Portland, J.S., S.L., and L.C. v. Backpage.com, Supreme Court of the State of Washington (filed 02/19/2015).

ⁱⁱⁱ See *Jane Doe No. 1, Jane Doe No. 2 and Jane Doe No. 3 v. Backpage.com*, United States District Court, District of Massachusetts, Order and Memorandum of the Court Dismissing Backpage's Motion to Dismiss based on immunity under the Communication Decency Act, 47 U.S.C. §230, wherein the Court stated that "Congress has made the determination that the balance between suppression of trafficking and freedom of expression should be struck in favor of the latter in so far as the Internet is concerned. Putting aside the moral judgment that one might pass on Backpage's business practices, this court has no choice but to adhere to the law that Congress has seen fit to enact.", page 33 of Court's Memorandum and Order (filed 5/15/2015).

^{iv} 12 U.S.C. 1818, 1819; 31 U.S.C. 5318 and 18 U.S.C. 1956

^v *Prosecutor: Banks Need to do More Than File SAR's*, Risk and Compliance section of the Wall Street Journal, (3/16/2015)

^{vi} *JPMChase, PayPal Close Adult Entertainer Account, Denied Payment for "Morality" IssueHawk.com* (April 25 2014); *5 naughty things your credit card won't buy*, www.bankrate.com; *Cash is King*, http://www.forbes.com/2008/03/18/spitzer-money-laundering-biz-cz_nv_0318money.html (3/08/2008); *Online Gambling Booms, But Credit Card Acceptance Lags* <http://www.foxbusiness.com/personal-finance/2014/01/17/as-online-gambling-booms-credit-card-acceptance-lags> (01/24/2014); *Green Dot Prepaid Visa Card Members Being Blocked* <http://successonline13.empowernetwork.com/blog/green-dot-visa-card-members-being-blocked> (Aug. 8, 2013); *Major Bank Won't Do Business With a Florida Gun and Pawn Shop. Is Choke Point to Blame?* <http://dailysignal.com/2015/04/16/major-bank-wont-do-business-with-a-florida-gun-and-pawn-shop> (April 16, 2015).

^{vii} *Id.*