PRIVACY PROTECTION AND STATE TRANSPARENCY Tatari tn 39 / 10134 Tallinn / 627 4135 / info@aki.ee / www.aki.ee Registration code 70004235 FOR USE WITHIN THE INSTITUTION Information holder: Data Protection Inspectorate Note made: 15.09.2022 Access restriction valid until: 15.09.2 097 p 2 until the entry into force of the decision Basis: AvTS § 35 subsection 1 p. 2, AvTS § 35 subsection 1 subsection 12 PRESCRIPTION-WARNING in personal data protection case no. 2.1.-1/22/1808 Injunction maker Data Protection Inspectorate lawyer Annika Kaljula Time and place of injunction 14.11.2022, Tallinn Addressee of injunction - personal data processor Karlson Group OÜ e-mail address: karlsonhotel@gmail.com Person in charge of personal data processor Board member Maria Beršakova's RESOLUTION: § 56 (1), (2) point 8, § 58 (1) of the Personal Data Protection Act (IPS) and Article 58 (2) points d and f of the General Regulation on Personal Data Protection (IKÜM) and taking into account Articles 5, 6, 12, 13 of the IKÜM on the basis of this, the Data Protection Inspectorate issues a mandatory injunction to Karlson Group OÜ: Stop the use of surveillance cameras in the guest apartments belonging to Karlson Lux Apartments located at Virbi tn 10-51 and Virbi tn 10-56 in Tallinn, until the following points are fulfilled; a) regarding the use of cameras has been prepared analysis of legitimate interest and data protection conditions, the compliance with the requirements of IKÜM has been confirmed by the Data Protection Inspectorate; b) the data protection conditions are made available to the accommodation's customers when making a reservation; c) proper notification signs are installed for cameras in a visible place before entering the area monitored by the camera. The inspection sets the deadline for compliance with the order on 18.11.2022. Report compliance with the order to the e-mail address of the Data Protection Inspectorate at info@aki.ee by this deadline at the latest. REFERENCE FOR DISPUTES: This order can be challenged within 30 days by submitting either: - an appeal under the Administrative Procedure Act to the Data Protection Inspectorate or - an appeal under the Code of Administrative Procedure to the Administrative Court (in this case, the appeal in the same matter cannot be reviewed). Challenging a precept does not stop the obligation to fulfill it or the implementation of measures necessary for fulfillment. EXECUTION MONEY WARNING: If the injunction is not complied with by the set deadline, the Data Protection Inspectorate will impose an extortion fee of 2,500 euros on the recipient of the injunction based on § 60 of the Personal Data Protection Act. A fine may be imposed repeatedly - until the injunction is fulfilled. If the recipient does not pay the penalty, it will be forwarded to the bailiff to start enforcement proceedings. In this case, the bailiff's fee and other enforcement costs are added to the enforcement money. MISCONDUCT PUNISHMENT WARNING: Failure to comply with the prescription under Article 58(2) of the Personal Data Protection General Regulation may result in a misdemeanor proceeding based on § 69 of

the Personal Data Protection Act. For this act, a natural person may be fined up to EUR 20,000,000, and a legal person may be fined up to EUR 20,000,000 or up to 4 percent of its global annual turnover of the previous financial year, whichever is greater. The out-of-court procedure for a misdemeanor is the Data Protection Inspectorate. FACTUAL FACTS: The Data Protection Authority (AKI) received a complaint from Xx, according to which surveillance cameras were installed in the guest apartment of Karlson Lux Apartments (apartment no. 51 located at Virbi 10, Lasnamäe, 13629 Tallinn). The applicant did not have any prior information about the presence of surveillance cameras when booking the guest apartment (via the booking.com portal), and according to the applicant, there were no relevant notification signs in the apartment. AKI initiated a monitoring procedure on the basis of § 56 (3) point 8 of the Personal Data Protection Act, within the framework of which, on 03.08.2022, Karlson Group OÜ sent an inquiry to the e-mail karlsonhotel@gmail.com reflected in the business register with a deadline of 19.08.2022. Karlson Group OÜ requested an extension until 26.08.2022 (letter sent on 22.08.2022 from the e-mail address karlsonhotel@gmail.com). However, no response was received by the specified date, so AKI sent a repeated inquiry to the company on 02.09.2022, setting the deadline for the response to 12.09.2022. Karlson Group OÜ responded to repeated inquiries with a delay - i.e. 22.09.2022. The response submitted to AKI revealed that Karlson Group OÜ has installed one camera in two guest apartments (Virbi 10-51 and Virbi 10-56) with the field of view directed at the front door of the apartment. The camera image is not monitored in real time, the recordings are deleted after 7 days, and access to the recordings is only available to the management of Karlson Group OÜ. According to the data processor, the guests have been informed that there is a camera in the corridor with a field of view on the door and that this information is visible to the guests when making a reservation. Also, according to the data processor, notification signs have been installed on the front door and cameras are used for the purpose of property protection and detection of violations. Based on the above, on 04.10.2022 AKI sent to Karlson Group OÜ proposal No. 2.1.-1/22/1808 for better compliance with the requirements for personal data protection, the deadline of which was set by 25.10.2022. For the time being, Karlson Group OÜ has not responded to the inspection's proposal and has not asked for an additional extension of time to respond. With the proposal, AKI demanded that the following points be fulfilled: 1. Send the inspection a screen shot from the video recording, which would show the extent of the recorded area in the apartment. 2. Prepare a legitimate interest assessment1 and data protection conditions2 regarding the use of cameras and send them to the inspectorate for review. 3. Send the inspection a proof (a screenshot of the screen) of how the guests were

clearly and comprehensibly informed when making a reservation that cameras are installed in the apartments. 4. Please check

whether the notification labels from the cameras meet the requirements. If not, please install the required labels3 and send a photo to the inspection as confirmation. GROUNDS FOR THE DATA PROTECTION INSPECTION: 1. According to Article 5 of the General Regulation on Personal Data Protection (GPR), data processing must be legal. The processing of personal data is legal only if there is one of the legal grounds listed in Article 6 of the TOU. 2. Since the surveillance of persons by means of a camera infringes the integrity of private life to a significant extent, their use is possible only if there is a legitimate interest (IKÜM art. 6 paragraph 1 p f). However, when relying on a legitimate interest, a legitimate interest assessment regarding the use of cameras must have been carried out. Information about this was sent by AKI in its proposal No. 2.1.-1/22/1808 made on 4.10.2022. 3. Pursuant to article 5 paragraph 2 of IKÜM, the data processor must prove the legality of data processing. This means that Karlson Group OÜ must explain to the inspection the legal basis for the use of cameras at the property and answer other related questions. In order to find out whether the use of the camera is lawful, the data processor must prepare a legitimate interest assessment, in which he analyzes whether the controller's interest outweighs the rights and freedoms of the customers and assesses whether it is not possible to use alternative methods to achieve the same goal (property protection and detection of violations of law). . 4. In addition, the data processor must inform the data subject (visitor of the apartment) about the processing of personal data. The inspection did not find any relevant information on the Booking.com portal. Under the amenities offered by Karlson Lux Apartments, there is a sub-heading of Security, whereby video surveillance is used outside the property. There is no information about video surveillance taking place inside the accommodation (in guest apartments). 5. In the case of using cameras, proper notification signs must be installed, with a more precise reference to the data protection conditions of the data processor. In its response to AKI, Karlson Group OÜ has stated that notification labels have been installed on the door (which was apparently made by the apartment association), but has not proven that proper labels have also been installed for the cameras inside the apartment. The cameras of the apartment association and the data processors of the cameras of the apartment owners are different, so they are both separately responsible for the legality of the use of the cameras under their administration. 6. Taking into account the above, the processing of personal data (filming of guests) by Karlson Group OÜ is currently illegal, as it does not meet the requirements of IKÜM 5, 6, 12 and 13. The inspection has the right to establish, among other things, a temporary ban on the processing of personal data on the basis of Article 58(2)(f) of the IKÜM. 1. /melon.rik.ee/videovalve-sildi-genererija 7. According to § 58 subsection 1 of the Personal Data Protection Act (IKS) and Article 58 subsection 1 point a of the General Regulation on Personal Data Protection and

considering point e of the same subsection, the inspectorate has the right to demand explanations and other information, including the submission of documents necessary for conducting the supervision procedure. 8. In accordance with Section 27(2)(3) of the Administrative Procedures Act (HMS), a document made available or transmitted electronically is considered delivered if the document or notice has been transmitted to the e-mail address entered in the company's business register. 9. The inspection has sent the proposal on 04.10.2022 to the e-mail address recorded in the business register of Karlson Group OÜ and has given Karlson Group OÜ a reasonable time to respond (3 weeks), including the fact that the data processor has been able to write to the inspection on time and give reasons if the deadline for responding to the inquiry is too long providing a short and comprehensive answer would require a longer response time. With this, the inspectorate has fulfilled the obligation arising from § 40 subsection 1 of the Administrative Procedure Act to give the party to the procedure the opportunity to present their opinion and objections on the matter before issuing the administrative act. 10. At the end of the proposal, AKI drew attention to the fact that the Data Protection Inspectorate has the right, in accordance with IKS § 56 (2) point 8, § 58 (1) and on the basis of Article 58 (2) of the General Regulation on Personal Data Protection, to issue an injunction to the personal data processor if the personal data processor has violated the personal data protection processing requirements. 11. Taking into account the circumstances that personal data is currently being processed illegally and that responding to the proposal made within the supervisory procedure of the administrative body is mandatory, but Karlson Group OÜ has not responded to the inspection's proposal, the inspection considers that issuing a mandatory injunction in this case is necessary in order to stop the violation as soon as possible and ensure the protection of the privacy of the accommodation's customers. Therefore, the inspection makes a mandatory order to stop the use of surveillance cameras in the guest apartments belonging to Karlson Lux Apartments until the company fulfills the obligations imposed by the IKÜM to perform such data processing. (digitally signed) Annika Kaljula lawyer on the authority of the general director