Target Tries to Limit Liability to Banks

Target Corp. is trying to avoid liability for tens of millions of dollars banks claim to have lost after hackers broke into the retailer's payment processing systems a year ago.

According to a report at Bloomberg News, Target didn't have a legal duty to the banks because card payments are processed through third-party intermediaries, Douglas Meal, the retailer's lawyer, told U.S. District Judge Paul Magnuson in St. Paul, Minnesota. Target isn't liable to the lenders, he said today in urging the judge to dismiss the case.

The banks "are claiming that Target had a duty to protect them from that criminal activity," Meal said. "The only way that would be true is if there is a special relationship between the parties," and there is none.

Read the story.