



**JEFF JACKSON
ATTORNEY GENERAL**

**STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE**

**ERIC WILSON
CHIEF OF STAFF**

November 17, 2025

North Carolina Senate President Pro Tempore Phil Berger
North Carolina House of Representatives Speaker Destin Hall
Co-Chairs, Joint Legislative Commission on Governmental Operations

Senator Danny Britt
Senator Warren Daniel
Senator Buck Newton
Representative Ted Davis
Representative Dudley Greene
Representative Charles Miller
Representative Carson Smith
Co-Chairs, Appropriations Subcommittee on Justice and Public Safety

North Carolina General Assembly
Raleigh, North Carolina 27601-1096

RE: N.C.G.S. §114-2.4A and §114-2.5; Report on Settlements

Dear Members:

In accordance with N.C.G.S. §114-2.4A and §114-2.5, please see the following Report on Settlements summaries with corresponding executed agreements enclosed regarding ACI Worldwide Corp, Frontier Communications, Marriott International Inc, Oquirrh Mountain Phlebotomy School, LLC, and T-Mobile.

ACI Worldwide Corp

This assurance of voluntary compliance resolves the multi-state investigation into ACI Worldwide Corp's billing platform and the erroneous and unintentional ACH debit and credit entries that happened during testing for upgrades to their Speedpay system around April 23, 2021. ACI agreed to pay the Attorneys' General \$10,000,000.00 of which North Carolina received \$395,416.80 to be used for attorneys' fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement,

consumer education, litigation, used to defray the costs of the inquiry leading hereto, or for other uses permitted by state law, at the discretion of the Attorney General. Additionally, ACI agreed to take steps to avoid future incidents as well as settling a separate agreement with state regulators and paying restitution directly to impacted consumers through other related settlements.

Frontier Communications

This settlement agreement resolves our investigation regarding allegations that internet service provided by Frontier Communications (“Frontier”) operated at much slower speeds than had been promised. Frontier agreed to pay \$300,000.00 to be used for attorneys’ fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation, or local consumer aid fund or revolving fund, used to defray the costs of the inquiry leading hereto, consumer restitution, or other uses permitted by state law, at the discretion of the Attorney General. Additionally, Frontier agreed to a number of provisions designed to improve their marketing information to accurately reflect the speeds they provide, give customers free and easy cancellation when promised speeds are not provided, and to invest \$20,000,000.00 in capital expenditures to enhance Internet Service in North Carolina.

Marriott International Inc

This consent judgment settles the multistate investigation into Marriott International, Inc. (“Marriott”) regarding a large multi-year data breach of one of its guest reservation databases that led to the breach of 131.5 million guest records of customers in the United States. As a result of the settlement, Marriott agreed to pay \$52,000,000.00 to the Attorneys General, of which North Carolina received \$2,059,176.00 to be used to reimburse \$150,000.00 to the TJX Data Breach investigation fund and \$1,909,176 to be used for attorneys’ fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation, or local consumer aid fund or revolving fund, used to defray the cost of the inquiry leading hereto, or for other uses permitted by state law, at the discretion of the Attorney General. Additionally, Marriott agreed to a number of provisions designed to strengthen and continually improve its cybersecurity practices including enhancing employee training, minimizing the data collected and retained, and conducting an independent third-party assessment of their information security program every 2 years for the next 20 years.

Oquirrh Mountain Phlebotomy School, LLC

This settlement agreement settles the lawsuit and allegations that Oquirrh Mountain Phlebotomy School, LLC and Dalla Myron Rasmussen (“OMPS”) operated a school in Wilmington, NC, in violation of North Carolina’s proprietary school licensing requirements and unfair and deceptive trade practices law. As a result of the settlement OMPS has agreed to pay North Carolina

\$150,000.00 which may be expended as authorized by the laws of the State. OMPS also agreed to consumer refunds to individuals for lessons, courses, or instruction provided by OMPS, that have not already been refunded by OMPS as well as paying \$5.00 per individual on the restitution list to offset the cost of running the restitution claims process. Additionally, OMPS agreed to not offer any courses, lessons, or instruction in the State of North Carolina without first obtaining the appropriate license under N.C.G.S. § 115D or §116.

T-Mobile

This settlement agreement settles the multistate investigation into concerns that T-Mobile advertised some of its wireless products and services without clearly and conspicuously disclosing all of the material terms and conditions. As a result of the settlement, T-Mobile agreed to pay \$103,472.64 to North Carolina to be used for attorneys' fees and other costs of investigation and litigation, or may be placed in, or applied to, consumer protection law enforcement funds, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund, may be used to defray the costs of the inquiry leading hereto, the monitoring and potential enforcement of the settlement agreement, or consumer restitution, at the sole discretion of the Attorney General. Additionally, T-Mobile agreed to several provisions affecting their business practices including, but not limited to designating a dedicated representative to work directly with the attorneys general to address consumer complaints and training its customer service representatives and advertising staff on the terms of the settlement.

Please let our team know if you have any questions. Thank you for your continued support.

Sincerely,



Eric Wilson
Chief of Staff

EW/dr

Enclosure

cc: NCGA Fiscal Research Division



REC'D 24 JUL 16 AM 11:14
NC DEPT OF JUSTICE FSS

JOSH STEIN
ATTORNEY GENERAL

STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE

CONSUMER PROTECTION
TOLL-FREE IN NC: (877) 566-7226
OUTSIDE OF NC: (919) 716-6000
FAX: (919) 716-6050

MEMORANDUM

TO: Financial Services

FROM: Jasmine S. McGhee, Senior Deputy Attorney General

RE: Deposit Distribution
T-Mobile USA, Inc

DATE: July 16, 2024

Pursuant to the May 9, 2024 settlement agreement with T-Mobile USA, Inc. its respective brands and subsidiaries ("T-Mobile") a wire in the amount of \$103,472.64 was deposited with Financial Services on July 15, 2024 into the following account as follows:

Agency	0900	Dept. of Justice
Budget Fund	202266	Consumer Prot. Restitutions
Natural Account	45500000	Fines, Penalties, Assess Fee

This agreement settles the multistate investigation into concerns that, in contravention of consumer protection and trade practice statutes and regulations pursuant to the same, T-Mobile advertised some of its wireless products and services in various media, including print, television, and online, without clearly and conspicuously disclosing all of the material terms and conditions of their offers and, in some cases, failing to disclose or misrepresenting the material terms and conditions of its offers.

As a result of the settlement, T-Mobile agreed to pay \$103,472.64 to be used for attorneys' fees and other costs of investigation and litigation, or may be placed in, or applied to, consumer protection law enforcement funds, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund, may be used to defray the costs of the inquiry leading hereto, the monitoring and potential enforcement of the settlement agreement, or consumer

restitution, at the sole discretion of the Attorney General. Additionally, T-Mobile agreed to several provisions affecting it's their business practices including, but not limited to:

- Making all advertisements or representations to consumers truthful, accurate, and non-misleading in accordance with the terms of the settlement agreement.
- Designating a dedicated representative to work directly with the attorneys general to address consumer complaints about advertising, marketing, and sales practices including:
 - offering consumers wireless devices for free or at a reduced rate or no extra cost,
 - offering to pay consumers' costs or fees if they switch carriers,
 - offering wireless products or services at a reduced rate, whether in comparison to their own goods or services or those of third parties,
 - offering to lease wireless devices, and
 - offering unlimited data on wireless devices.
- Training its customer service representatives who speak with consumers about promotions, offers, or advertisements regarding the practices identified in the settlement agreements to comply with the provisions of the agreement and implementing and enforcing a program designed to ensure compliance, as well as training staff who are responsible for the creation of advertising related to the terms in the settlement agreement.

A copy of the settlement agreement and deposit details are attached. If you have any questions, please contact Wendy Stevens at (919) 716-6877.

cc: Tracy Nayer
Kim D'Arruda
FSS Budget Officer
Wendy Stevens/T-Mobile 2024 Settlement File




JOSH STEIN
ATTORNEY GENERAL

STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE

CONSUMER PROTECTION
TOLL-FREE IN NC: (877) 566-7226 OUTSIDE OF
NC: (919) 716-6000 FAX: (919) 716-6050

MEMORANDUM

TO: Janice Boyce, Financial Services

FROM: Wendy Stevens, Consumer Protection Finance Administrator 

RE: **Wire Transfer Deposit**
T-Mobile 2024

DATE: July 15, 2024

Attached is the wire confirmation regarding a \$103,472.64 payment from T-Mobile in response to the settlement agreement signed between the State and the companies signed May 9, 2024.

Please deposit the funds into this account:

Agency	0900	Dept. of Justice
Budget Fund	202266	Consumer Prot. Restitutions
Natural Account	45500000	Fines, Penalties, Assessment Fees

If you have any questions, please contact me at 716-6877.

cc: Tracy Nayer
FSS Budget Manager
T-Mobile 2024 Settlement File



Previous Day Composite Report

Standard Previous Day Composite Report
As of 07/12/2024

Company: NC DEPARTMENT OF STATE TREASURER
User: Janice Boyce
Commercial Electronic Office®

07/15/2024 08:21 AM ET

Treasury Information Reporting

Currency: USD
Bank: 121000248
Account: 4128455847(NC)

WELLS FARGO BANK, N.A.
NORTH CAROLINA DEPARTMENT OF STATE TREA

Balances

Closing Ledger Balance	.00
Closing Collected Balance	.00
Opening Available Balance	.00
One Day Float	.00
Two+ Day Float	.00
MTD Average Closing Ledger Balance	.00
MTD Average Closing Collected Balance	.00
Total Credits	2,104,302.64
Total Debits	2,104,302.64
Total Number Credits	3
Total Number Debits	1

Dep A
28
BLD 260
7-12-2024

Summaries

Type of Credit	Number of Items	Amount
Total ACH Credits	1	830.00
Total Wire Transfer Credits	2	2,103,472.64
Credit Totals	3	2,104,302.64
Type of Debit	Number of Items	Amount
Total ZBA Debits	1	2,104,302.64
Debit Totals	1	2,104,302.64

Credit Transactions

7/12/2024	168 / MISCELLANEOUS ACH CREDIT Cust Ref: 00000000000 Unique ID: 0000000000004455581422 BANKCARD DEPOSIT 240712 419161279999 CJTS COMMISSION NCDOJ	Credit Amount: Bank Ref: IA000018447829	830.00
7/12/2024	195 / INCOMING MONEY TRANSFER Cust Ref: 00000000000 Unique ID: RG240712053486 WT FED#02311 JPMORGAN CHASE BAN /ORG=MURPHY-BROWN LLC SRF# 2599100194JO TRN#240712053486 REB# CAP OF 24/07/12	Credit Amount: Bank Ref: IA009977598785	2,000,000.00
7/12/2024	195 / INCOMING MONEY TRANSFER Cust Ref: 00000000000 Unique ID: RG240712074558 WT FED#01324 US BANK, NA /ORG=T-MOBILE USA, INC. ATTN: CASH SRF# 240712B00NXQ TRN#240712074558 RFB# 240712B00NXQ	Credit Amount: Bank Ref: IA009977646835	103,472.64
	INCOMING MONEY TRANSFER Total	Credit Amount	2,103,472.64
	Credit Total	Credit Amount	2,104,302.64

Debit Transactions

7/12/2024	575 / INDIVIDUAL ZBA DEBIT Cust Ref: 00000000000 ZERO BALANCE ACCOUNT TRANSFER TO 2062670003460	Debit Amount: Bank Ref: IA071200000036	2,104,302.64
	Account Net Amount		0.00

Currency: USD
Bank: 121000248
Account: 2000021316302(NC)

WELLS FARGO BANK, N.A.
DEPT OF JUSTICE

You do not have access to balances for this account.

Data Access Set: NC CASH - AGENCY 0900

Edit Journal

Save Cancel

Projected Balances

Last Saved 7/15/24 1:22 PM

PTD Total

No lines selected.

Journal Batch: 0900 DEP 07/15/24 ACH CREDIT CCH FEES RLEO,SC DIRECTOR'S CON

Journal Batch
 Description
 Balance Type Actual
 * Accounting Period
 Attachments None

Source Manual
 Approval Status Required
 Funds Status Not attempted
 Batch Status Unposted
 Completion Status Complete

Journal

Show More

Journal Actions

Journal
 Description
 * Ledger NC CASH US
 * Accounting Date
 * Category

Currency
 Conversion Date 7/12/24
 Conversion Rate Type User
 Conversion Rate 1
 Inverse Conversion Rate 1

Journal Lines

Actions View Format

Line	* Account	Entered (USD)		Description
		Debit	Credit	
1	0900-101205-11120000-0000000-0000000-0000-000	830.00		ACH CREDIT
Type DEP - CASH & CHECK DEP - CASH & CHECK 0000000300386 Regional Information				
8	0900-202254-42400035-0000000-0000-000		2,000,000.00	SMITHFIELD
7	0900-202254-11120000-0000000-0000000-0000-000	2,000,000.00		ACH CREDIT
Type DEP - CASH & CHECK DEP - CASH & CHECK 0000000300386 Regional Information				
6	0900-202266-45500000-0000000-0000000-0000-000		103,472.64	TRANSFER
5	0900-202266-11120000-0000000-0000000-0000-000	103,472.64		ACH CREDIT
Type DEP - CASH & CHECK DEP - CASH & CHECK 0000000300386				

Regional Information

4	0900-101205-45600000-0901520-0000000-0000-00	260.00	SCHOOL C
3	0900-101205-45300000-0901520-0000000-0000-00	120.00	WRLEO TI
Total		2,104,302.64	2,104,302.64

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SETTLEMENT AGREEMENT

1. This Settlement Agreement (“Agreement”) is entered into by the Attorneys General (collectively, “Attorneys General”)¹ of the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin (collectively, the “Participating States”); and T-Mobile USA, Inc. its respective brands, its subsidiaries, and its successors and assigns (collectively, the “Undersigned Wireless Companies” and individually an “Undersigned Wireless Company”).

BACKGROUND

2. This Agreement follows an investigation by the Attorneys General and communications between the Attorneys General and the Undersigned Wireless Companies and TracFone Wireless, Inc., Cellco Partnership, d/b/a Verizon Wireless, and AT&T Mobility, LLC, Cricket Wireless, LLC (collectively the “Wireless Companies” and individually a “Wireless Company”). The investigation related to the advertising, marketing, and sales practices of the Wireless Companies and considered whether these advertising, marketing, and sales practices comply with the consumer protection and trade practice statutes and regulations, including the statutes listed in footnote two below² and/or the regulations promulgated pursuant to the same (collectively,

¹ For ease of reference, this entire group will be referred to collectively herein as the “Attorneys General” or individually as “Attorney General.” Such designations, however, as they pertain to Connecticut, shall refer to the Attorney General, both acting on his own behalf and as authorized by the Commissioner of the Department of Consumer Protection. Such designations, as they pertain to Hawaii, shall refer to the Executive Director of the State of Hawaii Office of Consumer Protection. Such designations, as they pertain to Maryland, shall refer to the Consumer Protection Division of the Office of the Attorney General of Maryland, which has authority to enter into this Agreement pursuant to Md. Code Ann., Com. Law § 13-402. Such designations, as they pertain to Utah, shall refer to the Division of Consumer Protection of the Utah Department of Commerce.

² See generally, N.Y. EXEC. LAW § 63(12); N.Y. GEN. BUS. LAW §§ 349-50; TENN. CODE ANN. §§ 47-18- 104; ILLINOIS CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT, 815 ILCS 505/1, *et seq.*; N.C.G.S. § 75-1.1; N.J.S.A. 56:8-2; P.A. UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW, 73 P.S. §§ 201-1 – 201-9.2; TEX. BUS. & COM. CODE ANN. §§ 17.41 through 17.63; RCW 19.86.020; ALASKA STAT. § 45.50.471; ALA. CODE § 8-19-1 *et seq.*; ARKANSAS CODE ANNOTATED § 4-88-107(A); ARIZ. REV. STAT. §§ 44-1521 TO 1534; CAL. BUS. & PROF. CODE § 17200 *et seq.*, § 17500 *et seq.*; C.R.S. § 6-1-101 *et seq.*; C.R.S. § 6-1-105(1); CONN. GEN. STAT. § 42-110b (a); D.C. CODE 28-3904; 6 DEL. C. § 2513; O.C.G.A. § 10-1-390 *et seq.*; HAW. REV. STAT. CHPTS. 480 AND 481A; IOWA CODE § 714.16; 61 IOWA ADMIN CODE 38.1; IDAHO CONSUMER PROTECTION ACT, TITLE 48, CHAPTER 6, IDAHO CODE; IND. CODE § 24-5-0.5-0.1, *et seq.*; K.S.A. § 50-623 *et seq.*; KENTUCKY REVISED STATUTES 367.170; UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW, LA. R.S. §§ 51:1401 *et seq.*; M.G.L. C. 93A, SECS 2 & 4.; MD. CODE ANN., COM. LAW §§ 13-101 through 13-501; 5 M.R.S.A. § 205-A *ET SEQ.*; MICH. COMP. LAWS § 445.903; MICH. COMP. LAWS § 445.901 *et seq.*; MINN. STAT. §§ 325D.44, 325F.67, and 325F.69; §407.020 RSMO; MISSISSIPPI CONSUMER PROTECTION ACT, MS CODE ANN. §75-24-1 *et seq.*; MONT. CODE ANN. § 30-14-103; NEB. REV. STAT. §§ 59- 1601 to 59-1622 AND NEB. REV. STAT. §§ 87-301 to 87-306.; N.H. REV. STAT. ANN. § 358-A:1-7; NEW MEXICO UNFAIR PRACTICES ACT NMSA1978, §57-12-1 *et seq.* (1967); NRS 598.0903 *et seq.*; OHIO CONSUMER SALES PRACTICES ACT (“CSPA”), OHIO REVISED CODE 1345.01 *et seq.*, AND ITS SUBSTANTIVE RULES, 109-4-3-01, *et seq.* ; OKLAHOMA CONSUMER PROTECTION ACT, 15 O.S. §§ 751 *et seq.*; OREGON’S UNLAWFUL TRADE PRACTICES ACT, ORS 646.605 TO 646.652; ORS 646.608(1)(b), (c), (e), and (s); R.I. GEN. LAWS § 6–13.1–1 *et seq.*; SOUTH CAROLINA CODE § 39-5-10 *et seq.*; SDCL CHAPTER 37-24; UTAH CODE § 13-11-4; VA. CODE ANN. §§ 59.1-196 to

“Consumer Statutes”). The advertising, marketing, and sales practices include, the following: (i) offering consumers wireless devices for free or at a reduced rate or no extra cost, (ii) offering to pay consumers’ costs or fees if they switch carriers, (iii) offering wireless products or services at a reduced rate, whether in comparison to their own goods or services or those of third parties, (iv) offering to lease wireless devices, and (v) offering unlimited data on wireless devices (collectively, the “Covered Activities”). Simultaneous with the execution of this Agreement, the Participating States are entering into an Assurance of Voluntary Compliance and/or Settlement Agreement with each of the other Wireless Companies on the same terms of this Agreement with the exception of the amount of the payment required pursuant to Paragraph 30.

3. The Attorneys General allege that the Wireless Companies have advertised some of their wireless products and services in various media, including print, television, and online, without clearly and conspicuously disclosing all of the material terms and conditions of their offers and, in some cases, failing to disclose or misrepresenting the material terms and conditions of their offers.

4. The Wireless Companies deny they have engaged in any unlawful or otherwise inappropriate business practices. The Wireless Companies contend that their advertisements have always been truthful, accurate and non-misleading and provided clear and conspicuous disclosures regarding offers related to free or discounted products and services, offers to pay costs and fees to switch services, leasing wireless devices and unlimited data claims. However, the Wireless Companies have agreed to this Agreement with the Participating States so that this matter may be resolved amicably.

A. APPLICATION

5. The provisions of this Agreement shall apply to each Undersigned Wireless Company and their merged or acquired entities, with respect to the Covered Activities.

B. DEFINITIONS

For purposes of this Agreement, the following definitions shall apply:

6. **“Clearly and Conspicuously”** means that a disclosure is made in such size, color, contrast, location, duration, and/or audibility that it is readily noticeable, readable, understandable, and capable of being heard. A disclosure may not contradict or be inconsistent with any other information with which it is presented. If a disclosure modifies, explains or clarifies other information with which it is presented, then the disclosure must be presented in proximity to the information it modifies, explains, or clarifies, in a manner that is readily noticeable, readable, and understandable, and not obscured in any manner. In addition:

a. An audio disclosure must be delivered in a volume and cadence sufficient for a consumer to hear and comprehend it.

b. A text message, television, or internet disclosure must be of a type size, location, and shade and remain on the screen for a duration sufficient for a consumer to read and comprehend it based on the medium being used; and

c. Disclosures in a print advertisement or promotional material, including, but without limitation, a point of sale display or brochure materials directed to consumers, must appear in a type-size, contrast, and location sufficient for a consumer to read and comprehend them.

7. **“Effective Date”** means May 9, 2024, the date which this Agreement shall be effective, but only so long as it has been signed by an authorized representative of each Undersigned Wireless Company and by authorized representatives of every Participating State, unless such condition expressly has been waived in whole or in part by the Undersigned Wireless Companies.

8. **“Lease”** means a consumer lease as defined in the Consumer Leasing Act.

9. **“Space Constrained Advertising”** means any communication (including, but not limited to, Internet search results and banner ads) that has space, format, size, duration, or technological restrictions (“Space Constraint”) that the Undersigned Wireless Company cannot modify, that limit the Undersigned Wireless Company from being able to make the disclosures required by this Agreement.

10. **“Material Restriction”** means a reduction on the quantity or speed of data that is likely to affect a consumer’s purchase or use of the advertised product or service.

11. **“Mobile Data Plan”** means a plan with a Wireless Carrier for the provision of internet access service to mobile devices such as smartphones.

12. **“Unlimited Mobile Data Plan”** means a Mobile Data Plan that does not set forth a numerical limit on the quantity of data allowed in a billing cycle when the customer subscribed to or renewed the plan.

13. **“Capped Mobile Data Plan”** means a Mobile Data Plan that sets forth a numerical limit on the quantity of data allowed in a billing cycle when the customer subscribed to or renewed the plan.

C. ADVERTISING DISCLOSURES

14. The Undersigned Wireless Companies shall make all advertisements or representations to consumers truthful, accurate and non-misleading. In this regard, the Undersigned Wireless Companies:

a. Shall not use any statements or illustrations in any advertisements or representations to consumers related to Covered Activities that misrepresent or create a false impression of any material facts regarding the nature, quality, and/or characteristics of their own or any competitor’s wireless devices or services;

b. Shall Clearly and Conspicuously disclose and in a manner that is appropriate to the nature of the advertising content and type, all material terms and conditions of an offer to sell or lease any wireless devices or services in connection with Covered Activities. In Space Constrained Advertising, the Undersigned Wireless Companies may abbreviate such disclosures within the Space Constrained Advertisement and include a Clear and Conspicuous, easily accessible, and meaningfully labeled way to access full disclosure of the material terms of the offer, such as a phone number, website, click-through link for Internet advertising, or other method consistent with the relevant medium. For purposes of this subparagraph, “meaningfully labeled” means labeled to convey the importance, nature, and relevance of the information to which it leads as consistent with the relevant medium.

D. USE OF THE TERM UNLIMITED

15. The Undersigned Wireless Companies shall not expressly or by implication make any representation about the speed of the mobile data offered in an Unlimited Mobile Data Plan, without disclosing, Clearly and Conspicuously, and in close proximity to the representation, all Material Restrictions imposed by the Wireless Company. For purposes of this paragraph and its subsections, “close proximity” means on the same print page, webpage, online service page, or other electronic page, and proximate to the triggering representation, and not accessed or displayed through hyperlinks, pop-ups, interstitials, or other means that can be avoided by consumers.

a. For purposes of this paragraph, and with respect to representations regarding Unlimited Mobile Data Plans:

- i. For a general representation that mobile data is unlimited without advertising a specific data plan, the Wireless Company must disclose Clearly and Conspicuously and in close proximity to the triggering representation that restrictions on the speed of mobile data, to the extent applicable, may apply.
- ii. For a representation that a specific mobile data plan is unlimited the Wireless Company must disclose Clearly and Conspicuously and in close proximity to the triggering representation the specific type of restriction and the amount of data usage, if any, triggering the restriction.

The requirements of Paragraph 15(a) shall not apply to the use of the term “unlimited” in a generic manner that is not related to the amount or speed of data in an Unlimited Mobile Data Plan.

b. A Space-Constrained Advertisement may comply with this paragraph by disclosing, Clearly and Conspicuously and in close proximity to at least one prominent representation of the triggering term in the advertisement, the type of restriction and the amount of data usage or other factor, if any, triggering the restriction. The undersigned Wireless Company bears the burden of showing that there is a Space Constraint to making a required disclosure that is Clear and Conspicuous and in Close Proximity to the triggering term.

c. For purposes of this Agreement, practices that are necessary to manage the network or to prevent degradation of the network for other users are not considered a Material Restriction, provided that such practices are Clearly and Conspicuously disclosed before the consumer purchases services. Further, if an Undersigned Wireless Company makes changes to such practices that will result in Material Restrictions for existing “unlimited” customers, notice of such changes must be Clearly and Conspicuously provided to such existing customers.

16. The Undersigned Wireless Companies shall not represent, expressly or by implication, that the mobile data in a Capped Mobile Data Plan is unlimited.

E. NETWORK MANAGEMENT PRACTICES

17. In addition to complying with the terms of this Agreement, the Undersigned Wireless Companies shall also comply with the Federal Communication Commission’s Transparency Rule 8.1, as such rule may be amended from time to time.

F. SWITCHER OFFERS

18. Advertisements containing offers by an Undersigned Wireless Company to “pay” for costs incurred by a consumer to switch carriers, such as early termination fees and/or other associated costs, shall Clearly and Conspicuously disclose the material terms of the offer, including:

a. The nature or types of fees and/or other amounts that an Undersigned Wireless Company will pay, credit or reimburse the consumer, and whether the Undersigned Wireless Company will pay the amounts directly to the consumer or to a third party.

b. The form that such payment, credit or reimbursement will take if cash or check is not provided.

c. All material requirements that the consumer must satisfy in order to qualify for the offer and receive the payments, credits or reimbursements.

d. The approximate schedule or time frame in which the consumer will be paid after switching to the carrier, if in excess of 30 days from the date the customer has met all requirements necessary to qualify for payment, credit or reimbursement.

The Undersigned Wireless Companies shall, in connection with any offer described in paragraph 18 above, use reasonable efforts to ensure that consumers receive payment, credit or reimbursement of any costs that the Undersigned Wireless Company has offered to pay no later than sixty (60) days after the consumer has met all requirements to receive the payment, credit or reimbursement.

G. FREE AND SIMILAR OFFERS

19. In any advertisements that offer wireless devices or services for “free,” or that use similar terms that reasonably can be construed as offering devices or services for “free,” the Undersigned

Wireless Companies shall Clearly and Conspicuously disclose all material terms and conditions that the consumer must meet in order to receive the “free” devices or services offered.

20. Where receipt of the devices or services advertised as “free” requires that the consumer purchase or lease another device or service, or pay other fees, such as activation or shipping and processing, in order to receive the “free” devices or services, the Undersigned Wireless Companies shall Clearly and Conspicuously disclose these requirements in the advertisement. Further, where receipt of a “free” device or service is contingent on the purchase or lease of another device or service, the Undersigned Wireless Company shall not increase the cost to purchase or lease the other device or service for the purpose of recouping all or part of the cost of the “free” device or service.

H. PHONE LEASES

21. Advertisements containing offers for a lease of a wireless device shall make clear that the consumer will be entering into a lease agreement and shall not represent that the consumer is purchasing a device.

22. The Undersigned Wireless Companies shall comply with Regulation M, 12 CFR Part 213, as such rule may be amended from time to time.

I. PRICE AND SAVINGS CLAIMS

23. Any savings claims made by an Undersigned Wireless Company in its advertising, whether the savings are based on a comparison to such Undersigned Wireless Company’s own goods or services or those involving third parties, shall be truthful, accurate, and non-misleading.

24. The Undersigned Wireless Companies shall have a reasonable basis for all savings claims made in their advertising, whether the savings are based on a comparison to an Undersigned Wireless Company’s own goods or services or those involving third parties.

25. If an Undersigned Wireless Company makes a comparative pricing or savings claim, the claim shall either be based on a comparison of comparable goods or services, or any material differences between the goods or services being compared shall be Clearly and Conspicuously disclosed.

26. Advertisements containing representations of a specific price, discount or savings that will not be provided to the consumer at the time of purchase or that require the consumer to take additional action beyond completing the purchase of the goods or services shall Clearly and Conspicuously disclose the material conditions or requirements that the consumer must satisfy in order to receive the advertised price, discount or savings, including but not limited to:

a. If the price, discount or savings is based on a rebate that will be received after the purchase has been completed, the advertisement shall disclose the rebate requirement in close proximity to the advertised price, discount or savings claim.

b. If the price, discount or savings is based on credits that will be issued after the purchase has been completed, the advertisement shall Clearly and Conspicuously disclose the approximate timetable for the issuance of those credits.

c. Whether the consumer must take other material action, such as trading in a device, sign a contract and/or commitment or enrolling in an automatic payment plan, in order to receive the advertised price, discount or savings.

J. WIRELESS COMPANY APPOINTED COMPLAINT REPRESENTATIVE

27. In order to facilitate the efficient resolution of ordinary customer complaints received by an Attorney General each Undersigned Wireless Company will designate a representative to work directly with any of the Participating States to address such complaints related to the Covered Activities of this Agreement and provide that representative's contact information to all Participating States. In the event that there is a change to the designated representative for a Undersigned Wireless Company, such Undersigned Wireless Company shall use its best efforts to provide the new representative's contact information to the Participating States within 20 business days of such change. An Undersigned Wireless Company shall respond, within a reasonable time, to all customer complaints received by the Wireless Company directly from a Participating State, with respect to the matters set forth in this Agreement.

K. TRAINING

28. An Undersigned Wireless Company shall train its customer service representatives who speak with consumers about promotions, offers, or advertisements regarding the Covered Activities to comply with the provisions herein and must implement and enforce a program designed to ensure compliance.

29. Each of the Undersigned Wireless Companies will be responsible for training their staff who are responsible for the creation of advertising related to the subject matter covered by the terms of this Agreement.

L. PAYMENT TO THE PARTICIPATING STATES

30. The Undersigned Wireless Companies shall pay to the Attorneys General a total of \$4,089,654.00 as divided per instructions from the Attorneys General, and paid directly to each signatory Attorney General. For purposes of this Agreement, the Undersigned Wireless Companies shall pay \$103,472.64 to the North Carolina Attorney General. Said payment shall be used by the Attorneys General for such lawful purposes that may include attorneys' fees and other costs of investigation and litigation, or may be placed in, or applied to, consumer protection law enforcement funds, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund, may be used to defray the costs of the inquiry leading hereto, the monitoring and potential enforcement of this Agreement, or consumer restitution, at the sole discretion of each signatory Attorney General. Within thirty (30) days of the Effective Date, the Attorneys General shall provide each Undersigned Wireless Company with written payment instructions identifying for each Attorney General the official payee, the particular payment amount and any other information necessary to effectuate payment of the amounts due and owing under this Section. Within sixty (60) days of receiving an Attorney

General's written payment instructions, each Undersigned Wireless Company shall tender payment of the amounts due and owing under this paragraph and in accordance with the written payment instructions provided by the respective Attorney General. In no event shall any portion of this payment be characterized as a fine, civil penalty or forfeiture by any Wireless Company to any Participating State.

M. RELEASE

31. The Attorneys General acknowledge that upon receipt of full payment under Paragraph 30, this Agreement constitutes a complete settlement and release by the Participating States of all civil claims, civil causes of action, damages, fines, costs, and penalties that were asserted or could have been asserted by the Attorneys General, either individually or collectively, on or prior to the Effective Date of this Agreement against the Undersigned Wireless Companies based on the Covered Activities, as well as any advertisements or representations that: (i) a consumer may purchase services with no finance charges and/or no down payments (including advertising involving claims that services may be purchased with "0% down," "0% interest," or "0% APR); and (ii) a consumer does not need to sign a contract in order to obtain a service (including advertising involving "uncontract" plans or services with "no contract," "no annual contract," or "no annual service contact"), pursuant to the Consumer Statutes set forth in footnote two of this Agreement and the regulations promulgated pursuant to such Consumer Statutes.

32. Notwithstanding any term of this Agreement, specifically reserved and excluded from the release in Paragraph 31 as to any entity or person, including each Undersigned Wireless Company, are any and all of the following:

- a. Any criminal liability that any person or entity, including Wireless Company, has or may have to the State of North Carolina;
- b. State or federal antitrust violations;
- c. State or federal securities violations;
- d. State or federal tax claims; and
- e. Any civil or administrative liability that any person and/or entity, including the Undersigned Wireless Company, has or may have to the State of North Carolina not covered by the release in Paragraph 31.

N. GENERAL PROVISIONS

33. The Undersigned Wireless Companies shall not individually or collectively participate, directly or indirectly, in any activity or form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part in the Participating States that are prohibited by this Agreement or for any other purpose that would otherwise circumvent any term of this Agreement. No Undersigned Wireless Company shall cause, knowingly permit, or encourage any other person or entity acting on its behalf to engage in practices from which it is prohibited by this Agreement.

34. The parties understand and agree that this is a compromise settlement of disputed issues and that the consideration for this Agreement shall not be deemed or construed as: (a) an admission of the truth or falsity of any claims or allegations heretofore made or any potential claims; (b) an admission by the Undersigned Wireless Company that it has violated or breached any law, statute, regulation, term, provision, covenant or obligation of any agreement; or (c) an acknowledgement or admission by any of the parties of any duty, obligation, fault or liability whatsoever to any other party or to any third party. This Agreement does not constitute a finding of law or fact, or any evidence supporting any such finding, by any court or agency that the Undersigned Wireless Company has engaged in any act or practice declared unlawful by any laws, rules, or regulations of any state. The Undersigned Wireless Company denies any liability or violation of law and enters into this Agreement without any admission of liability. It is the intent of the parties that this Agreement shall not be used as evidence or precedent in any action or proceeding, except an action to enforce this Agreement.

35. All terms and conditions of this Agreement shall continue in full force and effect on any successor, assignee or transferee of an Undersigned Wireless Company. No party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without prior written consent of the Participating States.

36. If an Attorney General determines that an Undersigned Wireless Company made any material misrepresentation or omission relevant to the resolution of this investigation, the Attorney General retains the right to seek modification of this Agreement with respect to such Wireless Company.

37. This Agreement is made without trial or adjudication of any issue of fact or law or finding of liability of any kind. Nothing in this Agreement, including this Paragraph, shall be construed to limit or to restrict any Undersigned Wireless Company's right to use this Agreement to assert and maintain the defenses of res judicata, collateral estoppel, payment, compromise and settlement, accord and satisfaction, or any other legal or equitable defense in any pending or future legal or administrative action or proceeding.

38. It is the intent of the parties that to the extent that any changes in an Undersigned Wireless Company's business, advertising materials, and/or advertising practices are made to achieve or facilitate conformance to the terms of this Agreement, such changes shall not constitute any form of evidence or an admission by such Undersigned Wireless Company, explicit or implicit, of wrongdoing or failure to comply with any state, federal or local law, regulation or ordinance, or the common law.

39. Nothing in this Agreement shall be construed to create, waive, or limit any private right of action.

40. This Agreement shall be governed by the laws of the Participating States and is subject to court approval in those Participating States whose procedures require court approval. By entering into this Agreement, the Undersigned Wireless Companies and the Attorneys General agree to all such court approvals, provided that there are no modifications to the terms of this Agreement without the express written consent of each Undersigned Wireless Company and the Attorneys General. This Agreement does not constitute an admission by any Undersigned Wireless

Company of any Participating State's jurisdiction over it other than with respect to this Agreement, and does not alter any Participating State's jurisdiction over it.

41. With respect to advertising or marketing which has been submitted for broadcast or publication or used prior to the Effective Date of this Agreement, the Undersigned Wireless Companies shall not be liable under this Agreement for their non-compliance with the terms and conditions of this Agreement, to the extent that the Undersigned Wireless Companies take reasonable steps to recall such advertising or marketing if possible. Notwithstanding this paragraph, Undersigned Wireless Companies shall fully comply with the terms of this Agreement beginning 60 days following the Effective Date.

42. This Agreement contains the entire agreement between the Undersigned Wireless Companies and the Attorneys General. Except as otherwise provided herein, this Agreement shall be modified as to any Participating State and/or Undersigned Wireless Company only by a written instrument signed by or on behalf of the Attorney General of that Participating State and signed by or on behalf of the Undersigned Wireless Company. The Undersigned Wireless Companies understand that in some Participating States court approval of any modification will be necessary. The Undersigned Wireless Companies and the Attorneys General for such Participating States agree to use their best efforts to obtain such court approval.

43. Neither an Undersigned Wireless Company nor anyone acting on its behalf shall state or imply or cause to be stated or implied that a Participating State, an Attorney General, or any governmental unit of a Participating State has approved, sanctioned, or authorized any practice, act, advertising material, or conduct of the Undersigned Wireless Company.

44. Nothing in this Agreement shall relieve an Undersigned Wireless Company of other obligations imposed by any applicable state or federal law or regulation or other applicable law, nor shall any of the provisions of this Agreement be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, and rules.

45. Any failure by a Participating State to insist upon the strict performance by an Undersigned Wireless Company of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the Participating State, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Agreement to be performed by the Undersigned Wireless Company.

46. Nothing in this Agreement shall be construed as a waiver of or limitation on any Undersigned Wireless Company's right to defend itself from or to make agreements in any private individual or class action, state, or federal claim, suit or proceeding relating to the existence, subject matter or terms of this Agreement.

47. Neither this Agreement nor anything herein shall be construed or used as a waiver, limitation or bar on any defense otherwise available to the Undersigned Wireless Companies, or on any Undersigned Wireless Companies' right to defend itself from or make arguments in any pending or future legal or administrative action, proceeding, local or federal claim or suit, including without limitation, private individual or class action claims or suits, relating to any

Wireless Companies' conduct prior to the execution of this Agreement, or to the existence, subject matter, or terms of this Agreement.

48. The titles and headers to each section of this Agreement are for convenience purposes only and are not intended by any Undersigned Wireless Company or the Attorneys General to lend meaning to the actual terms of this Agreement.

49. This Agreement shall not be construed against the "drafter" because both the Undersigned Wireless Companies and the Attorneys General participated in the drafting of this Agreement.

50. If any clause, provision or section of this Agreement shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Agreement, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or provision had not been contained herein.

51. The Participating States represent that they will seek enforcement of the provisions of this Agreement with due regard for fairness.

52. If the Attorney General of a Participating State determines that an Undersigned Wireless Company has failed to comply with any of the terms of this Agreement, and if in the Attorney General's sole discretion the failure to comply does not threaten the health, safety, or welfare of the citizens of the Participating State, the Attorney General will notify the Undersigned Wireless Company in writing of such failure to comply and such Wireless Company shall then have fifteen (15) business days from receipt of such written notice to provide a good faith written response to the Attorney General's determination. The response shall include an affidavit containing, at a minimum, either:

a. A statement explaining why such Wireless Company believes it is in full compliance with the Agreement; or

b. A detailed explanation of how the alleged violation(s) occurred; and

(i) A statement that the alleged violation has been addressed and how;
or

(ii) A statement that the alleged violation cannot be reasonably addressed within fifteen (15) business days from receipt of the notice, but (1) the Undersigned Wireless Company has begun to take corrective action to cure the alleged violation; (2) the Undersigned Wireless Company is pursuing such corrective action with reasonable due diligence; and (3) the Undersigned Wireless Company has provided the Attorney General with a detailed and reasonable time table for curing the alleged violation.

c. Nothing herein shall prevent the Attorney General from agreeing in writing to provide an Undersigned Wireless Company with additional time beyond the fifteen (15) business day period to respond to the notice.

Further, upon request, the Participating State shall agree to meet and confer, at a time and location, and manner (including teleconference) acceptable to the Participating State, with the Undersigned Wireless Company regarding the nature of the alleged violation of this Agreement.

53. In the event that any statute or regulation pertaining to the subject matter of this Agreement is modified, enacted, promulgated or interpreted by the Federal government or any Federal agency, such as the FCC, and a court of competent jurisdiction holds that such statute or regulation is in conflict with any provision of this Agreement, and such that an Undersigned Wireless Company cannot comply with both the statute or regulation and the provision of this Agreement, the Undersigned Wireless Companies may comply with such statute or regulation, and such action shall constitute compliance with the counterpart provision of this Agreement. The Undersigned Wireless Company shall provide advance written notice to the Participating States of the statute or regulation with which the Undersigned Wireless Company intends to comply under this paragraph, and of the counterpart provision of this Agreement that is in conflict with the statute or regulation, and shall include a copy of or citation to the court's holding. While the Participating States shall give such notice good faith consideration, in the event the Participating States disagree with the Undersigned Wireless Company's interpretation of the conflict, the Participating States reserve the right to pursue any remedy or sanction that may be available regarding compliance with this Agreement.

54. In the event that any statute or regulation pertaining to the subject matter of this Agreement is modified, enacted, promulgated or interpreted by a Participating State such that the statute or regulation is in conflict with any provision of this Agreement and such that an Undersigned Wireless Company cannot comply with both the statute or regulation and the provision of this Agreement, the Undersigned Wireless Company may comply with such statute or regulation in the respective Participating State, and such action shall constitute compliance with the counterpart provision of this Agreement. The Undersigned Wireless Company shall provide advance written notice to the Attorney General of the respective Participating State of the statute or regulation with which the Undersigned Wireless Company intends to comply under this paragraph, and of the counterpart provision of this Agreement that is in conflict with the statute or regulation. While the Participating States shall give such notice good faith consideration, in the event the Participating States disagree with the Wireless Company's interpretation of the conflict, the Participating States reserve the right to pursue any remedy or sanction that may be available regarding compliance with this Agreement.

55. To seek a modification of this Agreement for any reason other than that provided for in paragraphs 53-54 of this Agreement which would make the Agreement difficult to comply with or obsolete, the Wireless Company(s) shall send a written request for modification to the Participating States. The Participating States shall give such petition good faith consideration.

56. Paragraphs 15-16 (use of the term unlimited), 18 (switcher offers), 27 (Wireless Company appointed complaint representative), and 28 and 29 (training) of this Agreement will expire on the 5th anniversary of the Effective Date.

57. This Agreement may be executed in counterparts, and a .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature.

FOR THE STATE OF NORTH CAROLINA
JOSHUA H. STEIN
Attorney General

By:



TRACY NAYER

Special Deputy Attorney General

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Stevens, Wendy

From: Ahmed, Nazneen
Sent: Thursday, May 9, 2024 3:31 PM
Subject: RELEASE: Attorney General Josh Stein Reaches \$10.25 Million Settlement with AT&T, Verizon, T-Mobile, and Other Wireless Providers Over Deceptive Advertising



Josh Stein, Attorney General
P R E S S R E L E A S E

For Immediate Release:
Thursday, May 9, 2024

Contact: Nazneen Ahmed
919-716-0060

Attorney General Josh Stein Reaches \$10.25 Million Settlement with AT&T, Verizon, T-Mobile, and Other Wireless Providers Over Deceptive Advertising

(RALEIGH) Attorney General Josh Stein today reached a \$10.25 million multistate settlement with wireless carriers AT&T Mobility LLC, Cricket Wireless LLC, T-Mobile USA Inc., Cellco Partnership, d/b/a Verizon Wireless, and TracFone Wireless Inc., to resolve his investigation into the carriers' deceptive and misleading advertising practices. North Carolina will receive \$220,313.32 from the settlement.

"People deserve to know what they're paying for instead of being surprised after they've spent their money," said Attorney General Josh Stein. "I'm pleased that this settlement will require wireless providers to be honest and transparent about terms and prices in their ads and other marketing."

The attorneys general of all 50 states and the District of Columbia launched an investigation in 2016 over concerns that these wireless carriers were misleading people in ads, including by advertising "unlimited" data, free phone offers, incentives for switching wireless networks, and wireless carrier plan comparisons – all without disclosing limits, conditions, and other details.

As part of the settlement, these wireless carriers are required to be truthful and accurate in all future advertisements, including disclosing limitations to any marketing offers and promotions. They will also appoint a dedicated employee to work with the attorneys general to address consumer complaints and train customer service representatives so that they are being truthful and accurate when speaking with customers.

Copies of the settlement agreements are available [here](#).

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