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Case No. *140C00232 1B*

Dept. No. *I*

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2014 OCT -8 AM 9:20  
ALAN GLOVER  
V. Alegria  
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DEPUTY

IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  
IN AND FOR CARSON CITY

STATE OF NEVADA, OFFICE OF THE  
ATTORNEY GENERAL, ex. rel.  
CATHERINE CORTEZ MASTO,  
Attorney General,

Plaintiff,

v.

AT&T MOBILITY LLC,

Defendant.

ASSURANCE OF DISCONTINUANCE

This Assurance of Discontinuance is entered into by THE STATE OF NEVADA, by and through Attorney General CATHERINE CORTEZ MASTO, and her Senior Deputy JOHN R. McGLAMERY, and AT&T MOBILITY, LLC.

1. CATHERINE CORTEZ MASTO is the duly elected Attorney General of the State of Nevada. In her capacity as Attorney General, she is authorized to bring actions in the name of the STATE OF NEVADA to enforce the provisions of the Nevada Deceptive Trade Practices Act, NRS 598.093 to 598.0999.

2. AT&T MOBILITY, LLC hereinafter referred to as "AT&T MOBILITY LLC," is a Delaware limited liability company located at 1025 Lenox Park Boulevard, Atlanta, Georgia. AT&T MOBILITY, LLC is a leading provider of mobile telephone services.

3. Pursuant to NRS 598.0995, the Attorney General may accept an assurance of discontinuance<sup>1</sup> with respect to any method, act, or practice deemed to be a deceptive trade

<sup>1</sup> This Assurance of Discontinuance shall, for all necessary purposes, also be considered an Assurance of Voluntary Compliance.

1 practice from any person who is engaged or is about to engage in the method, act, or practice.  
2 The assurance of discontinuance must be in writing and must be filed with and subject to the  
3 approval of the district court in the county in which the alleged violator resides, has its principal  
4 place of business, or the district court in any county where any deceptive trade practice has  
5 occurred, or is about to occur, or the district court agreed to by the parties. An assurance of  
6 discontinuance is not an admission of violation for any purpose but is subject to the terms,  
7 limitations and conditions of NRS 598.0995.

### 8 I. BUSINESS PRACTICES

9 4. The STATE OF NEVADA alleges that AT&T MOBILITY, LLC has violated one or  
10 more of the following provisions of NRS Chapter 598 as follows:

11 a. By placing charges on consumers' mobile telephone bills that have not been  
12 authorized by the consumer, known as "cramming," which is a major national problem.

13 b. Consumers who have been "crammed" often complain about charges, typically  
14 \$9.99 per month, for "premium" text message subscription services such as horoscopes,  
15 trivia, and sports scores that they have never heard of or requested.

16 c. Consumers are unaware that their mobile telephones can be used to make  
17 payments for Third-Party Products, and that Consumers often pay Unauthorized Third-Party  
18 Charges without the knowledge that the charges have been placed on their mobile  
19 telephone bills.

20 d. Said violations are defined as "deceptive trade practices" pursuant to NRS Chapter  
21 598, and these violations are subject to the enforcement provisions of NRS 598.0903 to  
22 NRS 598.0999.

23 5. AT&T MOBILITY, LLC believes that it has fully and voluntarily cooperated with the  
24 Attorneys General in their inquiries regarding the placement of unauthorized Third-Party  
25 Charges on mobile telephone bills, and denies any wrongdoing as alleged by the STATE OF  
26 NEVADA.

27 6. Pursuant to NRS 598.0995, the Attorney General may accept an assurance of  
28 discontinuance with respect to any method, act, or practice deemed to be a deceptive trade

1 practice from any person who is engaged, or is about to engage, in the method, act, or  
2 practice. Any such assurance must be in writing and must be filed with and subject to the  
3 approval of the District Court in any county where any deceptive trade practice has occurred, or  
4 is about to occur, or the District Court agreed to by the parties.

5 7. In order to forego the cost and uncertainties of litigation, the parties, and each of  
6 them, hereby stipulate and agree as follows.

## 7 II. DEFINITIONS

8 8. The following definitions shall apply for purposes of this Assurance:

9 a. "Attorneys General"<sup>2</sup> means the Attorneys General, or their designees, of the  
10 Participating States.

11 b. "Bill" means a Consumer's mobile telephone bill or prepaid mobile account, as  
12 applicable.

13 c. "Block" means a restriction placed on a Consumer's account that prevents one or  
14 more lines from being used to purchase Third-Party Products and from being billed for  
15 Third-Party Charges on a Consumer's Bill.

16 d. A statement is "Clear and Conspicuous" if it is disclosed in such size, color,  
17 contrast, location, duration, and/or audibility that it is readily noticeable, readable,  
18 understandable, and capable of being heard. A statement may not contradict or be  
19 inconsistent with any other information with which it is presented. If a statement modifies,  
20 explains or clarifies other information with which it is presented, then the statement must be  
21 presented in proximity to the information it modifies, explains or clarifies, in a manner that is  
22 readily noticeable, readable, and understandable, and not obscured in any manner. In  
23 addition:

24 i. An audio disclosure must be delivered in a volume and cadence sufficient for a  
25

26 <sup>2</sup> The Georgia Administrator of the Fair Business Practices Act, appointed pursuant to O.C.G.A. 10-1-395, is  
27 statutorily authorized to enforce Georgia's Fair Business Practices Act of 1975 ("FBPA"). The Utah Division of  
28 Consumer Protection is statutorily authorized to enforce all statutes listed in Utah Code 13-2-6, including the Utah  
Consumer Sales Practices Act, Utah Code 13-11-1, et seq. Hawaii is represented by its Office of Consumer  
Protection, an agency that is not part of the state Attorney General's Office, but which is statutorily authorized to  
undertake consumer protection functions, including legal representation of the State of Hawaii.

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consumer to hear and comprehend it;

ii. 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

ii. 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.

e. "Commercial PSMS" means the use of PSMS to bill for Products.

f. "Consumer" means a current or former customer, subscriber or purchaser of Products for which Third-Party Charges are placed on the Consumer's Bill from AT&T MOBILITY, LLC, whether that person is responsible for paying the Bill or has a device that is billed to a shared account, and is a resident of one of the Participating States.

"Consumer" does not include any business entity or any state, federal, local, or other governmental entity, if (1) the business entity or government, and not the employees or individuals working for or with that business entity or government, is solely liable to AT&T MOBILITY, LLC for payment of all charges billed on that account, and (2) the ability to process Third-Party Charges through that account is not available unless the business entity or government affirmatively requests that certain or all mobile devices be provided the ability to authorize placement of such Third-Party Charges.

g. "Effective Date" means the date that the Stipulated Order for Permanent Injunction and Monetary Judgment in the case captioned *Federal Trade Commission v. AT&T Mobility LLC* is entered by the District Court for the Northern District of Georgia. Provided, however, this agreement is binding upon execution.

h. "Express Informed Consent" means an affirmative act or statement giving unambiguous assent to be charged for the purchase of a Third-Party Product that is made by a Consumer after receiving a Clear and Conspicuous disclosure of material facts.

i. "Participating States" means the following states and commonwealths: Alabama,

1 Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia,  
2 Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland,  
3 Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada,  
4 New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio,  
5 Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota,  
6 Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and  
7 Wyoming, as well as the District of Columbia.

8 j. "Premium Short Messaging Service" or "PSMS" means a service that distributes  
9 paid content to a Consumer using the Short Message Service ("SMS") and Multimedia  
10 Messaging Service ("MMS") communication protocols via messages that are routed using a  
11 Short Code, resulting in a Third-Party Charge.

12 k. "Product" means content and/or services that can be used on a mobile device for  
13 which charges are placed on the Consumer's Bill by AT&T MOBILITY, LLC. "Product"  
14 excludes contributions to charities, candidates for public office, political action committees,  
15 campaign committees, campaigns involving a ballot measure, or other similar contributions.  
16 "Product" also excludes co-branded, co-marketed (where AT&T MOBILITY, LLC markets  
17 via national media the content and/or services with both AT&T MOBILITY, LLC's brand and  
18 a Third Party's brand) or white label products branded by AT&T MOBILITY, LLC, where (i)  
19 content and/or services are sold by AT&T MOBILITY, LLC or jointly and cooperatively by  
20 AT&T MOBILITY, LLC and another entity; (ii) the content and/or services are placed on the  
21 subscriber's Bill as an AT&T MOBILITY, LLC charge; and (iii) AT&T MOBILITY, LLC is  
22 responsible for accepting complaints, processing refunds, and other communications with  
23 the consumer regarding the charge.

24 l. "Short Code" means a common code leased from the CTIA Common Short Code  
25 Administration that is comprised of a set of numbers, usually four (4) to six (6) digits, to  
26 which text messages can be sent and received using a mobile telephone.

27 m. "Third Party" means an entity or entities, other than AT&T MOBILITY, LLC, that  
28 provides a Product to Consumers for which billing is made through AT&T MOBILITY, LLC's

1 Bills.

2 n. "Third-Party Charge" means a charge for a Third-Party Product placed on a  
3 Consumer's Bill.

4 o. "Third-Party Product" means a Product provided by a Third Party.

5 p. "Unauthorized Third-Party Charge" means a Third-Party Charge placed on a  
6 Consumer's Bill without the Consumer's Express Informed Consent.

7 **III. APPLICATION**

8 9. The provisions of this Assurance shall apply to AT&T MOBILITY, LLC and its  
9 officers, employees, agents, successors, assignees, merged or acquired entities, wholly owned  
10 subsidiaries, and all other persons or entities acting in concert or participation with any of them,  
11 who receive actual notice of this Assurance, regarding AT&T MOBILITY, LLC's placement of  
12 Third-Party Charges in the Participating States.

13 **IV. ASSURANCE TERMS**

14 10. Commercial PSMS: AT&T MOBILITY, LLC will not make available to Consumers the  
15 option to purchase Products through Commercial PSMS or bill charges for Commercial PSMS.

16 11. Authorization of Third-Party Charges: AT&T MOBILITY, LLC shall begin developing  
17 and implementing a system, which shall be fully implemented by AT&T MOBILITY, LLC no  
18 later than February 1, 2015, to obtain Express Informed Consent before a Consumer is billed  
19 for any Third-Party Charge. The Consumer's Express Informed Consent may be provided to  
20 AT&T MOBILITY, LLC or to another person or entity obligated to AT&T MOBILITY, LLC to  
21 obtain such consent. AT&T MOBILITY, LLC or other person or entity shall retain sufficient  
22 information to allow such consent to be verified. If Express Informed Consent is not directly  
23 collected by AT&T MOBILITY, LLC, AT&T MOBILITY, LLC shall implement reasonable policies  
24 and practices<sup>3</sup> to confirm Express Informed Consent will be appropriately collected and  
25 documented by the person or entity obligated to do so, and shall monitor and enforce those

26 \_\_\_\_\_  
27 <sup>3</sup> For purposes of this Paragraph, for charges incurred through operating system storefronts, such reasonable  
28 policies and practices may, for example, consist of AT&T MOBILITY, LLC or its agents making a statistically valid  
random sample of purchases to demonstrate whether the storefront is collecting Express Informed Consent  
consistent with this agreement.

1 policies and practices to confirm Express Informed Consent is appropriately collected, require  
2 remedial action (which may include, for example, suspension, proactive credits, or retraining),  
3 or cease billing for such charges, While the system described by this Paragraph is being  
4 developed and implemented, AT&T MOBILITY, LLC shall take reasonable steps to obtain  
5 Express Informed Consent before a Consumer is billed for any Third-Party Charge.

6 12. Purchase Confirmation for Third-Party Charges: AT&T MOBILITY, LLC shall  
7 implement a system whereby the Consumer (and, for multiline accounts, the primary or  
8 principal account holder or owner (collectively "primary account holder"), if designated) will be  
9 sent a purchase confirmation separate from the Bill of every Third-Party Charge that will  
10 appear on his or her Bill. Any such purchase confirmation shall be sent within a reasonable  
11 period of time following the time a Third-Party Product is purchased or renewed and identify the  
12 Block options that AT&T MOBILITY, LLC makes available to Consumers and/or provide access  
13 to such information. For multiline accounts, AT&T MOBILITY, LLC may provide the primary  
14 account holder the option to elect not to receive such purchase confirmations.

15 13. Information on Blocking: No later than September 30, 2014, to the extent AT&T  
16 MOBILITY, LLC permits Third-Party Charges on Consumers' Bills, AT&T MOBILITY, LLC shall  
17 provide a Clear and Conspicuous disclosure about Third-Party Charges and Block options in  
18 informational material provided at or near the time of subscribing to or activating service, and  
19 which is provided in a context separate from the actual subscriber agreement document. Such  
20 disclosure shall include or provide access to a description of Third-Party Charges, how Third-  
21 Party Charges appear on Bills, and options available to Consumers to Block Third-Party  
22 Charges. Consumers shall not incur any data or text charges for receiving or accessing the  
23 information discussed in this Paragraph.

24 14. Billing Information and Format: No later than February 1, 2015:

25 a. Except for pre-paid mobile accounts, all Third-Party Charges shall be presented in a  
26 dedicated section of the Consumer's Bill (or in a dedicated section for each mobile line on  
27 the account, if the Bill sets forth charges by each line) and shall be set forth in such a  
28 manner as to distinguish the Third-Party Charges contained therein from AT&T MOBILITY,

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LLC's service, usage and other charges. This section of the Consumer's Bill shall contain a heading that Clearly and Conspicuously identifies that the charges are for Third-Party Products; and

b. The Third-Party Charge billing section required by this Paragraph shall include a Clear and Conspicuous disclosure of a Consumer's ability to Block Third-Party Charges, including contact and/or access information that Consumers may use to initiate such Blocking. If AT&T MOBILITY, LLC includes a Third-Party Charge billing section for each mobile line on the account, AT&T MOBILITY, LLC shall have the option to include the disclosure of a Consumer's ability to Block Third-Party Charges in only the first Third-Party Charge billing section that appears on the Bill, rather than in all Third-Party Charge billing sections.

15. Consumer Contacts: When a Consumer contacts AT&T MOBILITY, LLC with regard to a Third-Party Charge or a Block, AT&T MOBILITY, LLC shall:

a. Provide the Consumer with access to a customer service representative who has access to the Consumer's account information for at least the prior twelve (12) months;

b. Beginning no later than thirty (30) days after the Effective Date, for any Consumer who claims he or she did not authorize a Third-Party Charge incurred after the Effective Date, either (1) provide the Consumer a full refund or credit of any and all disputed Third-Party Charges not previously credited or refunded to the Consumer, or (2) deny a refund if:

i. AT&T MOBILITY, LLC has information demonstrating that the Consumer provided Express Informed Consent to the Third-Party Charge, offers to provide such information to the Consumer, and, upon request, provides such information to the Consumer; or

ii. The disputed Third-Party Charge (either a single charge or a recurring charge) was initially incurred more than six (6) years prior to when the Consumer contacts AT&T MOBILITY, LLC and AT&T MOBILITY, LLC is in compliance with Paragraph 12 with respect to the charge.

c. If the Consumer claims that he or she did not authorize a Third-Party Charge, and

1 the Consumer is a current customer of AT&T MOBILITY, LLC, offer the Consumer the  
2 opportunity to Block future Third-Party Charges;

3 d. Beginning no later than thirty (30) days after the Effective Date, not require the  
4 Consumer to first contact the Third Party in order to receive a refund/credit of any claimed  
5 Unauthorized Third-Party Charge, although this subparagraph does not prohibit asking the  
6 Consumer if he or she has contacted the Third Party and/or if the Consumer has already  
7 received a credit or refund from the Third Party for some or all of the claimed Unauthorized  
8 Third-Party Charge;

9 e. Beginning no later than thirty (30) days after the Effective Date, in the event a  
10 customer disputes a Third-Party Charge as unauthorized, until such time as the provisions  
11 of Paragraph 15(b)(2)(i) or (ii) are satisfied, not:

12 i. Require the Consumer to pay the disputed Third-Party Charge, including any  
13 related late charge or penalty;

14 ii. Send the disputed Third-Party Charge to collection;

15 iii. Make any adverse credit report based on non-payment of the disputed Third-  
16 Party Charge; and

17 iv. Suspend, cancel, or take any action that may adversely affect the Consumer's  
18 mobile telephone service or functionality for any reason related to non-payment of any  
19 disputed Third-Party Charge.

20 16. Training: AT&T MOBILITY, LLC shall, for at least six (6) years from the Effective  
21 Date, conduct a training program with its customer service representatives, at least annually, to  
22 administer the requirements of this Assurance. To the extent that AT&T MOBILITY, LLC no  
23 longer permits Third-Party Charges on Consumers' Bills, AT&T MOBILITY, LLC will conduct  
24 one training program within three months of such cessation and will have no further obligation  
25 to conduct training programs under this Paragraph so long as AT&T MOBILITY, LLC does not  
26 permit Third-Party Charges on Consumers' Bills.

27 17. Record Keeping: No later than February 1, 2015, AT&T MOBILITY, LLC shall:

28 a. Implement a process to track (1) all Consumer claims that a Third-Party Charge was

1 unauthorized for which AT&T MOBILITY, LLC demonstrated that purchaser provided  
2 Express Informed Consent; (2) refunds/credits provided due to AT&T MOBILITY, LLC's  
3 inability to provide proof of Express Informed Consent in response to such a claim by a  
4 Consumer; and (3) any other information necessary to prepare the Quarterly Reports  
5 described in Paragraph 19; and

6 b. Implement systems that allow it to maintain the information described in this  
7 Paragraph. Each record created pursuant to this Paragraph shall be maintained for a period  
8 of six (6) years from the date of its creation. AT&T MOBILITY, LLC's obligation to maintain  
9 records for six years from the date of their creation shall continue after AT&T MOBILITY,  
10 LLC's obligation to provide the Quarterly Reports described in Paragraph 19 expires.

11 18. Cooperation with Attorney General: AT&T MOBILITY, LLC shall, for at least six (6)  
12 years from the Effective Date, designate a contact to whom the Attorney General may provide  
13 information regarding any concerns about Unauthorized Third-Party Charges, and from whom  
14 the Attorney General may request information and assistance in investigations. Such  
15 information and assistance shall include information regarding the identity of Third Parties  
16 placing Third-Party Charges on AT&T MOBILITY, LLC's Bill, revenue from such Third-Party  
17 Charges, refunds provided relating to the Third-Party Charges, any audits conducted of the  
18 Third Party (to the extent not protected by attorney-client privilege or attorney work product),  
19 and any applications or other information provided by the Third Party, to the extent that AT&T  
20 MOBILITY, LLC has access to such information. AT&T MOBILITY, LLC shall provide such  
21 information within a reasonable period and shall cooperate in good faith with such requests,  
22 including investigating any reports of Unauthorized Third-Party Charges AT&T MOBILITY, LLC  
23 receives from the Attorney General.

24 19. Information Sharing with Attorneys General:

25 a. AT&T MOBILITY, LLC shall, for at least six (6) years from April 1, 2015, provide a  
26 report to the Office of the Vermont Attorney General every three (3) months ("Quarterly  
27 Reports") documenting its compliance with the requirements of Paragraph 15. Without  
28 limiting AT&T MOBILITY, LLC's obligations under Paragraph 15, the quarterly reports shall

1 include the following:

2 i. The total number of Consumer claims for unauthorized Third-Party Charges for  
3 which AT&T MOBILITY, LLC has demonstrated that the purchasers provided Express  
4 Informed Consent;

5 ii. All refunds/credits provided, in dollars, due to AT&T MOBILITY, LLC's inability  
6 to provide proof of Express Informed Consent in response to such a claim by  
7 Consumers;

8 iii. For the claims and refunds/credits identified under subparagraphs i and ii,  
9 above, the Third-Party Product, the Third Party, and the entity responsible for ensuring  
10 Express Informed Consent from the Consumer if different than AT&T MOBILITY, LLC;  
11 and

12 iv. A description of any remedial action taken by AT&T MOBILITY, LLC against  
13 Third Parties for Unauthorized Third-Party Charges, including, but not limited to, any  
14 actions taken to limit or terminate a Third Party's ability to place Third-Party Charges on  
15 a Consumer's Bill. The description of any remedial action provided under this  
16 subparagraph shall include: (a) the name and contact information of such Third Party,  
17 (b) a description of the Product in connection with which the remedial action that was  
18 taken, (c) an indication of whether the Product was suspended or terminated (and if the  
19 Product was suspended, AT&T MOBILITY, LLC shall include the date or conditions for  
20 reinstatement), and (d) the reason for the remedial action.

21 b. Information in Quarterly Reports shall be presented on a national basis and  
22 provided electronically in a format to be agreed to by the parties. Quarterly Reports shall be  
23 provided within thirty (30) days of the end of each calendar quarter.

24 **V. MONETARY PAYMENT**

25 20. AT&T MOBILITY, LLC shall pay a total of Twenty Million Dollars (\$20,000,000.00) to  
26 the participating States. For purposes of this Assurance of Discontinuance, AT&T MOBILITY,  
27 LLC shall pay \$252,955.67 to the State of Nevada. In no event will the amount paid by AT&T  
28 MOBILITY, LLC to the Participating States exceed the total amount of \$20 million. Payment

1 shall be made no later than thirty (30) days after the Effective Date. Said payment shall be  
2 used by the Nevada Attorney General for purposes that may include civil penalties, attorneys'  
3 fees, and other costs of investigation and litigation, or to be placed in, or applied to, any  
4 consumer protection law enforcement fund, including future consumer protection or privacy  
5 enforcement, consumer education, litigation or local consumer aid fund, used to defray the  
6 costs of the inquiry leading hereto, or for other uses permitted by state law, at the sole  
7 discretion of the Nevada Attorney General.

8 21. The Participating States and AT&T MOBILITY, LLC recognize that, in addition to the  
9 payment provided under Paragraph 20:

10 a. AT&T MOBILITY, LLC has agreed to pay Five Million Dollars (\$5,000,000.00) to the  
11 Federal Communication Commission ("FCC") to resolve the concurrent FCC investigation  
12 regarding Unauthorized Third-Party Charges; and

13 b. AT&T MOBILITY, LLC has agreed to contribute Eighty Million Dollars  
14 (\$80,000,000.00) to a consumer redress program administered by the Federal Trade  
15 Commission ("FTC") in consultation with the Attorneys General and the FCC, to resolve the  
16 concurrent FTC investigation regarding Unauthorized Third-Party Charges. To the extent  
17 the FTC transfers any residual amounts to the Participating States following the completion  
18 of the redress program, the Participating States shall use such money in the manner and for  
19 the purposes identified in Paragraph 20 above.

## 20 VI. RELEASE

21 22. Effective upon full payment of the amounts due under Paragraphs 20 and 21, the  
22 Attorney General releases and discharges AT&T MOBILITY, LLC and its officers, employees,  
23 agents, successors, assignees, affiliates, merged or acquired entities, parent or controlling  
24 entities, and subsidiaries from any and all claims, suits, demands, damages, restitution,  
25 penalties, fines, actions, and other causes of action that the Attorney General could have  
26 brought under Chapter 598 of the Nevada Revised Statutes, both known and unknown, arising  
27 directly or indirectly out of or related to billing, charging, disclosures, policies, practices, actions  
28 or omissions related to PSMS or Unauthorized Third-Party Charges that were incurred prior to

1 the Effective Date. In the case of affiliates, acquired entities, or subsidiaries, this release only  
2 covers conduct occurring during the time such entities are or were affiliates or subsidiaries of  
3 Carrier. Nothing contained in this Paragraph shall be construed to limit the ability of the  
4 Attorney General to enforce the obligations that AT&T MOBILITY, LLC and its officers, agents,  
5 servants and employees acting on its behalf, have under this Assurance.

6 23. Nothing in this Assurance shall be construed to create, waive, or limit any private  
7 right of action.

8 24. Notwithstanding any term of this Assurance, any and all of the following forms of  
9 liability are specifically reserved and excluded from the release in Paragraph 22 as to any entity  
10 or person, including AT&T MOBILITY, LLC:

11 a. Any criminal liability that any person or entity, including AT&T MOBILITY, LLC, has  
12 or may have to Nevada.

13 b. Any civil or administrative liability that any person or entity, including AT&T  
14 MOBILITY, LLC, has or may have to Nevada under any statute, regulation or rule not  
15 expressly covered by the release in Paragraph 22 above, including but not limited to, any  
16 and all of the following claims:

- 17 i. State or federal antitrust violations;  
18 ii. State or federal securities violations; and  
19 iii. State or federal tax claims.

## 20 VII. GENERAL PROVISIONS

21 25. The parties understand and agree that this is a compromise settlement of disputed  
22 issues and that the consideration for this Assurance of Discontinuance shall not be deemed or  
23 construed as: (a) an admission of the truth or falsity of any claims or allegations heretofore  
24 made or any potential claims; (b) an admission by AT&T MOBILITY, LLC that it has violated or  
25 breached any law, statute, regulation, term, provision, covenant or obligation of any agreement;  
26 or (c) an acknowledgement or admission by any of the parties of any duty, obligation, fault or  
27 liability whatsoever to any other party or to any third party. This Assurance of Discontinuance  
28 does not constitute a finding of law or fact, or any evidence supporting any such finding, by any

1 court or agency that AT&T MOBILITY, LLC has engaged in any act or practice declared  
2 unlawful by any laws, rules, or regulations of any state. AT&T MOBILITY, LLC denies any  
3 liability or violation of law and enters into this Assurance of Discontinuance without any  
4 admission of liability. It is the intent of the parties that this Assurance of Discontinuance shall  
5 not be used as evidence or precedent in any action or proceeding, except an action to enforce  
6 this Assurance.

7 26. Unless otherwise specifically provided, all actions required pursuant to this  
8 Assurance of Discontinuance shall commence as of the Effective Date. For entities that Carrier  
9 has acquired since September 2013, and in the event that Carrier acquires any new entity,  
10 Carrier shall take immediate steps to cease billing charges for all Commercial PSMS. With  
11 respect to such entities, Carrier shall provide the Consumer with access to a customer service  
12 representative who shall have access to the Consumer's account information related to Third-  
13 Party Charges for at least the prior twelve (12) months. If such information is not available,  
14 Carrier shall have twelve (12) months to come into compliance with Paragraph 15(a) with  
15 respect to such entities and, while coming into compliance respond to the Consumer's inquiry  
16 within ten (10) days using any available information. As to all other requirements contained in  
17 this Assurance, Carrier shall have a reasonable period of time, which in no event shall exceed  
18 six (6) months, in which to bring said entity into compliance with this Assurance and during that  
19 period, Carrier shall take reasonable steps to obtain Express Informed Consent before a  
20 Consumer is billed for any Third-Party Charge.

21 27. Nothing in this Assurance limits AT&T MOBILITY, LLC's right, at its sole discretion,  
22 to provide refunds or credits to Consumers in addition to what is required in this Assurance.

23 28. AT&T MOBILITY, LLC understands and agrees that upon execution of this  
24 Assurance of Discontinuance by all parties, it will be filed with the Clerk of the Court pursuant  
25 to NRS 598.0995 for approval of the Court and, if approved, becomes an order of the Court  
26 enforceable by the provisions of NRS 598.0999(1). The parties, and each of them, understand  
27 and agree that in the event the Court does not approve this Assurance of Discontinuance, this  
28 Assurance of Discontinuance becomes null and void. The parties, and each of them, agree this

1 Court retains jurisdiction over all matters identified in this Assurance of Discontinuance,  
2 pursuant to NRS 598.0999. The parties, and each of them, acknowledge all required service  
3 related to this matter and agree that this Court has jurisdiction over the parties hereto, and  
4 each of them, and the subject matter herein, pursuant to NRS 598.0995 and agree that this  
5 Court is the proper District Court to approve this Assurance of Discontinuance, pursuant to  
6 NRS 598.0995.

7 29. As consideration for the relief agreed to herein, if the Attorney General of a  
8 Participating State determines that AT&T MOBILITY, LLC has failed to comply with any of the  
9 terms of this Assurance, and if in the Attorney General's sole discretion the failure to comply  
10 does not threaten the health or safety of the citizens of the Participating State and/or does not  
11 create an emergency requiring immediate action, the Attorney General will notify AT&T  
12 MOBILITY, LLC in writing of such failure to comply and AT&T MOBILITY, LLC shall then have  
13 ten (10) business days from receipt of such written notice to provide a good faith written  
14 response to the Attorney General's determination. The response shall include an affidavit  
15 containing, at a minimum, either: (a) A statement explaining why AT&T MOBILITY, LLC  
16 believes it is in full compliance with the Assurance; or (b) A detailed explanation of how the  
17 alleged violation(s) occurred; and (1) A statement that the alleged breach has been addressed  
18 and how; or (ii) A statement that the alleged breach cannot be reasonably addressed within ten  
19 (10) business days from receipt of the notice, but (1) AT&T MOBILITY, LLC has begun to take  
20 corrective action to address the alleged breach; (2) AT&T MOBILITY, LLC is pursuing such  
21 corrective action with reasonable and due diligence; and (3) AT&T MOBILITY, LLC has  
22 provided the Attorney General with a detailed and reasonable time table for addressing the  
23 alleged violation(s).

24 30. Nothing herein shall prevent the Attorney General from agreeing in writing to provide  
25 AT&T MOBILITY, LLC with additional time beyond the ten (10) business day period to respond  
26 to the notice provided under Paragraph 29.

27 31. Nothing herein shall be construed to exonerate any contempt or failure to comply  
28 with any provision of this Assurance of Discontinuance after the date of its entry, to

1 compromise the authority of the Attorney General to initiate a proceeding for any contempt or  
2 other sanctions for failure to comply, or to compromise the authority of the court to punish as  
3 contempt any violation of this Assurance of Discontinuance. Further, nothing in this Paragraph  
4 shall be construed to limit the authority of the Attorney General to protect the interests of the  
5 Participating State or the people of the Participating State.

6 32. The Participating States represent that they will seek enforcement of the provisions  
7 of this Assurance with due regard to fairness

8 33. AT&T MOBILITY, LLC shall designate one or more employees to act as the primary  
9 contact for the Attorney General for purposes of assisting the Attorney General in  
10 investigations. AT&T MOBILITY, LLC shall provide the Attorney General with the name(s),  
11 address(es), telephone number(s), facsimile number(s) and electronic mail address(es) of each  
12 such employee.

13 34. This Assurance of Discontinuance is intended to supplement, and does not supplant  
14 or in any way restrict, the Attorney General's subpoena power and/or investigative authority  
15 pursuant to applicable law.

16 35. This Assurance of Discontinuance does not supplant or in any way restrict the  
17 Attorney General's powers to investigate the prevalence of Unauthorized Third-Party Charges  
18 or the extent to which this Assurance has affected the prevalence of Unauthorized Third-Party  
19 Charges in its jurisdiction.

20 36. This Assurance of Discontinuance does not supplant or in any way restrict AT&T  
21 MOBILITY, LLC's legal rights and ability to demand formal legal process to protect its  
22 Consumers' privacy rights and/or to protect AT&T MOBILITY, LLC from potential liability for  
23 disclosing or sharing such information without legal process.

24 37. The only persons with rights under this Assurance of Discontinuance are the parties  
25 to the Assurance, namely AT&T MOBILITY, LLC and the Attorney General. No third party is  
26 entitled to claim rights under this Assurance and no provision of this Assurance is enforceable  
27 by any person or entity not a party to the Assurance. The agreement in this Assurance has no  
28 third-party beneficiaries

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38. This Assurance of Discontinuance represents the full and complete terms of the settlement entered by the parties hereto.

39. All parties participated in the drafting of this Assurance of Discontinuance.

40. This Assurance of Discontinuance may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect as, an original signature.

41. AT&T MOBILITY, LLC waives any further notice of submission to and filing with the Court and that all Notices under this Assurance of Discontinuance shall be provided via First Class or Electronic Mail to the following addresses:

**For the Attorney General:**

John McGlamery  
Senior Deputy Attorney General  
100 North Carson Street  
Carson City, NV 89701  
(775) 684-1169  
[jmcglamery@ag.nv.gov](mailto:jmcglamery@ag.nv.gov)

**For AT&T Mobility LLC**

Mark S. Collins  
Senior Vice President  
AT&T Mobility Services LLC  
1055 Lenox Park Blvd NE,  
Office D245  
Atlanta, GA 30319

Office of the Senior Vice President  
and Assistant General Counsel  
AT&T Mobility LLC  
1025 Lenox Park Blvd NE  
Room A634  
Atlanta, GA 30319

42. Any failure by any party to this Assurance of Discontinuance to insist upon the strict performance by any other party of any of the provisions of this Assurance of Discontinuance shall not be deemed a waiver of any of the provisions of this Assurance of Discontinuance, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Assurance of Discontinuance.

43. If any clause, provision or paragraph of this Assurance of Discontinuance shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision, or paragraph of this Assurance of Discontinuance

1 and this Assurance shall be construed and enforced as if such illegal, invalid or unenforceable  
2 clause, provision, or paragraph had not been contained herein.

3 44. Nothing in this Assurance of Discontinuance shall be construed as relieving AT&T  
4 MOBILITY, LLC of the obligation to comply with all local, state and federal laws, regulations or  
5 rules, nor shall any of the provisions of this Assurance of Discontinuance be deemed to be  
6 permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

7 45. The parties understand that this Assurance of Discontinuance shall not be construed  
8 as an approval of or sanction by the Attorney General of AT&T MOBILITY, LLC's business  
9 practices, nor shall AT&T MOBILITY, LLC represent the decree as such an approval or  
10 sanction. The parties further understand that any failure by the Attorney General to take any  
11 action in response to any information submitted pursuant to the Assurance of Discontinuance  
12 shall not be construed as an approval, or sanction, of any representations, acts or practices  
13 indicated by such information, nor shall it preclude action thereon at a later date.

14 46. AT&T MOBILITY, LLC shall not participate, directly or indirectly, in any activity or  
15 form a separate entity or corporation for the purpose of engaging in acts or practices in whole  
16 or in part in Nevada that are prohibited by this Assurance or for any other purpose that would  
17 otherwise circumvent any term of this Assurance of Discontinuance. AT&T MOBILITY, LLC  
18 shall not cause, knowingly permit, or encourage any other persons or entities acting on its  
19 behalf, to engage in practices from which AT&T MOBILITY, LLC is prohibited by this  
20 Assurance.

21 47. If the Attorney General determines that AT&T MOBILITY, LLC made any material  
22 misrepresentation or omission relevant to the resolution of this investigation, the Attorney  
23 General retains the right to seek modification of this Assurance of Discontinuance.

24 48. In the event that any statute or regulation pertaining to the subject matter of this  
25 Assurance of Discontinuance is modified, enacted, promulgated or interpreted by the Federal  
26 government or any Federal agency, such as the FCC, such that AT&T MOBILITY, LLC cannot  
27 comply with both the statute or regulation and any provision of this Assurance, AT&T  
28 MOBILITY, LLC may comply with such statute or regulation, and such action shall constitute

1 compliance with the counterpart provision of this Assurance of Discontinuance. AT&T  
2 MOBILITY, LLC shall provide advance written notice to the Attorney General of Nevada of the  
3 inconsistent provision of the statute or regulation with which AT&T MOBILITY, LLC intends to  
4 comply under this Paragraph, and of the counterpart provision of this Assurance of  
5 Discontinuance that is in conflict with the statute or regulation.

6 49. In the event that any statute or regulation pertaining to the subject matter of this  
7 Assurance of Discontinuance is modified, enacted, promulgated or interpreted by a  
8 Participating State, such that the statute or regulation is in conflict with any provision of this  
9 Assurance of Discontinuance, and such that AT&T MOBILITY, LLC cannot comply with both  
10 the statute or regulation and the provision of this Assurance, AT&T MOBILITY, LLC may  
11 comply with such statute or regulation, and such action shall constitute compliance with the  
12 counterpart provision of this Assurance. AT&T MOBILITY, LLC shall provide advance written  
13 notice to both the Attorney General of Vermont and the Attorney General of the Participating  
14 States, of the inconsistent provision of the statute or regulation with which AT&T MOBILITY,  
15 LLC intends to comply under this Paragraph, and of the counterpart provision of this  
16 Assurance of Discontinuance that is in conflict with the statute or regulation.

17 50. To seek a modification of this Assurance for any reason other than that provided for  
18 in Paragraphs 48 or 49 of this Assurance, AT&T MOBILITY, LLC shall send a written request  
19 for modification to the addressee listed in Paragraph 41. The Participating States shall give  
20 such petition reasonable consideration. AT&T MOBILITY, LLC reserves all rights to pursue  
21 any legal or equitable remedies that may be available to it.

22 51. To the extent that any of the provisions contained herein permit implementation  
23 beyond the Effective Date, the parties have agreed to the delayed implementation of such  
24 provisions based on AT&T MOBILITY, LLC's representation that it is currently unable to meet  
25 the requirements of such provisions and that it needs the additional specified time to develop  
26 the necessary technical capabilities to come into compliance with the requirements of such  
27 provisions. AT&T MOBILITY, LLC agrees to make good faith and reasonable efforts to come  
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into compliance with any such provisions prior to the implementation dates set by such provisions.

52. AT&T MOBILITY, LLC shall pay all court costs associated with the filing of this Assurance.

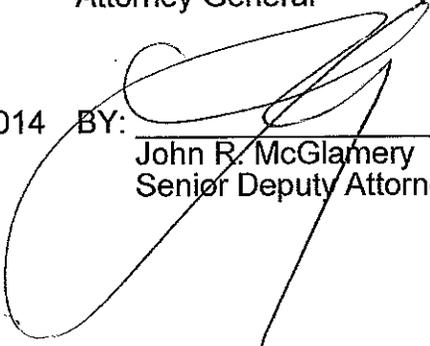
53. AT&T MOBILITY, LLC expressly understands and acknowledges that under the provisions of NRS 599.0999, this Assurance of Discontinuance constitutes a Court Order, and that a failure to comply with the terms of this Assurance of Discontinuance may subject AT&T MOBILITY, LLC to civil penalties of up to \$10,000 per violation.

IT IS SO STIPULATED AND AGREED.

CATHERINE CORTEZ MASTO  
Attorney General

DATED: Oct 7, 2014

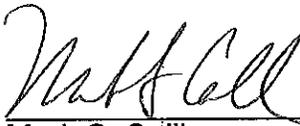
BY:

  
John R. McGlamery  
Senior Deputy Attorney General

AT&T MOBILITY, LLC

DATED: Oct 6, 2014

BY:

  
Mark S. Collins  
Senior Vice President  
AT&T Mobility Services LLC