

The Office of the Attorney General
BUREAU OF CONSUMER PROTECTION
100 North Carson Street
Carson City, Nevada 89701-4717

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Case No. 1562 00134 19

Dept. No. JT

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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.
ADAM PAUL LAXALT, Attorney General,

Plaintiff,

v.

CELLCO PARTNERSHIP D/B/A VERIZON
WIRELESS,

Defendant.

ASSURANCE OF DISCONTINUANCE

This Assurance of Discontinuance is entered into by THE STATE OF NEVADA, by and through Attorney General ADAM PAUL LAXALT, and his Senior Deputy JOHN R. McGLAMERY, and CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS.

ADAM PAUL LAXALT 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.

Pursuant to NRS 598.0995, the Attorney General may accept an assurance of discontinuance with respect to any method, act, or practice deemed to be a deceptive trade practice from any person who is engaged or is about to engage in the method, act, or practice. The assurance of discontinuance must be in writing and must be filed with and subject to the

1 approval of the district court in the county in which the alleged violator resides, has its principal
2 place of business, or the district court in any county where any deceptive trade practice has
3 occurred, or is about to occur, or the district court agreed to by the parties. An assurance of
4 discontinuance is not an admission of violation for any purpose but is subject to the terms,
5 limitations and conditions of NRS 598.0995.

6 I.

7 **BACKGROUND**

8 1. The Attorneys General are responsible for enforcing their respective unfair and
9 deceptive acts and practices laws and other consumer protection laws in their respective
10 states and commonwealths.

11 2. Cellco Partnership d/b/a Verizon Wireless hereinafter referred to as "Verizon," is a
12 partnership organized under the laws of the state of Delaware with its principal place of
13 business located at One Verizon Way, Basking Ridge, New Jersey, 07920. Verizon is a
14 leading provider of mobile telephone services.

15 3. The Attorneys General allege that the practice of placing charges on Consumers'
16 mobile telephone bills that have not been authorized by Consumers, known as "cramming," is a
17 major national problem.

18 4. The Attorneys General allege that Consumers who have been "crammed" often
19 complain about charges, typically \$9.99 per month, for "premium" text message subscription
20 services such as horoscopes, trivia, and sports scores that they have never heard of or
21 requested.

22 5. The Attorneys General allege that cramming occurs when Verizon places charges on
23 Consumers' mobile telephone bills for Third-Party Products without Consumers' knowledge
24 and/or authorization.

25 6. The Attorneys General allege that many Consumers are unaware that their mobile
26 telephones can be used to make payments for Third-Party Products, and that Consumers often
27 pay Unauthorized Third-Party Charges without the knowledge that the charges have been
28 placed on their mobile telephone bills.

1 is presented, then the statement must be presented in proximity to the
2 information it modifies, explains or clarifies, in a manner that is readily noticeable,
3 readable, and understandable, and not obscured in any manner. In addition:

- 4 i. an audio disclosure must be delivered in a volume and cadence sufficient
5 for a Consumer to hear and comprehend it;
- 6 ii. a television or internet disclosure must be of a type size, location, and
7 shade and remain on the screen for a duration sufficient for a Consumer to
8 read and comprehend it based on the medium being used;
- 9 iii. a disclosure in a print advertisement or promotional material, including, but
10 without limitation, a point of sale display or brochure materials directed to a
11 Consumer, must appear in a type size, contrast, and location sufficient for
12 a Consumer to read and comprehend it; and
- 13 iv. a text message disclosure must be of a type size and format, to the extent
14 controlled by the sender, so that a Consumer can notice and read it on
15 their mobile devices, and hyperlinks included as part of the text message
16 should be clearly labeled or described.

- 17 f. "Commercial PSMS" means the use of PSMS to bill for Third-Party Products
- 18 g. "Consumer" means a current or former subscriber or purchaser of Third-Party
19 Products for which Third-Party Charges are or were placed on the Consumer's
20 Bill, whether that person is the individual responsible for paying the Bill or has a
21 device that is billed to a shared account, and is a resident of one of the
22 Participating States. "Consumer" does not include any business entity or any
23 state, federal, local, or other governmental entity, if (1) the business entity or
24 government entity, and not the employees or individuals working for or with that
25 business entity or government entity, is solely liable to Verizon for payment of all
26 charges billed on that account, and (2) the ability to process Third-Party Charges

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28 Connecticut is represented by the Connecticut Attorney General, acting as the authorized representative of the

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through that account is not available unless the business entity or government entity affirmatively requests that certain or all mobile devices be provided the ability to authorize placement of such Third-Party Charges.

- h. "Effective Date" means the date that the Stipulated Final Judgment and Order in the case captioned Consumer Financial Protection Bureau v. Cellco Partnership d/b/a Verizon Wireless ("CFPB Stipulated Order") is entered by the District Court for the District of New Jersey. Provided, however, this agreement is binding upon execution.
- i. "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 being provided a Clear and Conspicuous disclosure of material facts.
- j. "Participating States" means the following states and commonwealths: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, 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, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming, as well as the District of Columbia.
- k. "Premium Short Messaging Service" or "PSMS" means a service that distributes paid content to a Consumer using the Short Message Service ("SMS") and Multimedia Messaging Service ("MMS") communication protocols via messages that are routed using a Short Code, resulting in a Third-Party Charge.

Connecticut Commissioner of Consumer Protection.

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- l. "Short Code" means a common code leased from the CTIA Common Short Code Administration that is composed of a set of numbers, usually 4 to 6 digits, to and from which text messages can be sent and received using a mobile telephone.
- m. "Third Party" means an entity or entities, other than Verizon, that provides a Third-Party Product to Consumers for which billing is made through Verizon's Bills.
- n. "Third-Party Charge" means a charge for the purchase of a Third-Party Product placed on a Consumer's Bill.
- o. "Third-Party Product" means content or services offered or sold by a Third Party that can be used on a mobile device, for which charges are placed on the Consumer's Bill or deducted from a prepaid account by Verizon. "Third-Party Product" excludes contributions to charities, candidates for public office, political action committees, campaign committees, campaigns involving a ballot measure, or other similar contributions. "Third-Party Product" also excludes white label products and co-branded or co-marketed products where goods and services are offered or sold jointly and cooperatively by Verizon and a Third Party, where the charge for such goods or services is placed on the Consumer's Bill; and where Verizon is responsible for accepting complaints, processing refunds, and other communications with the Consumer regarding the charge. "Third-Party Product" also excludes equipment protection services, including mobile device insurance and extended warranty offerings.
- p. "Unauthorized Third-Party Charge" means a Third-Party Charge placed on a Consumer's Bill without the Consumer's Express Informed Consent.

III.

APPLICATION

9. The provisions of this Assurance shall apply to Verizon and its officers, employees, agents, successors, assignees, merged or acquired entities, wholly-owned subsidiaries, and all other persons or entities acting in concert or participation with any of them, who receive actual

1 notice of this Assurance, regarding Verizon's placement of Third-Party Charges in the
2 Participating States.

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4 **IV.**

5 **ASSURANCE TERMS**

6 10. Commercial PSMS: Verizon shall not make available to Consumers the option to
7 purchase Third-Party Products through Commercial PSMS and shall not bill charges for
8 Commercial PSMS.

9 11. Authorization of Third-Party Charges: Verizon shall obtain Express Informed
10 Consent before a Consumer is billed for any Third-Party Charge. The Consumer's Express
11 Informed Consent may be provided to Verizon or to another person or entity obligated to
12 Verizon to obtain such consent. Verizon or such other person or entity shall retain sufficient
13 information to allow such consent to be verified. If Express Informed Consent is not directly
14 collected by Verizon, Verizon shall implement reasonable policies and practices² to confirm
15 Express Informed Consent shall be appropriately collected and documented by the person or
16 entity obligated to do so, and shall monitor and enforce those policies and practices to confirm
17 Express Informed Consent is appropriately collected and documented, and where Express
18 Informed Consent has not been appropriately collected and documented, shall require remedial
19 action (which may include, for example, suspension, proactive credits, or retraining) or cease
20 placing such charges on Consumers' Bills.

21 12. Purchase Confirmation for Third-Party Charges: Beginning no later than July 1,
22 2015, Verizon shall implement a system whereby the Consumer (and, for multiline accounts,
23 the Account Holder, if designated) will be sent a purchase confirmation, separate from the Bill,
24 of every Third-Party Charge, including recurring charges, that will appear on his or her Bill.
25 Such purchase confirmation shall be sent within a reasonable time following the purchase of a
26 Third-Party Product or the recurrence of a Third-Party Charge, and shall identify Blocking

27 ² For purposes of this Paragraph, for charges incurred through operating system storefronts, such reasonable
28 policies and practices may, for example, consist of Carrier or its agents making a statistically valid random sample

1 options that Verizon makes available to Consumers and/or provide access to such information.
2 For multiline accounts, Verizon may provide the Account Holder the option to elect not to
3 receive such purchase confirmations for purchases made on other lines.

4 13. Information on Blocking: Beginning no later than July 1, 2015, Verizon shall provide
5 a Clear and Conspicuous disclosure about Third-Party Charges and Blocking options in
6 informational material provided to Consumers at or near the time of subscribing to or activating
7 service, to the extent Third-Party Charges are offered and available with the service, and which
8 is provided in a context separate from the actual subscriber agreement document. Such
9 disclosure shall include or provide access to a description of Third-Party Charges, how Third-
10 Party Charges appear on Bills, and options available to Consumers to Block Third-Party
11 Charges. Consumers shall not incur any data or text charges for receiving or accessing the
12 information discussed in this Paragraph.

13 14. Billing Information and Format: No later than September 1, 2015:

- 14 a. All Third-Party Charges shall be presented in a dedicated section of the
15 Consumer's Bill (or in a dedicated section for each mobile line on the account, if
16 the Bill sets forth charges by each line) and shall be set forth in such a manner
17 as to distinguish the Third-Party Charges contained therein from Verizon's
18 service, usage and other charges. This section of the Consumer's Bill shall
19 contain a heading that Clearly and Conspicuously identifies that the charges are
20 for Third-Party Products; and
- 21 b. The Third-Party Charge billing section required by this Paragraph 14 shall
22 include a Clear and Conspicuous disclosure of a Consumer's ability to Block
23 Third-Party Charges, including contact and/or access information that Consumers
24 may use to initiate such Blocking. If Verizon includes a Third-Party Charge billing
25 section for each mobile line on the account, Verizon shall have the option to
26 include the disclosure of a Consumer's ability to Block Third-Party Charges in

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28 of purchases to demonstrate whether the storefront is collecting Express Informed Consent consistent with this

1 only the first Third-Party Charge billing section that appears on the Bill, rather
2 than in all Third-Party Charge billing sections

3 15. Consumer Contacts: When a Consumer contacts Verizon with regard to a Third-
4 Party Charge incurred after the Effective Date, or a Block, Verizon shall:

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

8 b. beginning no later than September 15, 2015, for any Consumer who claims
9 he or she did not authorize a Third-Party Charge incurred after the Effective
10 Date:

11 i. for disputed Third-Party Charges (either a single charge or recurring
12 charge) initially incurred within the prior twelve (12) months, either (1) provide
13 the Consumer a full refund or credit of any and all disputed Third-Party
14 Charges not previously credited or refunded to the Consumer, or (2) deny a
15 refund if Verizon has information demonstrating that the Consumer provided
16 Express Informed Consent to the Third-Party Charge, offers to provide such
17 information to the Consumer, and, upon request, provides such information to
18 the Consumer.

19 ii. for disputed Third-Party Charges (either a single charge or a recurring
20 charge) initially incurred more than twelve (12) months prior to when the
21 Consumer contacted Verizon, within 10 business days from receipt of the
22 claim, either (1) provide the Consumer a full refund or credit of any and all
23 disputed Third-Party Charges not previously credited or refunded to the
24 Consumer, or (2) deny a refund if Verizon has information demonstrating that
25 the Consumer provided Express Informed Consent to the Third-Party Charge,
26 offers to provide such information to the Consumer, and, upon request,

27
28 Assurance. Such policies and practices shall be fully implemented by Verizon no later than July 1, 2015.

1 provides such information to the Consumer. This subparagraph (b)(ii) shall
2 expire four (4) years from the Effective Date;
3 c. if the Consumer claims that he or she did not authorize a Third-Party Charge,
4 and the Consumer is a current customer of Verizon, offer the Consumer the
5 opportunity to Block future Third-Party Charges;
6 d. not require the Consumer to first contact the Third Party in order to receive a
7 refund/credit of any claimed Unauthorized Third-Party Charge, although this
8 subparagraph does not prohibit asking the Consumer if he or she has contacted
9 the Third Party and/or if the Consumer has already received a credit or refund
10 from the Third Party for some or all of the claimed Unauthorized Third-Party
11 Charge.

12 16. Training: For six (6) years after the Effective Date, Verizon shall conduct a training
13 program with its customer service representatives, at least annually, to administer the
14 requirements of this Assurance. To the extent that Verizon no longer permits Third-Party
15 Charges on Consumers' bills, Verizon shall conduct one training program within three (3)
16 months of such cessation and shall have no further obligation to conduct training programs
17 under this Paragraph so long as Verizon does not permit Third-Party Charges on Consumers'
18 Bills.

19 17. Cooperation with Attorney General: Verizon shall designate a contact to whom the
20 Attorney General may provide information regarding any concerns about Unauthorized Third-
21 Party Charges, and from whom the Attorney General may request information and assistance
22 in investigations. The information and assistance shall include information regarding the
23 identity of Third Parties placing charges on Bills, revenue from such Third-Party Charges,
24 refunds provided relating to such Third-Party Charges, any audits conducted of such Third
25 Parties (to the extent not protected by attorney-client privilege or attorney work product
26 privilege), and any applications or other information provided by Third Parties, to the extent that
27 Verizon has access to such information. Consistent with Carrier's legal obligations to
28 safeguard the confidential or proprietary information of Consumers and Third Parties, Verizon

1 shall provide such information within a reasonable period and shall cooperate in good faith with
2 such requests, including investigating any reports of Unauthorized Third-Party Charges Verizon
3 receives from the Attorney General.

4 18. Information Maintained by Verizon: Verizon shall implement systems that allow it
5 to maintain and report the refund/credit information created pursuant to Paragraph 15. Verizon
6 shall maintain such records for at least five (5) years from the date of their creation. Verizon's
7 obligation to maintain records for five (5) years from the date of their creation shall continue
8 after Verizon's obligation to provide the Quarterly Reports described in Paragraph 19 expires.

9 19. Information Sharing with Attorneys General:

10 a. From September 15, 2015, Verizon shall, for five (5) years, provide a
11 report to the Office of the Vermont Attorney General every three (3) months
12 ("Quarterly Reports") documenting its compliance with the requirements of
13 Paragraph 15. Without limiting Verizon's obligations under Paragraph 15, the
14 quarterly reports shall include the following:

- 15 i. the total number of Consumer claims for Unauthorized Third-Party
16 Charges for which Verizon has demonstrated that the purchaser provided
17 Express Informed Consent or for which Verizon has demonstrated that the
18 claim was untimely under subparagraph 15(b);
- 19 ii. all refunds/credits provided, in dollars, due to Verizon's inability to provide
20 proof of Express Informed Consent in response to such a claim by
21 Consumers;
- 22 iii. all other refunds/credits provided in response to Consumer claims for
23 Unauthorized Third-Party Charges, in dollars;
- 24 iv. for the claims and refunds/credits identified under subparagraphs 19(a)(i),
25 (ii), and (iii), above, the Third-Party Product, the Third Party, and the entity
26 responsible for ensuring Express Informed Consent is obtained from the
27 Consumer, if different than Verizon; and

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v. a description of any remedial action taken by Verizon against Third Parties for Unauthorized Third-Party Charges, including, but not limited to, any actions taken to limit or terminate a Third Party's ability to place Third-Party Charges on a Consumer's Bill. The description of any remedial action provided under this subparagraph shall include: (a) the name and contact information of such Third Party, (b) a description of the Third-Party Product in connection with which the remedial action that was taken, (c) an indication of whether the Third-Party Product was suspended or terminated (and if the Third-Party Product was suspended, Verizon shall include the date or conditions for reinstatement), and (d) the reason for the remedial action.

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

V.

MONETARY PAYMENT

20. Verizon shall pay Sixteen Million Dollars (\$16,000,000.00) to the Participating States. For purposes of this assurance, Verizon shall pay \$201,729.07 to the State of Nevada. Payment shall be made within five (5) business days after July 1, 2015. Said payment shall be used by the Nevada Attorney General for purposes that may include attorneys' fees, and other costs of investigation and litigation, or to be placed in, or applied to, any consumer protection law enforcement fund, including future consumer protection or privacy enforcement, consumer education, litigation or local consumer aid fund, used to defray the costs of the inquiry leading hereto, or for other uses permitted by state law, at the sole discretion of the Nevada Attorney General.

21. Within one hundred and twenty (120) days of the conclusion of the Redress Period described by the Consumer Redress Plan referred to in Section III of the CFPB Stipulated Order resolving the concurrent CFPB investigation of Verizon regarding Unauthorized Third-

1 Party Charges, Verizon shall provide the Attorneys General with a list containing the following
2 information for each of the Participating States: (a) the number of claims submitted to the
3 Consumer redress program by Consumers residing in the Participating State; (b) the number of
4 claims submitted to the Consumer redress program by Consumers residing in the Participating
5 State for which Verizon made redress; and (c) the total amount of redress given to Consumers
6 residing in the Participating State pursuant to the Consumer redress program.

7 22. The Participating States and Verizon recognize that, in addition to the payment
8 provided under Paragraph 20, Verizon has agreed to pay Four Million Dollars (\$4,000,000.00)
9 to the Federal Communications Commission ("FCC") to resolve the concurrent FCC
10 investigation of Verizon regarding Unauthorized Third-Party Charges.

11 23. The Participating States and Verizon recognize that Verizon has agreed to the
12 Consumer Redress Plan referred to in Section III of the CFPB Stipulated Order, which sets
13 forth a process for providing Consumers with redress of up to Seventy Million Dollars
14 (\$70,000,000.00). This Assurance does not alter, amend, replace, or expand the Consumer
15 redress program set forth in Section III of the CFPB Stipulated Order. To the extent residual
16 monies remain after the cessation of the Redress Period, the Participating States will
17 collaborate with the FCC and CFPB in determining how to dispose of the funds, including
18 whether additional restitution is practicable. To the extent the CFPB transfers any residual
19 amounts to the Participating States following the cessation of the Redress Period, the
20 Participating States shall use such money in the manner and for the purposes identified in
21 Paragraph 20 above.

22 24. As more fully set forth in the CFPB Stipulated Order, Verizon shall make payments,
23 credits, and debt forgiveness to the Participating States, CFPB, FCC, and Consumers in an
24 aggregate amount of no more than Ninety Million Dollars (\$90,000,000.00).

25 V.

26 **RELEASE**

27 25. Effective upon full payment of the amount due under Paragraph 20, the Attorney
28 General releases and discharges Verizon and its officers, employees, agents, successors,

1 assignees, affiliates, merged or acquired entities, parent or controlling entities, and subsidiaries
2 from any and all claims, suits, demands, damages, restitution, penalties, fines, actions, and
3 other causes of action that the Attorney General could have brought under Chapter 598 of the
4 Nevada Revised Statutes, both known and unknown, arising directly or indirectly out of or
5 related to billing, charging, disclosures, policies, practices, actions or omissions related to
6 PSMS or Unauthorized Third-Party Charges that were incurred prior to the Effective Date. In
7 the case of affiliates, acquired entities, or subsidiaries, this release only covers conduct
8 occurring during the time such entities are or were affiliates or subsidiaries of Verizon. Nothing
9 contained in this Paragraph shall be construed to limit the ability of the Attorney General to
10 enforce the obligations that Verizon and its officers, agents, servants and employees acting on
11 its behalf, have under this Assurance.

12 26. Nothing in this Assurance shall be construed to create, waive, or limit any private
13 right of action.

14 27. Notwithstanding any term of this Assurance, any and all of the following forms of
15 liability are specifically reserved and excluded from the release in Paragraph 25 as to any entity
16 or person, including Verizon:

- 17 a. any criminal liability that any person or entity, including Verizon, has or may have to
18 the State of Nevada;
- 19 b. any civil or administrative liability that any person or entity, including Verizon, has or
20 may have to the State of Nevada under any statute, regulation or rule not expressly
21 covered by the release in Paragraph 25 above, including but not limited to, any and all
22 of the following claims:
- 23 i. state or federal antitrust violations;
 - 24 ii. state or federal securities violations; and
 - 25 iii. state or federal tax claims.
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VII.

GENERAL PROVISIONS

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

16 29. Unless otherwise specifically provided, all actions required pursuant to this
17 Assurance shall commence as of the Effective Date. In the event that Verizon acquires any
18 new entity, Verizon shall take immediate steps to cease billing charges for all Commercial
19 PSMS through such newly acquired entity. With respect to any such entities, Verizon shall
20 provide Consumers with access to a customer service representative who shall have access to
21 Consumers' account information related to Third-Party Charges for at least the prior twelve (12)
22 months. If such information is not available, Verizon shall have twelve (12) months to come
23 into compliance with Paragraph 15(a) with respect to such entities and, while coming into
24 compliance, shall respond to Consumers' inquiries within ten (10) days using any available
25 information. As to all other requirements contained in this Assurance, Verizon shall have a
26 reasonable period of time, which in no event shall exceed twelve (12) months, in which to bring
27 said entity into compliance with this Assurance and during that period, Verizon shall take
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1 reasonable steps to obtain Express Informed Consent before a Consumer is billed for any
2 Third-Party Charge.

3 30. Nothing in this Assurance limits Verizon's right, at its sole discretion, to provide
4 refunds or credits to Consumers in addition to what is required in this Assurance.

5 31. Nothing in any provision of this Assurance shall be read or construed to require
6 Verizon (a) to share customer proprietary network information ("CPNI") with any person not
7 legally entitled to receive CPNI; (b) to share customer information in such way that it would
8 violate any applicable law or privacy policy; or (c) to grant more than one full refund for any
9 single Unauthorized Third-Party Charge. Verizon shall not amend its privacy policy to excuse
10 its compliance with the reporting, tracking, or other provisions of this Assurance related to the
11 sharing of customer information unless required by law.

12 32. Verizon understands that the Attorney General may file and seek court approval of
13 this Assurance. Should such an approval be obtained, the court shall retain jurisdiction over
14 this Assurance for the purpose of enabling the parties to apply to the court at any time for
15 orders and directions as may be necessary or appropriate to enforce compliance with or to
16 punish violations of this Assurance. Neither party will object on the basis of jurisdiction to
17 enforcement of this Assurance under this Paragraph.

18 33. As consideration for the relief agreed to herein, if the Attorney General of a
19 Participating State determines that Verizon has failed to comply with any of the terms of this
20 Assurance, and if in the Attorney General's sole discretion the failure to comply does not
21 threaten the health or safety of the citizens of the Participating State and/or does not create an
22 emergency requiring immediate action, the Attorney General will notify Verizon in writing of
23 such failure to comply and Verizon shall then have ten (10) business days from receipt of such
24 written notice to provide a good faith written response to the Attorney General's determination.
25 The response shall include an affidavit containing, at a minimum, either: (a) a statement
26 explaining why Verizon believes it is in full compliance with the Assurance; or (b) a detailed
27 explanation of how the alleged violation(s) occurred; and (i) a statement that the alleged breach
28 has been addressed and how; or (ii) a statement that the alleged breach cannot be reasonably

1 addressed within ten (10) business days from receipt of the notice, but (1) Verizon has begun
2 to take corrective action to address the alleged breach; (2) Verizon is pursuing such corrective
3 action with reasonable and due diligence; and (3) Verizon has provided the Attorney General
4 with a detailed and reasonable timetable for addressing the alleged breach.

5 34. Nothing herein shall prevent the Attorney General from agreeing in writing to provide
6 Verizon with additional time beyond the ten (10) business day period to respond to the notice
7 provided under Paragraph 33.

8 35. Nothing herein shall be construed to exonerate any contempt or failure to comply
9 with any provision of this Assurance after the date of its entry, to compromise the authority of
10 the Attorney General to initiate a proceeding for any contempt or other sanctions for failure to
11 comply, or to compromise the authority of a court to punish as contempt any violation of this
12 Assurance. Further, nothing in this Paragraph shall be construed to limit the authority of the
13 Attorney General to protect the interests of the Participating State or the people of the
14 Participating State.

15 36. The Participating States represent that they will seek enforcement of the provisions
16 of this Assurance with due regard to fairness.

17 37. Verizon shall designate one or more employees to act as the primary contact for the
18 Attorney General for purposes of assisting the Attorney General in investigations. The contact
19 employee(s) designated by Verizon pursuant to this Paragraph shall be capable of receiving
20 and processing subpoenas, statutory investigative demands, or other legal process requesting
21 information pertaining to the placement of Third-Party Charges on Consumers' Bills. Verizon
22 shall provide the Attorney General with the name(s), address(es), telephone number(s),
23 facsimile number(s) and electronic mail address(es) of each such employee.

24 38. This Assurance is intended to supplement, and does not supplant or in any way
25 restrict, the Attorney General's subpoena power and/or investigative authority pursuant to
26 applicable law.

27 39. This Assurance does not supplant or in any way restrict the Attorney General's
28 powers to investigate the prevalence of Unauthorized Third-Party Charges or the extent to

1 which this Assurance has affected the prevalence of Unauthorized Third-Party Charges in
2 his/her jurisdiction.

3 40. This Assurance does not supplant or in any way restrict Verizon's legal rights and
4 ability to demand formal legal process to protect its Consumers' privacy rights and/or to protect
5 Verizon from potential liability for disclosing or sharing such information without legal process.

6 41. The only persons with rights under this Assurance are the parties to the Assurance,
7 namely Verizon and the Attorney General. No third party (including third parties that meet the
8 definition in 8(m)) is entitled to claim rights under this Assurance and no provision of this
9 Assurance is enforceable by any person or entity not a party to the Assurance. The agreement
10 in this Assurance has no third-party beneficiaries.

11 42. This Assurance represents the full and complete terms of the settlement entered into
12 by the parties hereto.

13 43. All parties participated in the drafting of this Assurance.

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

16 45. All notices under this Assurance shall be provided to the following address via first
17 class or electronic mail:

18 ...

19 John McGlamery
20 Senior Deputy Attorney General
21 100 North Carson Street
22 Carson City, NV 89701
(775) 684-1169
jmcglamery@ag.nv.gov

23 _____
For the Attorney General

24
25 Michelle L. Rogers
26 BuckleySandler LLP
27 1250 24th Street NW
Suite 700
Washington, DC 20037
mrogers@bucklesandler.com

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Robert L. Ernst
Verizon Wireless
One Verizon Way
VC54N068
Basking Ridge, NJ 07920
Robert.l.ernst@verizon.com

For Verizon

46. Any failure by any party to this Assurance to insist upon the strict performance by any other party of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions of this Assurance, 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.

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

48. Nothing in this Assurance shall be construed as relieving Verizon of the obligation to comply with all local, state and federal laws, regulations or rules, nor shall any of the provisions of this Assurance be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

49. The parties understand that this Assurance shall not be construed as an approval of or sanction by the Attorney General of Verizon's business practices, nor shall Verizon represent the decree as such an approval or sanction. The parties further understand that any failure by the Attorney General to take any action in response to any information submitted pursuant to the Assurance shall not be construed as an approval, or sanction, of any representations, acts or practices indicated by such information, nor shall it preclude action thereon at a later date.

50. Verizon shall not 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

1 State of Nevada that are prohibited by this Assurance or for any other purpose that would
2 otherwise circumvent any term of this Assurance. Verizon shall not cause, knowingly permit, or
3 encourage any other persons or entities acting on its behalf to engage in practices from which
4 Verizon is prohibited by this Assurance.

5 51. If the Attorney General determines that Verizon made any material
6 misrepresentation or omission relevant to the resolution of this investigation, the Attorney
7 General retains the right to seek modification of this Assurance.

8 52. In the event that any statute or regulation pertaining to the subject matter of this
9 Assurance is modified, enacted, promulgated, or interpreted by the federal government or any
10 federal agency, such as the FCC, such that Verizon cannot comply with both the statute or
11 regulation and any provision of this Assurance, Verizon may comply with such statute or
12 regulation, and such action shall constitute compliance with the counterpart provision of this
13 Assurance. Verizon shall provide advance written notice to the Attorney General of Vermont of
14 the inconsistent provision of the statute or regulation with which Verizon intends to comply
15 under this Paragraph, and of the counterpart provision of this Assurance that conflicts with the
16 statute or regulation.

17 53. In the event that any statute or regulation pertaining to the subject matter of this
18 Assurance is modified, enacted, promulgated or interpreted by a Participating State, such that
19 the statute or regulation is in conflict with any provision of this Assurance, and such that
20 Verizon cannot comply with both the statute or regulation and the provision of this Assurance,
21 Verizon may comply with such statute or regulation in the Participating State, and such action
22 shall constitute compliance with the counterpart provision of this Assurance. Verizon shall
23 provide advance written notice to both the Attorney General of Vermont and the Attorney
24 General of the Participating State, of the inconsistent provision of the statute or regulation with
25 which Verizon intends to comply under this Paragraph, and of the counterpart provision of this
26 Assurance that is in conflict with the statute or regulation.

27 54. To seek a modification of this Assurance for any reason other than that provided for
28 in Paragraphs 52 or 53 of this Assurance, Verizon shall send a written request for modification

1 to the Attorney General of Vermont on behalf of the Participating States. The Participating
2 States shall give such petition reasonable consideration and shall respond to Verizon within
3 thirty (30) days of receiving such request. At the conclusion of this thirty (30) day period,
4 Verizon reserves all rights to pursue any legal or equitable remedies that may be available to it.

5 55. To the extent that any of the provisions contained herein permit implementation
6 beyond the Effective Date, the parties have agreed to the delayed implementation of such
7 provisions based on Verizon's representation that it is currently unable to meet the
8 requirements of such provisions and that it needs the additional specified time to develop the
9 necessary technical capabilities to come into compliance with the requirements of such
10 provisions. Verizon agrees to make good-faith and reasonable efforts to come into compliance
11 with any such provisions prior to the implementation dates set by such provisions to the extent
12 commercially practicable.

13 56. Verizon shall pay all court costs associated with the filing of this Assurance, should
14 the Attorney General be required to file and seek court approval of this Assurance

15 57. Verizon expressly understands and acknowledges that under the provisions of NRS
16 598.0999, this Assurance of Discontinuance constitutes a Court Order, and that a failure to
17 comply with the terms of this Assurance of Discontinuance may subject Verizon to civil
18 penalties of up to \$10,000 per violation

19 58. Verizon waives any further notice of submission to and filing of this Assurance with
20 the Court.

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Office of the Attorney General
BUREAU OF CONSUMER PROTECTION
100 North Carson Street
Carson City, Nevada 89701-4717

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IT IS SO STIPULATED AND AGREED.

ADAM PAUL LAXALT
Attorney General

DATED: May 12, 2015 BY: [Signature]
John R. McGlamery
Senior Deputy Attorney General

CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS

DATED: May 3, 2015 BY: [Signature]
Craig V. Silliman
Executive Vice President and General Counsel