G€GÍÁROÐÞÁÐÍÁF€KHEÁÐET SOÞ ŐÁÔU WÞVŸ ÙWÚÒÜQJÜÁÔUWÜVÁÔŠÒÜS ÒËZ(ŠÒÖ ÔOTÙÒÁNÁGÍ FRÆEHEÌ FÍÁÙÒCE

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STATE OF WASHINGTON KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

T-MOBILE US, INC., a foreign corporation, and T-MOBILE USA, INC., a Washington registered corporation,

Defendants.

NO.

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff, State of Washington, by and through Robert W. Ferguson, Attorney General, and Mina Shahin, Kathleen Box, Gardner Reed, and Bret Finkelstein, Assistant Attorneys General, brings this action against Defendants T-Mobile US, Inc. and T-Mobile USA, Inc. ("T-Mobile" or "Defendants"). Plaintiff alleges that T-Mobile engaged in unfair and deceptive acts or practices in violation of the Washington Consumer Protection Act (CPA), RCW 19.86. Plaintiff alleges the following on information and belief:

I. INTRODUCTION

1.1 T-Mobile is a large well-known telecommunications carrier that offers mobile communication services, among other products and services, to over 119 million customers. T-Mobile's business model requires prospective and current customers to turn over personally identifiable information (PII). T-Mobile knows the value and risk of maintaining and storing a vast amount of perspective, current, and former customer data.

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- 1.2 In August 2021 ("August Breach"), T-Mobile failed to adequately secure the PII of over 2 million Washington consumers, including many social security numbers (SSNs).
- 1.3 Prior to the August Breach, T-Mobile made misleading assurances to the public that it would properly safeguard customer data. However, despite its public statements, the August Breach was a direct result of T-Mobile's lack of accountability. T-Mobile failed to adhere to internal cybersecurity policies as well as recognized industry standards. T-Mobile also ignored its own internal reports that warned of the vulnerabilities that eventually led to and exacerbated the August Breach. T-Mobile's failure to adequately implement cybersecurity measures and address known vulnerabilities, as well as its misleading assurances, violated the CPA.
- 1.4 In addition to failing to secure consumer PII, T-Mobile also failed to provide adequate notice of the breach to certain affected WA consumers in violation of the CPA. The breach notification to current T-Mobile customers left out critical information about the August Breach and downplayed the severity of the August Breach. Without the pertinent information needed to take steps, or realize steps were needed, to protect their information, those consumers were left vulnerable to fraud and identity theft from nefarious actors.

II. PARTIES

- 2.1 The Plaintiff is the Attorney General of the State of Washington ("State").
- 2.2 Defendant T-Mobile US, Inc. is a Delaware limited liability company with its principal place of business in Bellevue, Washington.
- 2.3 Defendant T-Mobile USA, Inc. is a wholly owned subsidiary of T-Mobile US, Inc., with its principal place of business in Bellevue, Washington.

III. JURISDICTION AND VENUE

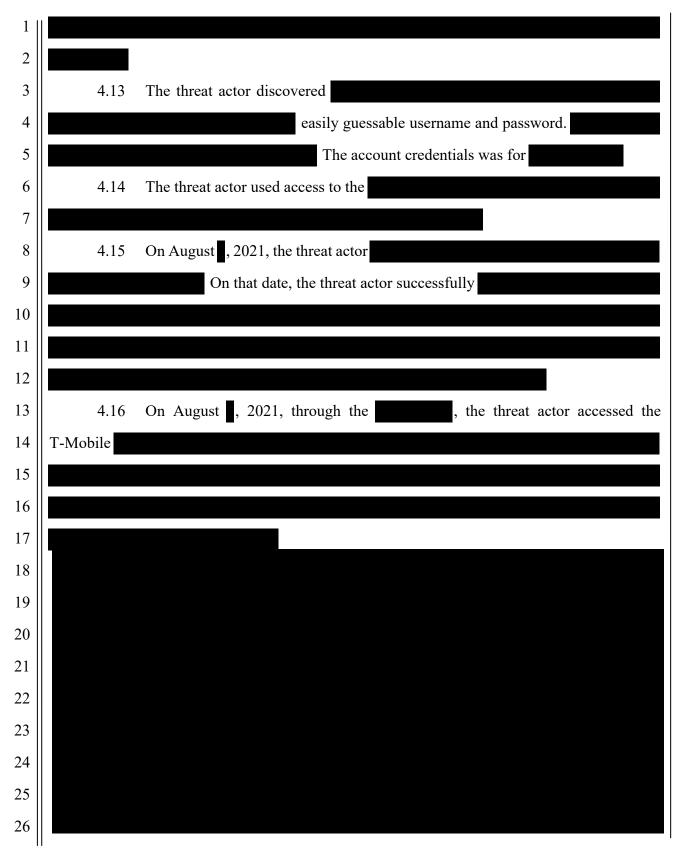
3.1 Plaintiff files this Complaint under the provisions of the Consumer Protection Act, RCW 19.86. The Attorney General has the authority to commence this action as conferred by RCW 19.86.080 and RCW 19.86.140.

- Information about its customers' use of T-Mobile products, services, and network, including IP addresses, text and data use history, websites and URLs visited, mobile apps installed or used or that interact with customer devices, and other network analytics and Wi-Fi usage data; and
- Data from sources other than the customer, such as shippers, financial institutions, and credit agencies, and through analyzing customer use of its products and services.
- 4.4 Prior to its merger with T-Mobile, Sprint likewise collected and managed significant personal data. As of August 2020, immediately prior to the merger, this data included:
- Customer name, gender, marital status, age, date of birth, postal address, telephone number, e-mail address, social security number or other government identification number, physical characteristics or description, bank account numbers, credit card numbers, debit card numbers, activities, location information, education history, employment status and history, as well as consumer personal preferences, trends, and behavior; and
- Data "automatically" collected from customers' devices, including customer location, web sites customers visit, IP addresses, applications purchased, applications downloaded, applications used, and when customer phones were on and functioning.

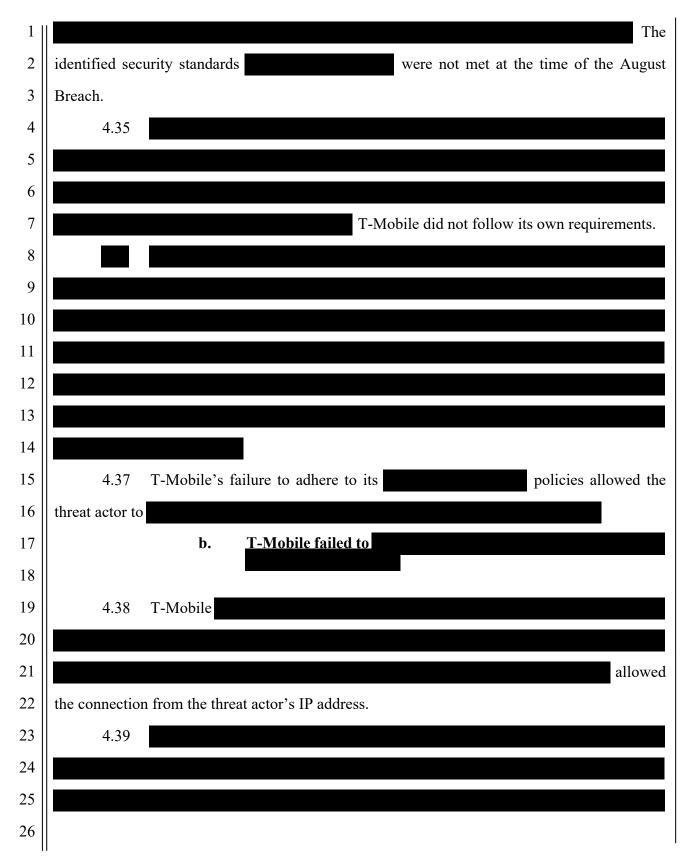
After the merger, this data continued to be stored in legacy Sprint databases maintained by T-Mobile.

- 4.5 T-Mobile profits from its collection of personal information. Beyond maintaining a customer database to provide services and products, T-Mobile uses data to send targeted ads to market its services and products. T-Mobile also markets products and services for other companies. In addition, T-Mobile uses personal information to conduct research and perform market analysis.
- 4.6 T-Mobile also profits from its collection of personal information by providing it to third parties, such as advertising networks like Google Ad Manager. This allows third parties to run analytics and serve targeted ads on behalf of T-Mobile and other companies.

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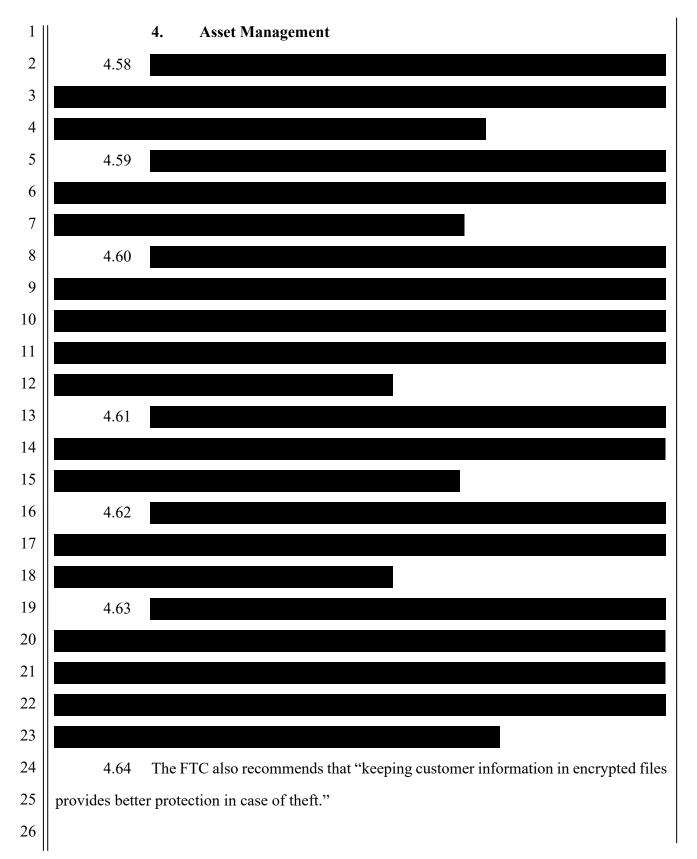
1	4.29
2	This fragmented
3	approach left significant gaps in their security posture.
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10	4.31 T-Mobile's persistent deficiencies in security risk management, identified
11	through , underscores a systemic lack of
12	centralized oversight and accountability, which ultimately resulted in the August Breach.
13	2. Network Configuration Management
14	a. T-Mobile failed to
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16	4.32 T-Mobile's inadequate directly contributed to the August
17	Breach, by allowing the threat actor to easily
18	
19	4.33 T-Mobile was aware of its
20	prior to the breach and did not fix the problem. T-Mobile did not prioritize the security of its
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22	which the threat actor was able to exploit.
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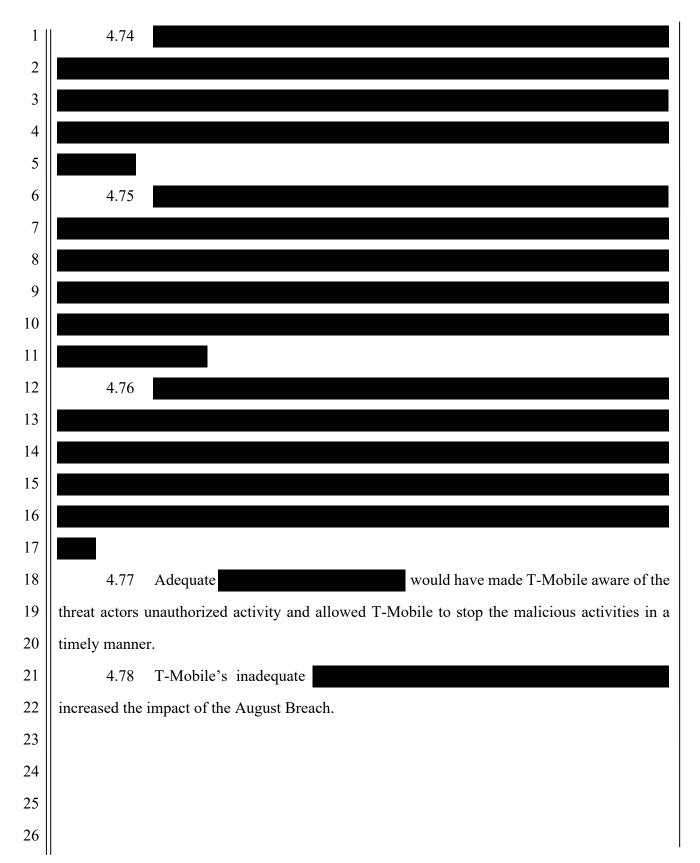
1	was not in place at the time of the August
2	Breach.
3	4.40
4	a well-known risk factor
5	that can lead to significant security vulnerabilities.
6	4.41
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11	4.43
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17	4.44 T-Mobile's inadequate network configuration facilitated the threat actor's
18	connection from its IP address and ability to
19	3. Identification and Authentication Management
20	4.45 T-Mobile used weak credentials
21	This included
22	
23	4.46 The threat actor discovered and used the
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5	4.47 Moreover, based on information and belief, T-Mobile did not implement any rate-
6	limit to authentication attempts.
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8	4.48 T-Mobile's identification and authentication management also deviated from its
9	own security policies.
10	4.49 First,
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14	4.50 Second,
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16	4.51 Third,
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24	4.52 Last,
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3	4.53	T-Mobile did not follow policies and
4	procedures.	
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6	4.54	T-Mobile was aware
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13	4.55	T-Mobile was also aware
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19	4.56	T-Mobile's inadequate password management failed to adhere to FTC standards.
20		ommends "maintaining up-to-date and appropriate programs and controls to prevent
21		access to customer information."
22	4.57	T-Mobile's inadequate identification and authentication management
23		, directly contributing to the August Breach.
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1	4.65	T-Mobile failed to ensure compliance with its asset management policies and
2	procedures, a	s well as industry standards,
3		
4	4.66	T-Mobile's failure to implement adequate asset management contributed to the
5	August Breac	ch.
6		5. Security Monitoring and Alerting Management
7 8		a. T-Mobile failed to
9	4.67	T-Mobile failed to
10	4.68	The threat actor
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13	4.69	The threat actor
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17	4.70	
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19	4.71	
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21	4.72	The threat actor also
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23	4.73	The threat actor
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1		b. T-Mobile failed to
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3	4.79	The threat actor
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6	4.80	On information and belief, T-Mobile's monitoring and alerting configuration for
7	external conr	nections to the T-Mobile lab environment either never raised an alert from the
8	repeated conr	nections or any alert was disregarded.
9	4.81	T-Mobile's monitoring and alerting configuration for external connections also
10	failed to	
11	4.82	T-Mobile's inadequate monitoring and alerting configuration facilitated the threat
12	actor's contin	ued access to T-Mobile's network.
13	E.	T-Mobile's Privacy Notices and August Breach Notifications
14		1. Despite failing to remediate known cybersecurity vulnerabilities, T-Mobile misrepresented that it adequately safeguarded consumer
15		data
16	4.83	At the time of the August 2021 breach, T-Mobile misrepresented a high level of
17	commitment	to protecting customer data. T-Mobile made these statements despite a history of
18	data breache	s and cybersecurity incidents in addition to, as explained above, lacking
19	accountability	y in data security governance.
20	4.84	At the time of the August Breach, T-Mobile's Privacy Center webpage used bold,
21	prominently f	eatured text that encouraged customers not to worry about the security of their data
22	held by T-Mo	bile:
23		
24		We've got your back.
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26	We	re always working to protect you and your family and keep your data secure.
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With T-Mobile, you don't have to worry.

Our privacy principles mean you can trust us to do the right thing with your data.

- 4.85 These statements created a public perception that T-Mobile took care of all its customers' cybersecurity needs, in stark contrast to the ongoing, inadequate implementation of data security policies and practices.
- 4.86 The "How We Protect Your Data" section of T-Mobile's Privacy Notice webpage as of May 2021 also assured customers their data was safe:

How We Protect Your Data

We use administrative, technical, contractual, and physical safeguards designed to protect your data while it is under our control. For example, when you contact us by phone or visit us in our stores, we have procedures in place to make sure that only the primary account holder or authorized users have access.

Despite our efforts, we cannot guarantee that our safeguards will prevent every unauthorized attempt to access, use, or disclose personal data. Be sure to use a strong password to access your information and not one you use for other services. You should also use multi-factor authentication where possible.

- 4.87 This assurance, however, implies that T-Mobile's security safeguards would prevent all types of unauthorized access attempts apart from customers' own weak passwords. This statement put the onus of maintaining adequate cybersecurity on the consumer and ignored the existence of cybersecurity threats to T-Mobile's networks, such as hackers. Given the lack of adequate cybersecurity efforts as explained above, T-Mobile's statements misrepresented the quality of its data security practices.
- 4.88 Despite its assurances, T-Mobile failed to implement adequate data security measures to prevent unauthorized access and exposure of consumer PII in the August Breach. T-Mobile's external statements created a public image of a company committed to excellence in cybersecurity in order to protect consumer data despite the reality of T-Mobile's wholly inadequate implementation of basic data security policies and practices, which T-Mobile did not disclose to consumers.

T-Mobile's breach notifications were inadequate

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< 456 6:35 PM, Aug 20

T-Mobile has determined that unauthorized access to some of your information, or others on your account, has occurred, like name, address, phone number and DOB. Importantly, we have NO information that indicates your SSN, personal financial or payment information, credit/debit card information, account numbers, or account passwords were accessed. We take the protection of our customers seriously. Learn more about practices that keep your account secure and general recommendations for

protecting yourself: t-mo.co/Protect

4.94 T-Mobile's breach notifications to current customers failed to include the name and contact information of the reporting business, a list of the types of PII exposed in the breach, the time frame of the exposure, or contact information for the major credit reporting agencies. Instead, that required information was only available if the customer chose to click on a link at the end of the notice. That link, however, appeared to relate only to T-Mobile's recommendation that consumers "take action to protect your credit" or to "learn more about practices that keep your account secure and general recommendations for protecting yourself." The text failed to indicate that additional information about the nature of the PII exposed in the breach, or other critical information T-Mobile was required to notify customers about by law, was available at the linked website.

4.95 Furthermore, upon information and belief, T-Mobile's current customers did not consent to receive electronic data breach notifications in the form that T-Mobile provided such notifications of the August Breach, *i.e.*, by text message with a link to T-Mobile's website.

3. T-Mobile's breach notifications misled consumers as to the severity of the August Breach

4.96 Because T-Mobile's breach notifications omitted critical information, T-Mobile's customers were unaware of the seriousness of the August Breach. Instead, customers were left to piecemeal information from various sources to gather all the pertinent information required to take reasonable steps to protect their information.

Washington consumers.

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1	8.6	That the Court make such orders pursuant to RCW 19.86.080 as it deems
2	appropriate to	provide for restitution to consumers of money or property unlawfully acquired by
3	Defendants as	s a result of the conduct complained of herein.
4	8.7	That the Court make such orders pursuant to RCW 19.86.080 to provide that the
5	Plaintiff, Stat	e of Washington, have and recover from Defendants the costs of this action, including
6	reasonable at	torneys' fees.
7	8.8	That the Court award prejudgment interest on restitution, if any, awarded in this
8	case.	
9	8.9	For such other relief as the Court may deem just and proper.
10	DAT	ED this 6th day of January 2025.
11		ROBERT W. FERGUSON
12		Attorney General
13		
14		s/Mina Shahin
15		MINA SHAHIN, WSBA #46661 KATHLEEN BOX, WSBA #45254
16		GARDNER REED, WSBA #55630 BRET FINKELSTEIN, WSBA #48845
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