

BEFORE THE DIVISION OF INSURANCE  
DEPARTMENT OF LABOR AND REGULATION  
STATE OF SOUTH DAKOTA

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IN THE MATTER OF  
T-MOBILE USA, INC.

CONSENT ORDER

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In resolution of the above matter and in lieu of a formal hearing, the undersigned parties do hereby agree to the following:

T-MOBILE USA, INC., whose address of record is 11222 Quail Roost Dr., Miami, FL 33157, holds a portable electronics license in the State of South Dakota;

The South Dakota Division of Insurance ("Division") has conducted an investigation;

The Division alleges the following:

- 1) 6 South Dakota consumers participated in T-MOBILE USA, INC.'s "Get out of the Red Promotion," which was offered from May 31, 2017 to August 2, 2017, required consumers to enroll in T-MOBILE USA, INC.'s Device Protection Plan in order to receive up to \$1,000 in a prepaid gift card. The gift card, which was intended to pay off the consumers' financed handset balances with Verizon when they switched to T-Mobile, was not specified in the consumers' policies in violation of SDCL § 58-33-24;
- 2) T-MOBILE USA, INC. offered to give South Dakota consumers up to \$1,000 in a prepaid gift card in violation of SDCL § 58-33-74;
- 3) Any of the above-cited conduct may be grounds for the revocation or suspension of T-MOBILE USA, INC.'s electronic portable license pursuant to SDCL §§ 58-33-24 and 58-33-74;

T-MOBILE USA, INC. is aware of and understands the nature of the allegations and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

In return for T-MOBILE USA, INC. agreeing to the provisions of this Consent Order, the Division agrees not to proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

T-MOBILE USA, INC. agrees to a monetary penalty in the amount of \$1,000 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

T-MOBILE USA, INC. further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

T-MOBILE USA, INC. agrees that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

T-MOBILE USA, INC. waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures;

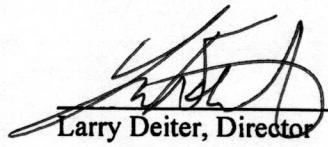
Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that T-MOBILE USA, INC. pay a monetary penalty in the amount of \$1,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that T-MOBILE USA, INC. abide by the agreements made by it in this Consent Order; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

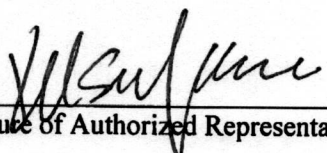
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 22<sup>nd</sup> day of July, 2019.

  
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Larry Deiter, Director  
South Dakota Division of Insurance

The undersigned, on behalf of T-MOBILE USA, INC., represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enter into this Consent Order.

Dated this 19<sup>th</sup> day of June, 2019.

  
\_\_\_\_\_  
Signature of Authorized Representative

Kelsey Joyce  
\_\_\_\_\_  
Printed Name

Vice President, Legal  
\_\_\_\_\_  
Title  
Affairs