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AG Fitch Secures Over $175,000 For Mississippians Affected by the Experian and T-Mobile Data Breaches

Experian and T-Mobile Agree to Improve Data Protection Practices

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Lynn Fitch

Attorney General Lynn Fitch announced today that Mississippi, along with a coalition of other Attorneys General, has obtained two multistate settlements with Experian concerning data breaches it experienced in 2012 and 2015 that compromised the personal information of millions of consumers nationwide. The coalition has also obtained a separate settlement with T-Mobile in connection with the 2015 Experian breach, which impacted more than 15 million individuals who submitted credit applications with T-Mobile.

Under the settlements, the companies have agreed to improve their data security practices and to pay the states a combined amount of more than $16 million. Mississippi will receive a total of **$175,612.90** from the settlements.

"Your identity is your most valuable possession," **said Attorney General Lynn Fitch**, "and my office will help to protect it. But we need companies to exercise vigilance as well. We are pleased that through these settlements, both Experian and T-Mobile have agreed to enhanced due diligence, vendor oversight, and data security practices."

A 40-state multistate group, including Mississippi, has obtained separate settlements from Experian and T-Mobile in connection with the 2015 data breach. In September 2015, Experian, one of the big-three credit reporting bureaus, reported it had experienced a data breach in which an unauthorized actor gained access to part of Experian's network storing personal information on behalf of its client, T-Mobile. The breach involved information associated with consumers who had applied for T-Mobile postpaid services and device financing between September 2013 and September 2015, including names, addresses, dates of birth, Social Security numbers, identification numbers (such as driver's license and passport numbers), and related information used in T-Mobile's own credit assessments. **89,046 Mississippians** were impacted by the 2015 breach. Neither Experian's consumer credit database, nor T-Mobile's own systems, were compromised in the breach.

Under a **$12.67 million** settlement, Experian has agreed to strengthen its due diligence and data security practices going forward. Those include:

- Prohibition against misrepresentations to its clients regarding the extent to which Experian protects the privacy and security of personal information;

- Implementation of a comprehensive Information Security Program, incorporating zero-trust principles, regular executive-level reporting, and enhanced employee training;
- Due diligence provisions requiring the company to properly vet acquisitions and evaluate data security concerns prior to integration;
- Data minimization and disposal requirements, including specific efforts aimed at reducing use of Social Security numbers as identifiers; and
- Specific security requirements, including with respect to encryption, segmentation, patch management, intrusion detection, firewalls, access controls, logging and monitoring, penetration testing, and risk assessments.

The settlement also requires Experian to offer **5 years of free credit monitoring services to affected consumers**, as well as two free copies of their credit reports annually during that timeframe. This is in addition to the four years of credit monitoring services already offered to affected consumers — two of which were offered by Experian in the wake of the breach, and two that were secured through a separate 2019 class action settlement. The deadlines to enroll in these prior offerings have since passed.

If you were a class member in the 2019 class action settlement, you are eligible to enroll in these extended credit monitoring services. Affected consumers can enroll in the 5-year extended credit monitoring services and find more information on eligibility here. The enrollment window will remain open for 6 months.

In a separate **$2.43 million** settlement, T-Mobile has agreed to detailed vendor management provisions designed to strengthen its vendor oversight going forward. Those include:

- Implementation of a Vendor Risk Management Program;
- Maintenance of a T-Mobile vendor contract inventory, including vendor criticality ratings based on the nature and type of information that the vendor receives or maintains;
- Imposition of contractual data security requirements on T-Mobile's vendors and sub-vendors, including related to segmentation, passwords, encryption keys, and patching;
- Establishment of vendor assessment and monitoring mechanisms; and
- Appropriate action in response to vendor non-compliance, up to contract termination.

The settlement with T-Mobile does not concern the unrelated, massive data breach announced by T-Mobile in August 2021, which is still under investigation by a multistate coalition of Attorneys General.

The multistate investigation into the 2015 data breach included Arizona, Arkansas, Connecticut, Delaware, District of Columbia, 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 York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Virginia, Washington, and Wisconsin.

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