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For Immediate Release

FCC PROPOSES FINE AGAINST Q LINK FOR FAILING TO RESPOND TO INQUIRIES INTO REPORTED DATA BREACH

WASHINGTON, August 5, 2022—The FCC’s Enforcement Bureau today proposed a fine against Q Link for failing to adequately and promptly respond to an inquiry as part of an FCC investigation into an alleged security flaw in Q Link’s “My Mobile Account” app, which may have permitted unauthorized access to consumer proprietary information. Following an incomplete and delayed response to the Enforcement Bureau’s initial formal inquiry, the FCC ordered the company to respond with specific details but the company failed to do so in a timely manner, thus resulting in today’s \$100,000 Notice of Apparent Liability.

Carriers are required to implement reasonable measures to protect customer proprietary network information (CPNI), which includes information about phone numbers called, and the frequency, location, duration, and timing of such calls. The potential unauthorized exposure of details regarding whom a consumer may have called, violates the most basic expectations of privacy.

“Slow-walking the Enforcement Bureau’s investigation into potential data breaches and providing partial answers will not cut it,” said Loyaan A. Egal, Acting Chief of the Enforcement Bureau. “We take very seriously carriers’ obligations to protect consumers’ sensitive information and require prompt and fulsome responses to our questions.”

The Enforcement Bureau began an investigation into Q Link’s security practices in 2021 and directed the company to provide information and documents regarding its duty to protect CPNI and other proprietary information as required by the Communications Act and the Commission’s rules. Following multiple extensions of time to respond, Q Link provided inadequately detailed responses to the FCC’s first letter of inquiry. The Bureau then followed up directing the company to provide detailed information regarding the mobile app’s login, authentication, and account access features by July 10, 2022. While the Enforcement Bureau’s investigation continues, to date, the company has not provided this information.

Q Link is a Mobile Virtual Network Operator that offers the FCC’s Lifeline assistance program to qualifying wireless subscribers, as well as prepaid wireless service for both Lifeline and non-Lifeline subscribers. Today’s proposed fine applies to Q Link’s associated company Hello Mobile as well, which provides nationwide wireless service to consumers.

The proposed action, formally called a Notice of Apparent Liability for Forfeiture, or NAL, contains only allegations that advise a party (in this case Q Link Wireless LLC, Hello Mobile Telecom LLC, and Quadrant Holdings LLC) on how it has apparently violated the law and may set forth a proposed monetary penalty. The Commission may not impose a greater monetary penalty in this case than the amount proposed in the NAL. Neither the allegations nor the proposed sanctions in the NAL are final Commission actions. The party will be given

an opportunity to respond and the Commission will consider the party's submission of evidence and legal arguments before acting further to resolve the matter.

The Notice of Apparent Liability for Forfeiture is available at:
<https://docs.fcc.gov/public/attachments/DA-22-825A1.pdf>.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).