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Florida Attorney General's Office News Release

AG Moody Announces \$113 Million Agreement with Apple

TALLAHASSEE, Fla.—Attorney General Ashley Moody today announced a \$113 million agreement with Apple, Inc. regarding Apple’s decision to throttle consumers’ iPhone speeds in order to address unexpected shutdowns in some iPhones. Attorney General Moody is joined by more than 30 other attorneys general in reaching the agreement.

Based on the multistate investigation, Apple allegedly discovered that battery issues were leading to unexpected shutdowns in iPhones. Rather than disclosing these issues or replacing batteries, Apple updated software that reduced iPhone performance in an effort to keep the phones from unexpectedly shutting down.

The attorneys general allege that Apple’s decision to throttle the performance of consumers’ iPhones led to Apple profiting from selling additional iPhones to consumers whose phone performance Apple had slowed.

Attorney General Ashley Moody said, “Countless Floridians depend on their iPhones daily for necessary professional and personal communication and pay significant fees for this service. It is essential that a widespread and trusted service provider such as Apple provide accurate and reliable information about performance issues and viable options if service is disrupted. I am proud of this action that will require Apple to be more transparent to consumers and hold them accountable for their actions that negatively impacted many Floridians.”

Under the agreement, Apple will pay the Florida Attorney General’s Office \$5,088,588. In addition to the monetary payment, Apple must also provide truthful information to consumers about iPhone battery health, performance and power management. Apple must provide this important information in various forms on its website, in update installation notes and in the iPhone user interface itself.

The consent judgment states:

- Apple will maintain easily accessible and prominent webpages that provide clear and conspicuous information to consumers about lithium-ion batteries and unexpected shutdowns. The webpages will provide guidance to consumers on steps they can take to maximize battery health;
- Apple will ensure its consumer-facing staff and Apple-authorized iPhone retailers are familiar with these webpages; and
- Apple will provide information to consumers in the iPhone user interface settings about the battery, such as the battery’s maximum capacity and information about its peak

performance capability.

In addition, Apple recently entered into a proposed agreement resulting from class action litigation related to the same conduct that requires Apple to pay up to \$500 million in consumer restitution.

The proposed consent judgment is pending judicial approval.