

Tatari tn 39 / 10134 Tallinn / 627 4135 / info@aki.ee / www.aki.ee Registry code 70004235 PRELIMINARY WARNING

regarding electronic contact data no. 2.2.-2/22/121 Issuer of the injunction Data Protection Inspectorate lawyer Mehis Lõhmus

Time and place of issuing the injunction 07 February 2022 Tallinn Recipient of the injunction e-mail address:

andrus.hinrikus@telia.ee; privacy@telia.ee Data protection specialist of the addressee RESOLUTION: § 56 subsection 1,

subsection 2 point 8, § 58 subsection 1 of the Personal Data Protection Act (ICS) and article 58 subsection 1 points a and d

and subsection 2 point of the General Regulation on Personal Data Protection (IKÜM) d, as well as in accordance with articles

28 and 32, paragraph 1 of the IKÜM, the Data Protection Inspectorate makes a mandatory order for Telia Eesti AS to comply

with: 1. Ensure that the content of another person's phone does not fall into the hands of third parties by, among other things,

submitting to the Data Protection Inspectorate an accurate plan and action plan with additional technical and organizational

about the measures that Telia Eesti AS has taken to prevent a possible similar incident in the future. The plan must include,

among other things, specific dates and clear instructions for the authorized processor to improve the situation. 2. Submit to the

Data Protection Inspectorate the contract concluded between Telia Eesti AS and LMT Retail & Logistics SIA, which meets,

among other things, the conditions stipulated in Article 28 of the General Regulation on Personal Data Protection. The contract

must be presented in a form in which, in addition to the provisions of the General Regulation on Personal Data Protection, the

date of conclusion of the contract and the signatures of the parties are visible. 3. Submit all correspondence between Telia

Eesti AS and LMT Retail & Logistics SIA with this incident to the Data Protection Inspectorate, which would show the response

to a critical situation, orders to improve further work, and plan new measures. 4. To submit an action plan to the Data

Protection Inspectorate regarding the assessment of losses incurred in similar incidents. How does Telia Eesti AS assess the

damages caused by such 2 (4) incidents? How will the damage caused by the situation be compensated to the customer of

Telia Eesti AS? 5. Submit information on previous activities to the Data Protection Inspectorate, i.e. what has been fixed and/or

changed following similar incidents in the past? We set the deadline for the fulfillment of the injunction to be February 17, 2022.

Report the fulfillment of the injunction to the Data Protection Inspectorate's e-mail address info@aki.ee by this deadline at the

latest. REFERENCE FOR DISPUTES: This order can be disputed within 30 days by submitting either: - a complaint according

to the Administrative Procedure Act to the Data Protection Inspectorate or - a complaint according to the Code of

Administrative Court Procedure to the Tallinn Administrative Court (in this case, the complaint in the same case can no longer

be reviewed). Challenging a precept does not stop the obligation to fulfill it or the implementation of measures necessary for

fulfillment. **EXERCISE MONEY WARNING:** If the injunction has not been complied with by the specified deadline, the Data Protection Inspectorate will assign the addressee of the injunction to the recipient of the injunction on the basis of § 60 of the Personal Data Protection Act: Extortion money for each unfulfilled injunction point of 10,000 euros. A fine may be imposed repeatedly - until the injunction is fulfilled. If the recipient does not pay the penalty, it will be forwarded to the bailiff to start enforcement proceedings. In this case, the bailiff's fee and other enforcement costs are added to the enforcement money.

MISCONDUCT PUNISHMENT WARNING: Failure to comply with the prescription under Article 58 (1) of the Personal Data Protection General Regulation may result in a misdemeanor proceeding based on § 70 of the Personal Data Protection Act. For this act, a natural person may be fined up to EUR 20,000,000, and a legal person may be fined up to EUR 20,000,000 or up to 4 percent of its global annual turnover of the previous financial year, whichever is greater. The out-of-court procedure for a misdemeanor is the Data Protection Inspectorate.

FACTUAL CIRCUMSTANCES: On January 11, 2022, the Data Protection Inspectorate received a notification from the data subject that his phone data had been leaked. The next day, January 12, 2022, Telia Eesti AS (Telia) submitted a notice of violation. The violation notice states that "The data subject's mobile phone was being repaired at Telia's authorized processor LMT Retail & Logistics SIA. In the process, the data on the phone was moved to a pre-encrypted folder that cannot be accessed by others. After the repair work was completed, the technician manually selected an encrypted folder where the data is saved back to the repaired 3 (4) devices. Since the IMEI code was also changed on the phone, the technician confused the folders of two clients who were working at the same time due to human error. As a result, the person accessed the personal information on the other person's phone. If the person reported the error, it was immediately corrected." Telia indicated, among other things, that they drew attention to the shortcomings of LMT Retail & Logistics SIA and demanded the implementation of additional measures (e.g. automation of manual operations).

Taking into account that this is a major invasion of the privacy of the person(s), the Data Protection Inspectorate considered it necessary to start a monitoring procedure on the basis of § 56 subsection 3 point 8 of the Personal Data Protection Act. The Data Protection Inspectorate has the right to demand explanations and other information, including the submission of documents necessary for conducting the supervisory procedure.

1 PERSONAL DATA PROCESSOR'S EXPLANATION: If the violation is clear and Telia has acknowledged the violation and has been able to express its views in the violation notice, then Telia has been able to comply with § 40 (1) of the Administrative Procedure Act express your opinion. Also, issuing an injunction without hearing a party to the proceedings is necessary to prevent damage resulting from delay and to protect public

interests. What is particularly important here is that the breach is repeated and deeply infringes on the privacy of the data subject, which is why quick action is important.

FOUNDATIONS FOR THE DATA PROTECTION INSPECTION: First, we explain that when processing personal data, the controller must ensure that personal data is processed in a way that ensures the appropriate security of personal data, including protection against unauthorized or illegal processing, using appropriate technical or organizational measures (see EU Article 5(1)(f) and Article 32). At this point, it is clear that Telia Eesti AS had not implemented sufficient protective measures to protect personal data. Also, Telia Eesti AS had not ensured that LMT Retail & Logistics SIA, as an authorized processor, would ensure the security of personal data processing. In order to ensure security and to avoid processing in violation of the General Regulation on the Protection of Personal Data, the controller must assess the risks associated with the processing and implement measures to mitigate the relevant risks. Taking into account the latest developments in science and technology and the implementation costs of the measures, the measures in question should ensure the necessary level of security, including confidentiality, corresponding to the threats and the nature of the personal data to be protected. When assessing the data security risk, the risks arising from the processing of personal data should be considered, such as the accidental or illegal destruction, loss, alteration and unauthorized disclosure or access of personal data transmitted, stored or otherwise processed, as a result of which, in particular, physical, material or non-material damage may occur. The agreement between the controller and the processor is very helpful in assessing the above risks. Telia Eesti AS has an obligation arising from Article 28 of the General Regulation on the Protection of Personal Data to conclude a legal basis for requesting clarifications: in the case of non-administrative persons, in accordance with § 30 subsections 1 and 3 of the Law on Law Enforcement together with Article 58 subsection 1 points a, e and f of the General Regulation on the Protection of Personal Data; in the case of an administrative body in accordance with § 752 (1) point 1 of the Government of the Republic Act. 4 (4) the contract with the authorized processor, which stipulates, among other things, the content and duration of the processing, the nature and purpose of the processing, the type of personal data and the categories of data subjects, the obligations and rights of the controller, and mainly important points a, b, c and e of Article 28 (3) of the General Regulation on Personal Data Protection. In other words, Telia Eesti AS has full control over the data processing of the authorized processor and it has also been possible to assess various risks. By creating a contract that meets the requirements, Telia Eesti AS has a clear understanding of data processing by the authorized processor. In this way, Telia Eesti AS should have realized a long time ago that manually changing the contents of the phone is extremely risky and a safer solution should

be found. The Data Protection Inspectorate is aware, among other things, that Telia Eesti AS has had exactly the same violation, with the exact same authorized processor, in 2016, which also prompted the initiation of the Data Protection Inspectorate's proceedings. In this procedure, it was also agreed to communicate with LMT Retail & Logistics SIA and rectify the situation. At this moment, it seems that nothing has changed. Since the violation is large and repeated, in this case it is necessary to issue an injunction to ensure a quick and effective solution to the situation. /signed digitally/ Mehis Lõhmus, a lawyer under the authority of the director general