

EX PARTE OR LATE FILED

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Michael H. Hammer
March 5, 1999

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Rm TWB-204
Washington, DC 20554

Re: Ex Parte Filing: Applications for Transfer of Control
AT&T Corp. and Tele-Communications, Inc.
CS Docket No. 98-178

Dear Ms. Salas:

On March 3, 1999, Michael H. Hammer of Willkie Farr & Gallagher and Kathryn Fenton of Jones, Day, Reavis and Pogue, representing Tele-Communications, Inc. ("TCI"), and Mark D. Schneider of Sidley & Austin, representing AT&T Corp. ("AT&T"), met with Jonathan Radin and David Krech of the Commission's Wireless Telecommunications Bureau. The representatives of TCI and AT&T discussed with the Commission staff the proposed trust agreement by which TCI will place Liberty Media Group's interest in the personal communications service business of Sprint Corporation into a qualifying trust pending the requisite sale of such interest. See Memorandum Opinion and Order, CS Docket No. 98-178, FCC 99-24 (rel. Feb. 18, 1999) (the "FCC Order"). Specifically, the representatives of TCI and AT&T discussed with the Commission staff the following clarifications in the trust: 1) the Grantor shall have no right to require the Trustee to consult with AT&T, as well as Grantor or Liberty, regarding the exercise of voting rights with respect to Liberty's Sprint PCS interest; 2) in the event that the Trustee, for reasons set out in the trust agreement, must be replaced, Grantor shall choose a new Trustee in compliance with Commission rules; 3) the Trustee shall not be a director, officer, manager, agent or employee of AT&T, Grantor or Liberty, and shall not have any extra-trust business, personal or familial relationship with AT&T, Grantor or Liberty at any time while serving as Trustee that violates the Final Judgment or the Commission rules; 4) the Trustee shall accomplish the divestitures required by the trust in accordance with the FCC Order, as well as the Final Judgment; 5) any

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modification of the trust agreement to terminate the divestitures required by the trust agreement shall be approved by the FCC; and 6) the Trustee shall use best efforts to provide Grantor with information about the trust only if provision of such information is not prohibited by the FCC Order or the Final Judgment.

The attached version of the trust reflects these clarifications and certain other technical clarifications, and is the version we anticipate will be signed by the parties.

Any questions or inquiries concerning this matter should be addressed to the undersigned.

Sincerely,

A handwritten signature in cursive script that reads "Michael Hammer".

TRUST AGREEMENT

This Trust Agreement (this "Agreement") of the Liberty PCS Trust (the "Trust") is entered into as of March __, 1999 between TCI Wireless Holdings, Inc. (the "Grantor", which term shall include any successor grantor as provided in paragraph (b) of Section 10), a Delaware corporation and an indirect wholly owned subsidiary of Tele-Communications, Inc. ("TCI"), and M. LaVoy Robison, an individual residing in Littleton, Colorado (in his capacity as the trustee hereunder, the "Trustee," which term shall include any successor Trustee as provided in paragraph (h) of Section 7).

WHEREAS, AT&T Corp. ("AT&T"), Italy Merger Corp., and TCI, have entered into an Agreement and Plan of Restructuring and Merger, dated as of June 23, 1998, pursuant to which, upon consummation of the merger contemplated thereby (the "Merger"), TCI will become a wholly owned subsidiary of AT&T;

WHEREAS, following discussions with the United States Department of Justice, Antitrust Division (the "DOJ"), AT&T and TCI have agreed with the DOJ to the form of Final Judgment in *United States of America v. AT&T Corp. and Tele-Communications, Inc.* attached as Exhibit A (as the same may be amended, supplemented or modified from time to time, the "Final Judgment"), which Final Judgment is hereby incorporated by reference into this Agreement and made a part of this Agreement for all purposes;

WHEREAS, certain capitalized terms used herein but not otherwise defined herein have the meanings given to such terms in the Final Judgment;

WHEREAS, Grantor is a part of Liberty (as such term is defined in the Final Judgment);

WHEREAS, either (i) each of the certificate of incorporation, bylaws and the composition of the Board of Directors of Grantor comply with the requirements of the Final Judgment with respect to such matters as to Liberty or (ii) Grantor is a direct or indirect subsidiary of Liberty (in which event all of the members of Grantor's Board of Directors and all of its executive officers will be persons designated by Liberty);

WHEREAS, the Final Judgment provides for the transfer of Liberty's Sprint Holdings to the Trustee, as trustee of the Trust, on the terms set forth in this Agreement prior to the closing of the Merger for the purpose of accomplishing the divestiture of Liberty's Sprint Holdings pursuant to and in accordance with the Final Judgment, the FCC Order and this Agreement;

WHEREAS, Liberty's Sprint Holdings currently consist of the following: 98,563,924 shares of Sprint's PCS Common Stock, Series 2; 123,314 shares of Sprint's Series 7 Preferred Stock (the "PCS Preferred Stock"), which shares are presently convertible into an aggregate of approximately 4,010,654 shares of PCS Common Stock, Series 2; and certain warrants (the "PCS Warrants") to purchase an aggregate of 6,291,314 shares of PCS Common Stock, Series 2;

WHEREAS, subsidiaries of AT&T currently hold Federal Communications Commission ("FCC") licenses to provide commercial mobile radio services ("CMRS") in various service areas throughout the United States, and TCI, through Liberty's Sprint Holdings, currently has an interest in Sprint, whose assets include interests in FCC licenses to operate facilities providing personal communications services ("PCS") throughout the United States, as well as the other assets used to provide such services;

WHEREAS, by virtue of the Merger, Liberty's Sprint Holdings may be attributed to AT&T;

WHEREAS, the FCC has issued an Order in CS Docket No. 98-178, granting its consent to the transfer of control to AT&T of licenses held by TCI, and its subsidiaries and affiliates, FCC 99-24, released February 18, 1999 and attached as Exhibit B (the "FCC Order");

WHEREAS, upon the transfer of Liberty's Sprint Holdings to the Trustee hereunder, Liberty's Sprint Holdings will cease to be attributable to TCI under the FCC's rules, regulations and policies (as such rules, regulations or policies may have been modified, or compliance therewith waived, by any approval, consent, waiver or other instrument issued by the FCC (such rules, regulations and policies, as so modified or waived, are hereinafter referred to collectively as the "FCC Regulations")); and

WHEREAS, the Trustee is an "Associate" of TCI and Grantor for purposes of the applicable provisions of Sprint's charter and Grantor is effecting the transfer of Liberty's Sprint Holdings to the Trustee hereunder in a manner such that the shares of Sprint's PCS Common Stock, Series 2, that are part of Liberty's Sprint Holdings will not convert into shares of Sprint's PCS Common Stock, Series 1, under the applicable provisions of Sprint's charter by virtue of such transfer.

NOW, THEREFORE, in consideration of the foregoing and mutual covenants and agreements hereinafter set forth, the parties hereto hereby agree as follows:

1. Creation and Purpose of Trust. Subject to the terms and conditions of this Agreement, the Final Judgment and the FCC Order, the Trust is hereby created and established and the Trustee hereby accepts the trust created hereby and agrees to serve as trustee hereunder and to

comply with the terms and conditions of the Agreement, the Final Judgment and the FCC Order. This Trust: (i) is intended to comply with the terms and conditions of the Final Judgment, the FCC Order and the requirements of all applicable FCC Regulations; (ii) shall be irrevocable by the Grantor; and (iii) shall have a term that expires at such time as the Trust terminates in accordance with the provisions of Section 8 of this Agreement (the "Trust Term").

2. Contributions to Trust; Removal from Trust.

(a) Prior to the consummation of the Merger, Grantor shall cause to be transferred to the Trust, in trust pursuant to this Agreement, all of Liberty's Sprint Holdings, in exchange for one or more trust certificates substantially in the form attached hereto as Exhibit C (as such form may be revised by agreement of Grantor and Trustee, "Trust Certificates"). Upon the request of Grantor, Trustee shall cause one or more replacement Trust Certificates to be prepared and delivered to Grantor representing some or all of Grantor's beneficial interest in the Trust to reflect changes in Liberty's Sprint Holdings and the ownership thereof, which Trust Certificates shall be in such form as Grantor and Trustee shall mutually agree. Such Trust Certificates shall, subject to the limitations contained in the Final Judgment and the FCC Order, be transferable by Grantor only to Assignees permitted by paragraph (b) of Section 10. The date on which Liberty's Sprint Holdings are transferred to the Trustee pursuant to this paragraph (a) of Section 2 is referred to in this Agreement as the "Transfer Date".

The Grantor represents and warrants to the Trustee that as of the Transfer Date: (i) the transfer of Liberty's Sprint Holdings to the Trust pursuant to this Agreement will not violate any applicable FCC Regulations; (ii) assuming the Trustee's performance of its obligations under Section 3(b) of this Agreement, the Grantor has full right and legal authority to transfer Liberty's Sprint

Holdings to the Trust as set forth herein (subject to the limitations contained in the Final Judgment and the FCC Order), and Liberty's Sprint Holdings are not subject to any liens and encumbrances (other than as created by, or permitted under, this Agreement, the Final Judgment, the FCC Order or the Top Up Right Agreement (as defined below)); and (iii) subject to the Trustee's compliance with its obligations set forth in Section 3(b), all consents, waivers and approvals of the FCC and third parties necessary for the transfer of Liberty's Sprint Holdings to the Trust have been received and are in full force and effect.

(b) Following the Transfer Date and during the Trust Term, except as otherwise limited by this Agreement, the Trustee shall have legal and record ownership of Liberty's Sprint Holdings; provided, that in connection with the consideration of any matter by the stockholders of Sprint generally (or by the holders of one or more classes or series of securities of Sprint), whether by stockholder vote or by execution of written consents, whether in person or by proxy, the Trustee shall vote all of Liberty's Sprint Holdings that are entitled to vote for and/or against the applicable matter(s) in the same respective proportions as the other holders of the Sprint PCS Tracking Stock. Grantor shall not retain any voting rights with respect to Liberty's Sprint Holdings, nor shall Grantor have any rights hereunder to require the Trustee to consult with AT&T, Grantor or Liberty hereunder with respect to the exercise of voting rights with respect to Liberty's Sprint Holdings. The Trustee shall retain and hold Liberty's Sprint Holdings only in accordance with, and subject to, the terms and conditions set forth in this Agreement, the Final Judgment and the FCC Order. The Trustee shall have the authority to sell, transfer, assign, pledge or otherwise dispose of or encumber Liberty's

Sprint Holdings only to the extent provided in this Agreement, the Final Judgment and the FCC Order.

(c) No other property may be added to the Trust by any party without the prior written agreement of the Trustee, except as provided herein or as provided by the Final Judgment and the FCC Order.

3. Preservation, Management and Sale.

(a) (i) The Trustee shall, in accordance with the terms of the Final Judgment and the FCC Order, on or before May 23, 2002, divest that portion of Liberty's Sprint Holdings sufficient to cause Liberty to own no more than 10% of the outstanding shares of Sprint PCS Tracking Stock. On or before May 23, 2004, the Trustee shall divest the remainder of Liberty's Sprint Holdings. The number of outstanding shares of Sprint PCS Tracking Stock for such purposes shall be calculated on a shares of Series 1 PCS Stock equivalent basis assuming the issuance of all shares of Series 1 PCS Stock ultimately issuable in respect of the applicable Sprint PCS Tracking Stock upon the exercise, conversion or other issuance thereof in accordance with the terms of such securities. Notwithstanding the provisions of this Agreement, the Final Judgment and the FCC Order, if a motion to terminate the Final Judgment in which the DOJ has joined has been filed, and is pending before the court administering the Final Judgment (and approval by the FCC has been granted), the Trustee shall not proceed with the divestitures provided by this paragraph until the motion to terminate the Final Judgment has been decided by such court.

(ii) After the Transfer Date only the Trustee shall have the right to sell Liberty's Sprint Holdings. The Trustee shall have the power and authority to accomplish the divestiture only in a manner reasonably calculated to maximize the value of Liberty's Sprint

Holdings to the holders of the Liberty Media Tracking Shares, without regard to any costs or benefits to AT&T (including any costs or benefits of such divestiture to AT&T that may be directly or indirectly transferred to the holders of the Liberty Media Tracking Shares). However, the Trustee may, in accomplishing the divestiture, take into account income or gain tax costs or benefits for AT&T that flow to the holders of the Liberty Media Tracking Shares.

(iii) All decisions regarding the divestiture provided for by paragraph (a)(i) above, in whole or in part, of Liberty's Sprint Holdings shall be made by the Trustee without discussion or consultation with AT&T, with any of the Class A Directors of Grantor (if Grantor is not a direct or indirect subsidiary of Liberty) or Liberty, or with any other officer, director or shareholder of Grantor or Liberty who individually owns more than 0.10% of the outstanding shares of AT&T Stock. The Trustee shall consult with the Board of Directors of Grantor, but the Class A Directors of Grantor (if Grantor is not a direct or indirect subsidiary of Liberty) and Liberty and any director, officer, or shareholder of Grantor or Liberty who owns more than 0.10% of the outstanding shares of AT&T Stock shall not participate in such consultation. Subject to compliance by the Trustee with its obligations under this Agreement (including paragraph (a)(ii) above), the Final Judgment and the FCC Order, the decision to divest part or all of Liberty's Sprint Holdings shall be made by the Trustee in his or her sole discretion, except as provided for in paragraph (a)(iv) below. Liberty shall not take any action to block a sale by the Trustee on any grounds other than the Trustee's Malfeasance (as defined in paragraph (d) of Section 7 below). Where the Trustee intends to effect a private sale of part or all of Liberty's Sprint Holdings, the Trustee shall notify Liberty and DOJ of that intention. Any objection by Liberty, based on the Trustee's Malfeasance, must be made within ten (10) business days of notice from the Trustee of an intention to make a private sale.

(iv) The Trustee shall not divest part or all of Liberty's Sprint Holdings in a private sale without a premerger notification form having been filed pursuant to the Hart-Scott-Rodino Antitrust Improvement Act of 1976 or, if the private sale is not reportable under the Hart-Scott-Rodino Act, without obtaining the prior written consent of the DOJ in the manner provided by the Final Judgment.

(b) From and after the Transfer Date, the Trustee shall:

(i) have the right to retain such accountants, attorneys, investment bankers and other advisors (who shall be accountable to the Trustee) as are necessary or appropriate to enable the Trustee to perform in a prudent and competent manner the duties of the Trustee under this Agreement; provided, however, that the fees and expenses of such accountants, attorneys, investment bankers and other advisors, if any, shall be reasonable and customary;

(ii) provide timely and adequate written notice to Grantor (no more frequently than once each month) specifying in reasonable detail (A) the fees due to be paid to the Trustee pursuant to paragraph (b) of Section 7, (B) expenses to be reimbursed to the Trustee pursuant to this Agreement (together with supporting documentation), and (C) amounts to be paid directly by Grantor to third parties for the performance of services to the Trustee pursuant to this Agreement (together with invoices and other supporting documentation);

(iii) provide to Grantor (A) within 15 days of receipt thereof, any accountings received by the Trustee with respect to the operations of Sprint, except to the extent disclosure of such information to Grantor is prohibited by the Final Judgment, the FCC

Order or Section 9, and (B) within 15 days of receipt of a written request by Grantor, an accounting of the expenses of the Trustee incurred directly or by third parties for the performance of services to the Trustee in connection with the performance of the Trustee's duties under this Agreement; and

(iv) until the divestitures of Liberty's Sprint Holdings provided for by paragraph (a) of this Section 3 have been accomplished, the Trustee shall file a report every six months with the DOJ (with a copy to the Grantor), commencing on November 1, 1999, describing the Trustee's efforts in the preceding six month period to accomplish the divestitures required by this Agreement, the FCC Order and paragraph V(a) of the Final Judgment.

(c) The Trustee agrees that it will (i) prior to the transfer of Liberty's Sprint Holdings to the Trustee, execute (x) a Standstill Agreement with Sprint in substantially the form of the Standstill Agreement, dated as of May 26, 1998, between TCI and Sprint, (y) an instrument assuming the obligations of TCI under the Top Up Right Agreement, dated as of May 26, 1998, with France Telecom S.A. and Deutsche Telekom AG (and execute and deliver an equivalent Top Up Right Agreement with such parties), and (z) an instrument assuming the rights and obligations of TCI under the Registration Rights Agreement, dated as of November 23, 1998, and (ii) perform all of its obligations under the agreements assumed or otherwise entered into by the Trustee pursuant to this paragraph.

(d) Upon request by Grantor, Trustee shall take all actions reasonably necessary to convert any shares of PCS Preferred Stock into shares of PCS Common Stock and/or exercise any or all PCS Warrants (including upon a cashless exercise thereof). Grantor shall be entitled, but not

required, to request the Trustee to exercise any or all PCS Warrants and, if any such exercise requires the payment of cash, Grantor shall deposit cash with the Trustee pursuant to this Agreement sufficient for the Trustee to pay the cash amount required for the exercise of such PCS Warrants.

4. Distributions and Dividends. The Grantor and Trustee agree that if any additional equity interest in Sprint is acquired by or on behalf of the Grantor in respect of Liberty's Sprint Holdings during the Trust Term (including pursuant to Section 7.10 of that certain Restructuring and Merger Agreement, dated as of May 26, 1998, to which TCI and Sprint are parties and pursuant to which Liberty acquired Liberty's Sprint Holdings), the Grantor will deliver such additional interest to the Trustee for inclusion in the Trust, and upon delivery such additional interest will become subject to the Trust and this Agreement and will be included in "Liberty's Sprint Holdings" for purposes of this Agreement and the Final Judgment, provided, however, that in the event that a dividend or distribution consists of (a) cash or (b) securities or other property the ownership of which by Grantor would not violate the Final Judgment or the FCC Order, then the Trustee shall distribute such cash, securities or other property immediately to the order of Grantor in accordance with the Final Judgment and the FCC Order. The Trustee will deliver to the order of Grantor additional Trust Certificates in an appropriate form in respect of any additional property deposited with the Trustee pursuant to this Agreement.

5. Distribution of Proceeds of Sale/Other Proceeds. Upon the sale, transfer or other disposition of all or any portion of Liberty's Sprint Holdings the Trustee shall arrange to have the purchaser pay or deliver to the order of Grantor the proceeds of such disposition. The Trustee shall assign to the order of Grantor any rights to receive post-closing payments or receivables received by it in connection with such sale. The Trustee shall have no obligation to enforce or collect any

payment obligation of the purchaser of Liberty's Sprint Holdings following closing, all of which shall be the sole duty and responsibility of Grantor.

6. Maintenance of Records; Certificates. The Trustee shall maintain such records, files and books as the Trustee, in the Trustee's discretion, deems necessary or appropriate (a) to enable the Trustee to carry out the terms and conditions of this Agreement and the Final Judgment and (b) generally, to record the actions taken by the Trustee in the performance of the Trustee's duties under this Agreement.

7. Payment and Other Obligations Concerning the Trustee.

(a) The Trust created hereby shall be administered by the Trustee in accordance with the provisions of this Agreement and the Final Judgment. Except as otherwise provided by this Agreement, the Final Judgment, the FCC Order or by law, after the Transfer Date none of the Grantor, its officers, directors, employees, shareholders or affiliates, shall have an interest in, control of, or otherwise be involved in, directly or indirectly, the management of Sprint or seek to influence the management of Sprint or the operation or management of any PCS or other CMRS system in which Sprint has an interest; provided, however, that the foregoing shall not affect or prohibit any supply, lease, materials, or services agreements or arrangements entered into in the ordinary course of business by Grantor or its affiliates and Sprint.

(b) In exchange for its services under this Agreement, the Trustee shall receive an annual maintenance fee of \$100,000, payable on the Transfer Date and within 30 days after each anniversary thereof. (If so requested by Trustee, such annual maintenance fee may be paid in arrears in equal quarterly installments.) In the event of the termination of the Trust Term, the Trustee's

maintenance fee will be prorated and the Trustee will return to the order of Grantor any unearned portion of such maintenance fee.

(c) All other amounts due the Trustee pursuant to Section 3 hereof shall become due and payable within 30 days after Trustee gives notice thereof to Grantor. Except as specifically provided in this Agreement, the Trustee shall not be entitled to any other fee or other payment hereunder or otherwise, including any termination fee.

(d) The Trustee is expressly authorized to incur and obligate Grantor to pay all charges, taxes and other expenses which the Trustee deems reasonable, necessary and proper in the negotiation, preparation, execution, delivery and performance of this Agreement and the Trustee's duties under this Agreement, and Grantor shall pay directly all such charges, taxes and expenses or reimburse the Trustee therefor within 30 days after receipt of the Trustee's notice under Section 3(b) above, in each case, upon presentation of documentation thereof in customary detail. Grantor hereby agrees to indemnify the Trustee and hold the Trustee harmless against all claims, actions, proceedings, suits, costs of defense (including reasonable and customary attorneys' and accountants' fees and disbursements), expenses, liabilities, judgments, damages, awards and settlements asserted against or incurred by the Trustee in connection with, or in any way arising directly or indirectly from, the negotiation, preparation, execution, delivery and performance of this Agreement and the Trustee's duties under this Agreement, except those incurred as a result of the Trustee's Malfeasance. For purposes of this Agreement, the Final Judgment and the FCC Order, the Trustee's "Malfeasance" shall mean the Trustee's bad faith, gross negligence or willful misconduct or other action inconsistent with the terms of this Agreement, the Final Judgment or the FCC Order.

Grantor's obligation to indemnify the Trustee set forth above shall remain in effect following, and shall survive, any termination of this Agreement.

(e) Except as incurred as a result of the Trustee's Malfeasance, the Trustee shall not be liable with respect to (i) actions taken by it in reliance upon any paper, document or signature believed by the Trustee to be genuine and to have been signed by the proper party that is not in fact genuine, and (ii) matters arising due to lack of compliance with FCC Regulations. The Trustee shall not be liable for any error of judgment in any act done or omitted, nor for any mistake of fact or law, nor for anything which the Trustee may do or refrain from doing in accordance with this Agreement, absent the Trustee's Malfeasance. The Trustee may consult with accountants, attorneys, and other advisors, and any action under and in accordance with this Agreement and the Final Judgment taken or suffered by the Trustee and in accordance with the advice of such appropriate advisor of the Trustee shall be presumptively done in good faith.

(f) The rights and duties of the Trustee hereunder (other than the Trustee's rights to receive payments hereunder to the extent accrued prior to such termination and to be indemnified pursuant to this Section 7) shall terminate upon the Trustee's incapacity to act, death, bankruptcy or other insolvency. No interest in Liberty's Sprint Holdings, nor any of the rights and duties of an incapacitated, deceased, bankrupt or insolvent Trustee, may be transferred by the Trustee by will, devise, succession or in any manner except as provided in this Agreement. The heirs, administrators, executors or other representatives of an incapacitated, deceased, bankrupt or insolvent Trustee shall, however have the right and duty, to the extent of their legal authority, to cooperate in the transfer of any property held by the Trustee pursuant to this Agreement (including Liberty's Sprint Holdings

and the proceeds of any sale thereof) to a successor Trustee appointed pursuant to paragraph (h) of this Section 7.

(g) The Trustee may resign by giving sixty (60) days' advance written notice of resignation to Grantor, in which event a successor Trustee shall be appointed pursuant to paragraph (h) of this Section 7 (provided, that Trustee agrees that any such resignation shall not become effective until such successor Trustee has been so appointed). Grantor shall not unreasonably delay appointment of a successor Trustee. The Grantor may not remove or replace the Trustee at will.

(h) In the event of the Trustee's resignation, incapacity to act, death, bankruptcy or insolvency, the Trustee shall be succeeded by a successor Trustee chosen by Grantor in compliance with FCC Regulations and approved by the DOJ in the manner provided for approval of the Trustee in paragraph IV(B) of the Final Judgment. Any successor Trustee shall succeed to all of the rights and obligations of the Trustee replaced hereunder upon execution by such successor Trustee of a counterpart of this Agreement.

(i) The Trustee and any successor Trustee designated pursuant to paragraph (h) of this Section 7 shall not be a director, officer, manager, agent or employee of AT&T, Grantor or Liberty immediately prior to or at any time while serving as Trustee, and shall not have any extra-trust business, personal or familial relationship with AT&T, Grantor or Liberty or any partner, officer, employee, director, shareholder or affiliate of AT&T, Grantor or Liberty at any time while serving as Trustee that violates the Final Judgment or FCC Regulations. In the event that the Trustee enters into any such relationship described in the previous sentence at any time while serving as Trustee, Trustee shall resign in the manner provided by paragraph (g) of this Section 7.

(j) The parties acknowledge and agree that the Trust shall be a grantor trust for income tax purposes, and the Grantor shall report all items of income, credit and deductions of the Trust on the Grantor's income tax returns and pay all taxes due thereon. Grantor and Trustee agree to take all actions reasonably required to defend the federal income tax status of the Trust as a grantor trust.

(k) A successor Trustee shall not be liable for breaches of this Agreement committed by a predecessor Trustee, but shall be liable for its own breaches of this Agreement.

(l) The Trustee shall have no duty or other obligation to pay, provide or arrange for the provision of funds necessary to perform the Trustee's duties under this Agreement, other than the provision of the written notices to Grantor pursuant to Section 3 hereof. The Trustee shall have no personal liability for the payment of any Trust expense or obligation to third parties whatsoever, whether or not timely paid by Grantor.

(m) The Trustee shall have no duty or liability to the Grantor or any other party with respect to the operation of Sprint, and shall have no duty or liability to Grantor with respect to any change to the value of Liberty's Sprint Holdings resulting from Sprint's operations during the Trust Term.

(n) No Trustee at any time acting hereunder shall be required to furnish a bond or other security in any jurisdiction for the faithful performance of the Trustee's duties.

8. Termination of This Agreement.

(a) Subject to the terms of the Final Judgment (and the last sentence of paragraph (d) of Section 7), this Agreement and the Trust created hereby shall terminate upon the first to occur of the following: (i) the closing of the sale of all of Liberty's Sprint Holdings and the payment of the

proceeds to the order of Grantor with respect to any such sale in the manner provided in Section 5 above and the payment of all fees and expenses due the Trustee; (ii) the expiration of ten years from the date of entry of the Final Judgment (unless the term of this Agreement is extended in order to continue compliance with the Final Judgment, in which event such term shall be extended to the extent required to comply with the Final Judgment), or (iii) the termination (or other equivalent occurrence) of the Final Judgment and the corresponding requirements of the FCC Order, if applicable.

(b) Upon the termination of this Agreement pursuant to Section 8(a) hereof and consistent with the requirements of the Final Judgment and the FCC Order, the Trustee shall take such action as is necessary or appropriate to deliver to the order of Grantor, or such other party designated by Grantor in writing to the Trustee, all property then held by the Trustee pursuant to this Agreement. The Trustee shall have a reasonable period to conclude the administration of the Trust, and shall be compensated for all reasonably necessary Trustee services performed after the termination date.

9. Communications.

(a) The Trustee shall not provide any information to the Grantor concerning the operation of the CMRS systems in which Sprint has a direct or indirect interest, except as otherwise provided herein. Any communication between the Trustee and the Grantor regarding the operation of the CMRS systems in which Sprint has a direct or indirect interest shall be in writing.

(b) The Trustee shall use its reasonable best efforts, to the extent of the Trust's legal rights, to obtain and provide the Grantor with (i) financial statements and tax information for Sprint as and when furnished by Sprint and as required by the Grantor for compliance with Securities and

Exchange Commission and Internal Revenue Service laws, rules and regulations, (ii) such other information as may be required by law and (iii) such other information about the trust as is reasonably requested by Grantor and not otherwise prohibited hereby or by the Final Judgment or the FCC Order.

(c) Subject to the terms and conditions of this Agreement, the Trustee shall have full and complete access to Liberty's personnel, books, records, and facilities related to Liberty's Sprint Holdings as may be reasonably necessary for Trustee to fulfill its obligations hereunder.

(d) Subject to a customary confidentiality agreement, the Trustee shall permit prospective purchasers of part or all of Liberty's Sprint Holdings in a private sale to have access to any and all financial or operational information to which the Trustee has access, as may be relevant to the divestiture required by this Agreement.

(e) All notices, requests, consents, approvals, waivers, demands and other communications hereunder (collectively, "Notices") shall be deemed to have been given if in writing and (i) personally delivered against a written receipt, or (ii) sent by confirmed telephonic facsimile, or (iii) delivered to a reputable express messenger service (such as Federal Express, DHL Courier or United Parcel Service) for overnight delivery, addressed as follows (or to such other address as a party shall have given notice to the other):

(i) If to the Grantor:

TCI Wireless Holdings, Inc.
8101 E. Prentice Avenue
Suite 500
Englewood, CO 80111
Attn: President
Phone: (303) 721-5400
Fax: (303) 721-5443

(ii) If to the Trustee:

M. LaVoy Robison
1001 Green Oaks Drive
Littleton, Colorado 80121
Phone: (303) 794-1199

The period in which a response to any such Notice must be given shall commence to run from the date of the receipt of a personally delivered Notice, or the date of confirmation of a telephonic facsimile or two days following the proper delivery of the Notice to a reputable express messenger service, as the case may be.

10. Miscellaneous.

(a) This Agreement shall not be amended, altered or modified except by an instrument in writing duly executed by each of the parties hereto. No amendment, alteration or modification which affects the Trust's compliance with (i) the FCC Order or applicable FCC Regulations will be made without obtaining the prior approval of the FCC, if necessary or (ii) the Final Judgment will be made without obtaining the prior approval of the DOJ. In the event that the FCC Order and/or the Final Judgment is amended, supplemented or modified, the corresponding terms and conditions of this Agreement, if applicable, shall likewise be deemed amended so as to cause any such terms and conditions to be consistent with the FCC Order and the Final Judgment (as so amended, supplemented or modified).

(b) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and permitted assigns. Subject to Section 7 hereof and the power to delegate the performance of ministerial responsibilities hereunder as deemed necessary by the Trustee, this Agreement shall not be assignable by the Trustee. Subject to the Final

Judgment and the FCC Order, Grantor shall be entitled to assign its rights hereunder to Liberty or any person who becomes the direct or indirect beneficial owner of Liberty's Sprint Holdings as a result of a merger, transfer of all or substantially all assets or other business combination involving Liberty or its subsidiaries or a distribution of the securities of any subsidiary of TCI.

(c) If any part of any provision of this Agreement or any other agreement, document or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, the Final Judgment or the FCC Order, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining part of said provision or the remaining provisions of this Agreement. The parties shall cooperate in the modification of this Agreement in the event changes or modifications are needed in order to bring this Agreement and the transactions contemplated hereby into compliance with the Final Judgment, the FCC Order or FCC Regulations.

(d) The headings of the Sections of this Agreement are inserted for convenience of reference only and do not form a part or affect the meaning hereof.

(e) This Agreement, the rights and obligations of the parties hereto, and any claims and dispute relating thereto, shall be governed by and construed in accordance with the laws of the State of New York (not including the choice of law rules thereof).

(f) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument.

(g) This Agreement and all matters concerning the performance, enforcement and interpretation hereof shall be kept in strict confidence by the parties, except where disclosure is

required by law, rule or regulation (including the federal securities laws and related regulatory requirements), by or to the FCC, the DOJ or such other administrative agency with jurisdiction over the operation of the Trust, to carry out the express purposes and terms of this Trust, or in connection with any claims or actions relating to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be duly executed on their behalf as of the date and year first hereinabove set forth.

TCI WIRELESS HOLDINGS, INC.

LIBERTY PCS TRUST

By: _____
Name:
Title:

By: _____
M. LaVoy Robison, in his capacity as
Trustee pursuant to this Agreement