

DECLARATION OF DAVID WISE

1. My name is David Wise. I am Senior Vice President, Finance & Strategy of QUALCOMM Incorporated (“Qualcomm”). Qualcomm is a Delaware corporation with its principal place of business in San Diego, California.
2. Qualcomm is a leader in the development and commercialization of next-generation mobile broadband technologies, including those based on Code Division Multiple Access (“CDMA”) technology and Orthogonal Frequency Division Multiplexing Access (“OFDMA”) technology, as well as mobile broadcast technologies.
3. Qualcomm currently holds Federal Communications Commission (“FCC”) licenses in the Lower 700 MHz band, including six Lower D block licenses, which together provide a nationwide footprint, and five Lower E block licenses in the New York, Boston, Philadelphia, San Francisco and Los Angeles Economic Areas (collectively referred to as the “Qualcomm Spectrum”).
4. In June 2003, Qualcomm acquired five Lower D block licenses at a cost of \$38 million in FCC Auction 49. Qualcomm paid for these licenses using an Auction Discount Voucher that the Commission had previously issued to Qualcomm.
5. In October 2004, Qualcomm acquired an additional Lower D block license through a secondary market transaction with the original licensee.
6. In FCC Auction 73 in March 2008, Qualcomm acquired five Lower E block licenses covering five of the nation's top seven Economic Area regions at a cost of \$554.6 million, but has not, to date, deployed commercial services on this spectrum.
7. On November 1, 2004, Qualcomm announced its plans to deploy and operate a nationwide “mediacast” network that would take advantage of Qualcomm’s

relationships with wireless operators, handset manufacturers and content providers to accelerate the provision, adoption and consumption of multimedia content on wireless devices in a cost-effective manner by using the so-called Forward Link Only (“FLO”) technology developed by Qualcomm on a network to be deployed on Qualcomm’s Lower 700 MHz D block spectrum. Qualcomm originally called the service “MediaFLO” and subsequently “FLO TV.” Qualcomm operates the service through a wholly owned subsidiary by the name of FLO TV Incorporated (originally named MediaFLO USA, Inc.).

8. The FLO TV business focused on delivery of mobile video content to small screen, mobile devices based upon a pre-determined schedule offered on a subscription basis. Subscribers were able to access the mobile TV content on particular channels based on the programming schedule for each channel.
9. Qualcomm offers FLO TV predominantly on a wholesale basis to CMRS carriers, who in turn offer the service on a retail basis to their subscribers, who can access the service on FLO-enabled mobile phone models. Verizon Wireless began to offer FLO TV on a retail basis to its subscribers in March 2007. AT&T began to offer FLO TV on a retail basis to its subscribers in May 2008. In November 2009, FLO TV Incorporated began selling the service directly to consumers via a device known as the FLO TV Personal Television mobile device (the “PTV”) and later a FLO-Enabled auto device and a Personal DVD player (PDVD). These three devices allowed consumers to access the FLO TV service directly from FLO TV, on a device separate from their mobile phone.

10. Qualcomm's FLO TV service entailed an intense and costly effort to utilize the Qualcomm Spectrum. Various different content, device and service strategies, including the launch of a direct-to-consumer service, were pursued from the time of initial service launch to advance the business. Unfortunately, the business model for a one-way, broadcast-type subscription service in which content was available via a pre-determined master schedule did not prove to be viable. Much lower-than-expected subscribership led to significant losses. Since its inception, the FLO TV business has lost money each quarter.
11. Given the lack of success in gaining subscribers and the high ongoing investment to operate the FLO TV business, in mid-2010, Qualcomm began a process to evaluate its strategic options for the FLO TV business. These options included, but were not limited to, operating the FLO TV network under a new wholesale service; sale to, or joint venture of the FLO TV business with, a third party; and/or the sale of the Qualcomm Spectrum and the discontinuance of the operation of the network.
12. On November 3, 2010, Qualcomm announced that it had commenced a restructuring plan under which it expected to exit the current FLO TV service business. Qualcomm solicited bids for the Qualcomm spectrum from various carriers. Qualcomm also discussed a potential sale of the FLO TV business (including network and spectrum) with a variety of companies in the telecommunications and media industries. Finally, Qualcomm discussed the sale of a majority equity interest in FLO TV Incorporated with certain parties. Qualcomm worked through various business model options related to the various sale and equity partnership discussions in an attempt to develop a compelling plan for the FLO TV business.

13. After carefully evaluating a wide range of strategic options for the FLO TV business, Qualcomm determined that sale of the spectrum to AT&T provided the highest and best value for Qualcomm. As a result of the lack of success in gaining subscribers, the high cost of operating and expanding the FLO TV network, and the significant device-related requirements and costs, it was not economically viable to continue operating the FLO network. On December 20, 2010, Qualcomm signed a definitive agreement to sell the Qualcomm Spectrum to AT&T.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed on: 1/11/11
Date


David Wise