

Defining the potentially affected universe

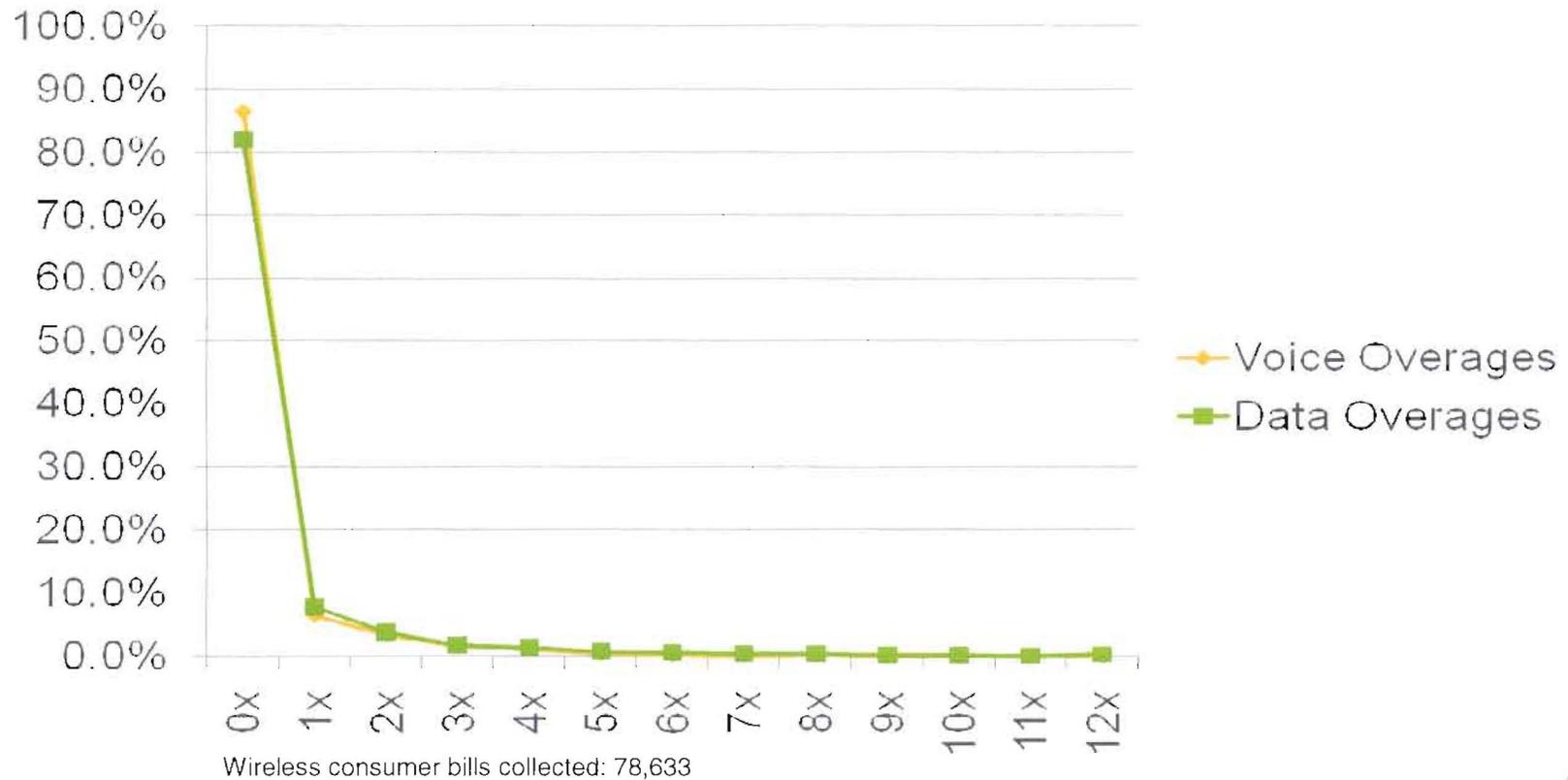
How many people are potentially affected by overages?

Only 115 million once you exclude pre-paid subscribers, corporate lines, individual lines on family/group plans, etc.

Active wireless connections in the United States (Q3 2010)	292 million
Prepaid lines	(61 million)
Laptops on unlimited plans	(16 million)
Connected devices	(15 million)
Active connections associated with people	200 million
Corporate lines (30% of lines)	(60 million)
Consumer connections	140 million
Family plans (40% of lines)	(56 million)
Family accounts (2.3 lines per account)	24 million
Potentially affected consumer accounts	115 million

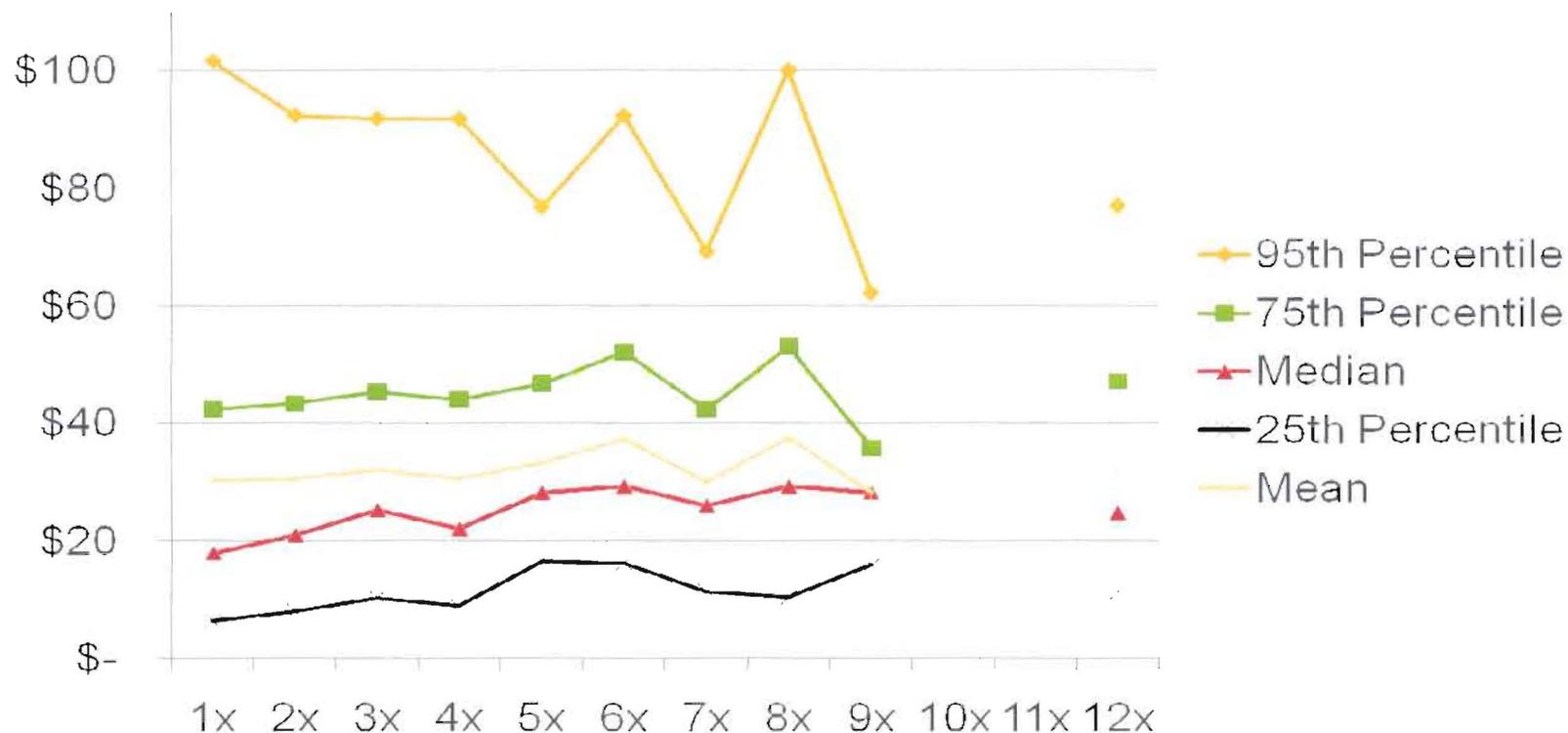
How often are consumers affected by overages in a year?

Distribution of Overage Incidents
Q3 '09 – Q2 '10, Customer Value Metrics, National

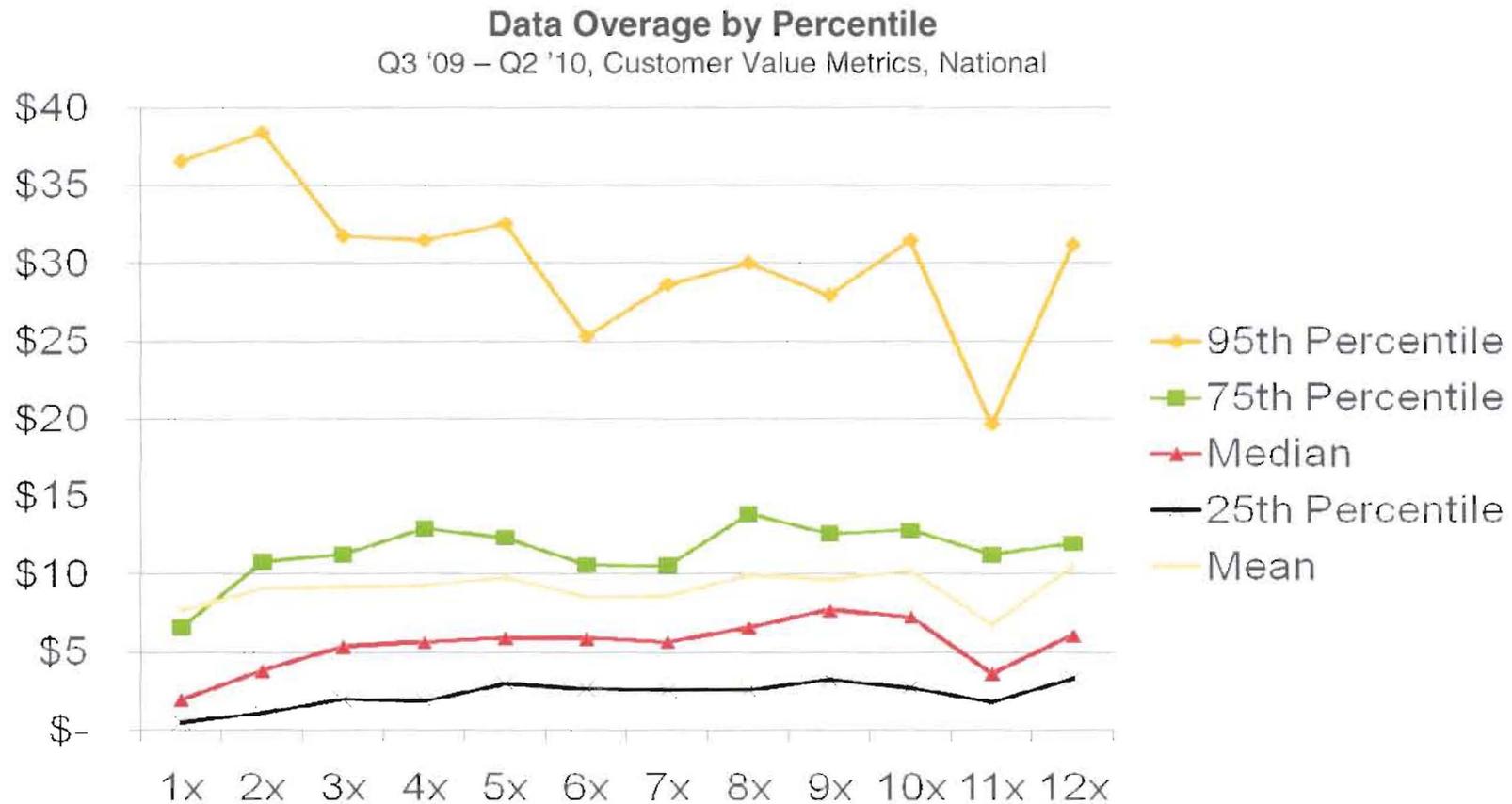


The more often a consumer goes into voice overage the higher the overage

Voice Overage by Percentile
Q3 '09 – Q2 '10, Customer Value Metrics, National



The more often a consumer goes into data overage the higher the overage



Shock: A disturbance of equilibrium or permanence of something*

Occurrences	Distribution	n	95 th %ile	75 th %ile	Median	25 th %ile	Mean
0	86.5%	68056					
1	6.5%	5085	\$ 101.62	\$ 42.40	\$ 17.89	\$ 6.30	\$ 30.16
2	3.3%	2627	\$ 92.48	\$ 43.43	\$ 20.93	\$ 8.10	\$ 30.55
3	1.6%	1238	\$ 91.89	\$ 45.30	\$ 25.20	\$ 10.35	\$ 32.00
4	1.0%	811	\$ 91.80	\$ 44.10	\$ 22.05	\$ 8.89	\$ 30.59
5	0.4%	327	\$ 76.83	\$ 46.80	\$ 28.18	\$ 16.63	\$ 33.32
6	0.2%	162	\$ 92.43	\$ 52.20	\$ 29.25	\$ 16.20	\$ 37.43
7	0.1%	92	\$ 69.27	\$ 42.43	\$ 25.97	\$ 11.46	\$ 29.92
8	0.1%	115	\$ 100.13	\$ 53.10	\$ 29.25	\$ 10.40	\$ 37.64
9	0.0%	38	\$ 62.24	\$ 35.85	\$ 28.20	\$ 15.90	\$ 28.14
10^	0.0%	20	\$ 63.14	\$ 49.76	\$ 27.62	\$ 17.01	\$ 31.63
11^	0.0%	1	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42	\$ 1.42
12	0.1%	61	\$ 77.07	\$ 47.23	\$ 24.80	\$ 11.33	\$ 31.51

Total sample: 78,633

- Consumers who regularly or periodically go into overage are unlikely to be surprised by their overages regardless of the amount. The distribution of overages is stable to increasing for both voice and data overages, indicating that these consumers make a conscious choice.
- 9.9% or 11.3 million wireless consumers go into voice overage once or twice a year, signifying a rare event rather than a regular or recurring event.
- Only 75th percentile (2.8 million) have billed voice overages of the same magnitude or greater than their regular bill.