

STATE OF MISSISSIPPI



JIM HOOD
ATTORNEY GENERAL

Consumer Protection
Division

Re: T-Mobile and Sprint Pledged Commitments in Mississippi

The purpose of this Letter Agreement is to memorialize (i) the cooperation of T-Mobile US, Inc. ("T-Mobile") and Sprint Corporation ("Sprint", and collectively with T-Mobile, "Parties") with the Mississippi Attorney General's Office ("AGO") in an investigation of the proposed merger of T-Mobile and Sprint, and (ii) the Parties' pledged commitments in Mississippi regarding the merger that will be enforceable by the Mississippi Attorney General.

Factual Summary

On April 29, 2018, the Parties announced that they had entered into a definitive agreement for an all-stock transaction in which T-Mobile and Sprint would combine to form the New T-Mobile (the "Merger"). The AGO has been a participant in an investigation into the proposed Merger and sought relevant information from the Parties regarding New T-Mobile's proposed business plan and strategic development for Mississippi. To resolve concerns posed by the AGO regarding the Merger, the Parties have proposed, and the AGO has accepted, a series of commitments set forth below that will be enforceable by the AGO under the laws of Mississippi. This Letter Agreement memorializes those commitments.

Relief

WHEREAS, the Parties have cooperated promptly and fully with the AGO in connection with this Letter Agreement, and the AGO is willing to accept the terms of this Letter Agreement to fully resolve its ongoing inquiry into the proposed transaction;

WHEREAS, the AGO acknowledges that the Parties have provided certain commitments ("Federal Commitments") to the Federal Communications Commission ("FCC") and DOJ with respect to the Merger the Parties are subject to the enforcement authority of the FCC and DOJ;

WHEREAS, the AGO has accepted the terms of this Letter Agreement and the terms and conditions contained in any final judgment entered in federal court as a full and final resolution of any and all concerns raised by the AGO with respect to the proposed transaction, which shall be enforceable by the AGO as set forth herein;

THEREFORE, the Parties agree to the following:

1. Network Build Commitment: Statewide, Rural, and County¹

- a) Within three (3) years of closing, New T-Mobile will deploy a 5G network in Mississippi with:
 - i) At least 67% of the Mississippi Population and 62% of the Mississippi Rural Population having access to download speeds equal to or greater than 100 Mbps, as verified by the FCC Nationwide Drive Test; and
 - ii) At least 72% of the Mississippi Population and 64% of the Mississippi Rural Population having access to download speeds equal to or greater than 50 Mbps, as verified by the FCC Nationwide Drive Test.
- b) Within six (6) years of closing, New T-Mobile will deploy a 5G network in Mississippi with at least 92% of the Mississippi Population and 88% of the Mississippi Rural Population having access to download speeds equal to or greater than 100 Mbps, as verified by the FCC Nationwide Drive Test, and one additional percent of the Mississippi Rural Population will have access to 50 Mbps, as verified by the FCC Nationwide Drive Test.
- c) New T-Mobile intends and will strive in good faith to meet the county-specific targets as described in the attached Appendix A.

2. In-Home Broadband Commitment²

Within three (3) years of the Closing Date, New T-Mobile will Market its In-Home Broadband Service product to at least 53,000 households in the state of Mississippi, of which at least 45,000 will be rural households.

Within six (6) years of the Closing Date, New T-Mobile will Market its In-Home Broadband Service product to at least 190,000 households in the state of Mississippi, of which at least 167,000 will be rural households.

¹ The population percentages and household marketing numbers described in sections 1, 2, and Appendix A represent 95% of (i) the New T-Mobile network plan's percent of coverage for such populations at the specified speeds and time periods and (ii) the planned number of marketed households for such time periods. For example, per the network plan, at 6 years, the New T-Mobile 5G network will provide 100 Mbps speeds to at least 97% of the Mississippi Population. Therefore, the Letter Agreement commits New T-Mobile to providing such speeds to at least 92% ($0.95 \times 97\% = 92\%$) of the Mississippi Population at 6 years.

² *Id.*

3. Low-Price Mobile Plan Commitment

For at least five (5) years following closing, New T-Mobile will offer a new low-priced plan in the State of Mississippi that is available to all customers and provides:

- a) Unlimited talk, text, and 2GB of data for \$15 per month; and
- b) Unlimited talk, text, and 5GB of data for \$25 per month.

4. Broadband Access for Education Commitment

- a) Mississippi will receive the full Mississippi-specific benefits of the New T-Mobile nationwide broadband Internet access program that provides free connectivity and equipment to households with school-age children (the “Educational Broadband Access Program”), provided that all litigant states in the multi-state litigation, *State of New York et al v. Deutsche Telekom AG et al.*, No. 1:19-cv-05434 (S.D.N.Y. 2019)(the “SDNY Litigation”) settle such litigation.
- b) Notwithstanding paragraph (a) above, in the event that at any time during the term of this Letter Agreement New T-Mobile offers a more limited version of the Educational Broadband Access Program in any state, New T-Mobile will also provide such version of the Educational Broadband Access Program in Mississippi.

5. Verification of Performance Under this Agreement

For each of the Commitments above, New T-Mobile will provide the AGO with any additional Mississippi-specific results and data produced as part of any reporting provided to the FCC or DOJ as part of the Federal Commitments verification processes, including the Mississippi-specific results of the independent drive tests conducted at years three (3) and six (6) pursuant to the Federal Commitments (“Verification Material”) within sixty (60) days of providing the Verification Material to the FCC and DOJ.

6. Enforceability of Terms Under this Agreement

The terms of this Letter Agreement are subject to the authority of the Mississippi Attorney General’s Office, and the AGO may take action as provided under the laws of the State of Mississippi to enforce the terms of this Letter Agreement, provided, however, that: (a) the AGO shall promptly (and, in any event, within fourteen (14) days) notify the Parties of any alleged breach of any term of this Letter Agreement or any failure to meet any commitment under this Letter Agreement; (b) the Parties shall have up to sixty (60) days from the AGO’s notification of such alleged breach or failure to remedy such alleged breach or failure before the AGO may take enforcement action; and (c) in the event that New T-Mobile willfully fails to meet any of the commitments agreed to herein, or to remedy such breach as provided in clause 6(b) above, the AGO shall act in good faith and take such reasonable action as is

necessary to seek any remedy appropriate to cure New T-Mobile's breach, including specific performance as reasonably feasible or other equitable relief, the award of reasonable monetary remedies, and reasonable costs and attorneys' fees, by commencing the appropriate proceeding for enforcement of this Letter Agreement. Notwithstanding any other provision of this Letter Agreement, in no event will the Term of this Letter Agreement prevent the enforcement of the commitments provided herein, provided, however, that in no event would such enforcement action commence more than one (1) year following the end of such Term.

7. **Voluntary Payment.** New T-Mobile shall make a voluntary payment to the AGO in the amount of thirty-five thousand dollars (\$35,000). The payment shall be applied by the Attorney General of Mississippi to the consumer protection enforcement fund, including future consumer protection or antitrust enforcement, consumer education, litigation or local consumer aid fund or revolving fund or for other uses permitted by State law, at the sole discretion of the Attorney General. No portion of any payment under the judgment shall be deemed a payment of any fine, penalty, or punitive assessment.
8. **Force Majeure Event.** The Parties shall not be considered in breach of this Letter Agreement to the extent that performance of their obligations is prevented by force majeure events beyond the Parties' reasonable control, including but not limited to war, rebellion, hurricanes and other major storms, earthquakes, fires, terrorism, strikes, riots, insurrections, civil commotions, blockades, law or order of any government body, interference or failures of state or local governmental authorities, significant interruptions in the supply chain, or acts of God.
9. **Term.** The Term of this Letter Agreement shall be six (6) years from the Closing Date.
10. **Definitions.** For purposes of this Letter Agreement, capitalized terms used herein are defined as follows:
 - (a) "Closing Date" is defined as the Closing Date of the Merger.
 - (b) "County Population" is defined as the population of a county as derived from the population data licensed through the 2016 Pitney Bowes study, which provides population at the census block level. The 2016 Pitney Bowes study is based on the 2010 Census, but then updated based on more recent information.
 - (c) "In-Home Broadband Service" is defined as a residential broadband service with minimum speeds of 25 Mbps downlink and 3 Mbps uplink.
 - (d) "Market" is defined as to advertise and offer a product or service for sale including, but not limited to, through TV, radio, Internet, digital, electronic, voice, print, mail, or in-person channels.

- (e) “FCC Nationwide Drive Test” is defined as the drive test described in the Letter from Nancy J. Victory, Counsel for T-Mobile US, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, WT Docket No. 18-197 (May 20, 2019) (“FCC Commitment Ex Parte”).
- (f) “Mississippi Population” is defined as the population of Mississippi as derived from the population data licensed through the 2016 Pitney Bowes study, which provides population at the census block level. The 2016 Pitney Bowes study is based on the 2010 Census, but then updated based on more recent information. According to the 2016 Pitney Bowes study, the Mississippi Population is 2,988,543. That population number is fixed for purposes of calculating compliance with these commitments as is the population per census block through which covered pops will be determined.
- (g) “Mississippi Rural Population” is defined as the population of Mississippi within rural areas derived from the population data licensed through the 2016 Pitney Bowes study, which provides population at the census block level. The 2016 Pitney Bowes study is based on the 2010 Census, but then updated based on more recent information. According to the 2016 Pitney Bowes study, the Mississippi Rural Population is 1,507,297. That population number is fixed for purposes of calculating compliance with these commitments as is the population per census block through which covered pops will be determined.

IT IS FURTHER UNDERSTOOD AND AGREED THAT, AGO will, within three (3) days of the execution of this Letter Agreement, (a) take such actions and file such motions, if any, as necessary to effect its withdrawal from the SDNY Litigation and (b) publicly announce support for the Merger due to the commitments in this Letter Agreement by press release; the language of which is at the sole reasonable discretion of the AGO.

IT IS FURTHER UNDERSTOOD AND AGREED THAT this Letter Agreement, in its entirety, shall be conditioned upon (a) the AGO withdrawing as a party to the SDNY Litigation and any other related adverse legal action by the AGO and publicly announcing support for the Merger due to the commitments in this Letter Agreement by press release; the language of which is at the sole reasonable discretion of the AGO; and (b) the closing of the Merger.

IT IS FURTHER UNDERSTOOD AND AGREED THAT, notwithstanding the paragraph above, the terms of this Letter Agreement are independent of the terms of any commitments to, or conditions imposed by, the FCC and/or the DOJ. The AGO acknowledges that the Parties may be subject to enforcement of such terms by the FCC and/or the DOJ and that enforcement of such terms is not within the scope of this Letter

Agreement or the authority of the AGO, unless otherwise provided in any final consent judgment entered by a federal court.

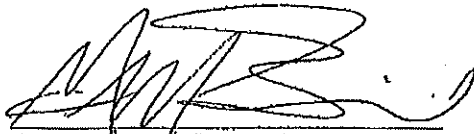
IT IS FURTHER UNDERSTOOD AND AGREED THAT the acceptance of this Letter Agreement does not constitute an admission of wrongdoing on the part of the Parties, or any violation of any laws, regulations, or administrative pronouncements applicable to the Parties.

IT IS FURTHER UNDERSTOOD AND AGREED THAT no person or entity is intended to be a third-party beneficiary of the provision of this Letter Agreement for the purposes of any civil, criminal, or administrative action in any court or before any authority. Nor shall any person or entity be permitted to assert any claim or right as a beneficiary or protected class under this Letter Agreement. Nothing contained in this Letter Agreement shall be construed to deprive any person, corporation, association, agency, or other entity of any right provided by law, regulation, or administrative pronouncement independent of this Letter Agreement.

IT IS FURTHER UNDERSTOOD AND AGREED THAT, once fully executed, this Letter Agreement is a public document. Upon request, a copy of this document or any information in it shall be made available to any person by the Office of the Attorney General.

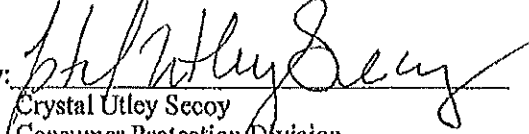
IT IS FURTHER UNDERSTOOD AND AGREED THAT this Letter Agreement sets forth the entire agreement of the Parties and may be modified only by the subsequent execution of a written agreement by its Parties.

WHEREFORE, the following signatures are affixed hereto:



G. MICHAEL SIEVERT
President and Chief Operating Officer
T-Mobile US, Inc.

JIM HOOD, ATTORNEY GENERAL
STATE OF MISSISSIPPI

By: 

Crystal Utley Secoy
Consumer Protection Division
Mississippi Attorney General's Office

Appendix A: Mississippi County Broadband Goals³

Marion, Mississippi	
Population = 25,312	
3 Years	New T-Mobile
Total 50Mbps %	73%
Total 100Mbps %	73%
6 Years	New T-Mobile
Total 50Mbps %	75%
Total 100Mbps %	75%

Walthall, Mississippi	
Population = 14,406	
3 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	57%
6 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	54%

Perry, Mississippi	
Population = 12,358	
3 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	94%
6 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	94%

Franklin, Mississippi	
Population = 7,708	
3 Years	New T-Mobile
Total 50Mbps %	62%
Total 100Mbps %	62%
6 Years	New T-Mobile
Total 50Mbps %	70%
Total 100Mbps %	70%

Tippah, Mississippi	
Population = 22,216	
3 Years	New T-Mobile
Total 50Mbps %	93%
Total 100Mbps %	93%
6 Years	New T-Mobile
Total 50Mbps %	92%
Total 100Mbps %	92%

Greene, Mississippi	
Population = 13,432	
3 Years	New T-Mobile
Total 50Mbps %	86%
Total 100Mbps %	86%
6 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	94%

Kemper, Mississippi	
Population = 9,502	
3 Years	New T-Mobile
Total 50Mbps %	28%
Total 100Mbps %	28%
6 Years	New T-Mobile
Total 50Mbps %	28%
Total 100Mbps %	28%

Issaquena, Mississippi	
Population = 1,252	
3 Years	New T-Mobile
Total 50Mbps %	0%
Total 100Mbps %	0%
6 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	94%

Covington, Mississippi	
Population = 19,759	
3 Years	New T-Mobile
Total 50Mbps %	63%
Total 100Mbps %	63%
6 Years	New T-Mobile
Total 50Mbps %	79%
Total 100Mbps %	79%

Lawrence, Mississippi	
Population = 12,778	
3 Years	New T-Mobile
Total 50Mbps %	54%
Total 100Mbps %	17%
6 Years	New T-Mobile
Total 50Mbps %	54%
Total 100Mbps %	17%

Carroll, Mississippi	
Population = 10,197	
3 Years	New T-Mobile
Total 50Mbps %	0%
Total 100Mbps %	0%
6 Years	New T-Mobile
Total 50Mbps %	63%
Total 100Mbps %	63%

Smith, Mississippi	
Population = 15,938	
3 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	94%
6 Years	New T-Mobile
Total 50Mbps %	94%
Total 100Mbps %	94%

Amite, Mississippi	
Population = 12,488	
3 Years	New T-Mobile
Total 50Mbps %	42%
Total 100Mbps %	42%
6 Years	New T-Mobile
Total 50Mbps %	42%
Total 100Mbps %	42%

Choctaw, Mississippi	
Population = 8,301	
3 Years	New T-Mobile
Total 50Mbps %	80%
Total 100Mbps %	80%
6 Years	New T-Mobile
Total 50Mbps %	80%
Total 100Mbps %	80%

³ The percentages described for each county above represent 95% of the New T-Mobile network plan's percent of coverage for the County Population of each county at the specified speeds and time periods. For example, per the network plan, at 6 years, the New T-Mobile 5G network will provide 100 Mbps speeds to at least 99% of the County Population of Perry County, MS. Therefore, per the Letter Agreement, New T-Mobile shall strive to provide such speeds to at least 94% (0.95 X 99% = 94%) of the Perry County Population at 6 years.