



STATE OF FLORIDA

ASHLEY MOODY
ATTORNEY GENERAL

September 27, 2019

T-Mobile USA, Inc.
12920 SE 38th Street
Bellevue, WA 98006-1350

Re: T-Mobile and Sprint Pledged Commitments in the State of Florida

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 Florida Attorney General's Office ("AGO") in an investigation of the proposed merger of T-Mobile and Sprint, and (ii) the Parties' pledged commitments in the State of Florida regarding the merger that will be enforceable by the Florida 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 by the U.S. Department of Justice ("DOJ") into the proposed Merger and sought relevant information from the Parties regarding New T-Mobile's proposed business plan and strategic development for Florida. 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 the State of Florida. This Letter Agreement memorializes those commitments.

Relief

WHEREAS, the Parties have cooperated promptly and fully with the AGO, 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 and recognizes that such Federal Commitments inure to the benefit of the State of Florida and its consumers and are subject to the enforcement authority of the FCC and DOJ;

WHEREAS, the AGO acknowledges that the Federal Commitments shall require New T-Mobile to provide substantial 5G coverage across the state of Florida and provide high-speed 5G wireless service to the overwhelming majority of Florida residents;

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. **Customer Experience Center Commitment.** New T-Mobile will continue to operate a customer experience center in the Tampa area that employs at least 800 employees for at least the term of six (6) years following the Closing Date.
2. **Retail Stores Commitment.** New T-Mobile intends to locate at least 20 new retail stores in northern Florida located to serve small towns and rural areas.
 - a) Of these 20 new stores, New T-Mobile will locate at least five (5) new retail stores in the Panhandle region in counties that were impacted by Hurricane Michael within one (1) year of the Closing Date.
 - b) New T-Mobile further agrees to notify AGO of the locations, opening dates, and employee counts of the five (5) new retail stores mentioned above on the one (1) year anniversary of the Closing Date. New T-Mobile will notify AGO of the locations, opening dates, and employee counts of the remaining new retail stores within thirty (30) days of their anticipated opening.
3. **Disaster Recovery Commitment.** New T-Mobile will expand network hardening in the state of Florida. In particular, New T-Mobile will double the number of available permanent back-up generators within the state to at least 70% of sites within three (3) years of the Closing Date.
4. **Network Build: Statewide and Rural**

- a) Within three (3) years of the Closing Date, New T-Mobile will deploy a 5G network in Florida with:
 - i) At least 76% of the Florida Population and 68% of the Florida 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 85% of the Florida Population and 76% of the Florida 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 the Closing Date, New T-Mobile will deploy a 5G network in Florida with:
 - i) At least 94% of the Florida Population and 73% of the Florida 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 94% of the Florida Population and 88% of the Florida Rural Population having access to download speeds equal to or greater than 50 Mbps, as verified by the FCC Nationwide Drive Test.

5. In-Home Broadband Commitment

Within three (3) years of the Closing Date, New T-Mobile will Market its In-Home Broadband Service product to at least 710,000 households in the state of Florida, of which at least 72,000 will be rural households.

Within six (6) years of closing, New T-Mobile will Market its In-Home Broadband Service product to at least 2,094,000 households in the state of Florida, of which at least 232,000 will be rural households.

Beginning 60 days after the fourth (4th) year after closing through fulfillment of the commitments in this section, New T-Mobile will provide the Florida AGO annually sufficient information to demonstrate its compliance with these commitments.

- 6. **Verification of Performance Under this Agreement.** For each of the commitments above, New T-Mobile will provide the AGO with copies of any Florida-specific results and data produced as part of New T-Mobile's FCC or DOJ reporting obligations under its national commitments at the same time or within thirty (30) days of the date upon which New T-Mobile provides the verification material to the FCC and DOJ.
- 7. **Enforceability of Terms Under this Agreement.** The terms of this Letter Agreement are subject to the authority of the Florida Attorney General's Office and the AGO may take action as provided under the laws of the State of Florida 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; and (b) the Parties shall have up to sixty (60) days from AGO's notification of such alleged breach or failure to remedy such

alleged breach or failure before AGO may take enforcement action. In the event that New T-Mobile is determined, in an action to enforce the terms of this Letter Agreement, to have failed to meet any of the commitments agreed to herein, the AGO's remedy shall be a contribution in the amount of up to five million dollars (\$5,000,000) total for any and all such alleged violations as reasonably determined by the AGO to an organization or organizations of the AGO's choice.

8. **Multi-State Settlements.** Florida will be able to avail itself of any Multi-state Commitments granted to those states that are party to *State of New York et al v. Deutsche Telekom AG et al*, in settlement of that litigation, if those terms are more favorable than those agreed to herein as reasonably determined by the AGO.
9. **Force Majeure Event.** 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 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. For the avoidance of doubt, this provision does not relieve New T-Mobile of its obligation pursuant to paragraph 3 above.
10. **Term.** The Term of this Letter Agreement shall be six (6) years from the Closing Date.
11. **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) "In-Home Broadband Service Product" is defined as a residential broadband service with minimum speeds of 25 Mbps downlink and 3 Mbps uplink.
 - (c) "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.
 - (d) "Multi-state Commitments" are defined as those conditions with respect to verification, mobile rate plans, and broadband Internet access programs, except with respect to state-specific commitments regarding the In-Home Broadband Service Product, such as described above in Paragraph 5.
 - (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) “Florida Population” is defined as the population of Florida 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 Florida Population is 20,652,062. 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) “Florida Rural Population” is defined as the population of Florida 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 Florida Rural Population is 1,917,801. 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 take such steps as necessary to become a party to the complaint filed by the DOJ in *United States of America et al. v. Deutsche Telekom AG et al.*, No. 1:19-cv-02232-TJK (D.D.C. 2019)(the “DOJ Complaint”) by October 11, 2019.

IT IS FURTHER UNDERSTOOD AND AGREED THAT this Letter Agreement, in its entirety, shall be conditioned upon (a) AGO becoming a party to the DOJ Complaint and further joining the DOJ in any settlement of such complaint; 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 Parties, or any violation of any laws, regulations, or administrative pronouncements applicable to 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:



Name: B.M. SIEVERT
Title: PRESIDENT & COO
T-Mobile US, Inc.



Ashley Moody
Attorney General
State of Florida