

FREQUENTLY ASKED QUESTIONS

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1. What is the lawsuit about?

This is a case that relates to AT&T Mobility's practice of charging customers for taxes, fees and surcharges on internet access through certain services. These services include iPhone data plans, Blackberry data plans, other smart phone data plans, laptop connect cards and pay-per-use data services. The lawsuit alleges that these practices are not permitted under the Internet Tax Freedom Act, 47 U.S.C. § 151 (1998) (as amended) and other state laws. As a result, the lawsuit claims that AT&T Mobility is liable for damages to the Class.

The reason you are getting this notice is that there is a proposal to settle the entire lawsuit, as will be described below. AT&T Mobility denies that it did anything wrong, denies that it violated any laws, and has raised a number of defenses to the claims. There has not been any finding of any violation of the law by AT&T Mobility or that recovery could be had in a certain amount. The Court has authorized notice to be given of the proposed Settlement, but does not express any opinion on the merits of the claims or defenses asserted by either side in the Lawsuit.

2. Why is this a class action?

Class actions are lawsuits in which the claims and rights of many people are decided in a single court proceeding. Representative Plaintiffs ("Class Representatives") are named in the lawsuit to assert the claims of the entire class. This avoids the necessity for a large number of people to file similar individual lawsuits and enables the court system to resolve similar claims in an efficient and economical way. Class actions provide a vehicle whereby people with similar claims are treated alike. In a class action, the court is guardian of class interests and supervises the prosecution of the class claims by class counsel to assure that the representation is adequate. Class Members are not individually responsible for the costs or fees of counsel, which are subject to court award.

3. Why is there a Settlement?

The Court did not decide in favor of the Class Representatives or AT&T Mobility. The lawyers who initially brought this case, referred to as "Class Counsel," have investigated the facts and applicable law regarding the Class Representatives' claims and AT&T Mobility's defenses. The parties have engaged in lengthy negotiations in reaching this Settlement. The Class Representatives and Class Counsel believe that the proposed Settlement is a good deal for the Class. It remains for the Court to decide under the appropriate legal standards that the proposed Settlement is indeed fair, reasonable and adequate and in the best interests of the Class. Both sides agree that, by settling, AT&T Mobility is not admitting any liability or that it did anything wrong, but both sides want to avoid the uncertainties and high cost in time and money in litigation of this type.

4. Who is included in the Settlement?

You are a part of the Settlement if you paid taxes, fees or surcharges to AT&T Mobility on internet access through certain services including iPhone data plans, Blackberry data plans, other smart phone data plans, laptop connect cards and pay-per-use data services on bills issued from November 1, 2005 up to and including September 7, 2010.

Excluded from the Class are (i) AT&T Mobility, any entity in which AT&T Mobility has a controlling interest or which has a controlling interest in AT&T Mobility, and AT&T Mobility's legal representatives, predecessors, successors and assigns; (ii) governmental entities; (iii) AT&T Mobility's officers, directors, agents and representatives; and (iv) the Court presiding over any motion to approve this Settlement Agreement.

5. What services are included?

The following is a list of the internet access services included in the Settlement:

Plan Category and Primary Features/Characteristics

Data Connect Plans Web access and ability to send and receive internet e-mail through a computer equipped with a laptop data card.

Smart-phone Data Features "Bolt-on" Web access and ability to send and receive internet e-mail.

Smart-phone Standalone Data Plans Web access and ability to send and receive internet e-mail.

iPhone Data Plans Web access and ability to send and receive internet e-mail.

Personal Blackberry Plans Web access and ability to send and receive internet e-mail; also includes access to Blackberry APN, which provides push e-mail, and contacts/calendar synchronization through RIM server.

Enterprise Smartphone Plans (using RIM/Blackberry, Goodlink, or Microsoft application provider) Same as Personal Blackberry plans, and also provides enterprise customer's end users the ability to send and receive internal and internet e-mail to and from e-mail addresses provided by the enterprise customer.

6. What are my options? You have four options:

- Exclude yourself and get no benefit. This is the only option that allows you to ever be part of any other lawsuit against AT&T Mobility about the legal claims in this case.
- Write to the Court about why you don't like the Settlement.
- Ask to speak in Court about the fairness of the Settlement.
- Do nothing. Receive the Settlement benefits. This will end any further claims against ATT Mobility for the charging of taxes as claimed in the lawsuit.
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7. What are the benefits of the Settlement?

If you determine that you are a member of the Class, you may receive benefits under the Settlement. Essentially the Settlement benefits are three-fold:

First, AT&T Mobility will stop collecting the taxes it has been collecting and paying to states, counties and cities. AT&T Mobility will not collect the tax again unless the applicable laws of the United States or a state change or such laws are interpreted to require or permit AT&T Mobility to begin collecting the taxes again.

Second, AT&T Mobility, at its sole expense, will prepare and process tax refund claims for filing with the various taxing authorities (e.g., state or county or municipal taxing agencies) seeking a refund of the Internet Taxes collected by AT&T Mobility from the Settlement Class and paid by AT&T Mobility to the taxing jurisdictions. AT&T Mobility and/or the Class Representatives will file the refund claims. The refund claims will be based on the amount of taxes each account holder paid to AT&T Mobility. As part of the Settlement, AT&T Mobility has assigned its rights, title and interest in such refunds to the Settlement Class to settle the claims made by the Class. Significantly, AT&T Mobility has agreed to pay the money owed up front, even if a taxing jurisdiction issues future tax credits to AT&T Mobility in lieu of a refund of monies sought on a refund claim for Internet Taxes. Thus, AT&T Mobility has agreed to pay the credited amount to the escrow accounts established pursuant to the Settlement. If the use of the future tax credit will be spread over a three (3) year period or less, AT&T Mobility shall pay monies to the escrow accounts equal to the total future tax credits. If the use of the future tax credit will be spread over a period longer than three (3) years, AT&T Mobility shall pay monies to the escrow accounts based upon a payment formula. Under this formula, the payments are equal to the net present value of such future tax credits of the fourth and succeeding years using a 5% discount rate to compute the net present value. The amount of the first three (3) years shall be paid with no

discount.

Third, , AT&T Mobility has agreed to pay to the Settlement Class any vendor's compensation. Vendor's compensation is the amount of money AT&T Mobility was allowed to retain from the sales tax it collected as compensation for collecting the taxes for some (but not all) taxing jurisdictions. Vendor's compensation paid under the Settlement does not include amounts to which AT&T would have been entitled independent of the collection of Internet Taxes based on limitations on the amount of credit allowed pursuant to applicable law. All refunds or payments by AT&T Mobility related to credits and payments of the vendor's compensation will fund separate escrow accounts for the benefit of the Settlement Class.

Payments to Settlement Class Members will be made only after final approval by the Court and the exhaustion of any appeals of the Court's order and only when all of the refunds/credits are made from each taxing jurisdiction in each state and after deduction of Court approved costs, expenses and attorneys' fees and Class Representative Compensation.

8. When would I get my benefit?

The Court will hold a hearing on March 10, 2011, to decide whether to approve the Settlement. If the Settlement is approved after the hearing, there may be appeals. Once the Settlement is approved and all appeals have been resolved, the Settlement Administrator will send out the benefits as soon as monies are received from the taxing jurisdictions to which your payments to AT&T Mobility were remitted. This may take some time, so please be patient.

9. What am I giving up to get a benefit or stay in the Class?

Upon the Court's approval of the Settlement, the Class Members who do not exclude themselves will give up any future claims against AT&T Mobility and its affiliates for the conduct at issue in this lawsuit. This means that all Class Members who do not exclude themselves release and forever discharge AT&T Mobility or AT&T Inc., all of their predecessors in interest, successors in interest and any of their parents, subsidiaries, divisions or affiliates, and their officers, directors, employees, trustees, principals, attorneys, agents, representatives, vendors, shareholders, partners, limited partners, as well as any person acting or purporting to act on their behalf or on behalf of those in privity with AT&T Mobility or AT&T Inc. and the Settlement Class Members from any and all claims, demands, debts, liabilities, actions, causes of action of every kind and nature, obligations, damages, losses, and costs, whether known or unknown, actual or potential, suspected or unsuspected, direct or indirect, contingent or fixed, that were or could have been asserted or sought in the Actions, relating in any way or arising out of (a) AT&T Mobility's charging of the Internet Taxes and any and all claims that were asserted or could have been asserted by the Settlement Class in the Actions with respect to AT&T Mobility's charging of taxes, fees or surcharges on internet access allegedly in violation of the Internet Tax Freedom Act, state and local laws.

"Unknown" claims as released herein means any and all claims that any member of the Settlement Class does not know to exist against AT&T Mobility which, if known, might have affected his or her decision to enter into or to be bound by the terms of this Settlement. The Plaintiffs and the members of the Settlement Class acknowledge that they may hereafter discover facts in addition to or different from those that they now know or believe to be true concerning the subject matter of this release, but nevertheless fully, finally, and forever settle and release any and all claims, known or unknown, derivative or direct, suspected or unsuspected, accrued or unaccrued, asserted

or unasserted, in law or equity, including, without limitation, claims that have been asserted or could have been asserted in the Actions against AT&T Mobility with respect to AT&T Mobility's charging of taxes, fees or surcharges on internet access allegedly in violation of the Internet Tax Freedom Act, state and local laws, that they now have, ever had, or may have had as of the date the Final Order becomes final. The foregoing waiver includes, without limitation, an express waiver to the fullest extent permitted by law, by the Plaintiffs and the Settlement Class Members of any and all rights under California Civil Code § 1542 or any similar law of any other state or of the United States, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MIGHT HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

10. How can I exclude myself from the Class?

To request exclusion, you must state in writing your desire to be excluded from the Settlement Class. You must sign your request for exclusion personally or by legal counsel. Your request must include:

- Your full name, current address and address when you were charged Internet Taxes by AT&T Mobility;
- Your signature; and
- A specific statement that "I want to be excluded from the Settlement Class."

Your request must be sent postmarked on or before February 2, 2011, to:

ATTM Settlement Administrator
P.O. Box 480020
Kansas City, MO 64148

11. If I don't exclude myself, can I sue AT&T Mobility for the same thing later?

No. Unless you exclude yourself, you give up any right to sue AT&T Mobility for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately.

12. If I exclude myself, can I get a benefit?

No. If you exclude yourself, you will not receive any monies under the Settlement.

13. How can I object to the Settlement?

If you are a Settlement Class Member, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. You must sign your objection personally or by legal counsel. Your objection must state your full name, current address, and address when you were charged Internet Taxes by AT&T Mobility. You must also provide copies of any documents you intend to rely upon, the names and addresses of any witnesses who will appear at the hearing, and the name of any counsel representing you. If you decide to object, you may be required to produce the information necessary for the Court to assess the basis for your objection. For example, your deposition may be taken in order to determine the grounds for your objection. The deposition will of course be limited to topics relating to the objection. Your objection must state why you object to the proposed Settlement and any reasons

supporting your position.

If you intend to appear in person or through your own attorney at the March 10, 2011, Fairness Hearing, you must include with your objection a notice of your intention to appear at the hearing.

Class Counsel: Bartimus Frickleton Robertson & Gorny, P.C. 715 Swifts Highway Jefferson City, MO 65109	Class Counsel: The Huge Law Finn PLLC P.O. Box 57277 Washington, D.C. 20037- 0277
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Counsel for AT&T Mobility: Thompson Coburn LLP Roman P. Wuller, Esq. One US Bank Plaza Suite 3500 St. Louis, MO 63101	Counsel for AT&T Mobility: Mayer Brown LLP Evan M. Tager Archis A. Parasharami 1999 K Street NW Washington, DC 20006
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You must mail any objection, along with any notice of intent to appear, postmarked on or before February 2, 2011, to Settlement Class Counsel and counsel for AT&T Mobility.

Any Settlement Class Member who does not file and serve an objection in the time and manner described above will not be permitted to raise that objection later.

14. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

15. What happens if I do nothing at all?

If you do nothing, you'll get any and all benefits due you under the Settlement. There are no claim forms to file and no action you must take to receive your benefits if the Settlement is finally approved by the Court. But, unless you exclude yourself, you won't be able to start a lawsuit, continue a lawsuit, or be part of any other lawsuit against AT&T Mobility about the legal issues in this case, ever again.

16. Who is representing the Class Members in this case?

The attorneys representing the Class, and their addresses, are shown in the response to question 13 above. These lawyers are called Settlement Class Counsel.

17. How will the lawyers be paid?

Settlement Class Counsel will apply to the Court for an award of reasonable attorneys' fees, expenses and Class Representative Compensation to be paid from funds received from the refund

claims and AT&T Mobility.

18. Should I hire my own lawyer?

Settlement Class Counsel represents the interests of the Class. You may hire your own attorney to advise you, but if you hire your own attorney, you will be responsible for paying that attorney's fees.

19. What is the Fairness Hearing?

The purpose of the hearing is to determine the fairness, reasonableness, and adequacy of the terms of the Settlement; whether the Settlement Class is adequately represented by the Class Representatives and Settlement Class Counsel; and whether an order and final judgment should be entered approving the proposed Settlement. The Court also will consider Settlement Class Counsel's application for an award of attorneys' fees, expenses and Class Representative Compensation.

20. When and where will the Fairness Hearing be held?

The Fairness Hearing will be held on March 10, 2011, beginning at 9:30 a.m., at the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604.

21. Do I have to attend the Fairness Hearing?

No. Settlement Class Counsel will represent the Class at the hearing, but you are welcome to come at your own expense. If you send any objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

22. May I speak at the Fairness Hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send with your objection a notice of intention to appear at the hearing as described in the response to question 13 above. You cannot speak at the hearing if you excluded yourself.

23. How can I get more information?

More information is available on this website. You can read the Settlement Agreement by [clicking here](#). Or you may view the papers filed in this Lawsuit during regular business hours at the office of the Clerk of the Court, United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. File: *In Re: AT&T Mobility Wireless Data Services Sales Tax Litigation*, MDL No. 2147, Case No. 1:10-cv-02278. You can also call 1-877-905-8928 for information.

The full Settlement Agreement and the pleadings filed in the Actions can be requested, in writing, from Class Counsel. Addresses for Class Counsel are available in the response to question 13 above.

24. Will I be paid all the taxes that were charged to me?

No. The legal fees associated with the Settlement and the costs of administering the fund, etc. will be deducted from each Class Member's share of the Settlement. The amount you may receive also will be affected by the taxing jurisdictions' decisions on the refund claims. Finally, the amount of your benefit payment will depend upon the amount of the tax that you were charged, and that amount depends upon the type of service you had and the particular state and/or

local taxes you were charged based on your location.

25. Do I have to submit something to receive my benefits?

No. You do not need to do anything. AT&T Mobility can identify who was assessed taxes and the amount of those taxes. However, if you change your billing address, please send written notification of your old and new address, along with your account number(both current and if applicable, old/inactive) and phone number to the Settlement Administrator using the following address:

ATTM Settlement Administrator
P.O. Box 57098
Washington DC, 20037-7098

If you desire to be in the Class, please do not send any materials to Class Counsel or the Settlement Administrator. Do not mail copies of bills or other correspondence. This will not aid in the payment of benefits and may lengthen the time and cost of administering the payments. If you have questions, please do not contact the Court or AT&T Mobility, but review all materials on this site.

26. How will I be paid my benefit?

The Settlement Administrator will issue you a check and mail it to the most recent address the Settlement Administrator has on file when the Settlement is finally approved and no longer subject to appeal and the refunds from your state have been fully collected.

27. Can I apply my benefit to my AT&T Mobility bill?

No.

28. I think I'm eligible for a benefit payment. How do I monitor when I might receive my benefit payment?

Please continue to check www.attmsettlement.com for details regarding the Settlement. If you are a valid Class Member and have provided your current address to the Settlement Administrator, you will receive a refund check.