

Section 1: 10-K (TMUS FORM 10-K)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K**

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2017
or
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number: 1-33409

T-Mobile

T-MOBILE US, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization)

20-0836269

(I.R.S. Employer Identification No.)

12920 SE38th Street, Bellevue, Washington

(Address of principal executive offices)

98006-1350

(Zip Code)

(425) 378-4000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, \$0.00001 par value per share	The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None.Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
 Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of June 30, 2017, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$17.8 billion based on the closing sale price as reported on NASDAQ. As of February 2, 2018, there were 854,428,593 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Annual Report on Form 10-K incorporates by reference certain portions of the definitive Proxy Statement for the registrant's Annual Meeting of Stockholders, which definitive Proxy Statement shall be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Report relates.

T-Mobile US, Inc.
Form 10-K
For the Year Ended December 31, 2017

Table of Contents

PART I

<u>Item 1.</u>	<u>Business</u>	<u>4</u>
<u>Item 1A.</u>	<u>Risk Factors</u>	<u>9</u>
<u>Item 1B.</u>	<u>Unresolved Staff Comments</u>	<u>20</u>
<u>Item 2.</u>	<u>Properties</u>	<u>20</u>
<u>Item 3.</u>	<u>Legal Proceedings</u>	<u>20</u>
<u>Item 4.</u>	<u>Mine Safety Disclosures</u>	<u>21</u>

PART II

<u>Item 5.</u>	<u>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	<u>21</u>
<u>Item 6.</u>	<u>Selected Financial Data</u>	<u>24</u>
<u>Item 7.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>25</u>
<u>Item 7A.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>55</u>
<u>Item 8.</u>	<u>Financial Statements and Supplementary Data</u>	<u>56</u>
<u>Item 9.</u>	<u>Changes in and Disagreements With Accountants on Accounting and Financial Disclosure</u>	<u>105</u>
<u>Item 9A.</u>	<u>Controls and Procedures</u>	<u>105</u>
<u>Item 9B.</u>	<u>Other Information</u>	<u>106</u>

PART III

<u>Item 10.</u>	<u>Directors, Executive Officers and Corporate Governance</u>	<u>106</u>
<u>Item 11.</u>	<u>Executive Compensation</u>	<u>107</u>
<u>Item 12.</u>	<u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	<u>107</u>
<u>Item 13.</u>	<u>Certain Relationships and Related Transactions, and Director Independence</u>	<u>107</u>
<u>Item 14.</u>	<u>Principal Accounting Fees and Services</u>	<u>107</u>

PART IV

<u>Item 15.</u>	<u>Exhibits and Financial Statement Schedules</u>	<u>107</u>
<u>Item 16.</u>	<u>Form 10-K Summary</u>	<u>107</u>
	<u>INDEX TO EXHIBITS</u>	<u>108</u>
	<u>SIGNATURES</u>	<u>119</u>

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K (“Form 10-K”) includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, including information concerning our future results of operations, are forward-looking statements. These forward-looking statements are generally identified by the words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “could” or similar expressions. Forward-looking statements are based on current expectations and assumptions, which are subject to risks and uncertainties and may cause actual results to differ materially from the forward-looking statements. The following important factors, along with the Risk Factors included in Part I, Item 1A of this Form 10-K, could affect future results and cause those results to differ materially from those expressed in the forward-looking statements:

- adverse economic or political conditions in the U.S. and international markets;
- competition, industry consolidation, and changes in the market for wireless services could negatively affect our ability to attract and retain customers;
- the effects of any future merger, investment, or acquisition involving us, as well as the effects of mergers, investments, or acquisitions in the technology, media and telecommunications industry;
- challenges in implementing our business strategies or funding our operations, including payment for additional spectrum or network upgrades;
- the possibility that we may be unable to renew our spectrum licenses on attractive terms or acquire new spectrum licenses at reasonable costs and terms;
- difficulties in managing growth in wireless data services, including network quality;
- material changes in available technology and the effects of such changes, including product substitutions and deployment costs and performance;
- the timing, scope and financial impact of our deployment of advanced network and business technologies;
- the impact on our networks and business from major technology equipment failures;
- breaches of our and/or our third-party vendors’ networks, information technology and data security;
- natural disasters, terrorist attacks or similar incidents;
- unfavorable outcomes of existing or future litigation;
- any changes in the regulatory environments in which we operate, including any increase in restrictions on the ability to operate our networks;
- any disruption or failure of our third parties’ or key suppliers’ provisioning of products or services;
- material adverse changes in labor matters, including labor campaigns, negotiations or additional organizing activity, and any resulting financial, operational and/or reputational impact;
- the ability to make payments on our debt or to repay our existing indebtedness when due or to comply with the covenants contained therein;
- adverse change in the ratings of our debt securities or adverse conditions in the credit markets;
- changes in accounting assumptions that regulatory agencies, including the Securities and Exchange Commission (“SEC”), may require, which could result in an impact on earnings;
- changes in tax laws, regulations and existing standards and the resolution of disputes with any taxing jurisdictions; and
- the possibility that the reset process under our trademark license with Deutsche Telekom results in changes to the royalty rates for our trademarks.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. In this Form 10-K, unless the context indicates otherwise, references to “T-Mobile,” “T-Mobile US,” “our Company,” “the Company,” “we,” “our,” and “us” refer to T-Mobile US, Inc., a Delaware corporation, and its wholly-owned subsidiaries.

Investors and others should note that we announce material financial and operational information to our investors using our investor relations website, press releases, SEC filings and public conference calls and webcasts. We intend to also use the @TMobileIR Twitter account (<https://twitter.com/TMobileIR>) and the @JohnLegere Twitter (<https://twitter.com/JohnLegere>), Facebook and Periscope accounts, which Mr. Legere also uses as means for personal communications and observations, as means of disclosing information about the Company and its services and for complying with its disclosure obligations under Regulation FD. The information we post through these social media channels may be deemed material. Accordingly, investors

[Table of Contents](#)

should monitor these social media channels in addition to following the Company's press releases, SEC filings and public conference calls and webcasts. The social media channels that we intend to use as a means of disclosing the information described above may be updated from time to time as listed on the Company's investor relations website.

PART I

Item 1. Business

Business Overview and Strategy

Un-carrier Strategy

We are the Un-carrier. Through our Un-carrier strategy, we've disrupted the wireless communications services industry by listening to our customers and providing them with added value and an exceptional experience. We introduced our Un-carrier strategy in 2013 and have since announced 14 signature initiatives that changed the wireless industry forever. We ended annual service contracts, overages, unpredictable international roaming fees, data buckets and more. Customer response to our Un-carrier strategy has allowed T-Mobile to grow into the third largest wireless provider in the United States. We will continue our relentless focus on customers and are determined to bring the Un-carrier to every potential customer in the United States.

Our relentless focus on customer experience through increased investment in customer care, distribution expansion, and digital initiatives has strengthened our customer growth and increased customer retention and satisfaction. We continue to invest and innovate in these areas to deliver our customers the best value in the industry. Everything we do is powered by our nationwide 4G LTE network, and we are rapidly preparing for the next generation of 5G services. Going forward, it is this network that will allow us to deliver innovative new products and services with the same customer focused and industry disrupting mentality that has redefined wireless service in the United States.

History

T-Mobile USA, Inc. ("T-Mobile USA"), a Delaware corporation, was formed in 1994 as VoiceStream Wireless PCS ("VoiceStream"), a subsidiary of Western Wireless Corporation ("Western Wireless"). VoiceStream was spun off from Western Wireless in 1999, acquired by Deutsche Telekom AG ("Deutsche Telekom") in 2001 and renamed T-Mobile USA, Inc. in 2002.

In 2013, T-Mobile US, Inc. was formed through the business combination between T-Mobile USA and MetroPCS Communications, Inc. ("MetroPCS"). The business combination was accounted for as a reverse acquisition with T-Mobile USA as the accounting acquirer. Accordingly, T-Mobile USA's historical financial statements became the historical financial statements of the combined company.

Our common stock trades on the NASDAQ Global Select Market of The NASDAQ Stock Market LLC ("NASDAQ") under the symbol "TMUS."

Business

We provide wireless services to 72.6 million customers in the postpaid, prepaid, and wholesale markets and generate revenue by providing affordable wireless communication services to these customers, as well as a wide selection of wireless devices and accessories. Our most significant expenses are related to acquiring and retaining high-quality customers, providing a full range of devices, compensating employees, and operating and expanding our network. We provide service, devices and accessories across our flagship brands, T-Mobile and MetroPCS, through our owned and operated retail stores, third party distributors and our websites (www.T-Mobile.com and www.MetroPCS.com). The information on our websites is not part of this Form 10-K. See Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations for additional information.

Customers

We provide wireless communication services to three primary categories of customers:

- Branded postpaid customers generally include customers that are qualified to pay after receiving wireless communication services utilizing phones, mobile broadband devices (including tablets), or DIGITS;

[Table of Contents](#)

- Branded prepaid customers generally include customers who pay for wireless communication services in advance. Our branded prepaid customers include customers of T-Mobile and MetroPCS; and
- Wholesale customers include Machine-to-Machine (“M2M”) and MVNO that operate on our network, but are managed by wholesale partners.

We generate the majority of our service revenues by providing wireless communication services to branded postpaid and branded prepaid customers. Our ability to acquire and retain branded postpaid and prepaid customers is important to our business in the generation of service revenues, equipment revenues and other revenues. In 2017, our service revenues generated by providing wireless communication services by customer category were:

- 65% Branded postpaid customers;
- 31% Branded prepaid customers; and
- 4% Wholesale customers and Roaming and other services.

Segment and Geographic Information

We operate as a single operating segment. See [Note 1 – Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

All of our revenues for the years ended December 31, 2017, 2016, and 2015 were earned in the United States, including Puerto Rico and the U.S. Virgin Islands. All of our long-lived assets are located in the United States, including Puerto Rico and the U.S. Virgin Islands.

Services and Products

We provide wireless communication services through a variety of service plan options. We also offer a wide selection of wireless devices, including smartphones, tablets and other mobile communication devices, which are manufactured by various suppliers. Services, devices and accessories are offered directly to consumers through the retail stores we operate, as well as through our websites and customer care channels. In addition, we sell devices to dealers and other third-party distributors for resale through independent third-party retail outlets and a variety of third-party websites.

Our primary service plan offerings, which allow customers to subscribe for wireless services separately from the purchase of a device include:

- Our T-Mobile ONE plan (“T-Mobile ONE”) which gives our customers unlimited calls, unlimited text and unlimited high-speed 4G LTE data on their device, where monthly wireless service fees and sales taxes are included in the advertised monthly recurring charge. On T-Mobile ONE, video typically streams at DVD (480p) quality and tethering is at maximum 3G speeds. Customers on T-Mobile ONE can keep their price for service until they decide to change it and participating customers who use 2 GB or less of data in a month will get up to a \$10 credit per qualifying line on their next month’s bill. Additionally, qualifying T-Mobile ONE customers on family plans can opt in for a standard monthly Netflix service plan at no additional cost. Customers can choose to add on additional features for an additional cost as follows:
 - On T-Mobile ONE Plus, customers also receive unlimited High Definition video streaming, 10 GB of high-speed 4G LTE tethering, Voicemail to Text, NameID, unlimited Gogo in-flight internet passes on capable domestic flights and up to two times faster speeds when traveling abroad in 140+ countries and destinations.
 - On T-Mobile ONE Plus International, customers receive the benefits of T-Mobile ONE Plus as well as free and reduced calling from the U.S., Mexico, and Canada to foreign countries and unlimited high-speed 4G LTE tethering.
- Simple Choice plans, which were launched in 2013 as part of phase 1.0 of our Un-carrier initiatives, eliminated annual service contracts and simplified the lineup of consumer rate plans to one affordable plan for unlimited voice and messaging services with the option to add data services. On January 25, 2017, we streamlined our Simple Choice plan offerings to new customers into our T-Mobile ONE plan.

Depending on their credit profile, customers are qualified either for postpaid or prepaid service.

[Table of Contents](#)

Our device options for customers on T-Mobile ONE, and previously on Simple Choice plans, include:

- Depending on their credit profile, qualifying customers who purchase a device from us have the option of financing all or a portion of the purchase price at the time of sale over an installment period of up to 24 months using our Equipment Installment Plan (“EIP”).
- In addition, qualifying customers who finance their initial device with an EIP can enroll in our Just Upgrade My Phone (“JUMP!”[®]) program to later upgrade their device. Upon a qualifying JUMP! upgrade, the customer’s remaining EIP balance is settled provided they trade-in their used device at the time of upgrade in good working condition and purchase a new device from us on a new EIP.
- In 2015, we introduced JUMP! On Demand. With JUMP! On Demand, a low monthly payment covers the cost of leasing a new device and gives qualified customers the freedom to exchange it for a new device up to one time per month for no extra fee. Upon device upgrade or at lease end, customers must return their device in good working condition or purchase their device. Customers that choose to purchase their device have the option to finance their device over a nine-month EIP.

Network

The speed and capacity of our LTE network allows us to offer “America’s Best Unlimited Network” to our customers. Our advancements in network technology and our spectrum resources ensure we can continue to increase the breadth and depth of our network as the industry moves towards 5G.

Spectrum Growth

We provide mobile communication services utilizing mid-band spectrum licenses, such as Advanced Wireless Services (“AWS”) and Personal Communications Service (“PCS”), and low-band spectrum licenses utilizing our 600 MHz and 700 MHz spectrum.

- We owned an average of 110 MHz of spectrum nationwide as of December 31, 2017, comprised of an average of 31 MHz in the 600 MHz band, 10 MHz in the 700 MHz band, 29 MHz in the 1900 MHz PCS band and 40 MHz in the AWS band. This is compared to an average of 79 MHz of spectrum nationwide as of December 31, 2016.
- In April 2017, the Federal Communications Commission (the “FCC”) announced the results of the broadcast incentive auction which showed that we purchased a nationwide average of 31 MHz of 600 MHz low-band spectrum for \$8.0 billion. This spectrum covered 328 million points of presence (“POPs”) as of December 31, 2017. See [Note 5 - Goodwill, Spectrum Licenses and Other Intangible Assets](#) included in Part II, Item 8 of this Form 10-K for further information.
- As of December 31, 2017, T-Mobile owned approximately 41 MHz of low-band spectrum (600 MHz and 700 MHz), quadruple its pre-auction low-band holdings. The purchased spectrum covers 100% of the U.S.
 - As of December 31, 2017, at least 10 MHz of 600 MHz spectrum covering over 1.2 million square miles and approximately 62 million POPs was clear and available for deployment.
 - T-Mobile has actively engaged with broadcasters to accelerate FCC clearance timelines, entering into approximately 40 agreements with several parties. These agreements will, in aggregate, accelerate clearing, bringing the total clearing target to over 100 million POPs expected by year-end 2018. We expect to reach a clearing target of 250 million POPs by year-end 2019. T-Mobile remains committed to assisting broadcasters occupying 600 MHz spectrum to move to new frequencies.
 - In addition to spectrum clearing, T-Mobile aggressively started deployments of 600 MHz spectrum, lighting up spectrum in 586 cities and towns in 28 states across the country, covering 300,000 square miles as of December 31, 2017.
 - We had two new 600 MHz-capable devices in our retail distribution for the 2017 holiday season (LG V30 and Samsung GS8 Active). We expect more than a dozen new smartphones to be rolled out in 2018 to be 600 MHz-capable.
 - Our 600 MHz spectrum holdings will be used to deploy America's first nationwide 5G network expected by 2020.
- Over the last year, we have entered into and closed on various agreements for the acquisition and exchange of 700 MHz A-Block, AWS and PCS spectrum licenses. See [Note 5 – Goodwill, Spectrum Licenses and Other Intangible Assets](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

[Table of Contents](#)

- We intend to opportunistically acquire spectrum licenses in private party transactions and future FCC spectrum license auctions.
- Our wireless infrastructure included approximately 61,000 macro sites and approximately 18,000 distributed antenna system (DAS) and small cell sites as of December 31, 2017.

Network Coverage Growth

- We continue to expand our coverage breadth and covered 322 million people with 4GLTE as of December 31, 2017.
- By the end of 2018, we are targeting a population coverage of 325 million and a geographic coverage of 2.5 million square miles.

Network Speed Leadership

As “America’s Best Unlimited Network,” we offer the fastest nationwide 4GLTE upload and download speeds in the United States. The fourth quarter of 2017 is the 16th consecutive quarter we have led the industry in both categories, and this is based on the results of millions of user-generated speed tests.

Network Capacity Growth

We continue to expand our capacity through the re-farming of existing spectrum and implementation of new technologies including Voice over LTE (“VoLTE”), Carrier Aggregation, 4x4 MIMO, 256 Quadrature Amplitude Modulation (“QAM”) and Licensed Assisted Access (“LAA”).

- VoLTE comprised almost 80% of total voice calls as of December 31, 2017, compared to 64% as of December 31, 2016. Moving voice traffic to VoLTE frees up spectrum and allows for the transition of spectrum currently used for 2G and 3G to 4GLTE. We are leading the U.S. wireless industry in the rate of VoLTE adoption.
- Carrier aggregation is live for our customers in over 875 markets. This advanced technology delivers superior speed and performance by bonding multiple discrete spectrum channels together.
- 4x4 MIMO is currently available in over 475 markets. This technology effectively delivers twice the speed and incremental network capacity to customers by doubling the number of data paths between the cell site and a customer's device. We plan to start deploying massive MIMO (FD-MIMO) in selected locations later in 2018.
- We have rolled out 256 QAM in over 925 markets. 256 QAM increases the number of bits delivered per transmission to enable faster speed. T-Mobile is the first carrier globally to have rolled out the combination of carrier aggregation, 4x4 MIMO and 256 QAM.
- T-Mobile is implementing a significant small cell program. We plan to roll out 25,000 small cells in 2018 and early 2019. This is on top of the approximately 18,000 small cells and DAS nodes already rolled out as of the end of 2017. In conjunction with the small cell rollout, we have also started rolling out License Assisted Access. The first LAA small cell went live in New York City in the fourth quarter of 2017.

Distribution

Our network expansion has provided a unique opportunity to grow our distribution footprint by over 30 million POPs from the beginning of 2016 through year-end 2017, bringing our total distribution footprint to over 260 million people. In 2017, we built nearly 1,500 new T-Mobile stores and over 1,300 net new MetroPCS stores. Many of these additional stores are in geographic areas where T-Mobile had not previously competed. In 2017, we opened T-Mobile stores in more than 600 cities and towns where we did not previously have a retail presence.

As of December 31, 2017, we had approximately 20,100 total points of distribution, including approximately 2,200 direct owned stores, 13,300 exclusive third party locations and 4,600 non-exclusive third-party locations as well as distribution through our websites and customer care channels. Our distribution density in major metropolitan areas provides customers with the convenience of having retail and service locations close to where they live and work.

Expansion of our distribution footprint will continue in 2018. In 2018, our retail store expansion will be exclusively focused on Greenfield markets, building on this significant future growth opportunity.

Competition

The wireless telecommunications industry is highly competitive. We are the third largest provider of postpaid service plans and the largest provider of prepaid service plans in the U.S. as measured by customers. Our competitors include other national carriers, such as AT&T Inc. (“AT&T”), Verizon Communications, Inc. (“Verizon”) and Sprint Corporation (“Sprint”). AT&T and Verizon are significantly larger than us and enjoy greater resources and scale advantages as compared to us. In addition, our competitors include numerous smaller regional carriers, existing MVNOs, including TracFone Wireless, Inc. and Comcast Corporation (“Comcast”), and future MVNOs, such as Charter Communications, Inc., many of which offer or plan to offer no-contract, postpaid and prepaid service plans. Competitors also include providers who offer similar communication services, such as voice, messaging and data services, using alternative technologies or services. Competitive factors within the wireless telecommunications industry include pricing, market saturation, service and product offerings, customer experience, network investment and quality, development and deployment of technologies, availability of additional spectrum licenses and regulatory changes. Some competitors have shown a willingness to use aggressive pricing as a source of differentiation. Other competitors have sought to add ancillary services, like mobile video, to enhance their offerings. Taken together, the competitive factors we face continue to put pressure on growth and margins as companies compete to retain the current customer base and continue to add new customers.

Employees

As of December 31, 2017, we employed approximately 51,000 full-time and part-time employees, including network, retail, administrative and customer support functions.

Regulation

The FCC regulates many key aspects of our business, including licensing, construction, the operation and use of our network, modifications of our network, control and ownership of our licenses and authorizations, the sale, transfer and acquisition of certain licenses, domestic roaming arrangements and interconnection agreements, pursuant to its authority under the Communications Act of 1934, as amended (“Communications Act”). The FCC has a number of complex requirements and proceedings that affect our operations and that could increase our costs or diminish our revenues. For example, the FCC has rules regarding provision of 911 and E-911 services, porting telephone numbers, interconnection, roaming, internet openness or net neutrality, disabilities access, privacy and cybersecurity, consumer protection, and the universal service and Lifeline programs. Many of these and other issues are being considered in ongoing proceedings, and we cannot predict whether or how such actions will affect our business, financial condition or results of operations. Our ability to provide services and generate revenues could be harmed by adverse regulatory action or changes to existing laws and regulations. In addition, regulation of companies that offer competing services can impact our business indirectly.

Wireless communications providers must be licensed by the FCC to provide communications services at specified spectrum frequencies within specified geographic areas and must comply with the rules and policies governing the use of the spectrum as adopted by the FCC. The FCC issues each license for a fixed period of time, typically 10 years in the case of cellular, PCS and point-to-point microwave licenses. AWS licenses have an initial term of 15 years, with successive 10-year terms thereafter. While the FCC has generally renewed licenses given to operating companies like us, the FCC has authority to both revoke a license for cause and to deny a license renewal if a renewal is not in the public interest. Furthermore, we could be subject to fines, forfeitures and other penalties for failure to comply with FCC regulations, even if any such non-compliance was unintentional. In extreme cases, penalties can include revocation of our licenses. The loss of any licenses, or any related fines or forfeitures, could adversely affect our business, results of operations and financial condition.

Additionally, Congress’ and the FCC’s allocation of additional spectrum for broadband commercial mobile radio service (“CMRS”), which includes cellular, PCS and specialized mobile radio, could significantly increase competition. We cannot assess the impact that any developments that may occur in the U.S. economy or any future spectrum allocations by the FCC may have on license values. FCC spectrum auctions and other market developments may adversely affect the market value of our licenses in the future. A significant decline in the value of our licenses could adversely affect our financial condition and results of operations. In addition, the FCC periodically reviews its policies on how to evaluate carriers’ spectrum holdings. A change in these policies could affect spectrum resources and competition among us and other carriers.

Congress and the FCC have imposed limitations on foreign ownership of CMRS licensees that exceed 20% direct ownership or 25% indirect ownership. The FCC has ruled that higher levels of indirect foreign ownership, even up to 100%, are presumptively consistent with the public interest albeit subject to review. Consistent with that established policy, the FCC has issued a declaratory ruling authorizing up to 100% ownership of our company by Deutsche Telekom. This declaratory ruling, and our licenses, are conditioned on Deutsche Telekom’s and the Company’s compliance with a network security agreement

[Table of Contents](#)

with the Department of Justice, the Federal Bureau of Investigation and the Department of Homeland Security. Failure to comply with the terms of this agreement could result in fines, injunctions and other penalties, including potential revocation of our spectrum licenses.

While the Communications Act generally preempts state and local governments from regulating the entry of, or the rates charged by, wireless communication providers, certain state and local governments regulate other terms and conditions of wireless service, including billing, termination of service arrangements and the imposition of early termination fees, advertising, network outages, the use of devices while driving, zoning and land use. Additionally, the Federal Trade Commission ("FTC") and other federal agencies have asserted that they have jurisdiction over some consumer protection and elimination and prevention of anticompetitive business practices with respect to the provision of non-common carrier services. Further, the FCC and the Federal Aviation Administration regulate the siting, lighting and construction of transmitter towers and antennae. Tower siting and construction are also subject to state and local zoning, as well as federal statutes regarding environmental and historic preservation. The future costs to comply with all relevant regulations are to some extent unknown and changes to regulations, or the applicability of regulations, could result in higher operating and capital expenses, or reduced revenues in the future.

Available Information

Our Form 10-K and all other reports and amendments filed with or furnished to the SEC, are publicly available free of charge on the Investor Relations section of our website at investor.t-mobile.com or at www.sec.gov as soon as reasonably practicable after these materials are filed with or furnished to the SEC. Our corporate governance guidelines, code of ethics for senior financial officers, code of business conduct, and charters for the audit, compensation, nominating and corporate governance and executive committees of our Board of Directors are also posted on the Investor Relations section of our website at investor.t-mobile.com. The information on our websites is not part of this or any other report we file with, or furnishes to, the SEC.

Item 1A. Risk Factors

In addition to the other information contained in this Form 10-K, the following risk factors should be considered carefully in evaluating T-Mobile. Our business, financial condition, liquidity, or operating results, as well as the price of our common stock and other securities, could be materially adversely affected by any of these risks.

Risks Related to Our Business and the Wireless Industry

Competition, industry consolidation, and changes in the market for wireless services could negatively affect our ability to attract and retain customers and adversely affect our business, financial condition, and operating results.

We have multiple wireless competitors, some of which have greater resources than us and compete for customers based principally on service/device offerings; price; network coverage, speed and quality; and customer service. We expect market saturation to continue to cause the wireless industry's customer growth rate to be moderate in comparison with historical growth rates, or possibly negative, leading to ongoing competition for customers. We also expect that our customers' appetite for data services will place increasing demands on our network capacity. This competition and our capacity will continue to put pressure on pricing and margins as companies compete for potential customers. Our ability to compete will depend on, among other things, continued absolute and relative improvement in network quality and customer service, effective marketing and selling of products and services, innovation, attractive pricing, and cost management, all of which will involve significant expenses.

Joint ventures, mergers, acquisitions and strategic alliances in the wireless sector have resulted in and are expected to result in larger competitors competing for a limited number of customers. The two largest national wireless communication providers currently serve a significant percentage of all wireless customers and hold significant spectrum and other resources. Our largest competitors may be able to enter into exclusive handset, device, or content arrangements, execute pervasive advertising and marketing campaigns, or otherwise improve their cost position relative to ours. In addition, refusal of our large competitors to provide critical access to resources and inputs, such as roaming services on reasonable terms, could improve their position within the wireless broadband mobile services industry.

We face intense and increasing competition from other service providers as industry sectors converge, such as cable, telecom services and content, satellite, and other service providers. Companies like Comcast and AT&T (and AT&T's proposed acquisition of Time Warner, Inc.) will have the scale and assets to aggressively compete in a converging industry. Verizon, through the acquisitions of AOL, Inc. and Yahoo! Inc. is also a significant competitor focusing on premium content offerings to diversify outside of core wireless. Further, some of our competitors now provide content services in addition to voice and

[Table of Contents](#)

broadband services, and consumers are increasingly accessing video content from Internet-based providers and applications, all of which create increased competition in this area. These factors, together with the effects of the increasing aggregate penetration of wireless services in all metropolitan areas and the ability of our larger competitors to use resources to build out their networks and to quickly deploy advanced technologies, could make it more difficult for us to continue to attract and retain customers, and may adversely affect our competitive position and ability to grow, which would have a material adverse effect on our business, financial condition and operating results.

The scarcity and cost of additional wireless spectrum, and regulations relating to spectrum use, may adversely affect our business strategy and financial condition and operating results.

We will need to acquire additional spectrum in order to continue our customer growth, expand and deepen our coverage, maintain our quality of service, meet increasing customer demands and deploy new technologies. We will be at a competitive disadvantage and possibly experience erosion in the quality of service in certain markets if we fail to gain access to necessary spectrum before reaching network capacity. As a result, we are actively seeking to make additional investment in spectrum, which could be significant.

The continued interest in, and acquisition of, spectrum by existing carriers and others may reduce our ability to acquire and/or increase the cost of acquiring spectrum in the secondary market or negatively impact our ability to gain access to spectrum through other means, including government auctions. We may need to enter into spectrum sharing or leasing arrangements, which are subject to certain risks and uncertainties and may involve significant expenditures. Gaining access to the spectrum we won in the FCC 600 MHz auction in 2017 may take up to three years or more. Any material delay could adversely impact our ability to implement our plans and efforts to improve our network. In addition, our return on investment in spectrum depends on our ability to attract additional customers and to provide additional services and usage to existing customers. As a result, the return on any investment in spectrum that we make may not be as much as we anticipate or take longer than expected. Additionally, we may be unable to secure the spectrum we need in any auction we may elect to participate in or in the secondary market, on favorable terms or at all.

The FCC may impose conditions on the use of new wireless broadband mobile spectrum that may negatively impact our ability to obtain spectrum economically or in appropriate configurations or coverage areas. Additional conditions that may be imposed by the FCC include heightened build-out requirements, limited license terms or renewal rights, and clearing obligations that may make it less attractive or less economical to acquire spectrum. In addition, rules may be established for future government spectrum auctions that may negatively impact our ability to obtain spectrum economically or in appropriate configurations or coverage areas.

If we cannot acquire needed spectrum from the government or otherwise, if competitors acquire spectrum that will allow them to provide services competitive with our services, or if we cannot deploy services over acquired spectrum on a timely basis without burdensome conditions, at reasonable cost, and while maintaining network quality levels, then our ability to attract and retain customers and our associated financial condition and operating results could be materially adversely affected.

If we are unable to take advantage of technological developments on a timely basis, we may experience a decline in demand for our services or face challenges in implementing or evolving our business strategy.

Significant technological changes continue to impact the communications industry. In general, these technological changes enhance communications and enable a broader array of companies to offer services competitive with ours. In order to grow and remain competitive with new and evolving technologies in our industry, we will need to adapt to future changes in technology, continually invest in our network, enhance our existing offerings, and introduce new offerings to address our current and potential customers' changing demands. Enhancing our network, such as deploying 5G, is subject to risk from equipment changes and migration of customers from existing spectrum bands and the potential inability to secure spectrum necessary to deploy advanced technologies. Adopting new and sophisticated technologies may result in implementation issues such as scheduling and supplier delays, unexpected or increased costs, technological constraints, regulatory permitting issues, customer dissatisfaction, and other issues that could cause delays in launching new technological capabilities, which in turn could result in significant costs or reduce the anticipated benefits of the upgrades. In general, the development of new services in the wireless telecommunications industry will require us to anticipate and respond to the continuously changing demands of our customers, which we may not be able to do accurately or timely. If our new services fail to retain or gain acceptance in the marketplace or if costs associated with these services are higher than anticipated, this could have a material adverse effect on our business, financial condition and operating results.

We could be harmed by data loss or other security breaches, whether directly or by way of third parties.

Our business, like that of most retailers and wireless companies, involves the receipt, storage, and transmission of confidential information, including sensitive personal information and payment card information, confidential information about our employees and suppliers, and other sensitive information about our Company, such as our business plans, transactions and intellectual property (“confidential information”). Unauthorized access to confidential information may be difficult to anticipate, detect, or prevent, particularly given that the methods of unauthorized access constantly change and evolve. We may experience unauthorized access or distribution of confidential information by third parties or employees, errors or breaches by third party suppliers, or other breaches of security that compromise the integrity of confidential information, and such breaches can have a materially adverse effect on our business or damage our reputation.

Cyber-attacks, such as denial of service and other malicious attacks, could disrupt our internal systems and applications, impair our ability to provide services to our customers, and have other adverse effects on our business and that of others who depend on our services. As a telecommunications carrier, we are considered a critical infrastructure provider and therefore may be more likely to be the target of such attacks. Such attacks against companies may be perpetrated by a variety of groups or persons, including those in jurisdictions where law enforcement measures to address such attacks are ineffective or unavailable, and such attacks may even be perpetrated by or at the behest of foreign governments.

In addition, we provide confidential, proprietary and personal information to third-party service providers when it is necessary to pursue business objectives. We and our third-party service providers have been subject to unauthorized access to confidential information in the past, including a breach at one of our credit check providers in September 2015 in which a subset of records containing current and potential customer information was compromised by an external party.

Our procedures and safeguards to prevent unauthorized access to sensitive data and to defend against attacks seeking to disrupt our services must be continually evaluated and revised to address the ever-evolving threat landscape. We cannot make assurances that all preventive actions taken will adequately repel a significant attack or prevent information security breaches or the misuses of data, unauthorized access by third parties or employees, or exploits against third-party supplier environments. If we are subject to such attacks or security breaches, we may incur significant costs, be subject to regulatory investigations, sanctions and private litigation, experience disruptions to our operations or suffer damage to our reputation. Any future cyber-attacks or security breaches may materially adversely affect our business, financial condition, and operating results.

System failures and business disruptions may allow unauthorized use of or interference with our network and other systems which could be materially adversely affect our reputation and financial condition.

To be successful, we must provide our customers with reliable, trustworthy service and protect the communications, location, and personal information shared or generated by our customers. We rely upon both our systems and networks and the systems and networks of other providers and suppliers to provide and support our services and, in some cases, protect our customers’ information and our information. Failure of our or others’ systems, networks, or infrastructure may prevent us from providing reliable service or may allow for the unauthorized use of or interference with our networks and other systems or for the compromise of customer information. Examples of these risks include:

- human error such as responding to deceptive communications or unintentionally executing malicious code;
- physical damage, power surges or outages, or equipment failure, including those as a result of severe weather, natural disasters, terrorist attacks, political instability and volatility, and acts of war;
- theft of customer and/or proprietary information offered for sale for competitive advantage or corporate extortion;
- unauthorized access to our IT and business systems or to our network and critical infrastructure and those of our suppliers and other providers;
- supplier failures or delays; and
- system failures or outages of our business systems or communications network.

Such events could cause us to lose customers, lose revenue, incur expenses, suffer reputational damage, and subject us to litigation or governmental investigation. Remediation costs could include liability for information loss, repairing infrastructure and systems, and/or costs of incentives offered to customers. Our insurance may not cover, or be adequate to fully reimburse us for, costs and losses associated with such events.

We are in the process of implementing a new billing system, which will support a portion of our subscribers, while maintaining our legacy billing system. Any unanticipated difficulties, disruption, or significant delays could have adverse operational, financial, and reputational effects on our business.

We are currently implementing a new customer billing system, which involves a new third-party supported platform and utilization of a phased deployment approach. Post implementation, we plan to operate both the existing and new billing systems in parallel to aid in the transition to the new system until all phases of the conversion are complete.

The implementation may cause major system or business disruptions, or we may fail to implement the new billing system in a timely or effective manner. In addition, the third-party billing services supporting vendor may experience errors, cyber-attacks, or other operational disruptions that could negatively impact us and over which we may have limited control. Interruptions and/or failure of this new billing services system could disrupt our operations and impact our ability to provide or bill for our services, retain customers, attract new customers, or negatively impact overall customer experience. Any occurrence of the foregoing could cause material adverse effects on our operations and financial condition, material weaknesses in our internal control over financial reporting, and reputational damage.

We rely on third parties to provide products or services for the operation of our business, and a failure or inability by such parties to provide these products or services could adversely affect our business, financial condition, and operating results.

We depend heavily on suppliers, their subcontractors, and other third parties in order for us to efficiently operate our business. Due to the complexity of our business, it is not unusual for multiple vendors located in multiple locations to help us to develop, maintain, and troubleshoot products and services, such as network components, software development services, and billing and customer service support. Our suppliers may provide services outside of the United States, which carries associated additional regulatory and legal obligations. We commonly rely upon the suppliers to provide contractual assurances and accurate information regarding risks associated with their provision of products or services in accordance with our expectations and standards such as our supplier code of conduct and our third party-risk management standards. Failure of such suppliers to comply with our expectations and standards could have a material adverse effect on our business, financial condition, and operating results.

There are multiple sources for the types of products and services we purchase or use. However, there are a limited number of suppliers for billing services, voice and data communications transport services, network infrastructure, equipment, handsets, other devices, and payment processing services, among other products and services. Disruptions or failure of such suppliers to adequately perform could have a material adverse effect on our business, financial condition, and operating results.

In the past, our suppliers, contractors, service providers and third-party retailers may not have always performed at the levels we expected or at the levels required by their contracts. Our business could be severely disrupted if key suppliers, contractors, service providers, or third-party retailers fail to comply with their contracts or become unable to continue provision of services or supplies. Our business could also be disrupted if we experience delays or service degradation during any transition to a new outsourcing provider or other supplier or if we are required to replace the supplied products or services with those from another source, especially if the replacement becomes necessary on short notice. Any such disruptions could have a material adverse effect on our business, financial condition, and operating results.

Economic, political, and market conditions may adversely affect our business, financial condition, and operating results, as well as our access to financing on favorable terms or at all.

Our business, financial condition, and operating results are sensitive to changes in general economic conditions, including interest rates, consumer credit conditions, consumer debt levels, consumer confidence, rates of inflation (or concerns about deflation), unemployment rates, economic growth, energy costs, and other macro-economic factors. Difficult, or worsening, general economic conditions could have a material adverse effect on our business, financial condition, and operating results.

Market volatility, political and economic uncertainty, and weak economic conditions, such as a recession or economic slowdown, may materially adversely affect our business, financial condition, and operating results in a number of ways. Our services are available to a broad customer base, a significant segment of which may be more vulnerable to weak economic conditions. We may have greater difficulty in gaining new customers within this segment, and existing customers may be more likely to terminate service due to an inability to pay.

Weak economic conditions and credit conditions may also adversely impact our suppliers and dealers, some of which have filed for or may be considering bankruptcy, or may experience cash flow or liquidity problems, or are unable to obtain or refinance

credit such that they may no longer be able to operate. Any of these could adversely impact our ability to distribute, market, or sell our products and services.

In addition, instability in the global financial markets could lead to periodic volatility in the credit, equity, and fixed income markets. This volatility could limit our access to the credit markets, leading to higher borrowing costs or, in some cases, the inability to obtain financing on terms that are acceptable to us or at all.

The agreements governing our indebtedness and other financing arrangements include restrictive covenants that limit our operating flexibility.

The agreements governing our indebtedness and other financing arrangements impose significant operating and financial restrictions on us. These restrictions, subject in certain cases to customary baskets, exceptions, and incurrence-based ratio tests, may limit our or our subsidiaries' ability to engage in some transactions, including the following:

- incurring additional indebtedness and issuing preferred stock;
- paying dividends, redeeming capital stock, or making other restricted payments or investments;
- selling or buying assets, properties, or licenses, including participating in future FCC auctions of spectrum or private sales of spectrum;
- developing assets, properties, or licenses that we have or in the future may procure;
- creating liens on assets;
- engaging in mergers, acquisitions, business combinations, or other transactions;
- entering into transactions with affiliates; and
- placing restrictions on the ability of subsidiaries to pay dividends or make other payments.

These restrictions could limit our ability to react to changes in our operating environment or the economy. Any future indebtedness that we incur may contain similar or more restrictive covenants. Any failure to comply with the restrictions of our debt agreements and other financing arrangements may result in an event of default under these agreements, which in turn may result in defaults or acceleration of obligations under these agreements and other agreements, giving our lenders the right to terminate any commitments they had made to provide us with further funds and to require us to repay all amounts then outstanding. Any of these events would have a material adverse effect on our business, financial condition, and operating results.

Our significant indebtedness could adversely affect our business, financial condition and operating results.

Our ability to make payments on our debt, to repay our existing indebtedness when due, and to fund our capital-intensive business and operations, and significant planned capital expenditures will depend on our ability to generate cash in the future, which is in turn subject to the operational risks described elsewhere in this report. Our debt service obligations could have material adverse effects on our business, financial condition, and operating results, including by:

- limiting our flexibility in planning for, or reacting to, changes in our business or the communications industry or pursuing growth opportunities;
- reducing the amount of cash available for other operational or strategic needs; and
- placing us at a competitive disadvantage to competitors who are less leveraged than we are.

Some of our debt also has a floating rate of interest linked to various indices. If the change in indices result in interest rate increases, debt service requirements will increase, which could adversely affect our cash flow and operating results. In addition, any agreements we have and may continue to enter into to limit our exposure to interest rate increases may not offer complete protection from this risk, and any portion not subject to such agreements would have full exposure to interest rate increases. Any of these risks could have a material adverse effect on our business, financial condition and operating results.

Failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act could result in a loss of investor confidence regarding our financial statements or may have a material adverse effect on our business.

Under Section 404 of the Sarbanes-Oxley Act of 2002, we along with our independently registered public accounting firm are required to report on the effectiveness of our internal control over financial reporting. We rely heavily on IT systems as an important part of our internal controls in order to operate, transact, and otherwise manage our business, as well as provide

[Table of Contents](#)

effective and timely reporting of our financial results. Failure to design and maintain effective internal controls, including those over our IT systems, could constitute a material weakness that could result in inaccurate financial statements, inaccurate disclosures, or failure to prevent fraud. If we or our independent registered public accounting firm were unable to conclude that we have effective internal control over financial reporting, investor confidence regarding our financial statements and our business could be materially adversely affected.

Our financial condition and operating results will be impaired if we experience high fraud rates related to device financing, credit cards, dealers, or subscriptions.

Our operating costs could increase substantially as a result of fraud, including device financing, customer credit card, subscription, or dealer fraud. If our fraud detection strategies and processes are not successful in detecting and controlling fraud, whether directly or by way of the systems, processes, and operations of third parties such as national retailers, dealers, and others, the resulting loss of revenue or increased expenses could have a material adverse effect on our financial condition and operating results.

We rely on highly-skilled personnel throughout all levels of our business. Our business could be harmed if we are unable to retain or motivate key personnel, hire qualified personnel or maintain our corporate culture.

The market for highly-skilled workers and leaders in our industry is extremely competitive. We believe that our future success depends in substantial part on our ability to recruit, hire, motivate, develop, and retain talented and highly-skilled personnel for all areas of our organization. Doing so may be difficult due to many factors, including fluctuations in economic and industry conditions, changes to U.S. immigration policy, competitors' hiring practices, employee tolerance for the significant amount of change within and demands on our Company and our industry, and the effectiveness of our compensation programs. Our continued ability to compete effectively depends on our ability to retain and motivate our existing employees and to attract new employees. If we do not succeed in retaining and motivating our existing key employees and attracting new key personnel, we may not be able to meet our business plan and, as a result, our revenue growth and profitability may be materially adversely affected.

Any acquisition, investment, or merger may subject us to significant risks, any of which may harm our business.

We may pursue acquisitions of, investments in or mergers with businesses, technologies, services and/or products that complement or expand our business. Some of these potential transactions could be significant relative to the size of our business and operations. Any such transaction would involve a number of risks and could present financial, managerial and operational challenges, including:

- diversion of management attention from running our existing business;
- increased costs to integrate the networks, spectrum, technology, personnel, customer base and business practices of the business involved in any such transaction with our business;
- difficulties in effectively integrating the financial and operational reporting systems of the business involved in any such transaction into (or supplanting such systems with) our financial and operational reporting infrastructure and internal control framework in an effective and timely manner;
- potential exposure to material liabilities not discovered in the due diligence process or as a result of any litigation arising in connection with any such transaction;
- significant transaction expenses in connection with any such transaction, whether consummated or not;
- risks related to our ability to obtain any required regulatory approvals necessary to consummate any such transaction;
- acquisition financing may not be available on reasonable terms or at all and any such financing could significantly increase our outstanding indebtedness or otherwise affect our capital structure or credit ratings; and
- any business, technology, service, or product involved in any such transaction may significantly under-perform relative to our expectations, and we may not achieve the benefits we expect from our transaction, which could, among other things, also result in a write-down of goodwill and other intangible assets associated with such transaction.

For any or all of these reasons, our pursuit of an acquisition, investment, or merger may have a material adverse effect on our business, financial condition, and operating results.

Risks Related to Legal and Regulatory Matters

Changes in regulations or in the regulatory framework under which we operate could adversely affect our business, financial condition and operating results.

The FCC regulates the licensing, construction, modification, operation, ownership, sale, and interconnection of wireless communications systems, as do some state and local regulatory agencies. In particular, the FCC imposes significant regulation on licensees of wireless spectrum with respect to how radio spectrum is used by licensees, the nature of the services that licensees may offer and how the services may be offered, and the resolution of issues of interference between spectrum bands. Additionally, the FTC and other federal and state agencies have asserted that they have jurisdiction over some consumer protection, and elimination and prevention of anticompetitive business practices with respect to the provision of wireless products and services. We are subject to regulatory oversight by various federal, state and local agencies, as well as judicial review and actions, on issues related to the wireless industry that include, but are not limited to: roaming, interconnection, spectrum allocation and licensing, facilities siting, pole attachments, intercarrier compensation, Universal Service Fund ("USF"), net neutrality, 911 services, consumer protection, consumer privacy, and cybersecurity. We are also subject to regulations in connection with other aspects of our business, including handset financing and insurance activities.

We cannot assure you that the FCC or any other federal, state or local agencies will not adopt regulations or take enforcement or other actions that would adversely affect our business, impose new costs, or require changes in current or planned operations. For example, under the Obama administration, the FCC established new net neutrality and privacy regimes that applied to our operations. Both sets of rules potentially subjected some of our initiatives and practices to more burdensome requirements and heightened scrutiny by federal and state regulators, the public, edge providers, and private litigants regarding whether such initiatives or practices are compliant. While the FCC rules are now largely rolled back under the Trump administration, some state legislators and regulators are seeking to replace them with state laws, perpetuating uncertainty regarding the regulatory environment around these issues.

In addition, states are increasingly focused on the quality of service and support that wireless communication providers provide to their customers and several states have proposed or enacted new and potentially burdensome regulations in this area. We also face potential investigations by, and inquiries from or actions by state Public Utility Commissions. We also cannot assure you that Congress will not amend the Communications Act, from which the FCC obtains its authority and which serves to limit state authority, or enact other legislation in a manner that could be adverse to our business.

Failure to comply with applicable regulations could have a material adverse effect on our business, financial condition and operating results. We could be subject to fines, forfeitures, and other penalties (including, in extreme cases, revocation of our spectrum licenses) for failure to comply with FCC or other governmental regulations, even if any such non-compliance was unintentional. The loss of any licenses, or any related fines or forfeitures, could adversely affect our business, financial condition, and operating results.

Unfavorable outcomes of legal proceedings may adversely affect our business, financial condition and operating results.

We are regularly involved in a number of legal proceedings before various state and federal courts, the FCC, the FTC, other federal agencies, and state and local regulatory agencies, including state attorneys general. Such legal proceedings can be complex, costly, and highly disruptive to our business operations by diverting the attention and energies of management and other key personnel. The assessment of the outcome of legal proceedings, including our potential liability, if any, is a highly subjective process that requires judgments about future events that are not within our control. The amounts ultimately received or paid upon settlement or pursuant to final judgment, order or decree may differ materially from amounts accrued in our financial statements. In addition, litigation or similar proceedings could impose restraints on our current or future manner of doing business. Such potential outcomes including judgments, awards, settlements or orders could have a material adverse effect on our business, financial condition and operating results.

We offer highly regulated financial services products. These products expose us to a wide variety of state and federal regulations.

The financing of devices, through our EIP and JUMP! On Demand programs, has expanded our regulatory compliance obligations. Failure to remain compliant with applicable regulations, may increase our risk exposure in the following areas:

- consumer complaints and potential examinations or enforcement actions by federal and state regulatory agencies, including but not limited to the Consumer Financial Protection Board, state attorneys general, the FCC and the FTC; and

- regulatory fines, penalties, enforcement actions, civil litigation, and/or class action lawsuits.

Failure to comply with applicable regulations and the realization of any of these risks could have a material adverse effect on our business, financial condition, and operating results.

We may not be able to adequately protect the intellectual property rights on which our business depends or may be accused of infringing intellectual property rights of third parties.

We rely on a combination of patent, service mark, trademark, and trade secret laws and contractual restrictions to establish and protect our proprietary rights, all of which offer only limited protection. The steps we have taken to protect our intellectual property may not prevent the misappropriation of our proprietary rights. We may not have the ability in certain jurisdictions to adequately protect intellectual property rights. Moreover, others may independently develop processes and technologies that are competitive to ours. Also, we may not be able to discover or determine the extent of any unauthorized use of our proprietary rights. Unauthorized use of our intellectual property rights may increase the cost of protecting these rights or reduce our revenues. We cannot be sure that any legal actions against such infringers will be successful, even when our rights have been infringed. We cannot assure you that our pending or future patent applications will be granted or enforceable, or that the rights granted under any patent that may be issued will provide us with any competitive advantages. In addition, we cannot assure you that any trademark or service mark registrations will be issued with respect to pending or future applications or will provide adequate protection of our brands. We do not have insurance coverage for intellectual property losses, and as such, a charge for an anticipated settlement or an adverse ruling awarding damages represents an unplanned loss event. Any of these factors could have a material adverse effect on our business, financial condition, and operating results.

Third parties may claim we infringe their intellectual property rights. We are a defendant in numerous intellectual property lawsuits, including patent infringement lawsuits, which exposes us to the risk of adverse financial impact either by way of significant settlement amounts or damage awards. As we adopt new technologies and new business systems, and provide customers with new products and/or services, we may face additional infringement claims. These claims could require us to cease certain activities or to cease selling relevant products and services. These claims can be time-consuming and costly to defend, and divert management resources, and expose us to significant damages awards or settlements, any or all of which could have a material adverse effect on our operations and financial condition. In addition to litigation directly involving our Company, our vendors and suppliers can be threatened with patent litigation and/or subjected to the threat of disruption or blockage of sale, use, or importation of products, posing the risk of supply chain interruption to particular products and associated services which could have a material adverse effect on our business, financial condition and operating results.

Our business may be impacted by new or changing tax laws or regulations and actions by federal, state, and/or local agencies, or how judicial authorities apply tax laws.

In connection with the products and services we sell, we calculate, collect, and remit various federal, state, and local taxes, surcharges and regulatory fees (“tax” or “taxes”) to numerous federal, state and local governmental authorities, including federal USF contributions and common carrier regulatory fees. In addition, we incur and pay state and local taxes and fees on purchases of goods and services used in our business.

Tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied. In many cases, the application of tax laws (including the recently enacted Tax Cuts and Jobs Act of 2017 in the United States) is uncertain and subject to differing interpretations, especially when evaluated against new technologies and telecommunications services, such as broadband internet access and cloud related services. Changes in tax laws could also impact revenue on tax inclusive plans.

In the event that we have incorrectly described, disclosed, calculated, assessed, or remitted amounts that were due to governmental authorities, we could be subject to additional taxes, fines, penalties, or other adverse actions, which could materially impact our business, financial condition and operating results. In the event that federal, state, and/or local municipalities were to significantly increase taxes on our network, operations, or services, or seek to impose new taxes, it could have a material adverse effect on our business, financial condition and operating results.

Our wireless licenses are subject to renewal and may be revoked in the event that we violate applicable laws.

Our existing wireless licenses are subject to renewal upon the expiration of the 10-year or 15-year period for which they are granted. Historically, the FCC has approved our license renewal applications. However, the Communications Act provides that licenses may be revoked for cause and license renewal applications denied if the FCC determines that a renewal would not serve the public interest. In addition, our licenses are subject to our compliance with the terms set forth in the agreement

[Table of Contents](#)

pertaining to national security among Deutsche Telekom, the Federal Bureau of Investigation, the Department of Justice, the Department of Homeland Security and the Company. The failure of Deutsche Telekom or the Company to comply with the terms of this agreement could result in fines, injunctions and other penalties, including potential revocation or non-renewal of our spectrum licenses. If we fail to timely file to renew any wireless license or fail to meet any regulatory requirements for renewal, including construction and substantial service requirements, we could be denied a license renewal. Many of our wireless licenses are subject to interim or final construction requirements and there is no guarantee that the FCC will find our construction, or the construction of prior licensees, sufficient to meet the build-out or renewal requirements. The FCC has pending a rulemaking proceeding to reevaluate, among other things, its wireless license renewal showings and standards and may in this or other proceedings promulgate changes or additional substantial requirements or conditions to its renewal rules, including revising license build-out requirements. Accordingly, we cannot assure you that the FCC will renew our wireless licenses upon their expiration. If any of our wireless licenses were to be revoked or not renewed upon expiration, we would not be permitted to provide services under that license, which could have a material adverse effect on our business, financial condition, and operating results.

Our business could be adversely affected by findings of product liability for health/safety risks from wireless devices and transmission equipment, as well as by changes to regulations/radio frequency emission standards.

We do not manufacture the devices or other equipment that we sell, and we depend on our suppliers to provide defect-free and safe equipment. Suppliers are required by applicable law to manufacture their devices to meet certain governmentally imposed safety criteria. However, even if the devices we sell meet the regulatory safety criteria, we could be held liable with the equipment manufacturers and suppliers for any harm caused by products we sell if such products are later found to have design or manufacturing defects. We generally seek to enter into indemnification agreements with the manufacturers who supply us with devices to protect us from losses associated with product liability, but we cannot guarantee that we will be fully protected against all losses associated with a product that is found to be defective.

Allegations have been made that the use of wireless handsets and wireless transmission equipment, such as cell towers, may be linked to various health concerns, including cancer and brain tumors. Lawsuits have been filed against manufacturers and carriers in the industry claiming damages for alleged health problems arising from the use of wireless handsets. In addition, the FCC has from time to time gathered data regarding wireless handset emissions and its assessment of this issue may evolve based on its findings. The media has also reported incidents of handset battery malfunction, including reports of batteries that have overheated. These allegations may lead to changes in regulatory standards. There have also been other allegations regarding wireless technology, including allegations that wireless handset emissions may interfere with various electronic medical devices (including hearing aids and pacemakers), airbags and anti-lock brakes. Defects in the products of our suppliers, such as the 2016 recall by a handset Original Equipment Manufacturer (“OEM”) on one of its smartphone devices, could have a material adverse effect on our business, financial condition and operating results.

Additionally, there are safety risks associated with the use of wireless devices while operating vehicles or equipment. Concerns over any of these risks and the effect of any legislation, rules or regulations that have been and may be adopted in response to these risks could limit our ability to sell our wireless services.

Risks Related to Ownership of our Common Stock

We are controlled by Deutsche Telekom, whose interests may differ from the interests of our other stockholders.

Deutsche Telekom beneficially owns and possesses majority voting power of the fully diluted shares of our common stock.

Through its control of the voting power of our common stock and the rights granted to Deutsche Telekom in our certificate of incorporation and the Stockholder’s Agreement, Deutsche Telekom controls the election of our directors and all other matters requiring the approval of our stockholders. By virtue of Deutsche Telekom’s voting control, we are a “controlled company,” as defined in the NASDAQ listing rules, and are not subject to NASDAQ requirements that would otherwise require us to have a majority of independent directors, a nominating committee composed solely of independent directors or a compensation committee composed solely of independent directors. Accordingly, our stockholders will not be afforded the same protections generally as stockholders of other NASDAQ-listed companies with respect to corporate governance for so long as we rely on these exemptions from the corporate governance requirements.

[Table of Contents](#)

In addition, our certificate of incorporation and the Stockholder's Agreement restrict us from taking certain actions without Deutsche Telekom's prior written consent as long as Deutsche Telekom beneficially owns 30% or more of the outstanding shares of our common stock, including:

- the incurrence of debt (excluding certain permitted debt) if our consolidated ratio of debt to cash flow, as defined in the indenture dated April 28, 2013, for the most recently ended four full fiscal quarters for which financial statements are available would exceed 5.25 to 1.0 on a pro forma basis;
- the acquisition of any business, debt or equity interests, operations or assets of any person for consideration in excess of \$1.0 billion;
- the sale of any of our or our subsidiaries' divisions, businesses, operations or equity interests for consideration in excess of \$1.0 billion;
- the incurrence of secured debt (excluding certain permitted secured debt);
- any change in the size of our Board of Directors;
- the issuances of equity securities in excess of 10% of our outstanding shares or to repurchase debt held by Deutsche Telekom;
- the repurchase or redemption of equity securities or the declaration of extraordinary or in-kind dividends or distributions other than on a pro rata basis; or
- the termination or hiring of our chief executive officer.

These restrictions could prevent us from taking actions that our Board of Directors may otherwise determine are in the best interests of the Company and our stockholders or that may be in the best interests of our other stockholders.

Deutsche Telekom effectively has control over all matters submitted to our stockholders for approval, including the election or removal of directors, changes to our certificate of incorporation, a sale or merger of our Company and other transactions requiring stockholder approval under Delaware law. Deutsche Telekom's controlling interest may have the effect of making it more difficult for a third party to acquire, or discouraging a third party from seeking to acquire, the Company. Deutsche Telekom may have strategic, financial, or other interests different from our other stockholders, including as the holder of a substantial amount of our indebtedness and as the counter-party in a number of commercial arrangements, and may make decisions adverse to the interests of our other stockholders.

In addition, we license certain trademarks from Deutsche Telekom, including the right to use the trademark "T-Mobile" as a name for the Company and our flagship brand, under a trademark license agreement between Deutsche Telekom and the Company. As described in more detail in our proxy statement under the heading "Transactions with Related Persons and Approval", we are obligated under the trademark license to pay Deutsche Telekom a royalty in an amount equal to 0.25%, which we refer to as the royalty rate, of the net revenue (as defined in the trademark license) generated by products and services sold by the Company under the licensed trademarks. However, the license agreement includes a royalty rate adjustment mechanism that will occur in early 2018 and potentially result in a new royalty rate effective in January 2019. We also have the right to terminate the trademark license upon one year's prior notice. An increase in the royalty rate or termination of the trademark license could have a material adverse effect on our business, financial condition and operating results.

Future sales or issuances of our common stock, including sales by Deutsche Telekom, could have a negative impact on our stock price.

We cannot predict the effect, if any, that market sales of shares or the availability of shares of our common stock will have on the prevailing trading price of our common stock from time to time. Sales or issuances of a substantial number of shares of our common stock could cause our stock price to decline and could result in dilution of your shares.

We and Deutsche Telekom are parties to the Stockholder's Agreement pursuant to which Deutsche Telekom is free to transfer its shares in public sales without notice, as long as such transactions would not result in the transferee owning 30% or more of the outstanding shares of our common stock. If a transfer would exceed the 30% threshold, it is prohibited unless the transferee makes a binding offer to purchase all of the other outstanding shares on the same price and terms. The Stockholder's Agreement does not otherwise impose any other restrictions on the sales of common stock by Deutsche Telekom. Moreover, we have filed a shelf registration statement with respect to the common stock and certain debt securities held by Deutsche Telekom, which would facilitate the resale by Deutsche Telekom of all or any portion of the shares of our common stock it holds. The sale of shares of our common stock by Deutsche Telekom (other than in transactions involving the purchase of all of our outstanding shares) could significantly increase the number of shares available in the market, which could cause a decrease

[Table of Contents](#)

in our stock price. In addition, even if Deutsche Telekom does not sell a large number of its shares into the market, its right to transfer a large number of shares into the market may depress our stock price.

Our stock price may be volatile, and may fluctuate based upon factors that have little or nothing to do with our business, financial condition and operating results.

The trading prices of the securities of communications companies historically have been highly volatile, and the trading price of our common stock may be subject to wide fluctuations. Our stock price may fluctuate in reaction to a number of events and factors that may include, among other things:

- our or our competitors' actual or anticipated operating and financial results; introduction of new products and services by us or our competitors or changes in service plans or pricing by us or our competitors;
- analyst projections, predictions and forecasts, analyst target prices for our securities and changes in, or our failure to meet, securities analysts' expectations;
- transaction in our common stock by major investors;
- share repurchases by us or purchases by Deutsche Telekom;
- Deutsche Telekom's financial performance, results of operation, or actions implied or taken by Deutsche Telekom;
- entry of new competitors into our markets or perceptions of increased price competition, including a price war;
- our performance, including subscriber growth, and our financial and operational metric performance;
- market perceptions relating to our services, network, handsets, and deployment of our LTE platform and our access to iconic handsets, services, applications, or content;
- market perceptions of the wireless communications industry and valuation models for us and the industry;
- conditions or trends in the Internet and the industry sectors we operate in;
- changes in our credit rating or future prospects;
- changes in interest rates;
- changes in our capital structure, including issuance of additional debt or equity to the public;
- the availability or perceived availability of additional capital in general and our access to such capital;
- actual or anticipated consolidation, or other strategic mergers or acquisition activities involving us or our competitors, or other participants in related or adjacent industries, or market speculations regarding such activities;
- disruptions of our operations or service providers or other vendors necessary to our network operations;
- the general state of the U.S. and world politics and economies; and
- availability of additional spectrum, whether by the announcement, commencement, bidding and closing of auctions for new spectrum or the acquisition of companies that own spectrum, and the extent to which we or our competitors succeed in acquiring additional spectrum.

In addition, the stock market has been volatile in the recent past and has experienced significant price and volume fluctuations, which may continue for the foreseeable future. This volatility has had a significant impact on the trading price of securities issued by many companies, including companies in the communications industry. These changes frequently occur irrespective of the operating performance of the affected companies. Hence, the trading price of our common stock could fluctuate based upon factors that have little or nothing to do with our business, financial condition and operating results.

We have never paid or declared any cash dividends on our common stock, and we do not intend to declare or pay any cash dividends on our common stock in the foreseeable future.

We have never paid or declared any cash dividends on our common stock, and we do not intend to declare or pay any cash dividends on our common stock in the foreseeable future. Our credit facilities and the indentures and supplemental indentures governing our long-term debt to affiliates and third parties contain covenants that, among other things, restrict our ability to declare or pay dividends on our common stock. We currently intend to use future earnings, if any, to invest in our business and to fund our existing stock repurchase program.

[Table of Contents](#)

Our previously announced stock repurchase program, and any subsequent stock purchase program put in place from time to time, could affect the price of our common stock, increase the volatility of our common stock and could diminish our cash reserves. Such repurchase program may be suspended or terminated at any time, which may result in a decrease in the trading price of our common stock.

We may have in place from time to time, a stock repurchase program. Any such stock repurchase program adopted will not obligate the Company to repurchase any dollar amount or number of shares of common stock and may be suspended or discontinued at any time, which could cause the market price of our common stock to decline. The timing and actual number of shares repurchased under any such stock repurchase program depends on a variety of factors including the timing of open trading windows, the price of our common stock, corporate and regulatory requirements and other market conditions. We may effect repurchases under any stock repurchase program from time to time in the open market, in privately negotiated transactions or otherwise, including accelerated stock repurchase arrangements. Repurchases pursuant to any such stock repurchase program could affect our stock price and increase its volatility. The existence of a stock repurchase program could also cause our stock price to be higher than it would be in the absence of such a program and could potentially reduce the market liquidity for our stock. There can be no assurance that any stock repurchases will enhance stockholder value because the market price of our common stock may decline below the levels at which we repurchased shares of common stock. Although our stock repurchase program is intended to enhance stockholder value, short-term stock price fluctuations could reduce the program's effectiveness. Additionally, our share repurchase program could diminish our cash reserves, which may impact our ability to finance future growth and to pursue possible future strategic opportunities and acquisitions. See [Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities](#) and [Note 10 - Repurchases of Common Stock](#) included in Part II of this Form 10-K for further information.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

As of December 31, 2017, our significant properties that we primarily leased and were used in connection with switching centers, data centers, call centers and warehouses were as follows:

	Approximate Number	Approximate Size in Square Feet
Switching centers	61	1,300,000
Data centers	6	500,000
Call center	17	1,400,000
Warehouses	15	500,000

As of December 31, 2017, we primarily leased:

- Approximately 61,000 macro sites and approximately 18,000 distributed antenna system and small cell sites.
- Approximately 2,200 T-Mobile and MetroPCS retail locations, including stores and kiosks ranging in size from approximately 100 square feet to 17,000 square feet.
- Office space totaling approximately 900,000 square feet for our corporate headquarters in Bellevue, Washington. We use these offices for engineering and administrative purposes.
- Office space throughout the U.S., totaling approximately 1,700,000 square feet as of December 31, 2017, for use by our regional offices primarily for administrative, engineering and sales purposes.

In February 2018, we extended the leases related to our corporate headquarters facility.

Item 3. Legal Proceedings

See [Note 13 - Commitments and Contingencies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for information regarding certain legal proceedings in which we are involved.

Item 4. Mine Safety Disclosures

None.

PART II**Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities****Market Information**

Our common stock is traded on the NASDAQ Global Select Market under the symbol "TMUS." As of December 31, 2017, there were 269 registered stockholders of record of our common stock, but we estimate the total number of stockholders to be much higher as a number of our shares are held by brokers or dealers for their customers in street name.

The high and low common stock sales prices per share were as follows:

	High	Low
Year Ended December 31, 2017		
First quarter	\$ 65.41	\$ 55.30
Second quarter	68.88	59.59
Third quarter	65.47	59.13
Fourth quarter	64.64	54.60
Year Ended December 31, 2016		
First quarter	\$ 41.23	\$ 33.23
Second quarter	44.13	37.93
Third quarter	48.11	42.71
Fourth quarter	59.19	44.91

Dividends

We have never paid or declared any cash dividends on our common stock, and we do not intend to declare or pay any cash dividends on our common stock in the foreseeable future. Our credit facilities and the indentures and supplemental indentures governing our long-term debt to affiliates and third parties, excluding capital leases, contain covenants that, among other things, restrict our ability to declare or pay dividends on our common stock. In addition, no dividend may be declared or paid on our common stock, other than dividends payable solely in shares of our common stock, unless all accrued dividends for all completed dividend periods have been declared and paid on our preferred stock. As of December 15, 2017, 20 million shares of our preferred stock converted to approximately 32 million shares of our common stock at a conversion rate of 1.6119 common shares for each share of previously outstanding preferred stock and certain cash-in-lieu of fractional shares. There are no preferred shares outstanding as of December 31, 2017. We currently intend to use future earnings, if any, to invest in our business and to fund our existing stock repurchase program. Subject to Delaware law, our Board of Directors will determine the payment of future dividends on our common stock, if any, and the amount of any dividends in light of:

- any applicable contractual or charter restrictions limiting our ability to pay dividends;
- our earnings and cash flows;
- our capital requirements;
- our future needs for cash;
- our financial condition; and
- other factors our Board of Directors deems relevant.

Repurchases of Common Stock

On December 6, 2017, our Board of Directors authorized a stock repurchase program for up to \$1.5 billion of our common stock through December 31, 2018. Under the repurchase program, repurchases can be made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions or otherwise, all in accordance with the rules of the Securities and Exchange Commission and other applicable legal requirements. The specific timing, price and size of purchases will depend on prevailing stock prices, general economic and market conditions, and other considerations. The repurchase program does not obligate us to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at our discretion. Repurchased shares are retired.

We also understand that Deutsche Telekom AG, our majority stockholder, or its affiliates, is considering plans to purchase additional shares of our common stock. Such purchases would likely take place through December 31, 2018, all in accordance with the rules of the Securities and Exchange Commission and other applicable legal requirements.

The following table summarizes information regarding shares repurchased during the quarter ended December 31, 2017:

	Total Number of Shares Repurchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Repurchase Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs (in millions)
10/1/2017 - 10/31/2017	—	\$ —	—	\$ —
11/1/2017 - 11/30/2017	—	—	—	—
12/1/2017 - 12/31/2017	7,010,889	63.34	7,010,889	1,056
	<u>7,010,889</u>		<u>7,010,889</u>	<u>1,056</u>

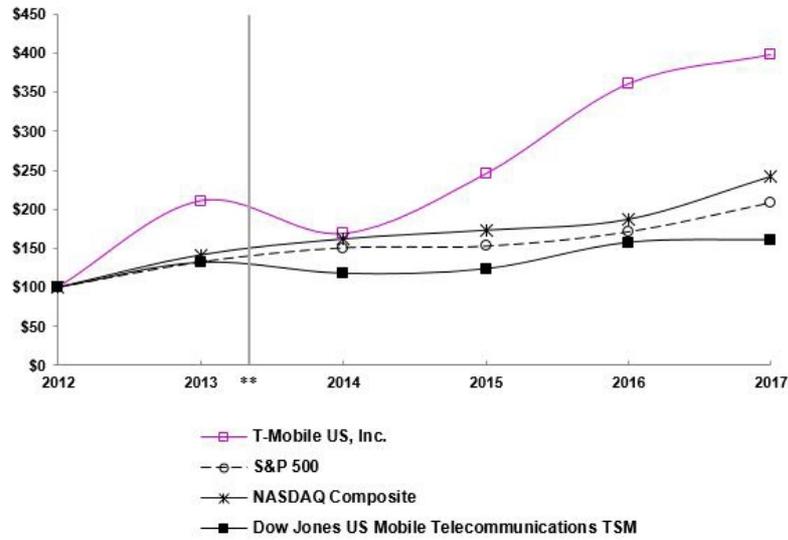
From the inception of the repurchase program through February 5, 2018, we repurchased approximately 12.3 million shares at an average price per share of \$63.68 for a total purchase price of approximately \$783 million. As of February 5, 2018, there was approximately \$717 million of repurchase authority remaining.

Performance Graph

The graph below compares the five-year cumulative total returns of T-Mobile, the S&P 500 index, the NASDAQ Composite index and the Dow Jones US Mobile Telecommunications TSM index. The graph tracks the performance of a \$100 investment, with the reinvestment of all dividends, from December 31, 2012 to December 31, 2017. For periods prior to the closing of the business combination with MetroPCS, our stock price performance represents the stock price of MetroPCS, adjusted to reflect the 1-for-2 reverse stock split effected on April 30, 2013.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among T-Mobile US, Inc., the S&P 500 Index, the NASDAQ Composite Index and the Dow Jones US Mobile Telecommunications TSM Index



*\$100 invested on 12/31/12 in stock or index, including reinvestment of dividends. Fiscal year ending December 31.

**Vertical line represents the first trading day (May 1, 2013) of T-Mobile US, Inc., which was formed through the business combination of T-Mobile USA, Inc. and MetroPCS Communications, Inc.

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	At December 31,					
	2012	2013	2014	2015	2016	2017
T-Mobile US, Inc.	\$ 100.00	\$ 210.69	\$ 168.73	\$ 245.01	\$ 360.19	\$ 397.77
S&P 500	100.00	132.39	150.51	152.59	170.84	208.14
NASDAQ Composite	100.00	141.63	162.09	173.33	187.19	242.29
Dow Jones US Mobile Telecommunications TSM	100.00	132.12	118.02	123.77	157.74	161.29

The stock price performance included in this graph is not necessarily indicative of future stock price performance.

Item 6. Selected Financial Data

The following selected financial data are derived from our consolidated financial statements. In connection with the business combination with MetroPCS, the selected financial data prior to May 1, 2013 represents T-Mobile USA's historical financial data. The data below should be read together with Risk Factors included in Part I, Item 1A, Management's Discussion and Analysis of Financial Condition and Results of Operations included in Part II, Item 7 and Financial Statements and Supplementary Data included in Part II, Item 8 of this Form 10-K.

Selected Financial Data

(in millions, except per share and customer amounts)	As of and for the Year Ended December 31,				
	2017	2016	2015	2014	2013
Statement of Operations Data					
Total service revenues	\$ 30,160	\$ 27,844	\$ 24,821	\$ 22,375	\$ 19,068
Total revenues ⁽¹⁾	40,604	37,490	32,467	29,920	24,605
Operating income ⁽¹⁾	4,888	4,050	2,479	1,772	1,181
Total other expense, net ⁽¹⁾	(1,727)	(1,723)	(1,501)	(1,359)	(1,130)
Income tax benefit (expense)	1,375	(867)	(245)	(166)	(16)
Net income	4,536	1,460	733	247	35
Net income attributable to common stockholders	4,481	1,405	678	247	35
Earnings per share:					
Basic	\$ 5.39	\$ 1.71	\$ 0.83	\$ 0.31	\$ 0.05
Diluted	\$ 5.20	\$ 1.69	\$ 0.82	\$ 0.30	\$ 0.05
Balance Sheet Data					
Cash and cash equivalents	\$ 1,219	\$ 5,500	\$ 4,582	\$ 5,315	\$ 5,891
Property and equipment, net	22,196	20,943	20,000	16,245	15,349
Spectrum licenses	35,366	27,014	23,955	21,955	18,122
Total assets	70,563	65,891	62,413	56,639	49,946
Total debt, excluding tower obligations	28,319	27,786	26,243	21,946	20,182
Stockholders' equity	22,559	18,236	16,557	15,663	14,245
Statement of Cash Flows and Operational Data					
Net cash provided by operating activities	\$ 7,962	\$ 6,135	\$ 5,414	\$ 4,146	\$ 3,545
Purchases of property and equipment	(5,237)	(4,702)	(4,724)	(4,317)	(4,025)
Purchases of spectrum licenses and other intangible assets, including deposits	(5,828)	(3,968)	(1,935)	(2,900)	(381)
Net cash (used in) provided by financing activities	(1,179)	463	3,413	2,524	4,044
Total customers (in thousands) ⁽²⁾	72,585	71,455	63,282	55,018	46,684

(1) Effective January 1, 2017, we changed an accounting principle. The imputed discount on Equipment Installment Plan ("EIP") receivables, which is amortized over the financed installment term using the effective interest method, and was previously presented within Interest income in our Consolidated Statements of Comprehensive Income, is now presented within Other revenues in our Consolidated Statements of Comprehensive Income. We have applied this change retrospectively and presented the effect of \$280 million, \$248 million, \$414 million, \$356 million and \$185 million on the years ended December 31, 2017, 2016, 2015, 2014 and 2013, respectively in the table above. See [Note 1 - Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

(2) We believe current and future regulatory changes have made the Lifeline program offered by our wholesale partners uneconomical. We will continue to support our wholesale partners offering the Lifeline program, but have excluded the Lifeline customers from our reported wholesale subscriber base resulting in the removal of 4,528,000 reported wholesale customers in 2017.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

The objectives of our Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") are to provide users of our consolidated financial statements with the following:

- A narrative explanation from the perspective of management of our financial condition, results of operations, cash flows, liquidity and certain other factors that may affect future results;
- Context to the financial statements; and
- Information that allows assessment of the likelihood that past performance is indicative of future performance.

Our MD&A is provided as a supplement to, and should be read together with, our audited consolidated financial statements for the three years ended December 31, 2017 included in Part II, Item 8 of this Form 10-K. Except as expressly stated, the financial condition and results of operations discussed throughout our MD&A are those of T-Mobile US, Inc. and its consolidated subsidiaries.

Business Overview

Change in Accounting Principle

Effective January 1, 2017, the imputed discount on EIP receivables, which is amortized over the financed installment term using the effective interest method and was previously recognized within Interest income in our Consolidated Statements of Comprehensive Income, is recognized within Other revenues in our Consolidated Statements of Comprehensive Income. We believe this presentation is preferable because it provides a better representation of amounts earned from the Company's major ongoing operations and aligns with industry practice thereby enhancing comparability. We have applied this change retrospectively and the effect of this change for the years ended December 31, 2016 and 2015, was a reclassification of \$248 million and \$414 million, respectively, from Interest income to Other revenues. The amortization of imputed discount on our EIP receivables for the year ended December 31, 2017 was \$280 million. For additional information, see [Note 1 - Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Un-carrier Strategy

The Un-carrier is about adding value to the customer relationship by changing the rules of the industry and giving our customers more. We introduced our Un-carrier strategy in 2013 with the objective of eliminating customer pain points from the unnecessary complexity of the wireless communication industry. Since that time, we have continued our efforts with the launch of additional initiatives of our Un-carrier strategy. During 2017, we launched the following Un-carrier initiatives:

- In January 2017, we introduced, Un-carrier Next, where monthly wireless service fees and sales taxes are included in the advertised monthly recurring charge for T-Mobile ONE. We also unveiled Kickback on T-Mobile ONE, where participating customers who use 2 GB or less of data in a month, will get up to a \$10 credit per qualifying line on their next month's bill. In addition, we introduced the Un-contract for T-Mobile ONE with the first-ever price guarantee on an unlimited 4GLTE plan which allows current T-Mobile ONE customers to keep their price for service until they decide to change it.
- In September 2017, we introduced, Un-carrier Next: Netflix On Us, through an exclusive new partnership with Netflix where qualifying T-Mobile ONE customers on family plans can opt in for a standard monthly Netflix service plan at no additional cost.

Our ability to acquire and retain branded customers is important to our business in the generation of revenues and we believe our Un-carrier strategy, along with ongoing network improvements, has been successful in attracting and retaining customers as evidenced by continued branded customer growth and improved branded postpaid phone and branded prepaid customer churn.

(in thousands)	Year Ended December 31,			2017 Versus 2016		2016 Versus 2015	
	2017	2016	2015	# Change	% Change	# Change	% Change
Net customer additions							
Branded postpaid customers	3,620	4,097	4,510	(477)	(12)%	(413)	(9)%
Branded prepaid customers	855	2,508	1,315	(1,653)	(66)%	1,193	91 %
Total branded customers	4,475	6,605	5,825	(2,130)	(32)%	780	13 %

	Year Ended December 31,			Bps Change 2017 Versus 2016	Bps Change 2016 Versus 2015
	2017	2016	2015		
Branded postpaid phone churn	1.18%	1.30%	1.39%	-12 bps	-9 bps
Branded prepaid churn	4.04%	3.88%	4.45%	16 bps	-57 bps

On September 1, 2016, we sold our marketing and distribution rights to certain existing T-Mobile co-branded customers to a current MVNO partner for nominal consideration (the "MVNO Transaction"). Upon the sale, the MVNO Transaction resulted in a transfer of 1,365,000 branded postpaid phone customers and 326,000 branded prepaid customers to wholesale customers. Prospectively from September 1, 2016, revenue for these customers is recorded within wholesale revenues in our Consolidated Statements of Comprehensive Income. Additionally, the impact of the MVNO Transaction resulted in improvements to branded postpaid phone churn for year ended December 31, 2016.

We believe current and future regulatory changes have made the Lifeline program offered by our wholesale partners uneconomical. We will continue to support our wholesale partners offering the Lifeline program, but have excluded the Lifeline customers from our reported wholesale subscriber base resulting in the removal of 4,528,000 reported wholesale customers in 2017.

During the year ended December 31, 2016, a handset OEM announced recalls on certain of its smartphone devices. As a result, in 2016 we recorded no revenue associated with the device sales to customers and impaired the devices to their net realizable value. The OEM agreed to reimburse T-Mobile for direct and indirect costs associated with the recall, as such, we recorded an amount due from the OEM as an offset to the loss recorded in Cost of equipment sales and the costs incurred within Selling, general and administrative in our Consolidated Statements of Comprehensive Income and a reduction to Accounts payable and accrued liabilities in our Consolidated Balance Sheets. The reimbursement was received from the OEM in 2017.

Hurricane Impacts

During the third and fourth quarters of 2017, our operations in Texas, Florida and Puerto Rico experienced losses related to hurricanes. The impact to operating income for the year ended December 31, 2017, from lost revenue, assets damaged or destroyed and other hurricane related costs are included in the table below. We expect additional expenses to be incurred and customer activity to be impacted in the first quarter of 2018, primarily related to our operations in Puerto Rico. We have recognized insurance recoveries related to those hurricane losses in the amount of approximately \$93 million for the year ended December 31, 2017 as an offset to the costs incurred within Cost of services in our Consolidated Statements of Comprehensive Income and as an increase to Other current assets in our Consolidated Balance Sheets. We continue to assess the damage of the hurricanes and work with our insurance carriers to submit claims for property damage and business interruption. We expect to record additional insurance recoveries related to these hurricanes in future periods.

(in millions, except per share amounts, ARPU, ABPU, and bad debt expense as a percentage of total revenues)	Year Ended December 31, 2017		
	Gross	Reimbursement	Net
Increase (decrease)			
Revenues			
Branded postpaid revenues	\$ (37)	\$ —	\$ (37)
<i>Of which, branded postpaid phone revenues</i>	(35)	—	(35)
Branded prepaid revenues	(11)	—	(11)
Total service revenues	(48)	—	(48)
Equipment revenues	(8)	—	(8)
Total revenues	(56)	—	(56)
Operating expenses			
Cost of services	198	(93)	105
Cost of equipment sales	4	—	4
Selling, general and administrative	36	—	36
<i>Of which, bad debt expense</i>	20	—	20
Total operating expense	238	(93)	145
Operating income (loss)	\$ (294)	\$ 93	\$ (201)
Net income (loss)	\$ (193)	\$ 63	\$ (130)
Earnings per share - basic	\$ (0.23)	\$ 0.07	\$ (0.16)
Earnings per share - diluted	(0.22)	0.07	(0.15)
Operating measures			
Bad debt expense as a percentage of total revenues	0.05%	—%	0.05%
Branded postpaid phone ARPU	\$ (0.09)	\$ —	\$ (0.09)
Branded postpaid ABPU	(0.08)	—	(0.08)
Branded prepaid ARPU	(0.05)	—	(0.05)
Non-GAAP financial measures			
Adjusted EBITDA	\$ (294)	\$ 93	\$ (201)

Results of Operations

Highlights for the year ended December 31, 2017, compared to the same period in 2016

- Total revenues of \$40.6 billion increased \$3.1 billion, or 8%. The increase was primarily driven by growth in service and equipment revenues as further discussed below. On September 1, 2016, we sold our marketing and distribution rights to certain existing T-Mobile co-branded customers to a current MVNO partner for nominal consideration. The MVNO Transaction shifted Branded postpaid revenues to Wholesale revenues, but did not materially impact total revenues.
- Service revenues of \$30.2 billion increased \$2.3 billion, or 8%. The increase was primarily due to growth in our average branded customer base as a result of strong customer response to our Un-carrier initiatives, promotions and the success of our MetroPCS brand.
- Equipment revenues of \$9.4 billion increased \$648 million, or 7%. The increase was primarily due to higher average revenue per device sold and an increase from customer purchases of leased devices at the end of the lease term, partially offset by lower lease revenues.
- Operating income of \$4.9 billion increased \$838 million, or 21%. The increase was primarily due to higher Total service revenues and lower Depreciation and amortization, partially offset by higher Selling, general and administrative, lower Gains on disposal of spectrum licenses and higher Cost of services expenses.
- Net income of \$4.5 billion increased \$3.1 billion, or 211%. The increase was primarily due to the impact of the Tax Cuts and Jobs Act of 2017 (the "TCJA"), which resulted in a net tax benefit of \$2.2 billion in 2017, and higher operating income driven by the factors described above, partially offset by the negative impact from hurricanes. Net income included net, after-tax spectrum gains of \$174 million and \$509 million, for the years ended December 31, 2017 and 2016, respectively.
- Adjusted EBITDA, a non-GAAP financial measure, of \$11.2 billion increased \$574 million, or 5%. The increase was primarily due to higher operating income driven by the factors described above, partially offset by lower Gains on disposal of spectrum licenses. Adjusted EBITDA included pre-tax spectrum gains of \$235 million and \$835 million for the years ended December 31, 2017 and 2016, respectively.
- Net cash provided by operating activities of \$8.0 billion increased \$1.8 billion, or 30%. See "Liquidity and Capital Resources" section for additional information.
- Free Cash Flow, a non-GAAP financial measure, of \$2.7 billion increased \$1.3 billion, or 90%. See "Liquidity and Capital Resources" section for additional information.

[Table of Contents](#)

Set forth below is a summary of our consolidated results:

(in millions)	Year Ended December 31,			2017 Versus 2016		2016 Versus 2015	
	2017	2016	2015	\$ Change	% Change	\$ Change	% Change
	(As Adjusted - See Note 1)						
Revenues							
Branded postpaid revenues	\$ 19,448	\$ 18,138	\$ 16,383	\$ 1,310	7 %	\$ 1,755	11 %
Branded prepaid revenues	9,380	8,553	7,553	827	10 %	1,000	13 %
Wholesale revenues	1,102	903	692	199	22 %	211	30 %
Roaming and other service revenues	230	250	193	(20)	(8)%	57	30 %
Total service revenues	30,160	27,844	24,821	2,316	8 %	3,023	12 %
Equipment revenues	9,375	8,727	6,718	648	7 %	2,009	30 %
Other revenues	1,069	919	928	150	16 %	(9)	(1)%
Total revenues	40,604	37,490	32,467	3,114	8 %	5,023	15 %
Operating expenses							
Cost of services, exclusive of depreciation and amortization shown separately below	6,100	5,731	5,554	369	6 %	177	3 %
Cost of equipment sales	11,608	10,819	9,344	789	7 %	1,475	16 %
Selling, general and administrative	12,259	11,378	10,189	881	8 %	1,189	12 %
Depreciation and amortization	5,984	6,243	4,688	(259)	(4)%	1,555	33 %
Cost of MetroPCS business combination	—	104	376	(104)	(100)%	(272)	(72)%
Gains on disposal of spectrum licenses	(235)	(835)	(163)	600	(72)%	(672)	NM
Total operating expense	35,716	33,440	29,988	2,276	7 %	3,452	12 %
Operating income	4,888	4,050	2,479	838	21 %	1,571	63 %
Other income (expense)							
Interest expense	(1,111)	(1,418)	(1,085)	307	(22)%	(333)	31 %
Interest expense to affiliates	(560)	(312)	(411)	(248)	79 %	99	(24)%
Interest income	17	13	6	4	31 %	7	117 %
Other expense, net	(73)	(6)	(11)	(67)	NM	5	(45)%
Total other expense, net	(1,727)	(1,723)	(1,501)	(4)	—%	(222)	15 %
Income before income taxes	3,161	2,327	978	834	36 %	1,349	138 %
Income tax benefit (expense)	1,375	(867)	(245)	2,242	(259)%	(622)	254 %
Net income	\$ 4,536	\$ 1,460	\$ 733	\$ 3,076	211 %	\$ 727	99 %
Non-GAAP Financial Measures							
Net cash provided by operating activities	\$ 7,962	\$ 6,135	\$ 5,414	\$ 1,827	30 %	\$ 721	13 %
Net cash used in investing activities	(11,064)	(5,680)	(9,560)	(5,384)	95 %	3,880	(41)%
Net cash (used in) provided by financing activities	(1,179)	463	3,413	(1,642)	(355)%	(2,950)	(86)%
Adjusted EBITDA	\$ 11,213	\$ 10,639	\$ 7,807	\$ 574	5 %	\$ 2,832	36 %
Free Cash Flow	2,725	1,433	690	1,292	90 %	743	108 %

NM - Not Meaningful

The following discussion and analysis is for the year ended December 31, 2017, compared to the same period in 2016 unless otherwise stated.

Total revenues increased \$3.1 billion, or 8%, primarily due to higher revenues from branded postpaid and prepaid customers as well as higher equipment revenues as discussed below.

Branded postpaid revenues increased \$1.3 billion, or 7%, primarily from:

- A 7% increase in average branded postpaid phone customers, primarily from growth in our customer base driven by the continued strong customer response to our Un-carrier initiatives and promotions for services and devices, including the growing success of our business channel, T-Mobile for Business; and
- The positive impact from a decrease in the non-cash net revenue deferral for Data Stash; partially offset by
- A 1% decrease in branded postpaid phone ARPU primarily driven by dilution from promotions targeting families and new segments;
- The MVNO Transaction; and
- The negative impact from hurricanes of approximately \$37 million.

Branded prepaid revenues increased \$827 million, or 10%, primarily from:

- A 7% increase in average branded prepaid customers primarily driven by growth in the customer base; and
- A 2% increase in branded prepaid ARPU from the success of our MetroPCS brand and the optimization of our third-party distribution channels; partially offset by
- The negative impact from hurricanes of approximately \$11 million.

Wholesale revenues increased \$199 million, or 22%, primarily from the impact of the MVNO Transaction, growth in MVNO customers and higher minimum commitment revenues.

Roaming and other service revenues decreased \$20 million, or 8%.

Equipment revenues increased \$648 million, or 7%, primarily from:

- An increase of \$445 million in device sales revenues excluding purchased lease devices, primarily due to:
 - Higher average revenue per device sold due to an increase in the high-end device mix and the impacts of an OEM recall of its smartphone devices in 2016, partially offset by an increase in promotions and device-related commissions spending; partially offset by
 - A 2% decrease in the number of devices sold, excluding purchased lease devices, driven by a lower branded postpaid handset upgrade rate. Device sales revenue is recognized at the time of sale;
- An increase of \$395 million from customers' purchase of leased devices at the end of the lease term;
- An increase of \$231 million primarily related to proceeds from liquidation of returned customer handsets in 2017; and
- An increase of \$130 million in SIM and upgrade revenue; partially offset by
- A decrease of \$539 million in lease revenues from declining JUMP! On Demand population due to shifting focus to our EIP financing option beginning in the first quarter of 2016;
- A decrease of \$18 million in accessory revenue primarily related to the decrease in device sales volume; and
- The negative impact from hurricanes of approximately \$8 million.

Under our JUMP! On Demand program, upon device upgrade or at lease end, customers must return or purchase their device. Revenue for purchased leased devices is recorded as equipment revenues when revenue recognition criteria have been met.

Gross EIP device financing to our customers increased by \$437 million for the year ended December 31, 2017, primarily due to growth in the gross amount of equipment financed on EIP. The increase was also due to certain customers on leased devices reaching the end of lease term who financed their devices over a nine-month EIP.

Other revenues increased \$150 million, or 16%, primarily due to higher revenue from revenue share agreements with third parties.

Our operating expenses consist of the following categories:

- **Cost of services** primarily includes costs directly attributable to providing wireless service through the operation of our network, including direct switch and cell site costs, such as rent, network access and transport costs, utilities, maintenance, associated labor costs, long distance costs, regulatory program costs, roaming fees paid to other carriers and data content costs.
- **Cost of equipment sales** primarily includes costs of devices and accessories sold to customers and dealers, device costs to fulfill insurance and warranty claims, costs related to returned and purchased leased devices, write-downs of inventory related to shrinkage and obsolescence, and shipping and handling costs.
- **Selling, general and administrative** primarily includes costs not directly attributable to providing wireless service for the operation of sales, customer care and corporate activities. These include commissions paid to dealers and retail employees for activations and upgrades, labor and facilities costs associated with retail sales force and administrative space, marketing and promotional costs, customer support and billing, bad debt expense, losses from sales of receivables and back office administrative support activities.

Operating expenses increased \$2.3 billion, or 7%, primarily from higher Cost of services, Cost of equipment sales, Selling, general and administrative and lower Gains on disposal of spectrum licenses, partially offset by lower Depreciation and amortization as discussed below.

Cost of services increased \$369 million, or 6%, primarily from:

- Higher lease, engineering and employee-related expenses associated with network expansion; and
- The negative impact from hurricanes of \$105 million, net of insurance recoveries; partially offset by
- Lower long distance and toll costs as we continue to renegotiate contracts with vendors; and
- Lower regulatory expenses.

Cost of equipment sales increased \$789 million, or 7%, primarily from:

- An increase of \$806 million in device cost of equipment sales, excluding purchased leased devices, primarily due to:
 - A higher average cost per device sold primarily from an increase in the high-end device mix and from the impact of an OEM recall of its smartphone devices in 2016; partially offset by
 - A 2% decrease in the number of devices sold, excluding purchased lease devices, driven by a lower branded postpaid handset upgrade rate.
- An increase of \$201 million in lease device cost of equipment sales, primarily due to:
 - An increase in lease buyouts as leases began reaching their term dates in 2017; partially offset by
 - A decrease in write downs to market value of devices returned to inventory resulting from a decrease in the number of leased device upgrades.
- These increases are partially offset by a decrease of \$159 million primarily related to:
 - A decrease in insurance and warranty claims;
 - Higher proceeds from liquidation of returned customer handsets under our insurance programs; and
 - Lower inventory adjustments related to physical adjustments and obsolete inventory; partially offset by
 - Higher costs from an increase in the volume of liquidated returned customer handsets outside of our insurance programs.
- A decrease of \$57 million in accessory cost primarily driven by the decrease in device sales volume.

Under our JUMP! On Demand program, upon device upgrade or at the end of the lease term, customers must return or purchase their device. The cost of purchased leased devices is recorded as Cost of equipment sales. Returned devices transferred from Property and equipment, net are recorded as inventory and are valued at the lower of cost or market with any write-down to market recognized as Cost of equipment sales.

Selling, general and administrative increased \$881 million, or 8%, primarily from higher commissions, employee-related costs, promotional and advertising costs, and costs related to outsourced functions and managed services to support our growing customer base, partially offset by lower handset repair services cost. Additionally, the negative impact from hurricanes of approximately \$36 million contributed to the increase.

Depreciation and amortization decreased \$259 million, or 4%, primarily from:

- Lower depreciation expense related to our JUMP! On Demand program resulting from a lower number of devices under lease. Under our JUMP! On Demand program, the cost of a leased wireless device is depreciated to its estimated residual value over the period expected to provide utility to us; partially offset by
- The continued build-out of our 4GLTE network;
- The implementation of the first component of our new billing system; and
- Growth in our distribution footprint.

Cost of MetroPCS business combination decreased \$104 million. On July 1, 2015, we officially completed the shutdown of the MetroPCS CDMA network. Network decommissioning costs primarily relate to the acceleration of lease costs for cell sites that would have otherwise been recognized as cost of services over the remaining lease term had we not decommissioned the cell sites. We do not expect to incur significant additional network decommissioning costs in 2018.

Gains on disposal of spectrum licenses decreased \$600 million, or 72%, primarily from gains of \$636 million and \$191 million on disposal of spectrum licenses with AT&T and Sprint during the first quarter and third quarter of 2016, respectively. These 2016 gains were partially offset by gains of \$235 million from spectrum license transactions with AT&T and Verizon in 2017.

Net income increased \$3.1 billion, primarily due to the Tax Cuts and Jobs Act of 2017 ("TCJA") as discussed below, higher operating income and a net decrease in interest expense, partially offset by the negative impact from hurricanes of approximately \$130 million, net of insurance recoveries.

- **Operating income**, the components of which are discussed above, increased \$838 million, or 21%. The negative impact from the hurricanes for the year ended December 31, 2017 was approximately \$201 million, net of insurance recoveries.
- **Income tax benefit (expense)** changed \$2.2 billion, from an expense of \$867 million in 2016 to a benefit of \$1.4 billion in 2017 primarily from:
 - A lower effective tax rate. The effective tax rate was a benefit of 43.5% in 2017, compared to an expense of 37.3% in 2016. The decrease in the effective income tax rate was primarily due to the impact of the TCJA, which resulted in a net tax benefit of \$2.2 billion in 2017, substantially due to a re-measurement of deferred tax assets and liabilities; and
 - A \$319 million reduction in the valuation allowance against deferred tax assets in certain state jurisdictions in 2017; partially offset by
 - Higher income before income taxes.

The TCJA was enacted December 22, 2017 and is generally effective beginning January 1, 2018. The TCJA includes numerous changes to existing tax law, which have been reflected in the 2017 consolidated financial statements. The state corporate income tax impact of the TCJA is complex and will continue to evolve as jurisdictions evaluate conformity to the numerous federal tax law changes. As such, a re-measurement of state deferred tax assets and liabilities and the associated net tax benefit or expense may result within the next 12 months. The TCJA resulted in a net tax benefit of \$2.2 billion in 2017.

See [Note 11 - Income Taxes](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

- **Interest expense** decreased \$307 million, or 22%, primarily from:
 - A decrease from the early redemption of our \$1.98 billion Senior Secured Term Loans and \$8.3 billion of Senior Notes; partially offset by

[Table of Contents](#)

- An increase from the issuance of the \$1.5 billion of Senior Notes in March 2017; and
- An increase from the issuance of the \$1.0 billion of Senior Notes in April 2016.
- **Interest expense to affiliates** increased \$248 million, or 79%, primarily from:
 - Issuance of \$4.0 billion secured term loan facility with Deutsche Telekom AG ("DT") entered into in January 2017;
 - Issuance of a total of \$4.0 billion in Senior Notes in May 2017;
 - An increase in drawings on our Revolving Credit Facility; and
 - Issuance of \$500 million in Senior Notes in September 2017; partially offset by
 - A decrease from lower interest rates achieved through refinancing of a total of \$2.5 billion of Senior Reset Notes in April 2017.

See [Note 7 – Debt](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

- **Other expense, net** increased \$67 million primarily from:
 - A \$73 million net loss recognized from the early redemption of certain Senior Notes; and
 - A \$13 million net loss recognized from the refinancing of our outstanding Senior Secured Term Loans.

See [Note 7 – Debt](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Net income included net, after-tax gains on disposal of spectrum licenses of \$174 million and \$509 million for the years ended December 31, 2017 and 2016, respectively.

Guarantor Subsidiaries

The financial condition and results of operations of the Parent, Issuer and Guarantor Subsidiaries is substantially similar to our consolidated financial condition. The most significant components of the financial condition of our Non-Guarantor Subsidiaries were as follows:

(in millions)	December 31,	December 31,	Change	
	2017	2016	\$	%
Other current assets	\$ 628	\$ 565	\$ 63	11 %
Property and equipment, net	306	375	(69)	(18)%
Tower obligations	2,198	2,221	(23)	(1)%
Total stockholders' deficit	(1,454)	(1,374)	(80)	6 %

The most significant components of the results of operations of our Non-Guarantor Subsidiaries were as follows:

(in millions)	Year Ended December 31,		Change	
	2017	2016	\$	%
Service revenues	\$ 2,113	\$ 2,023	\$ 90	4 %
Cost of equipment sales	1,003	1,027	(24)	(2)%
Selling, general and administrative	856	868	(12)	(1)%
Total comprehensive income	28	24	4	17 %

The change to the results of operations of our Non-Guarantor Subsidiaries was primarily from:

- Higher Service revenues primarily due to the result of an increase in activity of the non-guarantor subsidiary that provides device insurance, primarily driven by growth in our customer base;
- Lower Cost of equipment sales expenses primarily due to a decrease in device insurance claims and a decrease in higher cost devices used, partially offset by a decrease in device non-return fees charged to customers; and

[Table of Contents](#)

- Lower Selling, general and administrative expenses primarily due to a decrease in device insurance program service fees, partially offset by higher costs to support our growing customer base.

All other results of operations of the Parent, Issuer and Guarantor Subsidiaries are substantially similar to the Company's consolidated results of operations. See [Note 16 – Guarantor Financial Information](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

The following discussion and analysis is for the year ended December 31, 2016, compared to the same period in 2015 unless otherwise stated.

Certain prior year amounts relating to the change in accounting principle which presents the imputed discount on EIP receivables, which is amortized over the financed installment term using the effective interest method, and was previously presented within Interest income in our Consolidated Statements of Comprehensive Income, is now presented within Other revenues in our Consolidated Statements of Comprehensive Income have been reclassified to conform to the current presentation. See [Note 1 - Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Total revenues increased \$5.0 billion, or 15%, primarily due to:

Branded postpaid revenues increased \$1.8 billion, or 11%, primarily from:

- A 13% increase in the number of average branded postpaid phone and mobile broadband customers, driven by strong customer response to our Un-carrier initiatives and promotions for services and devices;
- Higher device insurance program revenues primarily from customer growth; and
- Higher regulatory program revenues; partially offset by
- An increase in the non-cash net revenue deferral for Data Stash; and
- The MVNO Transaction.

Branded prepaid revenues increased \$1.0 billion, or 13%, primarily from:

- A 13% increase in the number of average branded prepaid customers driven by the success of our MetroPCS brand; and
- Continued growth in new markets.

Wholesale revenues increased \$211 million, or 30%, primarily from:

- The MVNO Transaction;
- Growth in customers of certain MVNO partners; and
- An increase in data usage per customer.

Roaming and other service revenues increased \$57 million, or 30%, primarily due to higher international roaming revenues driven by an increase in inbound roaming volumes.

Equipment revenues increased \$2.0 billion, or 30%, primarily from:

- An increase of \$1.2 billion in lease revenues resulting from the launch of our JUMP! On Demand program at the end of the second quarter of 2015. Revenues associated with leased devices are recognized over the lease term; and
- An increase of \$570 million in device sales revenues, primarily due to a 9% increase in the number of devices sold. Device sales revenue is recognized at the time of sale.

Gross EIP device financing to our customers increased by \$923 million to \$6.1 billion primarily due to an increase in devices financed due to our focus on EIP sales in 2016, compared to focus on devices financed on JUMP! On Demand after the launch of the program at the end of the second quarter of 2015.

Other revenues decreased \$9 million, or 1%, primarily due to:

- An increase in sales of certain EIP receivables pursuant to our EIP receivables sales arrangement resulting from an increase in the maximum funding commitment in June 2016. Interest associated with EIP receivables is imputed at the time of a device sale and then recognized over the financed installment term. See [Note 2 - Receivables and Allowance for Credit Losses](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information; and
- Focus on devices financed on JUMP! On Demand in the third and fourth quarters of 2015 following the launch of the program at the end of the second quarter 2015; partially offset by
- Higher revenue from revenue share agreements with third parties; and
- An increase in co-location rental income from leasing space on wireless communication towers to third parties.

Operating expenses increased \$3.5 billion, or 12%, primarily due to:

Cost of services increased \$177 million, or 3%, primarily from:

- Higher regulatory program costs and expenses associated with network expansion and the build-out of our network to utilize our 700 MHz A-Block spectrum licenses, including higher employee-related costs; partially offset by
- Lower long distance and toll costs; and
- Synergies realized from the decommissioning of the MetroPCS CDMA network.

Cost of equipment sales increased \$1.5 billion, or 16%, primarily from:

- A 9% increase in the number of devices sold; and
- An increase in the impact from returned and purchased leased devices.

Under our JUMP! On Demand program, the cost of the leased wireless device is capitalized and recognized as depreciation expense over the term of the lease rather than recognized as cost of equipment sales when the device is delivered to the customer. Additionally, upon device upgrade or at lease end, customers must return or purchase their device. Returned devices transferred from Property and equipment, net are recorded as inventory and are valued at the lower of cost or market with any write-down to market recognized as Cost of equipment sales.

Selling, general and administrative increased \$1.2 billion, or 12%, primarily from strategic investments to support our growing customer base including higher:

- Employee-related costs;
- Commissions driven by an increase in branded customer additions; and
- Promotional costs.

Depreciation and amortization increased \$1.6 billion, or 33%, primarily from:

- \$1.5 billion in depreciation expense related to devices leased under our JUMP! On Demand program launched at the end of the second quarter of 2015. Under our JUMP! On Demand program, the cost of a leased wireless device is depreciated over the lease term to its estimated residual value. The total number of devices under lease was higher year-over-year, resulting in higher depreciation expense; and
- The continued build-out of our 4GLTE network.

Cost of MetroPCS business combination decreased \$272 million, or 72%, primarily from lower network decommissioning costs. In 2014, we began decommissioning the MetroPCS CDMA network and certain other redundant network cell sites as part of the business combination. On July 1, 2015, we officially completed the shutdown of the MetroPCS CDMA network. Network decommissioning costs, which are excluded from Adjusted EBITDA, primarily relate to the acceleration of lease costs for cell sites that would have otherwise been recognized as cost of services over the remaining lease term had we not decommissioned the cell sites.

Gains on disposal of spectrum licenses increased \$672 million primarily from a \$636 million gain from a spectrum license transaction with AT&T recorded in the first quarter of 2016 and \$199 million from other transactions in 2016, compared to

[Table of Contents](#)

\$163 million in 2015. See [Note 5 – Goodwill, Spectrum Licenses and Other Intangible Assets](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Net income increased \$727 million, or 99%, primarily from:

- **Operating income**, the components of which are discussed above, increased \$1.6 billion, or 63%.
- **Interest expense to affiliates** decreased \$99 million, or 24%, primarily from:
 - Changes in the fair value of embedded derivative instruments associated with our Senior Reset Notes issued to Deutsch Telekom in 2015; partially offset by
 - Higher interest rates on certain Senior Reset Notes issued to Deutsch Telekom, which were adjusted at reset dates in the second quarter of 2016 and in 2015.
- **Income tax expense** increased \$622 million, or 254%, primarily from:
 - Higher income before income taxes; and
 - A higher effective tax rate. The effective tax rate was 37.3% in 2016, compared to 25.1% in 2015. The increase in the effective income tax rate was primarily due to income tax benefits for discrete income tax items recognized in 2015 that did not impact 2016; partially offset by the recognition of \$58 million of excess tax benefits related to share-based payments following the adoption of ASU 2016-09 as of January 1, 2016.
- **Interest expense** increased \$333 million, or 31%, primarily from:
 - Higher average debt balances with third parties; and
 - Lower capitalized interest costs of \$83 million primarily due to a higher level of build out of our network to utilize our 700 MHz A-Block spectrum licenses in 2015, compared to 2016.

Net income during 2016 and 2015 included net, after-tax gains on disposal of spectrum licenses of \$509 million and \$100 million, respectively.

Guarantor Subsidiaries

The financial condition and results of operations of the Parent, Issuer and Guarantor Subsidiaries is substantially similar to our consolidated financial condition.

The most significant components of the financial condition of our Non-Guarantor Subsidiaries were as follows:

(in millions)	December 31,	December 31,	Change	
	2016	2015	\$	%
Other current assets	\$ 565	\$ 400	\$ 165	41 %
Property and equipment, net	375	454	(79)	(17)%
Tower obligations	2,221	2,247	(26)	(1)%
Total stockholders' deficit	(1,374)	(1,359)	(15)	(1)%

The most significant components of the results of operations of our Non-Guarantor Subsidiaries were as follows:

(in millions)	Year Ended December 31,		Change	
	2016	2015	\$	%
Service revenues	\$ 2,023	\$ 1,669	\$ 354	21 %
Cost of equipment sales	1,027	720	307	43 %
Selling, general and administrative	868	733	135	18 %
Total comprehensive income	24	60	(36)	(60)%

The change to the results of operations of our Non-Guarantor Subsidiaries was primarily from the increases in Service revenues, Cost of equipment sales and Selling, general and administrative were primarily the result of an increase in activity of the non-guarantor subsidiary that provides device insurance, primarily driven by growth in our customer base. All other results

of operations of the Parent, Issuer and Guarantor Subsidiaries are substantially similar to the Company’s consolidated results of operations. See [Note 16 – Guarantor Financial Information](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Performance Measures

In managing our business and assessing financial performance, we supplement the information provided by our financial statements with other operating or statistical data and non-GAAP financial measures. These operating and financial measures are utilized by our management to evaluate our operating performance and, in certain cases, our ability to meet liquidity requirements. Although companies in the wireless industry may not define each of these measures in precisely the same way, we believe that these measures facilitate comparisons with other companies in the wireless industry on key operating and financial measures.

Total Customers

A customer is generally defined as a SIM number with a unique T-Mobile identifier which is associated with an account that generates revenue. Branded customers generally include customers that are qualified either for postpaid service utilizing phones, mobile broadband devices (including tablets), or DIGITS, where they generally pay after receiving service, or prepaid service, where they generally pay in advance. Wholesale customers include M2M and MVNO customers that operate on our network, but are managed by wholesale partners.

The following table sets forth the number of ending customers:

(in thousands)	December 31, 2017	December 31, 2016	December 31, 2015	2017 Versus 2016		2016 Versus 2015	
				# Change	% Change	# Change	% Change
Customers, end of period							
Branded postpaid phone customers ⁽¹⁾	34,114	31,297	29,355	2,817	9 %	1,942	7%
Branded postpaid other customers ⁽¹⁾	3,933	3,130	2,340	803	26 %	790	34%
Total branded postpaid customers	38,047	34,427	31,695	3,620	11 %	2,732	9%
Branded prepaid customers	20,668	19,813	17,631	855	4 %	2,182	12%
Total branded customers	58,715	54,240	49,326	4,475	8 %	4,914	10%
Wholesale customers ⁽²⁾	13,870	17,215	13,956	(3,345)	(19)%	3,259	23%
Total customers, end of period	72,585	71,455	63,282	1,130	2 %	8,173	13%
Adjustments to branded postpaid phone customers ⁽³⁾	—	(1,365)	—	1,365	(100)%	(1,365)	NM
Adjustments to branded prepaid customers ⁽³⁾	—	(326)	—	326	(100)%	(326)	NM
Adjustments to wholesale customers ⁽³⁾	—	1,691	—	(1,691)	(100)%	1,691	NM

NM - Not Meaningful

- (1) During 2017, we retitled our “Branded postpaid mobile broadband customers” category to “Branded postpaid other customers” and reclassified DIGITS customers from our “Branded postpaid phone customers” category for the second quarter of 2017, when the DIGITS product was released.
- (2) We believe current and future regulatory changes have made the Lifeline program offered by our wholesale partners uneconomical. We will continue to support our wholesale partners offering the Lifeline program, but have excluded the Lifeline customers from our reported wholesale subscriber base resulting in the removal of 4,528,000 reported wholesale customers in 2017.
- (3) The MVNO Transaction resulted in a transfer of Branded postpaid phone customers and Branded prepaid customers to Wholesale customers on September 1, 2016. Prospectively from September 1, 2016, net customer additions for these customers are included within Wholesale customers.

Branded Customers

Total branded customers increased 4,475,000, or 8%, in 2017 primarily from:

- Higher branded postpaid phone customers driven by the continued strong customer response to our Un-carrier initiatives and promotional activities, the growing success of our business channel, T-Mobile for Business, continued growth in existing markets and distribution expansion to new Greenfield markets, and lower churn, partially offset by increased competitive activity in the marketplace with all competitors having launched Unlimited rate plans in the first quarter of 2017;
- Higher branded prepaid customers driven by the continued success of our Metro PCS brand and continued growth from distribution expansion, partially offset by the optimization of our third-party distribution channels; and
- Higher branded postpaid other customers primarily due to higher connected devices and DIGITS.

Total branded customers increased 4,914,000, or 10%, in 2016 primarily from:

- Higher branded prepaid customers driven by the success of our MetroPCS brand, continued growth in new markets and distribution expansion, partially offset by the optimization of our third-party distribution channels; and
- Higher branded postpaid customers driven by strong customer response to our Un-carrier initiatives and promotional activities, partially offset by higher deactivations on a growing customer base.

Wholesale

Wholesale customers decreased 3,345,000, or 19%, primarily due to Lifeline subscribers, which were excluded from our reported wholesale subscriber base as of the beginning of the second quarter of 2017. This decrease was partially offset by the continued success of our M2M partnerships.

Wholesale customers increased 3,259,000, or 23%, in 2016 primarily due the continued success of our M2M partnerships and the MVNO transaction.

Net Customer Additions

The following table sets forth the number of net customer additions:

(in thousands)	Year Ended December 31,			2017 Versus 2016		2016 Versus 2015	
	2017	2016	2015	# Change	% Change	# Change	% Change
Net customer additions							
Branded postpaid phone customers ⁽¹⁾	2,817	3,307	3,511	(490)	(15)%	(204)	(6)%
Branded postpaid other customers ⁽¹⁾	803	790	999	13	2 %	(209)	(21)%
Total branded postpaid customers	3,620	4,097	4,510	(477)	(12)%	(413)	(9)%
Branded prepaid customers	855	2,508	1,315	(1,653)	(66)%	1,193	91 %
Total branded customers	4,475	6,605	5,825	(2,130)	(32)%	780	13 %
Wholesale customers ⁽²⁾	1,183	1,568	2,439	(385)	(25)%	(871)	(36)%
Total net customer additions	5,658	8,173	8,264	(2,515)	(31)%	(91)	(1)%

- (1) During 2017, we retitled our “Branded postpaid mobile broadband customers” category to “Branded postpaid other customers” and reclassified DIGITS customer net additions from our “Branded postpaid phone customers” category for the second quarter of 2017, when the DIGITS product was released.
- (2) Net customer activity for Lifeline was excluded beginning in the second quarter of 2017 due to our determination based upon changes in the applicable government regulations that the Lifeline program offered by our wholesale partners is uneconomical.

Branded Customers

Total branded net customer additions decreased 2,130,000, or 32%, in 2017 primarily from:

- Lower branded prepaid net customer additions primarily due to higher deactivations from a growing customer base, increased competitive activity in the marketplace and de-emphasis of the T-Mobile prepaid brand. Additional decreases resulted from the optimization of our third-party distribution channels; and
- Lower branded postpaid phone net customer additions primarily due to increased competitive activity in the marketplace partially offset by the continued strong customer response to our Un-carrier initiatives and promotional activities, the growing success of our business channel, T-Mobile for Business, continued growth in new markets and distribution expansion to new Greenfield markets, and lower churn; partially offset by
- Higher branded postpaid other net customer additions primarily due to higher gross customer additions from connected devices and DIGITS, offset by higher deactivations from a growing customer base.

Total branded net customer additions increased 780,000, or 13%, in 2016 primarily from:

- Higher branded prepaid net customer additions primarily due to the success of our MetroPCS brand, continued growth in new markets and distribution expansion, partially offset by an increase in the number of qualified branded prepaid customers migrating to branded postpaid plans; partially offset by
- Lower branded postpaid mobile broadband net customer additions primarily due to higher deactivations resulting from churn on a growing branded postpaid mobile broadband customer base, partially offset by higher gross customer

[Table of Contents](#)

additions; and

- Lower branded postpaid phone net customer additions primarily due to lower gross customer additions from higher deactivations on a growing customer base, partially offset by lower churn as well as an increase in the number of qualified branded prepaid customers migrating to branded postpaid plans as well as the optimization of our third-party distribution channels.

Wholesale

Wholesale net customer additions decreased 385,000, or 25%, in 2017 primarily from lower gross customer additions, partially offset by lower deactivations driven by the removal of the Lifeline program customers. While we continue to focus on more profitable wholesale opportunities, we believe current and future regulatory changes have made the Lifeline program offered by our wholesale partners uneconomical. We will continue to support our wholesale partners offering the Lifeline program, but have excluded the Lifeline customers from our reported wholesale subscriber base resulting in the removal of 4,528,000 reported wholesale customers in 2017.

Wholesale net customer additions decreased 871,000, or 36%, in 2016 primarily due to higher MVNO deactivations from certain MVNO partners.

Customers Per Account

Customers per account is calculated by dividing the number of branded postpaid customers as of the end of the period by the number of branded postpaid accounts as of the end of the period. An account may include branded postpaid phone, mobile broadband, and DIGITS customers. We believe branded postpaid customers per account provides management, investors and analysts with useful information to evaluate our branded postpaid customer base on a per account basis.

	December 31, 2017	December 31, 2016	December 31, 2015	Change		Change	
				#	%	#	%
Branded postpaid customers per account	2.93	2.86	2.54	0.07	2%	0.32	13%

Branded postpaid customers per account increased 2% in 2017 primarily from promotions targeting families.

Branded postpaid customers per account increased 13% in 2016 primarily from growth of customers on family plan promotions and increased penetration of mobile broadband devices. In addition, the increase in 2016 was impacted by the MVNO Transaction.

Churn

Churn represents the number of customers whose service was disconnected as a percentage of the average number of customers during the specified period. The number of customers whose service was disconnected is presented net of customers that subsequently have their service restored within a certain period of time. We believe that churn provides management, investors and analysts with useful information to evaluate customer retention and loyalty.

	Year Ended December 31,			Bps Change 2017 Versus 2016	Bps Change 2016 Versus 2015
	2017	2016	2015		
Branded postpaid phone churn	1.18%	1.30%	1.39%	-12 bps	-9 bps
Branded prepaid churn	4.04%	3.88%	4.45%	16 bps	-57 bps

Branded postpaid phone churn decreased 12 basis points in 2017 primarily from:

- The MVNO Transaction as the customers transferred had a higher rate of churn; and
- Increased customer satisfaction and loyalty from ongoing improvements to network quality, customer service and the overall value of our offerings in the marketplace.

Branded postpaid phone churn decreased 9 basis points in 2016 primarily from:

- The MVNO Transaction as the customers transferred had a higher rate of churn; and
- Increased customer satisfaction and loyalty from ongoing improvements to network quality, customer service and the overall value of our offerings in the marketplace.

Branded prepaid chum increased 16 basis points in 2017 primarily due to higher chum from increased competitive activity in the marketplace, partially offset by increased customer satisfaction and loyalty from ongoing improvements to network quality, customer service and overall value of our offerings in the marketplace.

Branded prepaid chum decreased 57 basis points in 2016 primarily from:

- A decrease in certain customers, which have a higher rate of branded prepaid chum;
- Strong performance of the MetroPCS brand; and
- A methodology change in the third quarter of 2015 as discussed below.

During 2015, we had a methodology change that had no impact on our reported branded prepaid ending customers or net customer additions, but resulted in computationally lower gross customer additions and deactivations.

Average Revenue Per User, Average Billings Per User

ARPU represents the average monthly service revenue earned from customers. We believe ARPU provides management, investors and analysts with useful information to assess and evaluate our service revenue realization per customer and assist in forecasting our future service revenues generated from our customer base. Branded postpaid phone ARPU excludes mobile broadband and DIGITS customers and related revenues.

Average Billings Per User (“ABPU”) represents the average monthly customer billings, including monthly lease revenues and EIP billings before securitization, per customer. We believe branded postpaid ABPU provides management, investors and analysts with useful information to evaluate average branded postpaid customer billings as it is indicative of estimated cash collections, including device financing payments, from our customers each month.

The following tables illustrate the calculation of our operating measures ARPU and ABPU and reconcile these measures to the related service revenues:

(in millions, except average number of customers, ARPU and ABPU)	Year Ended December 31,			2017 Versus 2016		2016 Versus 2015	
	2017	2016	2015	\$ Change	% Change	\$ Change	% Change
Calculation of Branded Postpaid Phone ARPU							
Branded postpaid service revenues	\$ 19,448	\$ 18,138	\$ 16,383	\$ 1,310	7 %	\$ 1,755	11 %
Less: Branded postpaid other revenues	(1,077)	(773)	(588)	(304)	39 %	(185)	31 %
Branded postpaid phone service revenues	\$ 18,371	\$ 17,365	\$ 15,795	\$ 1,006	6 %	\$ 1,570	10 %
Divided by: Average number of branded postpaid phone customers (in thousands) and number of months in period	32,596	30,484	27,604	2,112	7 %	2,880	10 %
Branded postpaid phone ARPU ⁽¹⁾	\$ 46.97	\$ 47.47	\$ 47.68	\$ (0.50)	(1)%	\$ (0.21)	—%
Calculation of Branded Postpaid ABPU							
Branded postpaid service revenues	\$ 19,448	\$ 18,138	\$ 16,383	\$ 1,310	7 %	\$ 1,755	11 %
EIP billings	5,866	5,432	5,494	434	8 %	(62)	(1)%
Lease revenues	877	1,416	224	(539)	(38)%	1,192	532 %
Total billings for branded postpaid customers	\$ 26,191	\$ 24,986	\$ 22,101	\$ 1,205	5 %	\$ 2,885	13 %
Divided by: Average number of branded postpaid customers (in thousands) and number of months in period	36,079	33,184	29,341	2,895	9 %	3,843	13 %
Branded postpaid ABPU	\$ 60.49	\$ 62.75	\$ 62.77	\$ (2.26)	(4)%	\$ (0.02)	—%
Calculation of Branded Prepaid ARPU							
Branded prepaid service revenues	\$ 9,380	\$ 8,553	\$ 7,553	\$ 827	10 %	\$ 1,000	13 %
Divided by: Average number of branded prepaid customers (in thousands) and number of months in period	20,204	18,797	16,704	1,407	7 %	2,093	13 %
Branded prepaid ARPU	\$ 38.69	\$ 37.92	\$ 37.68	\$ 0.77	2 %	\$ 0.24	1 %

(1) Branded postpaid phone ARPU includes the reclassification of 43,000 DIGITS average customers and related revenue to the “Branded postpaid other customers” category for the second quarter of 2017.

Branded Postpaid Phone ARPU

Branded postpaid phone ARPU decreased \$0.50, or 1%, in 2017 primarily from:

- Dilution from promotions targeting families and new segments; and
- The negative impact from hurricanes of approximately \$0.09; partially offset by
- The MVNO Transaction as those customers had a lower ARPU; and
- A decrease in the non-cash net revenue deferral for Data Stash.

Under existing revenue standards, T-Mobile continues to expect that Branded postpaid phone ARPU in full-year 2018 will be generally stable compared to full-year 2017, with some quarterly variations.

We adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" ("ASU 2014-09"), as amended, on January 1, 2018. Adoption of the standard will impact the timing, amount and allocation of our revenue and is expected to impact ARPU. We will provide additional disclosures comparing results to previous GAAP in our 2018 consolidated financial statements. See [Note 1 - Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for information regarding recently issued accounting standards.

Branded postpaid phone ARPU decreased \$0.21 in 2016 primarily from:

- Decreases due to an increase in the non-cash net revenue deferral for Data Stash; and
- Dilution from promotional activities; partially offset by
- Higher data attach rates;
- The positive impact from our T-Mobile ONE rate plans prior to the release of Un-carrier Next in 2017 which began including taxes and fees;
- The transfer of customers as part of the MVNO Transaction as those customers had lower ARPU;
- Continued growth of our insurance programs; and
- Higher regulatory program revenues.

Branded Postpaid ABPU

Branded postpaid ABPU decreased \$2.26, or 4%, in 2017 primarily from:

- Lower lease revenues;
- Growth in the branded postpaid other customer base with lower ARPU; and
- The negative impact from hurricanes of approximately \$0.08.

Branded postpaid ABPU decreased \$0.02 in 2016 primarily from:

- Lower EIP billings due to the impact of our JUMP! On Demand program launched at the end of the second quarter of 2015;
- Lower branded postpaid phone ARPU, as described above; and
- Dilution from increased penetration of mobile broadband devices; partially offset by
- An increase in lease revenues.

Branded Prepaid ARPU

Branded prepaid ARPU increased \$0.77, or 2%, in 2017 primarily from:

- Continued growth of MetroPCS customers who generate higher ARPU; and
- The optimization of our third-party distribution channels; partially offset by
- The negative impact from hurricanes of approximately \$0.05.

[Table of Contents](#)

Branded prepaid ARPU increased \$0.24, or 1%, in 2016 primarily from:

- A decrease in certain customers that had lower average branded prepaid ARPU, as well as higher data attach rates; partially offset by
- Dilution from growth of customers on rate plan promotions.

Adjusted EBITDA

Adjusted EBITDA represents earnings before Interest expense, net of Interest income, Income tax expense, Depreciation and amortization, non-cash Stock-based compensation and certain income and expenses not reflective of T-Mobile's operating performance. Net income margin represents Net income divided by Service revenues. Adjusted EBITDA margin represents Adjusted EBITDA divided by Service revenues.

Adjusted EBITDA is a non-GAAP financial measure utilized by our management to monitor the financial performance of our operations. We use Adjusted EBITDA internally as a metric to evaluate and compensate our personnel and management for their performance, and as a benchmark to evaluate our operating performance in comparison to our competitors. Management believes analysts and investors use Adjusted EBITDA as a supplemental measure to evaluate overall operating performance and facilitate comparisons with other wireless communications companies because it is indicative of our ongoing operating performance and trends by excluding the impact of interest expense from financing, non-cash depreciation and amortization from capital investments, non-cash stock-based compensation, network decommissioning costs as they are not indicative of our ongoing operating performance and certain other nonrecurring income and expenses. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for income from operations, net income or any other measure of financial performance reported in accordance with U.S. Generally Accepted Accounting Principles ("GAAP").

The following table illustrates the calculation of Adjusted EBITDA and reconciles Adjusted EBITDA to Net income, which we consider to be the most directly comparable GAAP financial measure:

(in millions)	Year Ended December 31,			2017 Versus 2016		2016 Versus 2015	
	2017	2016	2015	\$ Change	% Change	\$ Change	% Change
Net income	\$ 4,536	\$ 1,460	\$ 733	\$ 3,076	211 %	\$ 727	99 %
Adjustments:							
Interest expense	1,111	1,418	1,085	(307)	(22)%	333	31 %
Interest expense to affiliates	560	312	411	248	79 %	(99)	(24)%
Interest income ⁽¹⁾	(17)	(13)	(6)	(4)	31 %	(7)	117 %
Other (income) expense, net	73	6	11	67	1,117 %	(5)	(45)%
Income tax expense (benefit)	(1,375)	867	245	(2,242)	(259)%	622	254 %
Operating income ⁽¹⁾	4,888	4,050	2,479	838	21 %	1,571	63 %
Depreciation and amortization	5,984	6,243	4,688	(259)	(4)%	1,555	33 %
Cost of MetroPCS business combination ⁽²⁾	—	104	376	(104)	(100)%	(272)	(72)%
Stock-based compensation ⁽³⁾	307	235	222	72	31 %	13	6 %
Other, net ⁽⁴⁾	34	7	42	27	386 %	(35)	(83)%
Adjusted EBITDA ⁽¹⁾	\$ 11,213	\$ 10,639	\$ 7,807	\$ 574	5 %	\$ 2,832	36 %
Net income margin (Net income divided by service revenues)	15%	5%	3%		1000 bps		200 bps
Adjusted EBITDA margin (Adjusted EBITDA divided by service revenues) ⁽¹⁾	37%	38%	31%		-100 bps		700 bps

(1) The amortized imputed discount on EIP receivables previously recognized as Interest income has been retrospectively re-classified as Other revenues. See the table below and [Note 1 - Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

(2) Beginning in the first quarter of 2017, the Company will no longer separately present Cost of MetroPCS business combination as it is insignificant.

(3) Stock-based compensation includes payroll tax impacts and may not agree to stock-based compensation expense in the consolidated financial statements.

(4) Other, net may not agree to the Consolidated Statements of Comprehensive Income primarily due to certain non-routine operating activities, such as other special items that would not be expected to reoccur, and are therefore excluded in Adjusted EBITDA.

[Table of Contents](#)

Adjusted EBITDA increased \$574 million, or 5%, in 2017 primarily from:

- An increase in branded postpaid and prepaid service revenues primarily due to strong customer response to our Un-carrier initiatives, the ongoing success of our promotional activities, and the continued strength of our MetroPCS brand;
- Higher wholesale revenues; and
- Higher other revenues; partially offset by
- Higher selling, general and administrative expenses;
- Lower gains on disposal of spectrum licenses of \$600 million; gains on disposal were \$235 million for the year ended December 31, 2017, compared to \$835 million in the same period in 2016;
- Higher cost of services expense;
- Higher net losses on equipment; and
- The negative impact from hurricanes of approximately \$201 million, net of insurance recoveries.

Adjusted EBITDA increased \$2.8 billion, or 36%, in 2016 primarily from:

- Increased branded postpaid and prepaid service revenues primarily due to strong customer response to our Un-carrier initiatives and the ongoing success of our promotional activities;
- Higher gains on disposal of spectrum licenses of \$672 million; gains on disposal were \$835 million in 2016 compared to \$163 million in 2015;
- Lower losses on equipment; and
- Focused cost control and synergies realized from the MetroPCS business combination, primarily in cost of services; partially offset by
- Higher selling, general and administrative.

Effective January 1, 2017, the imputed discount on EIP receivables, which was previously recognized within Interest income in our Consolidated Statements of Comprehensive Income, is recognized within Other revenues in our Consolidated Statements of Comprehensive Income. Due to this presentation, the imputed discount on EIP receivables is included in Adjusted EBITDA. See [Note 1 - Summary of Significant Accounting Policies](#) of Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

We have applied this change retrospectively and presented the effect on the years ended December 31, 2016 and 2015, in the table below.

(in millions)	Year Ended December 31, 2016			Year Ended December 31, 2015		
	As Filed	Change in Accounting Principle	As Adjusted	As Filed	Change in Accounting Principle	As Adjusted
Operating income	\$ 3,802	\$ 248	\$ 4,050	\$ 2,065	\$ 414	\$ 2,479
Interest income	261	(248)	13	420	(414)	6
Net income	1,460	—	1,460	733	—	733
Net income as a percentage of service revenue	5%	—%	5%	3%	—%	3%
Adjusted EBITDA	\$ 10,391	\$ 248	\$ 10,639	\$ 7,393	\$ 414	\$ 7,807
Adjusted EBITDA margin (Adjusted EBITDA divided by service revenues)	37%	1%	38%	30%	1%	31%

Liquidity and Capital Resources

Our principal sources of liquidity are our cash and cash equivalents and cash generated from operations, proceeds from issuance of long-term debt and common stock, capital leases, the sale of certain receivables, financing arrangements of vendor payables which effectively extend payment terms and secured and unsecured revolving credit facilities with DT.

Cash Flows

The following is an analysis of our cash flows for the years ended December 31, 2017, 2016 and 2015:

(in millions)	Year Ended December 31,			2017 Versus 2016		2016 Versus 2015	
	2017	2016	2015	\$ Change	% Change	\$ Change	% Change
Net cash provided by operating activities	\$ 7,962	\$ 6,135	\$ 5,414	\$ 1,827	30 %	\$ 721	13 %
Net cash used in investing activities	(11,064)	(5,680)	(9,560)	(5,384)	95 %	3,880	(41)%
Net cash (used in) provided by financing activities	(1,179)	463	3,413	(1,642)	(355)%	(2,950)	(86)%

Operating Activities

Net cash provided by operating activities increased \$1.8 billion, or 30%, in 2017 primarily from:

- \$3.1 billion increase in Net income;
- \$2.0 billion decrease in net non-cash adjustments to Net income primarily due to changes in Deferred income tax expense and Depreciation and amortization, partially offset by Gains on disposal of spectrum licenses; and
- \$757 million decrease in net cash outflows from changes in working capital primarily due to improvements in Accounts payable and accrued liabilities, Deferred purchase price from sales of receivables and Accounts receivable, partially offset by changes in Equipment installment plan receivables and Other current and long-term assets and liabilities. The change in EIP receivables was primarily due to a decrease in net cash proceeds from the sale of EIP receivables as the year ended December 31, 2016 benefited from net cash proceeds of \$361 million related to upsizing of the EIP securitization facility.

Cash provided by operating activities increased \$721 million, or 13%, in 2016 primarily from:

- \$727 million increase in Net income;
- \$1.4 billion increase in net non-cash income and expenses included in Net income primarily due to changes in Depreciation and amortization, Deferred income tax expense and Gains on disposal of spectrum licenses; partially offset by
- \$1.4 billion increase in net cash outflows from changes in working capital primarily due to changes in Accounts payable and accrued liabilities of \$1.9 billion as well as the change in Equipment installment plan receivables, including inflows from the sale of certain EIP receivables, partially offset by the change in Inventories. Net cash used for Accounts payable and accrued liabilities was \$1.2 billion in 2016 as compared to net cash provided by Accounts payable and accrued liabilities of \$693 million in 2015. Net cash proceeds from the sale of EIP and service receivables was \$536 million in 2016 as compared to \$884 million in 2015.

Investing Activities

Net cash used in investing activities increased \$5.4 billion, or 95%, in 2017 primarily from:

- A \$3.0 billion decrease in Sales of short-term investments;
- A \$1.9 billion increase in Purchases of spectrum licenses and other intangible assets, including deposits, primarily driven by our winning bid for 1,525 licenses in the 600 MHz spectrum auction during the second quarter of 2017; and
- A \$535 million increase in Purchases of property and equipment, including capitalized interest primarily driven by growth in network build as we continued deployment of low band spectrum, including beginning deployment of 600 MHz.

Cash used in investing activities decreased \$3.9 billion, or 41%, in 2016, to a use of \$5.7 billion primarily from:

- \$4.7 billion for Purchases of property and equipment, including capitalized interest of \$142 million primarily related to the build-out of our 4GLTE network;
- \$4.0 billion for Purchases of spectrum licenses and other intangible assets, including a \$2.2 billion deposit made to a third party in connection with a potential asset purchase; partially offset by
- \$3.0 billion in Sales of short-term investments.

Financing Activities

Net cash used in and provided by financing activities changed by \$1.6 billion to a use of \$1.2 billion, in 2017 primarily from:

- \$10.2 billion for Repayments of long-term debt;
- \$2.9 billion for Repayments of our revolving credit facility;
- \$486 million for Repayments of capital lease obligations;
- \$427 million for Repurchases of common shares; and
- \$300 million for Repayments of short-term debt for purchases of inventory, property and equipment, net; partially offset by
- \$10.5 billion in Proceeds from issuance of long-term debt; and
- \$2.9 billion in Proceeds from borrowing on our revolving credit facility.

Cash provided by financing activities decreased \$3.0 billion, or 86%, in 2016, to an inflow of \$463 million primarily from:

- \$997 million in Proceeds from issuance of long-term debt; partially offset by
- \$205 million for Repayments of capital lease obligations;
- \$150 million for Repayments of short-term debt for purchases of inventory, property and equipment, net; and
- \$121 million for Tax withholdings on share-based awards.

Cash and Cash Equivalents

As of December 31, 2017, our Cash and cash equivalents were \$1.2 billion.

Free Cash Flow

Free Cash Flow represents net cash provided by operating activities less payments for purchases of property and equipment. Free Cash Flow is a non-GAAP financial measure utilized by our management, investors and analysts of T-Mobile's financial information to evaluate cash available to pay debt and provide further investment in the business.

The following table illustrates the calculation of Free Cash Flow and reconciles Free Cash Flow to Net cash provided by operating activities, which we consider to be the most directly comparable GAAP financial measure:

(in millions)	Year Ended December 31,			2017 Versus 2016		2016 Versus 2015	
	2017	2016	2015	\$ Change	% Change	\$ Change	% Change
Net cash provided by operating activities	\$ 7,962	\$ 6,135	\$ 5,414	\$ 1,827	30%	\$ 721	13 %
Cash purchases of property and equipment	(5,237)	(4,702)	(4,724)	(535)	11%	22	—%
Free Cash Flow	\$ 2,725	\$ 1,433	\$ 690	\$ 1,292	90%	\$ 743	108 %

Free Cash Flow increased \$1.3 billion in 2017 primarily from:

- Higher net cash provided by operating activities, as described above; partially offset by
- Higher purchases of property and equipment primarily due to growth in network build as we deployed 700 MHz spectrum and began to deploy 600 MHz. Cash purchases of property and equipment includes capitalized interest of \$136 million and \$142 million for 2017 and 2016, respectively.

Free Cash Flow increased \$743 million in 2016 primarily from:

- Higher net cash provided by operating activities, as described above; and
- Lower purchases of property and equipment from the build-out of our 4GLTE network in 2016, as described above. Cash purchases of property and equipment includes capitalized interest of \$142 million and \$246 million for 2016 and 2015, respectively.

We adopted ASU 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments" on January 1, 2018. The standard will require a retrospective approach and impact the presentation of cash flows related to beneficial interests in securitization transactions, which is the deferred purchase price, resulting in a reclassification of cash

[Table of Contents](#)

inflows from Operating activities to Investing activities of approximately \$4.3 billion and \$3.5 billion for the years ended December 31, 2017 and 2016, respectively, in our Consolidated Statements of Cash Flows. The standard will also impact the presentation of cash payments for debt prepayment or debt extinguishment costs, resulting in a reclassification of cash outflows from Operating activities to Financing activities of \$188 million for the year ended December 31, 2017, in our consolidated financial statements. In the first quarter of 2018, we plan to redefine Free Cash Flow to reflect the above changes in classification and present cash flows on a consistent basis for investor transparency. See [Note 1 - Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for information regarding recently issued accounting standards.

Debt

As of December 31, 2017, our total debt was \$28.3 billion, excluding our tower obligations, of which \$26.7 billion was classified as long-term debt. Significant debt-related activity during 2017 included:

Debt to Third Parties**Issuances and Borrowings**

During the year ended December 31, 2017, we issued the following Senior Notes:

(in millions)	Principal Issuances	Issuance Costs	Net Proceeds from Issuance of Long-Term Debt
4.000% Senior Notes due 2022	\$ 500	\$ 2	\$ 498
5.125% Senior Notes due 2025	500	2	498
5.375% Senior Notes due 2027	500	1	499
Total of Senior Notes issued	\$ 1,500	\$ 5	\$ 1,495

On March 16, 2017, T-Mobile USA and certain of its affiliates, as guarantors, issued a total of \$1.5 billion of public Senior Notes with various interest rates and maturity dates. Issuance costs related to the public debt issuance totaled \$5 million for the year ended December 31, 2017. We used the net proceeds of \$1.495 billion from the transaction to redeem callable high yield debt.

On January 25, 2018, T-Mobile USA and certain of its affiliates, as guarantors, (i) issued \$1.0 billion of public 4.500% Senior Notes due 2026 and (ii) issued \$1.5 billion of public 4.750% Senior Notes due 2028. We intend to use the net proceeds of \$2.493 billion from the transaction to redeem up to \$1.75 billion of 6.625% Senior Notes due 2023, and up to \$600 million of 6.836% Senior Notes due 2023, with the balance to be used for general corporate purposes, including partial pay down of borrowings under our revolving credit facility with DT. Issuance costs related to the public debt issuance totaled approximately \$7 million.

Notes Redemptions

During the year ended December 31, 2017, we made the following note redemptions:

(in millions)	Principal Amount	Write-off of Premiums, Discounts and Issuance Costs ⁽¹⁾	Call Penalties ⁽¹⁾⁽²⁾	Redemption Date	Redemption Price
6.625% Senior Notes due 2020	\$ 1,000	\$ (45)	\$ 22	February 10, 2017	102.208%
5.250% Senior Notes due 2018	500	1	7	March 4, 2017	101.313%
6.250% Senior Notes due 2021	1,750	(71)	55	April 1, 2017	103.125%
6.464% Senior Notes due 2019	1,250	—	—	April 28, 2017	100.000%
6.542% Senior Notes due 2020	1,250	—	21	April 28, 2017	101.636%
6.633% Senior Notes due 2021	1,250	—	41	April 28, 2017	103.317%
6.731% Senior Notes due 2022	1,250	—	42	April 28, 2017	103.366%
Total note redemptions	\$ 8,250	\$ (115)	\$ 188		

(1) Write-off of premiums, discounts, issuance costs and call penalties are included in Other expense, net in our Consolidated Statements of Comprehensive Income. Write-off of premiums, discounts and issuance costs are included in Other, net within Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

(2) The call penalty is the excess paid over the principal amount. Call penalties are included within Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

Prior to December 31, 2017, we delivered a notice of redemption on \$1.0 billion aggregate principal amount of our 6.125% Senior Notes due 2022. The notes were redeemed on January 15, 2018, at a redemption price equal to 103.063% of the principal amount of the notes (plus accrued and unpaid interest thereon). The redemption premium was approximately \$31 million and the write-off of issuance costs was approximately \$1 million. The outstanding principal amount was reclassified from Long-term debt to Short-term debt in our Consolidated Balance Sheets as of December 31, 2017.

Debt to Affiliates

Issuances and Borrowings

During the year ended December 31, 2017, we made the following borrowings:

(in millions)	Net Proceeds from Issuance of Long-Term Debt	Extinguishments	Write-off of Discounts and Issuance Costs ⁽¹⁾
LIBOR plus 2.00% Senior Secured Term Loan due 2022	\$ 2,000	\$ —	\$ —
LIBOR plus 2.00% Senior Secured Term Loan due 2024	2,000	—	—
LIBOR plus 2.750% Senior Secured Term Loan ⁽²⁾	—	(1,980)	13
Total	\$ 4,000	\$ (1,980)	\$ 13

(1) Write-off of discounts and issuance costs are included in Other expense, net in our Consolidated Statements of Comprehensive Income and Other, net within Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

(2) Our Senior Secured Term Loan extinguished during the year ended December 31, 2017 was Third Party debt.

On January 25, 2017, T-Mobile USA, Inc. (“T-Mobile USA”), and certain of its affiliates, as guarantors, entered into an agreement to borrow \$4.0 billion under a secured term loan facility (“Incremental Term Loan Facility”) with DT, our majority stockholder, to refinance \$1.98 billion of outstanding senior secured term loans under its Term Loan Credit Agreement dated November 9, 2015, with the remaining net proceeds from the transaction used to redeem callable high yield debt. The Incremental Term Loan Facility increased DT’s incremental term loan commitment provided to T-Mobile USA under that certain First Incremental Facility Amendment dated as of December 29, 2016, from \$660 million to \$2.0 billion and provided T-Mobile USA with an additional \$2.0 billion incremental term loan commitment.

On January 31, 2017, the loans under the Incremental Term Loan Facility were drawn in two tranches: (i) \$2.0 billion of which bears interest at a rate equal to a per annum rate of LIBOR plus a margin of 2.00% and matures on November 9, 2022, and (ii) \$2.0 billion of which bears interest at a rate equal to a per annum rate of LIBOR plus a margin of 2.25% and matures on January 31, 2024. In July 2017, we repriced the \$2.0 billion Incremental Term Loan Facility maturing on January 31, 2024, with DT by reducing the interest rate to a per annum rate of LIBOR plus a margin of 2.00%. No issuance fees were incurred related to this debt agreement for the year ended December 31, 2017.

[Table of Contents](#)

On March 31, 2017, the Incremental Term Loan Facility was amended to waive all interim principal payments. The outstanding principal balance will be due at maturity.

During the year ended December 31, 2017, we issued the following Senior Notes to DT:

(in millions)	Principal Issuances (Redemptions)	Discounts ⁽¹⁾	Net Proceeds from Issuance of Long-Term Debt
4.000% Senior Notes due 2022	\$ 1,000	\$ (23)	\$ 977
5.125% Senior Notes due 2025	1,250	(28)	1,222
5.375% Senior Notes due 2027 ⁽²⁾	1,250	(28)	1,222
6.288% Senior Reset Notes due 2019	(1,250)	—	(1,250)
6.366% Senior Reset Notes due 2020	(1,250)	—	(1,250)
Total	\$ 1,000	\$ (79)	\$ 921

(1) Discounts reduce Proceeds from issuance of long-term debt and are included within Net cash (used in) provided by financing activities in our Consolidated Statements of Cash Flows.

(2) In April 2017, we issued to DT \$750 million in aggregate principal amount of the 5.375% Senior Notes due 2027, and in September 2017, we issued to DT the remaining \$500 million in aggregate principal amount of the 5.375% Senior Notes due 2027.

On March 13, 2017, DT agreed to purchase a total of \$3.5 billion in aggregate principal amounts of Senior Notes with various interest rates and maturity dates (the “new DT Notes”).

Through net settlement in April 2017, we issued to DT a total of \$3.0 billion in aggregate principal amount of the new DT Notes and redeemed the \$2.5 billion in outstanding aggregate principal amount of Senior Reset Notes with various interest rates and maturity dates (the “old DT Notes”).

The redemption prices of the old DT Notes were 103.144% and 103.183%, resulting in a total of \$79 million in early redemption fees. These early redemption fees were recorded as discounts on the issuance of the new DT Notes.

In September 2017, we issued to DT \$500 million in aggregate principal amount of 5.375% Senior Notes due 2027, which is the final tranche of the new DT Notes. We were not required to pay any underwriting fees or issuance costs in connection with the issuance of the notes.

Net proceeds from the issuance of the new DT Notes were \$921 million and are included in Proceeds from issuance of long-term debt in our Consolidated Statements of Cash Flows.

On May 9, 2017, we exercised our option under existing purchase agreements and issued the following Senior Notes to DT:

(in millions)	Principal Issuances	Premium	Net Proceeds from Issuance of Long- Term Debt
5.300% Senior Notes due 2021	\$ 2,000	\$ —	\$ 2,000
6.000% Senior Notes due 2024	1,350	40	1,390
6.000% Senior Notes due 2024	650	24	674
Total	\$ 4,000	\$ 64	\$ 4,064

The proceeds were used to fund a portion of the purchase price of spectrum licenses won in the 600 MHz spectrum auction. Net proceeds from these issuances include \$64 million in debt premiums. See [Note 5 - Goodwill, Spectrum Licenses and Other Intangible Assets](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

On January 22, 2018, DT agreed to purchase \$1.0 billion in aggregate principal amount of 4.500% Senior Notes due 2026 and \$1.5 billion in aggregate principal amount of 4.750% Senior Notes due 2028 directly from T-Mobile USA and certain of its affiliates, as guarantors, with no underwriting discount (the “DT Notes”).

DT has agreed that the payment for the DT notes will be made by delivery of \$1.25 billion in aggregate principal amount of 8.097% Senior Reset Notes due 2021 and \$1.25 billion in aggregate principal amount of 8.195% Senior Reset Notes due 2022 (collectively, the “DT Senior Reset Notes”) held by DT and which T-Mobile USA will have called for redemption, in exchange for the DT notes. In connection with such exchange, we will pay DT in cash the premium portion of the redemption price set

[Table of Contents](#)

forth in the indenture governing the DT Senior Reset Notes, plus accrued but unpaid interest on the DT Senior Reset Notes to, but not including, the exchange date.

The closing of the issuance and sale of the DT notes to DT, and exchange of the DT Senior Reset Notes, is expected to occur on or about April 30, 2018.

Financing Arrangements

We maintain a handset financing arrangement with Deutsche Bank AG (“Deutsche Bank”), which allows for up to \$108 million in borrowings. Under the handset financing arrangement, we can effectively extend payment terms for invoices payable to certain handset vendors. The interest rate on the handset financing arrangement is determined based on LIBOR plus a specified margin per the arrangement. Obligations under the handset financing arrangement are included in Short-term debt in our Consolidated Balance Sheets. In 2016, we utilized and repaid \$100 million under the financing arrangement. As of December 31, 2017 and 2016, there was no outstanding balance.

We maintain vendor financing arrangements with our primary network equipment suppliers. Under the respective agreements, we can obtain extended financing terms. The interest rate on the vendor financing arrangements is determined based on the difference between LIBOR and a specified margin per the agreements. Obligations under the vendor financing arrangements are included in Short-term debt in our Consolidated Balance Sheets. In 2017, we utilized and repaid \$300 million under the financing arrangement. As of December 31, 2017 and 2016, there was no outstanding balance.

Revolving Credit Facility

We had an unsecured revolving credit facility with Deutsche Telekom which allowed for up to \$500 million in borrowings. In December 2016, we terminated our \$500 million unsecured revolving credit facility with Deutsche Telekom.

In December 2016, T-Mobile USA entered into a \$2.5 billion revolving credit facility with Deutsche Telekom which comprised of (i) a three-year \$1.0 billion unsecured revolving credit agreement and (ii) a three-year \$1.5 billion secured revolving credit agreement. The applicable margin for the Unsecured Revolving Credit Facility ranges from 2.00% to 3.25% per annum for Eurodollar Rate loans. The applicable margin for the Secured Revolving Credit Facility ranges from 1.00% to 1.75% per annum for Eurodollar Rate loans. As of December 31, 2017 and 2016, there were no outstanding borrowings under the revolving credit facility.

In January 2018, we utilized proceeds under the revolving credit facility to redeem \$1.0 billion in aggregate principal amount of our 6.125% Senior Notes due 2022 and for general corporate purposes. As of February 5, 2018, there were no outstanding borrowings on the revolving credit facility. The Proceeds and borrowings from the revolving credit facility are presented in Proceeds from borrowing on revolving credit facility and Repayments of revolving credit facility within Net cash (used in) provided by financing activities in our Consolidated Statements of Cash Flows.

See [Note 7 - Debt](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

We could seek additional sources of liquidity, including through the issuance of additional long-term debt in 2018, to continue to opportunistically acquire spectrum licenses or other assets in private party transactions or for the refinancing of existing long-term debt on an opportunistic basis. Excluding liquidity that could be needed for spectrum acquisitions or other assets, we expect our principal sources of funding to be sufficient to meet our anticipated liquidity needs for business operations for the next 12 months. Our intended use of any such funds is for general corporate purposes, including for capital expenditures, spectrum purchases, opportunistic investments and acquisitions, redemption of high yield callable debt and stock purchases.

We determine future liquidity requirements, for both operations and capital expenditures, based in large part upon projected financial and operating performance, and opportunities to acquire additional spectrum. We regularly review and update these projections for changes in current and projected financial and operating results, general economic conditions, the competitive landscape and other factors. There are a number of risks and uncertainties that could cause our financial and operating results and capital requirements to differ materially from our projections, which could cause future liquidity to differ materially from our assessment.

The indentures and credit facilities governing our long-term debt to affiliates and third parties, excluding capital leases, contain covenants that, among other things, limit the ability of the Issuer and the Guarantor Subsidiaries (each as defined in [Note 16 – Guarantor Financial Information](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form

[Table of Contents](#)

10-K) to: incur more debt; pay dividends and make distributions on our common stock; make certain investments; repurchase stock; create liens or other encumbrances; enter into transactions with affiliates; enter into transactions that restrict dividends or distributions from subsidiaries; and merge, consolidate, or sell, or otherwise dispose of, substantially all of their assets. Certain provisions of each of the credit facilities, indentures and supplemental indentures relating to the long-term debt to affiliates and third parties restrict the ability of the Issuer to loan funds or make payments to the Parent. However, the Issuer is allowed to make certain permitted payments to the Parent under the terms of each of the credit facilities, indentures and supplemental indentures relating to the long-term debt to affiliates and third parties. We were in compliance with all restrictive debt covenants as of December 31, 2017.

Capital Lease Facilities

We have entered into uncommitted capital lease facilities with certain partners, which provide us with the ability to enter into capital leases for network equipment and services. As of December 31, 2017, we have committed to \$2.1 billion of capital leases under these capital lease facilities, of which \$887 million was executed during the year ended December 31, 2017.

Capital Expenditures

Our liquidity requirements have been driven primarily by capital expenditures for spectrum licenses and the construction, expansion and upgrading of our network infrastructure. Property and equipment capital expenditures primarily relate to our network transformation, including the build out of 700 MHz A-Block and 600 MHz spectrum licenses. We expect cash purchases of property and equipment, excluding capitalized interest, to be in the range of \$4.9 billion to \$5.3 billion in 2018. This includes expenditures for 5G deployment. Similar to 2017, cash capital expenditures will be front-end loaded in 2018 due to the build out of 600 MHz spectrum licenses. This does not include property and equipment obtained through capital lease agreements, leased wireless devices transferred from inventory or any additional purchases of spectrum licenses.

In April 2017, the FCC announced that we were the winning bidder of 1,525 licenses in the 600 MHz spectrum auction for an aggregate price of \$8.0 billion. At the inception of the auction in June 2016, we deposited \$2.2 billion with the FCC which, based on the outcome of the auction, was sufficient to cover our down payment obligation due in April 2017. In May 2017, we paid the FCC the remaining \$5.8 billion of the purchase price using cash reserves and by issuing debt to DT, our majority stockholder, pursuant to existing debt purchase commitments. See [Note 7 - Debt](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

The \$5.8 billion payment of the purchase price is included in Purchases of spectrum licenses and other intangible assets, including deposits within Net cash used in investing activities in our Consolidated Statements of Cash Flows. The licenses are included in Spectrum licenses as of December 31, 2017, on our Consolidated Balance Sheets. We began deployment of these licenses on our network in the third quarter of 2017. See [Note 5 - Goodwill, Spectrum Licenses and Other Intangible Assets](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Contractual Obligations

The following table summarizes our contractual obligations and borrowings as of December 31, 2017 and the timing and effect that such commitments are expected to have on our liquidity and capital requirements in future periods:

(in millions)	Less Than 1 Year	1 - 3 Years	4 - 5 Years	More Than 5 Years	Total
Long-term debt ⁽¹⁾	\$ 1,000	\$ —	\$ 8,000	\$ 17,450	\$ 26,450
Interest on long-term debt	1,501	2,939	2,539	1,976	8,955
Capital lease obligations, including interest and maintenance	682	972	218	172	2,044
Tower obligations ⁽²⁾	189	379	381	1,006	1,955
Operating leases ⁽³⁾	2,448	4,083	2,686	2,251	11,468
Purchase obligations ⁽⁴⁾	2,146	2,216	1,492	960	6,814
Network decommissioning ⁽⁵⁾	101	123	60	21	305
Total contractual obligations	\$ 8,067	\$ 10,712	\$ 15,376	\$ 23,836	\$ 57,991

- (1) Represents principal amounts of long-term debt to affiliates and third parties at maturity, excluding unamortized premium from purchase price allocation fair value adjustment, capital lease obligations and vendor financing arrangements. See [Note 7 – Debt](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.
- (2) Future minimum payments, including principal and interest payments and imputed lease rental income, related to the tower obligations. See [Note 8 – Tower Obligations](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.
- (3) Future minimum lease payments for all cell site leases presented above to include payments due for the initial non-cancelable lease term only as they represent the payments which we cannot avoid at our option and also corresponds to our lease term assessment for new leases.
- (4) The minimum commitment for certain obligations is based on termination penalties that could be paid to exit the contracts. Termination penalties are included in the above table as payments due as of the earliest we could exit the contract, typically in less than one year. For certain contracts that include fixed volume purchase commitments and fixed prices for various products, the purchase obligations are calculated using fixed volumes and contractually fixed prices for the products that are expected to be purchased. This table does not include open purchase orders as of December 31, 2017 under normal business purposes. See [Note 13 - Commitments and Contingencies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.
- (5) Represents future undiscounted cash flows related to decommissioned MetroPCS CDMA network and certain other redundant cell sites as of December 31, 2017.

Certain commitments and obligations are included in the table based on the year of required payment or an estimate of the year of payment. Other long-term liabilities, excluding network decommissioning, have been omitted from the table above due to the uncertainty of the timing of payments, combined with the absence of historical trending to be used as a predictor of such payments. See [Note 14 – Additional Financial Information](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

The purchase obligations reflected in the table above are primarily commitments to purchase handsets and accessories, equipment, software, programming and network services, and marketing activities, which will be used or sold in the ordinary course of business. These amounts do not represent T-Mobile’s entire anticipated purchases in the future, but represent only those items for which T-Mobile is contractually committed. Where T-Mobile is committed to make a minimum payment to the supplier regardless of whether it takes delivery, T-Mobile has included only that minimum payment as a purchase obligation. Additionally, included within purchase obligations are amounts for the acquisition of spectrum licenses, which are subject to regulatory approval and other customary closing conditions.

In January 2018, we closed on a Unit Purchase Agreement to acquire the remaining equity in INS, a 54% owned unconsolidated subsidiary, for a purchase price of \$25 million. See [Note 13 - Commitments and Contingencies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

In January 2018, we closed on our previously announced acquisition of Layer3 TV, Inc. (“Layer3 TV”) for consideration of approximately \$325 million, subject to customary working capital and other post-closing adjustments. Upon closing of the transaction, Layer3 TV became a wholly-owned consolidated subsidiary. See [Note 13 - Commitments and Contingencies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Off-Balance Sheet Arrangements

In 2015, we entered into an arrangement, as amended, to sell certain EIP accounts receivable on a revolving basis as an additional source of liquidity. In August 2017, the arrangement was amended to reduce the maximum funding commitment to \$1.2 billion and extend the scheduled expiration date to November 2018. In December 2017, the arrangement was again

[Table of Contents](#)

amended to increase the maximum funding commitment to \$1.3 billion. See [Note 3 – Sales of Certain Receivables](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

In 2014, we entered into an arrangement, as amended, to sell certain service accounts receivable on a revolving basis as an additional source of liquidity. In November 2016, the arrangement was amended to increase the maximum funding commitment to \$950 million and extend the scheduled expiration date to March 2018. In February 2018, the arrangement was again amended to extend the scheduled expiration date to March 2019. As of December 31, 2017, T-Mobile derecognized net receivables of \$2.7 billion upon sale through these arrangements. See [Note 3 – Sales of Certain Receivables](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Related-Party Transactions

During the year ended December 31, 2017, we entered into certain debt related transactions with affiliates. See [Note 7 – Debt](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

We also have related party transactions associated with DT or its affiliates in the ordinary course of business, including intercompany servicing and licensing.

Disclosure of Iranian Activities under Section 13(r) of the Securities Exchange Act of 1934

Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 added Section 13(r) to the Exchange Act of 1934, as amended (“Exchange Act”). Section 13(r) requires an issuer to disclose in its annual or quarterly reports, as applicable, whether it or any of its affiliates knowingly engaged in certain activities, transactions or dealings relating to Iran or with designated natural persons or entities involved in terrorism or the proliferation of weapons of mass destruction. Disclosure is required even where the activities, transactions or dealings are conducted outside the U.S. by non-U.S. affiliates in compliance with applicable law, and whether or not the activities are sanctionable under U.S. law.

As of the date of this report, we are not aware of any activity, transaction or dealing by us or any of our affiliates for the year ended December 31, 2017, that requires disclosure in this report under Section 13(r) of the Exchange Act, except as set forth below with respect to affiliates that we do not control and that are our affiliates solely due to their common control with DT. We have relied upon DT for information regarding their activities, transactions and dealings.

DT, through certain of its non-U.S. subsidiaries, is party to roaming and interconnect agreements with the following mobile and fixed line telecommunication providers in Iran, some of which are or may be government-controlled entities: Gostaresh Ertebatat Taliya, Irancell Telecommunications Services Company (“MTN Irancell”), Telecommunication Kish Company, Mobile Telecommunication Company of Iran, and Telecommunication Infrastructure Company of Iran. For the year ended December 31, 2017, gross revenues of all DT affiliates generated by roaming and interconnection traffic with Iran were less than \$4 million and estimated net profits were less than \$4 million.

In addition, DT, through certain of its non-U.S. subsidiaries, operating a fixed line network in their respective European home countries (in particular Germany), provides telecommunications services in the ordinary course of business to the Embassy of Iran in those European countries. Gross revenues and net profits recorded from these activities for the year ended December 31, 2017 were less than \$0.4 million. We understand that DT intends to continue these activities.

Critical Accounting Policies and Estimates

Our significant accounting policies are fundamental to understanding our results of operations and financial condition as they require that we use estimates and assumptions that may affect the value of our assets or liabilities and financial results. See [Note 1 – Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Six of these policies are critical because they require management to make difficult, subjective and complex judgments about matters that are inherently uncertain and because it is likely that materially different amounts would be reported under different conditions or using different assumptions. Actual results could differ from those estimates.

Management and the Audit Committee of the Board of Directors have reviewed and approved these critical accounting policies.

Allowances

We maintain an allowance for credit losses, which is management's estimate of such losses inherent in the receivables portfolio, comprised of accounts receivable and EIP receivable segments. Changes in the allowance for credit losses and, therefore, in related provision for credit losses ("bad debt expense") can materially affect earnings. Credit risk characteristics are assessed for each receivable segment. In applying the judgment and review required to determine the allowance for credit losses, management considers a number of factors, including customer behavior, credit quality of the customer base and other qualitative factors such as macro-economic conditions. While our methodology attributes portions of the allowance to specific portfolio segments, the entire allowance for credit losses is available to absorb credit losses inherent in the total receivables portfolio.

Management also considers an amount that represents management's judgment of risks inherent in the process and assumptions used in establishing the allowance for credit losses, including process risk and other subjective factors, including industry trends and emerging risk assessments.

To the extent that actual loss experience differs significantly from historical trends or assumptions, the appropriate allowance levels for realized credit losses could differ from the estimate. We write off account balances if collection efforts are unsuccessful and the receivable balance is deemed uncollectible, based on customer credit ratings and the length of time from the original billing date.

We offer certain retail customers the option to pay for their devices and other purchases in installments over a period of up to 24 months using a zero interest EIP. At the time of an installment sale, we impute a discount for interest and record the EIP receivables at their present value, which is determined by discounting future payments at the imputed interest rate. The difference between the present value of the EIP receivables and their face amount results in a discount which is recorded as a direct reduction to the carrying value of the EIP receivable with a corresponding reduction to equipment revenue. The imputed discount rate is primarily comprised of current market interest rates and the estimated credit risk on the EIP receivables. As a result, we do not recognize a separate valuation allowance at the time of issuance as the effects of uncertainty about future cash flows are included in the initial present value measurement of the EIP receivable. The imputed discount on EIP receivables is amortized over the financed installment term using the effective interest method and recognized as Other revenues in our Consolidated Statements of Comprehensive Income.

Subsequent to the initial determination of the imputed discount, we recognize an allowance for credit losses to the extent the amount of estimated credit losses on the gross EIP receivable segment exceed the remaining unamortized imputed discount balances.

Total imputed discount and allowances as of December 31, 2017 and 2016 was approximately 8.1% and 8.0%, respectively, of the total amount of gross accounts receivable, including EIP receivables.

Depreciation

Depreciation commences once assets have been placed in service. We generally depreciate property and equipment over the period the property and equipment provide economic benefit. Leased wireless devices are depreciated to their estimated residual value over the period expected to provide utility to T-Mobile, which is generally shorter than the lease term and considers expected losses. Depreciable life studies are performed periodically to confirm the appropriateness of depreciable lives for certain categories of property, plant and equipment. These studies consider actual usage, physical wear and tear, replacement history and assumptions about technology evolution. When these factors indicate that an asset's useful life is different from the previous assessment, the remaining book values are depreciated prospectively over the adjusted remaining estimated useful life. See [Note 1 – Summary of Significant Accounting Policies](#) and [Note 4 – Property and Equipment](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for information regarding depreciation of assets, including management's underlying estimates of useful lives.

Evaluation of Goodwill and Indefinite-Lived Intangible Assets for Impairment

We assess the carrying value of goodwill and other indefinite-lived intangible assets, such as our spectrum licenses, for potential impairment annually as of December 31 or more frequently if events or changes in circumstances indicate that assets might be impaired.

When assessing goodwill for impairment we may elect to first perform a qualitative assessment for a reporting unit to determine if a quantitative impairment test is necessary. If we do not perform a qualitative assessment, or if the qualitative

[Table of Contents](#)

assessment indicates it is more likely than not the fair value of the reporting unit is less than its carrying amount, we perform a quantitative test. We recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized would not exceed the total amount of goodwill allocated to that reporting unit.

The fair value of the reporting unit is determined using a market approach, which is based on market capitalization. We recognize market capitalization is subject to volatility and will monitor changes in market capitalization to determine whether declines, if any, necessitate an interim impairment review. In the event market capitalization does decline below its book value, we will consider the length, severity and reasons for the decline when assessing whether potential impairment exists, including considering whether a control premium should be added to the market capitalization. We believe short-term fluctuations in share price may not necessarily reflect the underlying aggregate fair value.

We test spectrum licenses for impairment on an aggregate basis, consistent with the management of the overall business at a national level. We may elect to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of an intangible asset is less than its carrying value. If we do not perform the qualitative assessment, or if the qualitative assessment indicates it is more likely than not the fair value of the intangible asset is less than its carrying amount, we calculate the estimated fair value of the intangible asset. If the carrying amount of spectrum licenses exceeds the fair value, an impairment loss is recognized. We estimate the fair value of the spectrum licenses using the Greenfield approach, which is an income approach that estimates the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions. The Greenfield approach values the spectrum licenses by calculating the cash flow generating potential of a hypothetical start-up company that goes into business with no assets except the asset to be valued (in this case, spectrum licenses). The value of the spectrum licenses can be considered as equal to the present value of the cash flows of this hypothetical start-up company. We base the assumptions underlying the Greenfield approach on a combination of market participant data and our historical results, trends and business plans. Future cash flows in the Greenfield approach are based on estimates and assumptions of market participant revenues, EBITDA margin, network build-out period and a long-term growth rate for a market participant. The cash flows are discounted using a weighted average cost of capital.

The valuation approaches utilized to estimate fair value for the purposes of the impairment tests of goodwill and spectrum licenses require the use of assumptions and estimates, which involve a degree of uncertainty. If actual results or future expectations are not consistent with the assumptions, this may result in the recording of significant impairment charges on goodwill or spectrum licenses. The most significant assumptions within the valuation models are the discount rate, revenues, EBITDA margins, capital expenditures and the long-term growth rate. See [Note 1 – Summary of Significant Accounting Policies](#) and [Note 5 – Goodwill, Spectrum Licenses and Other Intangible Assets](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for information regarding our annual impairment test and impairment charges.

Guarantee Liabilities

We offer a device trade-in program, JUMP!, which provides eligible customers a specified-price trade-in right to upgrade their device. Upon enrollment, participating customers must finance the purchase of a device on an EIP and have a qualifying T-Mobile monthly wireless service plan, which is treated as a single multiple-element arrangement when entered into at or near the same time. Upon qualifying JUMP! program upgrades, the customers' remaining EIP balance is settled provided they trade-in their eligible used device in good working condition and purchase a new device from us on a new EIP.

For customers who enroll in JUMP!, we establish a liability through the reduction of revenue, for the portion of revenue which represents the estimated fair value of the specified-price trade-in right guarantee. The guarantee liability is valued based on various economic and customer behavioral assumptions, which requires judgment, including estimating the customer's remaining EIP balance at trade-in, the expected fair value of the used device at trade-in, and the probability and timing of trade-in. When customers upgrade their device, the difference between the EIP balance credit to the customer and the fair value of the returned device is recorded against the guarantee liabilities. All assumptions are reviewed periodically.

Rent Expense

Most of the leases on our tower sites have fixed rent escalations which provide for periodic increases in the amount of rent payable over time. We calculate straight-line rent expense for each of these leases based on the fixed non-cancellable term of the lease plus all periods, if any, for which failure to renew the lease imposes a penalty on us in such amount that a renewal appears, at lease inception or significant modification, to be reasonably assured. We consider several factors in assessing whether renewal periods are reasonably assured of being exercised, including the continued maturation of our network nationwide, technological advances within the telecommunications industry and the availability of alternative sites. We make

[Table of Contents](#)

significant assumptions at lease inception in determining and assessing the factors that constitute a “penalty.” In doing so, we primarily consider costs incurred in acquiring and developing new sites, the useful life of site improvements and equipment costs, future economic conditions and the extent to which improvements in wireless technologies can be incorporated into a current assessment of whether an economic compulsion will exist in the future to renew a lease.

Income Taxes

We recognize deferred tax assets and liabilities based on temporary differences between the financial statement and tax basis of assets and liabilities using enacted tax rates expected to be in effect when these differences are realized. A valuation allowance is maintained against deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of a deferred tax asset depends on the ability to generate sufficient taxable income of the appropriate character and in the appropriate taxing jurisdictions within the carryforward periods available. We consider many factors when determining whether a valuation allowance is needed, including recent cumulative earnings experience by taxing jurisdiction, expectations of future income, the carryforward periods available for tax reporting purposes and other relevant factors.

We account for uncertainty in income taxes recognized in the financial statements in accordance with the accounting guidance for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. We assess whether it is more likely than not that a tax position will be sustained upon examination based on the technical merits of the position and adjust the unrecognized tax benefits in light of changes in facts and circumstances, such as changes in tax law, interactions with taxing authorities and developments in case law.

Accounting Pronouncements Not Yet Adopted

See [Note 1 – Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for information regarding recently issued accounting standards.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to economic risks in the normal course of business, primarily from changes in interest rates, including changes in investment yields and changes in spreads due to credit risk and other factors. These risks, along with other business risks, impact our cost of capital. Our policy is to manage exposure related to fluctuations in interest rates in order to manage capital costs, control financial risks and maintain financial flexibility over the long term. We have established interest rate risk limits that are closely monitored by measuring interest rate sensitivities of our debt portfolio. We do not foresee significant changes in the strategies used to manage market risk in the near future.

We are exposed to changes in interest rates on our Incremental Term Loan Facility with DT, our majority stockholder. See [Note 7 – Debt](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

To perform the sensitivity analysis, we assessed the risk of a change in the fair value from the effect of a hypothetical interest rate change of positive 150 and negative 50 basis points. In cases where the debt is redeemable and the fair value calculation results in a liability greater than the cost to replace the debt, the maximum liability is assumed to be no greater than the current cost to redeem the debt. As of December 31, 2017, the change in the fair value of our Incremental Term Loan Facility, based on this hypothetical change, is shown in the table below:

(in millions)	Carrying Amount	Fair Value	Fair Value Assuming	
			+150 Basis Point Shift	-50 Basis Point Shift
LIBOR plus 2.00% Senior Secured Term Loan due 2022	\$ 2,000	\$ 2,000	\$ 1,914	\$ 2,000
LIBOR plus 2.00% Senior Secured Term Loan due 2024	2,000	2,020	1,868	2,020

Item 8. Financial Statements and Supplementary Data

Financial Statements

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of T-Mobile US, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of T-Mobile US, Inc. and its subsidiaries as of December 31, 2017 and 2016, and the related consolidated statements of comprehensive income, of stockholders' equity and of cash flows for each of the three years in the period ended December 31, 2017, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2017 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, the Company changed the presentation of imputed discount on Equipment Installment Plan ("EIP") receivables.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

[Table of Contents](#)

accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP
Seattle, Washington
February 7, 2018

We have served as the Company's auditor since 2001.

T-Mobile US, Inc.
Consolidated Balance Sheets

(in millions, except share and per share amounts)	December 31, 2017	December 31, 2016
Assets		
Current assets		
Cash and cash equivalents	\$ 1,219	\$ 5,500
Accounts receivable, net of allowances of \$86 and \$102	1,915	1,896
Equipment installment plan receivables, net	2,290	1,930
Accounts receivable from affiliates	22	40
Inventories	1,566	1,111
Asset purchase deposit	—	2,203
Other current assets	1,903	1,537
Total current assets	8,915	14,217
Property and equipment, net	22,196	20,943
Goodwill	1,683	1,683
Spectrum licenses	35,366	27,014
Other intangible assets, net	217	376
Equipment installment plan receivables due after one year, net	1,274	984
Other assets	912	674
Total assets	\$ 70,563	\$ 65,891
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 8,528	\$ 7,152
Payables to affiliates	182	125
Short-term debt	1,612	354
Deferred revenue	779	986
Other current liabilities	414	405
Total current liabilities	11,515	9,022
Long-term debt	12,121	21,832
Long-term debt to affiliates	14,586	5,600
Tower obligations	2,590	2,621
Deferred tax liabilities	3,537	4,938
Deferred rent expense	2,720	2,616
Other long-term liabilities	935	1,026
Total long-term liabilities	36,489	38,633
Commitments and contingencies (Note 13)		
Stockholders' equity		
5.50% Mandatory Convertible Preferred Stock Series A, par value \$0.00001 per share, 100,000,000 shares authorized; 0 and 20,000,000 shares issued; 0 and 20,000,000 shares outstanding; \$0 and \$1,000 aggregate liquidation value	—	—
Common Stock, par value \$0.00001 per share, 1,000,000,000 shares authorized; 860,861,998 and 827,768,818 shares issued, 859,406,651 and 826,357,331 shares outstanding	—	—
Additional paid-in capital	38,629	38,846
Treasury stock, at cost, 1,455,347 and 1,411,487 shares issued	(4)	(1)
Accumulated other comprehensive income	8	1
Accumulated deficit	(16,074)	(20,610)
Total stockholders' equity	22,559	18,236
Total liabilities and stockholders' equity	\$ 70,563	\$ 65,891

The accompanying notes are an integral part of these consolidated financial statements.

T-Mobile US, Inc.
Consolidated Statements of Comprehensive Income

(in millions, except share and per share amounts)	Year Ended December 31,		
	2017	2016	2015
	(As Adjusted - See Note 1)		
Revenues			
Branded postpaid revenues	\$ 19,448	\$ 18,138	\$ 16,383
Branded prepaid revenues	9,380	8,553	7,553
Wholesale revenues	1,102	903	692
Roaming and other service revenues	230	250	193
Total service revenues	30,160	27,844	24,821
Equipment revenues	9,375	8,727	6,718
Other revenues	1,069	919	928
Total revenues	40,604	37,490	32,467
Operating expenses			
Cost of services, exclusive of depreciation and amortization shown separately below	6,100	5,731	5,554
Cost of equipment sales	11,608	10,819	9,344
Selling, general and administrative	12,259	11,378	10,189
Depreciation and amortization	5,984	6,243	4,688
Cost of MetroPCS business combination	—	104	376
Gains on disposal of spectrum licenses	(235)	(835)	(163)
Total operating expense	35,716	33,440	29,988
Operating income	4,888	4,050	2,479
Other income (expense)			
Interest expense	(1,111)	(1,418)	(1,085)
Interest expense to affiliates	(560)	(312)	(411)
Interest income	17	13	6
Other expense, net	(73)	(6)	(11)
Total other expense, net	(1,727)	(1,723)	(1,501)
Income before income taxes	3,161	2,327	978
Income tax benefit (expense)	1,375	(867)	(245)
Net income	4,536	1,460	733
Dividends on preferred stock	(55)	(55)	(55)
Net income attributable to common stockholders	\$ 4,481	\$ 1,405	\$ 678
Net income	\$ 4,536	\$ 1,460	\$ 733
Other comprehensive income (loss), net of tax			
Unrealized gain (loss) on available-for-sale securities, net of tax effect \$2, \$1 and \$(1)	7	2	(2)
Other comprehensive income (loss)	7	2	(2)
Total comprehensive income	\$ 4,543	\$ 1,462	\$ 731
Earnings per share			
Basic	\$ 5.39	\$ 1.71	\$ 0.83
Diluted	\$ 5.20	\$ 1.69	\$ 0.82
Weighted average shares outstanding			
Basic	831,850,073	822,470,275	812,994,028
Diluted	871,787,450	833,054,545	822,617,938

The accompanying notes are an integral part of these consolidated financial statements.

T-Mobile US, Inc.
Consolidated Statements of Cash Flows

(in millions)	Year Ended December 31,		
	2017	2016	2015
Operating activities			
Net income	\$ 4,536	\$ 1,460	\$ 733
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	5,984	6,243	4,688
Stock-based compensation expense	306	235	201
Deferred income tax (benefit) expense	(1,404)	914	256
Bad debt expense	388	477	547
Losses from sales of receivables	299	228	204
Deferred rent expense	76	121	167
Gains on disposal of spectrum licenses	(235)	(835)	(163)
Change in fair value of embedded derivatives	(52)	(25)	148
Changes in operating assets and liabilities			
Accounts receivable	(444)	(603)	(259)
Equipment installment plan receivables	(894)	97	1,089
Inventories	(844)	(802)	(2,495)
Deferred purchase price from sales of receivables	(86)	(270)	(185)
Other current and long-term assets	(575)	(133)	(217)
Accounts payable and accrued liabilities	1,079	(1,201)	693
Other current and long-term liabilities	(233)	158	22
Other, net	61	71	(15)
Net cash provided by operating activities	7,962	6,135	5,414
Investing activities			
Purchases of property and equipment, including capitalized interest of \$136, \$142 and \$246	(5,237)	(4,702)	(4,724)
Purchases of spectrum licenses and other intangible assets, including deposits	(5,828)	(3,968)	(1,935)
Purchases of short-term investments	—	—	(2,997)
Sales of short-term investments	—	2,998	—
Other, net	1	(8)	96
Net cash used in investing activities	(11,064)	(5,680)	(9,560)
Financing activities			
Proceeds from issuance of long-term debt	10,480	997	3,979
Proceeds from tower obligations	—	—	140
Proceeds from borrowing on revolving credit facility	2,910	—	—
Repayments of revolving credit facility	(2,910)	—	—
Repayments of capital lease obligations	(486)	(205)	(57)
Repayments of short-term debt for purchases of inventory, property and equipment, net	(300)	(150)	(564)
Repayments of long-term debt	(10,230)	(20)	—
Proceeds from exercise of stock options	21	29	47
Repurchases of common shares	(427)	—	—
Tax withholdings on share-based awards	(166)	(121)	(156)
Dividends on preferred stock	(55)	(55)	(55)
Other, net	(16)	(12)	79
Net cash (used in) provided by financing activities	(1,179)	463	3,413
Change in cash and cash equivalents	(4,281)	918	(733)
Cash and cash equivalents			
Beginning of period	5,500	4,582	5,315
End of period	\$ 1,219	\$ 5,500	\$ 4,582
Supplemental disclosure of cash flow information			
Interest payments, net of amounts capitalized, \$79, \$0 and \$0 of which recorded as debt discount (Note 7)	\$ 2,028	\$ 1,681	\$ 1,298
Income tax payments	31	25	54
Changes in accounts payable for purchases of property and equipment	313	285	46
Leased devices transferred from inventory to property and equipment	1,131	1,588	2,451
Returned leased devices transferred from property and equipment to inventory	(742)	(602)	(166)
Issuance of short-term debt for financing of property and equipment	292	150	500
Assets acquired under capital lease obligations	887	799	470

The accompanying notes are an integral part of these consolidated financial statements.

T-Mobile US, Inc.
Consolidated Statement of Stockholders' Equity

(in millions, except shares)	Preferred Stock Outstanding	Common Stock Outstanding	Treasury Shares at Cost	Par Value and Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
Balance as of December 31, 2014	20,000,000	807,468,603	\$ —	\$ 38,503	\$ 1	\$ (22,841)	\$ 15,663
Net income	—	—	—	—	—	733	733
Other comprehensive loss	—	—	—	—	(2)	—	(2)
Stock-based compensation	—	—	—	227	—	—	227
Exercise of stock options	—	2,381,650	—	47	—	—	47
Stock issued for employee stock purchase plan	—	761,085	—	21	—	—	21
Issuance of vested restricted stock units	—	11,956,345	—	—	—	—	—
Shares withheld related to net share settlement of stock awards and stock options	—	(4,176,464)	—	(156)	—	—	(156)
Excess tax benefit from stock-based compensation	—	—	—	79	—	—	79
Dividends on preferred stock	—	—	—	(55)	—	—	(55)
Balance as of December 31, 2015	20,000,000	818,391,219	—	38,666	(1)	(22,108)	16,557
Net income	—	—	—	—	—	1,460	1,460
Other comprehensive income	—	—	—	—	2	—	2
Stock-based compensation	—	—	—	264	—	—	264
Exercise of stock options	—	982,904	—	29	—	—	29
Stock issued for employee stock purchase plan	—	1,905,534	—	63	—	—	63
Issuance of vested restricted stock units	—	7,712,463	—	—	—	—	—
Shares withheld related to net share settlement of stock awards and stock options	—	(2,605,807)	—	(122)	—	—	(122)
Transfer RSU to NQDC plan	—	(28,982)	(1)	1	—	—	—
Dividends on preferred stock	—	—	—	(55)	—	—	(55)
Prior year Retained Earnings	—	—	—	—	—	38	38
Balance as of December 31, 2016	20,000,000	826,357,331	(1)	38,846	1	(20,610)	18,236
Net income	—	—	—	—	—	4,536	4,536
Other comprehensive income	—	—	—	—	7	—	7
Stock-based compensation	—	—	—	344	—	—	344
Exercise of stock options	—	450,493	—	19	—	—	19
Stock issued for employee stock purchase plan	—	1,832,043	—	82	—	—	82
Issuance of vested restricted stock units	—	8,338,271	—	—	—	—	—
Shares withheld related to net share settlement of stock awards and stock options	—	(2,754,721)	—	(166)	—	—	(166)
Mandatory conversion of preferred shares to common shares	(20,000,000)	32,237,983	—	—	—	—	—
Repurchases of common stock	—	(7,010,889)	—	(444)	—	—	(444)
Transfer RSU to NQDC plan	—	(43,860)	(3)	3	—	—	—
Dividends on preferred stock	—	—	—	(55)	—	—	(55)
Balance as of December 31, 2017	—	859,406,651	\$ (4)	\$ 38,629	\$ 8	\$ (16,074)	\$ 22,559

The accompanying notes are an integral part of these consolidated financial statements.

T-Mobile US, Inc.
Index for Notes to the Consolidated Financial Statements

Note 1	Summary of Significant Accounting Policies	63
Note 2	Receivables and Allowance for Credit Losses	72
Note 3	Sales of Certain Receivables	73
Note 4	Property and Equipment	76
Note 5	Goodwill, Spectrum Licenses and Other Intangible Assets	77
Note 6	Fair Value Measurements and Derivative Instruments	79
Note 7	Debt	81
Note 8	Tower Obligations	85
Note 9	Employee Compensation and Benefit Plans	86
Note 10	Repurchases of Common Stock	88
Note 11	Income Taxes	89
Note 12	Earnings Per Share	91
Note 13	Commitments and Contingencies	92
Note 14	Additional Financial Information	94
Note 15	Subsequent Events	95
Note 16	Guarantor Financial Information	95

T-Mobile US, Inc.
Notes to the Consolidated Financial Statements

Note 1 – Summary of Significant Accounting Policies

Description of Business

T-Mobile US, Inc. (“T-Mobile,” “we,” “our,” “us” or the “Company”), together with its consolidated subsidiaries, is a leading provider of mobile communications services, including voice, messaging and data, under its flagship brands, T-Mobile and MetroPCS, in the United States (“U.S.”), Puerto Rico and the U.S. Virgin Islands. We provide mobile communications services primarily using 4G Long-Term Evolution (“LTE”) technology. We also offer a wide selection of wireless devices, including handsets, tablets and other mobile communication devices, and accessories for sale, as well as financing through Equipment Installment Plans (“EIP”) and leasing through JUMP! On Demand™. Additionally, we provide reinsurance for handset insurance policies and extended warranty contracts offered to our mobile communications customers.

Basis of Presentation

The consolidated financial statements include the balances and results of operations of T-Mobile and our consolidated subsidiaries. We operate as a single operating segment. We consolidate majority-owned subsidiaries over which we exercise control, as well as variable interest entities (“VIE”) where we are deemed to be the primary beneficiary and VIEs, which cannot be deconsolidated, such as those related to Tower obligations. Intercompany transactions and balances have been eliminated in consolidation.

Certain prior year amounts have been reclassified, such as those relating to the imputed discount on EIP receivables reclassified from Interest income to Other revenues in our Consolidated Statements of Comprehensive Income, to conform to the current year’s presentation. See “Change in Accounting Principle” below.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires our management to make estimates and assumptions which affect the financial statements and accompanying notes. Examples include service revenues earned but not yet billed, service revenues billed but not yet earned, relative selling prices, allowances for credit losses and sales returns, discounts for imputed interest on EIP receivables, guarantee liabilities, losses incurred but not yet reported, tax liabilities, deferred income taxes including valuation allowances, useful lives of long-lived assets, cost estimates of asset retirement obligations, residual values on leased handsets, reasonably assured renewal terms for operating leases, stock-based compensation forfeiture rates, and fair value measurements, including those related to goodwill, spectrum licenses, intangible assets, beneficial interests in factoring and securitization transactions and derivative financial instruments. Estimates are based on historical experience, where applicable, and other assumptions which our management believes are reasonable under the circumstances. These estimates are inherently subject to judgment and actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid money market funds and U.S. Treasury securities with remaining maturities of three months or less at the date of purchase.

Receivables and Allowance for Credit Losses

Accounts receivable consist primarily of amounts currently due from customers, other carriers and third-party retail channels. Accounts receivable not held for sale are reported in the balance sheet at outstanding principal adjusted for any charge-offs and the allowance for credit losses. Accounts receivable held for sale are reported at the lower of amortized cost or fair value. We have an arrangement to sell the majority of service accounts receivable on a revolving basis, which are treated as sales of financial assets.

We offer certain retail customers the option to pay for their devices and other purchases in installments over a period of up to 24 months using an EIP. EIP receivables not held for sale are reported in the balance sheet at outstanding principal adjusted for any charge-offs, allowance for credit losses and unamortized discounts. Receivables held for sale are reported at the lower of amortized cost or fair value. At the time of an installment sale, we impute a discount for interest as there is no stated rate of interest on the EIP receivables and record the EIP receivables at their present value, which is determined by discounting future payments at the imputed interest rate. The difference between the present value of the EIP receivables and their face amount results in a discount which is recorded as a direct reduction to the carrying value with a corresponding reduction to equipment

[Table of Contents](#)

revenues in our Consolidated Statements of Comprehensive Income. We determine the imputed discount rate based primarily on current market interest rates and the estimated credit risk on the EIP receivables. As a result, we do not recognize a separate valuation allowance at the time of issuance as the effects of uncertainty about future cash flows are included in the initial present value measurement of the receivable. The imputed discount on EIP receivables is amortized over the financed installment term using the effective interest method and recognized as Other revenues in our Consolidated Statements of Comprehensive Income.

Subsequent to the initial determination of the imputed discount, we assess the need for and, if necessary, recognize an allowance for credit losses to the extent the amount of estimated probable losses on the gross EIP receivable balances exceed the remaining unamortized imputed discount balances.

The current portion of the EIP receivables is included in Equipment installment plan receivables, net and the long-term portion of the EIP receivables is included in Equipment installment plan receivables due after one year, net in our Consolidated Balance Sheets. We have an arrangement to sell certain EIP receivables on a revolving basis, which are treated as sales of financial assets.

We maintain an allowance for credit losses and determine its appropriateness through an established process that assesses the losses inherent in our receivables portfolio. We develop and document our allowance methodology at the portfolio segment level - accounts receivable portfolio and EIP receivable portfolio segments. While we attribute portions of the allowance to our respective accounts receivable and EIP portfolio segments, the entire allowance is available to absorb credit losses inherent in the total receivables portfolio.

Our process involves procedures to appropriately consider the unique risk characteristics of our accounts receivable and EIP receivable portfolio segments. For each portfolio segment, losses are estimated collectively for groups of receivables with similar characteristics. Our allowance levels are influenced by receivable volumes, receivable delinquency status, historical loss experience and other conditions influencing loss expectations, such as macro-economic conditions.

Inventories

Inventories consist primarily of wireless devices and accessories, which are valued at the lower of cost or market. Cost is determined using standard cost which approximates average cost. Shipping and handling costs paid to wireless device and accessories vendors, and costs to refurbish used devices recovered through our device upgrade programs are included in the standard cost of inventory. We record inventory write-downs to net realizable value for obsolete and slow-moving items based on inventory turnover trends and historical experience.

Long-Lived Assets

Long-lived assets include assets that do not have indefinite lives, such as property and equipment and other intangible assets. We assess potential impairments to our long-lived assets when events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. If any indicators of impairment are present, we test recoverability. The carrying value of a long-lived asset or asset group is not recoverable if it exceeds the sum of the undiscounted cash flows expected to be generated from the use and eventual disposition of the asset or asset group. If the undiscounted cash flows do not exceed the asset or asset group's carrying amount, then an impairment loss is recorded, measured as the amount by which the carrying amount of a long-lived asset or asset group exceeds its fair value.

Property and Equipment

Property and equipment consists of buildings and equipment, wireless communication systems, leasehold improvements, capitalized software, leased wireless devices and construction in progress. Buildings and equipment include certain network server equipment. Wireless communication systems include assets to operate our wireless network and IT data centers, including tower assets and leasehold improvements, assets related to the liability for the retirement of long-lived assets and capital leases. Leasehold improvements include asset improvements other than those related to the wireless network.

Property and equipment are recorded at cost less accumulated depreciation and impairments, if any, in Property and equipment, net on our Consolidated Balance Sheets. We generally depreciate property and equipment over the period the property and equipment provide economic benefit. Depreciable life studies are performed periodically to confirm the appropriateness of useful lives for certain categories of property and equipment. These studies take into account actual usage, physical wear and tear, replacement history and assumptions about technology evolution. When these factors indicate the useful life of an asset is different from the previous assessment, the remaining book value is depreciated prospectively over the adjusted remaining

[Table of Contents](#)

estimated useful life. Leasehold improvements are depreciated over the shorter of their estimated useful lives or the related lease term.

We introduced JUMP! On Demand, which allows customers to lease a device over a period of up to 18 months and upgrade it for a new device up to one time per month. To date, all of our leased devices were classified as operating leases. At operating lease inception, leased wireless devices are transferred from inventory to property and equipment. Leased wireless devices are depreciated to their estimated residual value over the period expected to provide utility to us, which is generally shorter than the lease term and considers expected losses. Revenues associated with the leased wireless devices, net of incentives, are generally recognized over the lease term. Upon device upgrade or at lease end, customers must return or purchase their device. Returned devices transferred from Property and equipment, net are recorded as inventory and are valued at the lower of cost or market with any write-down to market recognized as Cost of equipment sales in our Consolidated Statements of Comprehensive Income.

Costs of major replacements and improvements are capitalized. Repair and maintenance expenditures which do not enhance or extend the asset's useful life are charged to operating expenses as incurred. Construction costs, labor and overhead incurred in the expansion or enhancement of our wireless network are capitalized. Capitalization commences with pre-construction period administrative and technical activities, which includes obtaining leases, zoning approvals and building permits, and ceases at the point at which the asset is ready for its intended use. We capitalize interest associated with the acquisition or construction of certain property and equipment. Capitalized interest is reported as a reduction in interest expense and depreciated over the useful life of the related assets.

Future obligations related to capital leases are included in Short-term debt and Long-term debt in our Consolidated Balance Sheets. Depreciation of assets held under capital leases is included in Depreciation and amortization expense in our Consolidated Statements of Comprehensive Income.

We record an asset retirement obligation for the fair value of legal obligations associated with the retirement of tangible long-lived assets and a corresponding increase in the carrying amount of the related asset in the period in which the obligation is incurred. In periods subsequent to initial measurement, we recognize changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate. Over time, the liability is accreted to its present value and the capitalized cost is depreciated over the estimated useful life of the asset. Our obligations relate primarily to certain legal obligations to remediate leased property on which our network infrastructure and administrative assets are located.

We capitalize certain costs incurred in connection with developing or acquiring internal use software. Capitalization of software costs commences once the final selection of the specific software solution has been made and management authorizes and commits to funding the software project. Capitalized software costs are included in Property and equipment, net in our Consolidated Balance Sheets and are amortized on a straight-line basis over the estimated useful life of the asset. Costs incurred during the preliminary project stage, as well as maintenance and training costs, are expensed as incurred.

Other Intangible Assets

Intangible assets that do not have indefinite useful lives are amortized over their estimated useful lives. Customer lists are amortized using the sum-of-the-years-digits method over the expected period in which the relationship is expected to contribute to future cash flows. The remaining finite-lived intangible assets are amortized using the straight-line method.

Goodwill and Indefinite-Lived Intangible Assets

Goodwill

Goodwill consists of the excess of the purchase price over the fair value of identifiable net assets acquired in a business combination.

Spectrum Licenses

Spectrum licenses are carried at costs incurred to acquire the spectrum licenses and the costs to prepare the spectrum licenses for their intended use, such as costs to clear acquired spectrum licenses. The Federal Communications Commission ("FCC") issues spectrum licenses which provide us with the exclusive right to utilize designated radio frequency spectrum within specific geographic service areas to provide wireless communication services. While spectrum licenses are issued for a fixed period of time, typically for up to fifteen years, the FCC has granted license renewals routinely and at a nominal cost. The spectrum licenses held by us expire at various dates. We believe we will be able to meet all requirements necessary to secure

[Table of Contents](#)

renewal of our spectrum licenses at nominal costs. Moreover, we determined there are currently no legal, regulatory, contractual, competitive, economic or other factors that limit the useful lives of our spectrum licenses. Therefore, we determined the spectrum licenses should be treated as indefinite-lived intangible assets.

At times, we enter into agreements to sell or exchange spectrum licenses. Upon entering into the arrangement, if the transaction has been deemed to have commercial substance, spectrum licenses are reviewed for impairment and transferred at their carrying value, net of any impairment, to assets held for sale included in Other current assets in our Consolidated Balance Sheets until approval and completion of the exchange or sale. Upon closing of the transaction, spectrum licenses acquired as part of an exchange of nonmonetary assets are valued at fair value and the difference between the fair value of the spectrum licenses obtained, book value of the spectrum licenses transferred and cash paid, if any, is recognized as a gain and included in Gains on disposal of spectrum licenses in our Consolidated Statements of Comprehensive Income. Our fair value estimates of spectrum licenses are based on information for which there is little or no observable market data. If the transaction lacks commercial substance or the fair value is not measurable, the acquired spectrum licenses are recorded at the book value of the assets transferred or exchanged.

Impairment

We assess the carrying value of our goodwill and other indefinite-lived intangible assets, such as our spectrum licenses, for potential impairment annually as of December 31, or more frequently if events or changes in circumstances indicate such assets might be impaired.

When assessing goodwill for impairment we may elect to first perform a qualitative assessment for a reporting unit to determine if the quantitative impairment test is necessary. If we do not perform a qualitative assessment, or if the qualitative assessment indicates it is more likely than not the fair value of the single reporting unit is less than its carrying amount, we perform a quantitative test. We recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized would not exceed the total amount of goodwill allocated to that reporting unit.

We test our spectrum licenses for impairment on an aggregate basis, consistent with our management of the overall business at a national level. We may elect to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of an intangible asset is less than its carrying value. If we do not perform the qualitative assessment, or if the qualitative assessment indicates it is more likely than not the fair value of the intangible asset is less than its carrying amount, we calculate the estimated fair value of the intangible asset. If the estimated fair value of the spectrum licenses is lower than their carrying amount, an impairment loss is recognized for the difference. We estimate fair value using the Greenfield methodology, which is an income approach, to estimate the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions.

Guarantee Liabilities

We offer a device trade-in program, Just Upgrade My Phone ("JUMP!"), which provides eligible customers a specified-price trade-in right to upgrade their device. Upon enrollment, participating customers must finance the purchase of a device on an EIP and have a qualifying T-Mobile monthly wireless service plan, which is treated as a single multiple-element arrangement when entered into at or near the same time. Upon a qualifying JUMP! program upgrade, the customer's remaining EIP balance is settled provided they trade-in their eligible used device in good working condition and purchase a new device from us on a new EIP.

For customers who enroll in JUMP!, we recognize a liability and reduce revenue for the portion of revenue which represents the estimated fair value of the specified-price trade-in right guarantee. The guarantee liability is valued based on various economic and customer behavioral assumptions, which requires judgment, including estimating the customer's remaining EIP balance at trade-in, the expected fair value of the used device at trade-in, and the probability and timing of trade-in. We assess our guarantee liability at each reporting date to determine if facts and circumstances would indicate the incurrence of an incremental contingent liability is probable and if so, reasonably estimable. The recognition and subsequent adjustments of the contingent guarantee liability as a result of these assessments are recorded as adjustments to revenue. When customers upgrade their device, the difference between the EIP balance credit to the customer and the fair value of the returned device is recorded against the guarantee liabilities.

Fair Value Measurements

We carry certain assets and liabilities at fair value. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three-tier hierarchy for inputs used in measuring fair value, which prioritizes the inputs based on the observability as of the measurement date, is as follows:

Level 1	Quoted prices in active markets for identical assets or liabilities;
Level 2	Observable inputs other than the quoted prices in active markets for identical assets and liabilities; and
Level 3	Unobservable inputs for which there is little or no market data, which require us to develop assumptions of what market participants would use in pricing the asset or liability.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the placement of assets and liabilities being measured within the fair value hierarchy.

The carrying values of cash and cash equivalents, short-term investments, accounts receivable, accounts receivable from affiliates and accounts payable approximate fair value due to the short-term maturities of these instruments. The carrying values of EIP receivables approximate fair value as the receivables are recorded at their present value, net of unamortized discount and allowance for credit losses. There were no financial instruments with a carrying value materially different from their fair value, based on quoted market prices or rates for the same or similar instruments, or internal valuation models.

Derivative Financial Instruments

Derivative financial instruments primarily relate to embedded derivatives for certain components of the reset feature of the Senior Reset Notes to affiliates, which are required to be bifurcated and are recorded on the Consolidated Balance Sheets at fair value. Changes in fair value are recognized in Interest expense to affiliates in our Consolidated Statements of Comprehensive Income. We do not enter into derivative positions for trading or speculative purposes.

Revenue Recognition

We primarily generate our revenue from providing wireless services to customers and selling or leasing devices and accessories. We offer our wireless services and devices to customers, which may be comprised of multiple contracts entered into with a customer at or near the same time. In recognizing revenue, we assess such agreements as a single bundled arrangement that may involve multiple deliverables, which include wireless services, wireless devices or a combination thereof, and allocate revenue between each deliverable based on the relative selling prices of each deliverable on a standalone basis.

Wireless Services Revenue

We generate our wireless service revenues from providing access to, and usage of, our wireless communications network. Service revenues also include revenues earned for providing value added services to customers, such as handset insurance services. Service revenues are billed either in advance or arrears or are prepaid and are recognized when the service is rendered and all other revenue recognition criteria have been met. Revenues that are not reasonably assured to be collectible are recorded on a cash basis as payments are received. The recognition of prepaid revenue is deferred until services are rendered or the customer's rights to service expire unused. Generally, incentives given to customers are recorded as a reduction to revenue. We recognize service revenues for Data Stash plans when such services are delivered and the data is consumed, or at time of forfeiture or expiration. Revenues relating to unused data that is carried over to the following month are deferred and valued based on their relative standalone selling price. Revenue is recorded gross for arrangements involving the resale of third-party services where we are considered the primary obligor and is recorded net of associated costs incurred for services whereby we are not considered the primary obligor.

Federal Universal Service Fund ("USF") and other fees are assessed by various governmental authorities in connection with the services we provide to our customers. When we separately bill and collect these regulatory fees from customers, they are recorded gross in Total service revenues and cost of services in our Consolidated Statements of Comprehensive Income. For the years ended December 31, 2017, 2016 and 2015, we recorded approximately \$258 million, \$409 million and \$334 million, respectively, of USF fees on a gross basis.

Equipment Revenues

We generate equipment revenues from the sale or lease of mobile communication devices and accessories. Device and accessory sales revenues are generally recognized when the products are delivered to, and accepted by, the customer or dealer. We defer a portion of equipment revenues and cost of equipment sales for expected device returns based on historical experience. We offer certain customers the option to pay for devices and accessories in installments using an EIP. Equipment sales not reasonably assured to be collectible are recorded on a cash basis as payments are received.

In addition, for customers enrolled in JUMP!, we separate the JUMP! trade-in right from the multiple element arrangement at its fair value and defer the portion of revenue which represents the fair value of the trade-in right. See Guarantee Liabilities section above for further information.

We introduced JUMP! On Demand, which allows customers to lease a device and upgrade their leased wireless device for a new device up to one time per month. Leased wireless devices are accounted for as operating leases and lease revenues are recognized as earned on a straight-line basis over the lease term. The residual value of purchased leased devices is recorded as equipment revenues and cost of equipment sales. See Property and Equipment section above for further information.

Rent Expense

We have operating leases for cell sites, retail locations, corporate offices and dedicated transportation lines, some of which have escalating rentals during the initial lease term and during subsequent optional renewal periods. We recognize rent expense on a straight-line basis, over the non-cancelable lease term and renewal periods that are considered reasonably assured at the inception of the lease. We consider several factors in assessing whether renewal periods are reasonably assured of being exercised, including the continued maturation of our network nationwide, technological advances within the telecommunications industry and the availability of alternative sites.

Advertising Expense

We expense the cost of advertising and other promotional expenditures to market our services and products as incurred. For the years ended December 31, 2017, 2016 and 2015, advertising expenses included in Selling, general and administrative expenses in our Consolidated Statements of Comprehensive Income were \$1.8 billion, \$1.7 billion and \$1.6 billion, respectively.

Income Taxes

Deferred tax assets and liabilities are recognized based on temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates expected to be in effect when these differences are realized. A valuation allowance is recorded when it is more likely than not that some portion or all of a deferred tax asset will not be realized. The ultimate realization of a deferred tax asset depends on the ability to generate sufficient taxable income of the appropriate character and in the appropriate taxing jurisdictions within the carryforward periods available.

We account for uncertainty in income taxes recognized in the financial statements in accordance with the accounting guidance for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. We assess whether it is more likely than not that a tax position will be sustained upon examination based on the technical merits of the position and adjust the unrecognized tax benefits in light of changes in facts and circumstances, such as changes in tax law, interactions with taxing authorities and developments in case law.

Other Comprehensive Income (Loss)

Other comprehensive income (loss) consists of adjustments, net of tax, related to unrealized gains (losses) on available-for-sale securities. This is reported in Accumulated other comprehensive income as a separate component of stockholders' equity until realized in earnings.

Stock-Based Compensation

Stock-based compensation cost for stock awards, which include restricted stock units ("RSUs") and performance-based restricted stock units ("PRSUs"), is measured at fair value on the grant date and recognized as expense, net of expected forfeitures, over the related service period. The fair value of stock awards is based on the closing price of our common stock on the date of grant. RSUs are recognized as expense using the straight-line method. PRSUs are recognized as expense following a graded vesting schedule.

Earnings Per Share

Basic earnings per share is computed by dividing Net income attributable to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings per share is computed by giving effect to all potentially dilutive common shares outstanding during the period. Potentially dilutive common shares consist of outstanding stock options, RSUs and PRSUs, calculated using the treasury stock method, and prior to the conversion of our preferred stock, potentially dilutive common shares included mandatory convertible preferred stock calculated using the if-converted method. See [Note 12 - Earnings Per Share](#) for further information.

Our Board of Directors authorized a share repurchase program during the fourth quarter of 2017. Repurchased shares are retired and reduce the number of shares issued and outstanding. See [Note 10 - Repurchases of Common Stock](#) for further information.

Variable Interest Entities

VIEs are entities which lack sufficient equity to permit the entity to finance its activities without additional subordinated financial support from other parties, have equity investors which do not have the ability to make significant decisions relating to the entity's operations through voting rights, do not have the obligation to absorb the expected losses or do not have the right to receive the residual returns of the entity. The most common type of VIE is a special purpose entity ("SPE"). SPEs are commonly used in securitization transactions in order to isolate certain assets and distribute the cash flows from those assets to investors. SPEs are generally structured to insulate investors from claims on the SPEs assets by creditors of other entities, including the creditors of the seller of the assets.

The primary beneficiary is required to consolidate the assets and liabilities of the VIE. The primary beneficiary is the party which has both the power to direct the activities of an entity that most significantly impact the VIE's economic performance, and through its interests in the VIE, the obligation to absorb losses or the right to receive benefits from the VIE which could potentially be significant to the VIE. We consolidate VIEs when we are deemed to be the primary beneficiary or when the VIE cannot be deconsolidated.

In assessing which party is the primary beneficiary, all the facts and circumstances are considered, including each party's role in establishing the VIE and its ongoing rights and responsibilities. This assessment includes, first, identifying the activities that most significantly impact the VIE's economic performance; and second, identifying which party, if any, has power over those activities. In general, the parties that make the most significant decisions affecting the VIE (such as asset managers and servicers) or have the right to unilaterally remove those decision-makers are deemed to have the power to direct the activities of a VIE.

Change in Accounting Principle

Effective January 1, 2017, the imputed discount on EIP receivables, which is amortized over the financed installment term using the effective interest method, and was previously presented within Interest income in our Consolidated Statements of Comprehensive Income, is now presented within Other revenues in our Consolidated Statements of Comprehensive Income. We believe this presentation is preferable because it provides a better representation of amounts earned from our major ongoing operations and aligns with industry practice thereby enhancing comparability. We have applied this change retrospectively and presented the effect on the years ended December 31, 2017, 2016 and 2015, in the tables below:

(in millions)	Year Ended December 31, 2017		
	Unadjusted	Change in Accounting Principle	As Adjusted
Other revenues	\$ 789	\$ 280	\$ 1,069
Total revenues	40,324	280	40,604
Operating income	4,608	280	4,888
Interest income	297	(280)	17
Total other expense, net	(1,447)	(280)	(1,727)
Net income	4,536	—	4,536

(in millions)	Year Ended December 31, 2016		
	As Filed	Change in Accounting Principle	As Adjusted
Other revenues	\$ 671	\$ 248	\$ 919
Total revenues	37,242	248	37,490
Operating income	3,802	248	4,050
Interest income	261	(248)	13
Total other expense, net	(1,475)	(248)	(1,723)
Net income	1,460	—	1,460

(in millions)	Year Ended December 31, 2015		
	As Filed	Change in Accounting Principle	As Adjusted
Other revenues	\$ 514	\$ 414	\$ 928
Total revenues	32,053	414	32,467
Operating income	2,065	414	2,479
Interest income	420	(414)	6
Total other expense, net	(1,087)	(414)	(1,501)
Net income	733	—	733

The change in accounting principle did not have an impact on basic or diluted earnings per share for the years ended December 31, 2017, 2016 and 2015 or Accumulated deficit as of December 31, 2017 and 2016.

Accounting Pronouncements Adopted During the Current Year

In January 2017, the FASB issued ASU 2017-04, “Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment.” The amendments in this update eliminate the requirement to perform step two of the goodwill impairment test, which requires a hypothetical purchase price allocation consistent with the principles in determining fair values of assets acquired and liabilities assumed in a business combination, when an impairment is determined to have occurred. Instead, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited by the amount of goodwill in that reporting unit. We adopted this new guidance in the fourth quarter of 2017. The implementation of this standard did not have an impact on our consolidated financial statements.

Accounting Pronouncements Not Yet Adopted

In May 2014, the FASB issued ASU 2014-09, “Revenue from Contracts with Customers (Topic 606)” (“ASU 2014-09”), and has since modified the standard with several ASUs. The standard is effective for us, and we adopted the standard, on January 1, 2018.

The standard requires entities to recognize revenue through the application of a five-step model, which includes: identification of the contract; identification of the performance obligations; determination of the transaction price; allocation of the transaction price to the performance obligations; and recognition of revenue as the entity satisfies the performance obligations.

The guidance permits two methods of adoption, the full retrospective method applying the standard to each prior reporting period presented, or the modified retrospective method with a cumulative effect of initially applying the guidance recognized at the date of initial application. The standard also allows entities to apply certain practical expedients at their discretion. We will adopt the standard using the modified retrospective method with a cumulative catch up adjustment and will provide additional disclosures comparing results to previous GAAP in our 2018 consolidated financial statements. We plan to apply the new revenue standard only to contracts not completed as of the date of initial application, referred to as open contracts.

The most significant judgments and impacts upon adoption of the standard include the following items:

- Upon adoption, we will defer (i.e. capitalize) incremental contract acquisition costs and recognize (i.e. amortize) them over the term of the initial contract and anticipated renewal contracts to which the costs relate. Deferred contract costs have an average amortization period of approximately 24 months, subject to being monitored every period to reflect any significant change in assumptions. In addition, the deferred contract cost asset is assessed for impairment on a

periodic basis. We are utilizing the practical expedient permitting expensing of costs to obtain a contract when the expected amortization period is one year or less which typically results in expensing commissions paid to acquire branded prepaid service contracts. As a result, incremental contract acquisition costs paid on open contracts of approximately \$150 million are expected to be capitalized and subsequently amortized upon adoption on January 1, 2018 as a cumulative effect adjustment to equity, which consists primarily of commissions paid to acquire branded postpaid service contracts. Contract costs capitalized for new contracts will accumulate during 2018 as deferred assets. As a result, we expect there to be a net benefit to operating income during 2018. As capitalized costs amortize into expense over time the accretive benefit to operating income anticipated in 2018 is expected to moderate in 2019 and become insignificant in 2020 as the timing benefits of deferring these costs dissipate.

- Under the new standard, certain commissions paid to dealers previously recognized as a reduction to revenues will be recorded as commission costs in Selling, general and administrative expense. During 2017 such commission costs were approximately \$425 million.
- Promotional bill credits offered to customers on equipment sales that are paid over time and are contingent on the customer maintaining a service contract results in an extended service contract term with multiple performance obligations, which impacts the allocation and timing of revenue recognition between service revenue and equipment revenue. A contract asset will be recorded when control of the equipment transfers to the customer, and subsequently recognized as a reduction to service revenue over the extended contract term. Contract assets of approximately \$140 million are expected to be capitalized upon adoption on January 1, 2018 as a cumulative effect adjustment.
- We are recognizing the financing component in our EIP contracts, including those financing components that are not considered to be significant to the contract. This application is consistent with our current practice of imputing interest.

We have implemented significant new revenue accounting systems, processes and internal controls over revenue recognition to assist us in the application of the new standard.

The cumulative effect of initially applying the new revenue standard on January 1, 2018 is estimated to be a decrease to Accumulated deficit of approximately \$220 million.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)." The standard requires all lessees to report a right-of-use asset and a lease liability for most leases. The income statement recognition is similar to existing lease accounting and is based on lease classification. The standard requires lessees and lessors to classify most leases using principles similar to existing lease accounting. For lessors, the standard modifies the classification criteria and the accounting for sales-type and direct financing leases. We are currently evaluating the standard, which will require recognizing and measuring leases at the beginning of the earliest period presented using a modified retrospective approach. Our evaluation includes assessing which of our arrangements qualify as a lease, and aggregating lease data and related information as well as determining whether previous conclusions for certain transactions, such as failed sale leaseback arrangements under Topic 840, would change under Topic 842. We plan to adopt the standard when it becomes effective for us beginning January 1, 2019, and expect the adoption of the standard will result in the recognition of right-of-use assets and lease liabilities that have not previously been recorded, which will have a material impact on our consolidated financial statements.

We are in the process of implementing significant new lease accounting systems, processes and internal controls over lease recognition which will ultimately assist in the application of the new standard.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." The standard requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectibility of the reported amount. The standard will become effective for us beginning January 1, 2020, and will require a cumulative-effect adjustment to Accumulated deficit as of the beginning of the first reporting period in which the guidance is effective (that is, a modified-retrospective approach). Early adoption is permitted for us as of January 1, 2019. We are currently evaluating the impact this guidance will have on our consolidated financial statements and the timing of adoption.

In August 2016, the FASB issued ASU 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments." The standard is intended to reduce current diversity in practice and provides guidance on how certain cash receipts and payments are presented and classified in the statement of cash flows. The standard is effective for us, and we adopted the standard, on January 1, 2018. The standard will require a retrospective approach. The standard will impact the presentation of cash flows related to beneficial interests in securitization transactions, which is the deferred purchase price,

[Table of Contents](#)

resulting in a reclassification of cash inflows from Operating activities to Investing activities of approximately \$4.3 billion and \$3.5 billion for the years ended December 31, 2017 and 2016, respectively, in our Consolidated Statements of Cash Flows. The standard will also impact the presentation of cash payments for debt prepayment or debt extinguishment costs, resulting in a reclassification of cash outflows from Operating activities to Financing activities of \$188 million for the year ended December 31, 2017, in our consolidated financial statements.

In October 2016, the FASB issued ASU 2016-16, "Accounting for Income Taxes: Intra-Entity Transfers of Assets Other Than Inventory." The standard requires that the income tax impact of intra-entity sales and transfers of property, except for inventory, be recognized when the transfer occurs. The standard will become effective for us beginning January 1, 2018, and will require any deferred taxes not yet recognized on intra-entity transfers to be recorded to retained earnings under a modified retrospective approach. The implementation of this standard is not expected to have a material impact on our consolidated financial statements.

Note 2 – Receivables and Allowance for Credit Losses

Our portfolio of receivables is comprised of two portfolio segments, accounts receivable and EIP receivables. Our accounts receivable segment primarily consists of amounts currently due from customers, including service and leased device receivables, other carriers and third-party retail channels.

Based upon customer credit profiles, we classify the EIP receivable segment into two customer classes of "Prime" and "Subprime." Prime customer receivables are those with lower delinquency risk and Subprime customer receivables are those with higher delinquency risk. Subprime customers may be required to make a down payment on their equipment purchases. In addition, certain customers within the Subprime category are required to pay an advance deposit.

To determine a customer's credit profile, we use a proprietary credit scoring model that measures the credit quality of a customer at the time of application for wireless communications service using several factors, such as credit bureau information, consumer credit risk scores and service plan characteristics.

The following table summarizes the EIP receivables, including imputed discounts and related allowance for credit losses:

(in millions)	December 31, 2017	December 31, 2016
EIP receivables, gross	\$ 3,960	\$ 3,230
Unamortized imputed discount	(264)	(195)
EIP receivables, net of unamortized imputed discount	3,696	3,035
Allowance for credit losses	(132)	(121)
EIP receivables, net	\$ 3,564	\$ 2,914

Classified on the balance sheet as:	December 31, 2017	December 31, 2016
Equipment installment plan receivables, net	\$ 2,290	\$ 1,930
Equipment installment plan receivables due after one year, net	1,274	984
EIP receivables, net	\$ 3,564	\$ 2,914

To determine the appropriate level of the allowance for credit losses, we consider a number of credit quality indicators, including historical credit losses and timely payment experience as well as current collection trends such as write-off frequency and severity, aging of the receivable portfolio, credit quality of the customer base and other qualitative factors such as macro-economic conditions.

We write off account balances if collection efforts are unsuccessful and the receivable balance is deemed uncollectible, based on customer credit quality and the aging of the receivable.

For EIP receivables, subsequent to the initial determination of the imputed discount, we assess the need for and, if necessary, recognize an allowance for credit losses to the extent the amount of estimated probable losses on the gross EIP receivable balances exceed the remaining unamortized imputed discount balances.

The EIP receivables had weighted average effective imputed interest rates of 9.6% and 9.0% as of December 31, 2017 and 2016, respectively.

[Table of Contents](#)

Activity for the years ended December 31, 2017, 2016, and 2015, in the allowance for credit losses and unamortized imputed discount balances for the accounts receivable and EIP receivable segments were as follows:

(in millions)	December 31, 2017			December 31, 2016			December 31, 2015		
	Accounts Receivable Allowance	EIP Receivables Allowance	Total	Accounts Receivable Allowance	EIP Receivables Allowance	Total	Accounts Receivable Allowance	EIP Receivables Allowance	Total
Allowance for credit losses and imputed discount, beginning of period	\$ 102	\$ 316	\$ 418	\$ 116	\$ 333	\$ 449	\$ 83	\$ 448	\$ 531
Bad debt expense	104	284	388	227	250	477	182	365	547
Write-offs, net of recoveries	(120)	(273)	(393)	(241)	(277)	(518)	(149)	(333)	(482)
Change in imputed discount on short-term and long-term EIP receivables	N/A	252	252	N/A	186	186	N/A	(84)	(84)
Impact on the imputed discount from sales of EIP receivables	N/A	(183)	(183)	N/A	(176)	(176)	N/A	(63)	(63)
Allowance for credit losses and imputed discount, end of period	\$ 86	\$ 396	\$ 482	\$ 102	\$ 316	\$ 418	\$ 116	\$ 333	\$ 449

Management considers the aging of receivables to be an important credit indicator. The following table provides delinquency status for the EIP portfolio segment on a gross basis, which we actively monitor as part of our current credit risk management practices and policies:

(in millions)	December 31, 2017			December 31, 2016		
	Prime	Subprime	Total EIP Receivables, gross	Prime	Subprime	Total EIP Receivables, gross
Current - 30 days past due	\$ 1,727	\$ 2,133	\$ 3,860	\$ 1,375	\$ 1,735	\$ 3,110
31 - 60 days past due	17	29	46	27	38	65
61 - 90 days past due	6	16	22	7	16	23
More than 90 days past due	8	24	32	10	22	32
Total receivables, gross	\$ 1,758	\$ 2,202	\$ 3,960	\$ 1,419	\$ 1,811	\$ 3,230

Note 3 – Sales of Certain Receivables

We have entered into transactions to sell certain service and EIP accounts receivables. The transactions, including our continuing involvement with the sold receivables and the respective impacts to our consolidated financial statements, are described below.

Sales of Service Receivables

Overview of the Transaction

In 2014, we entered into an arrangement to sell certain service accounts receivables on a revolving basis and in November 2016, the arrangement was amended to increase the maximum funding commitment to \$950 million (the “service receivable sale arrangement”) and extend the scheduled expiration date to March 2018. In February 2018, the service receivable sale arrangement was again amended to extend the scheduled expiration date to March 2019. As of December 31, 2017 and 2016, the service receivable sale arrangement provided funding of \$880 million and \$907 million, respectively. Sales of receivables occur daily and are settled on a monthly basis. The receivables consist of service charges currently due from customers and are short-term in nature.

In connection with the service receivable sale arrangement, we formed a wholly-owned subsidiary, which qualifies as a bankruptcy remote entity, to sell service accounts receivables (the “Service BRE”). The Service BRE does not qualify as a VIE, and due to the significant level of control we exercise over the entity, it is consolidated. Pursuant to the arrangement, certain of our wholly-owned subsidiaries transfer selected receivables to the Service BRE. The Service BRE then sells the receivables to an unaffiliated entity (the “Service VIE”), which was established to facilitate the sale of beneficial ownership interests in the receivables to certain third parties.

Variable Interest Entity

We determined that the Service VIE qualifies as a VIE as it lacks sufficient equity to finance its activities. We have a variable interest in the Service VIE, but are not the primary beneficiary as we lack the power to direct the activities that most significantly impact the Service VIE's economic performance. Those activities include committing the Service VIE to legal agreements to purchase or sell assets, selecting which receivables are purchased in the service receivable sale arrangement, determining whether the Service VIE will sell interests in the purchased service receivables to other parties, funding of the entity and servicing of receivables. We do not hold the power to direct the key decisions underlying these activities. For example, while we act as the servicer of the sold receivables, which is considered a significant activity of the Service VIE, we are acting as an agent in our capacity as the servicer and the counterparty to the service receivable sale arrangement has the ability to remove us as the servicing agent of the receivables at will with no recourse available to us. As we have determined we are not the primary beneficiary, the balances and results of the Service VIE are not included in our consolidated financial statements.

The following table summarizes the carrying amounts and classification of assets, which consists primarily of the deferred purchase price and liabilities included in our Consolidated Balance Sheets that relate to our variable interest in the Service VIE:

(in millions)	December 31, 2017	December 31, 2016
Other current assets	\$ 236	\$ 207
Accounts payable and accrued liabilities	25	17
Other current liabilities	180	129

Sales of EIP Receivables**Overview of the Transaction**

In 2015, we entered into an arrangement to sell certain EIP accounts receivables on a revolving basis and in August 2017, the EIP sale arrangement was amended to reduce the maximum funding commitment to \$1.2 billion (the "EIP sale arrangement") and extend the scheduled expiration date to November 2018. In December 2017, the EIP sale arrangement was again amended to increase the maximum funding commitment to \$1.3 billion. As of December 31, 2017 and 2016, the EIP sale arrangement provided funding of \$1.3 billion and \$1.2 billion, respectively. Sales of EIP receivables occur daily and are settled on a monthly basis. The receivables consist of customer EIP balances, which require monthly customer payments for up to 24 months.

In connection with this EIP sale arrangement, we formed a wholly-owned subsidiary, which qualifies as a bankruptcy remote entity (the "EIP BRE"). Pursuant to the EIP sale arrangement, our wholly-owned subsidiary transfers selected receivables to the EIP BRE. The EIP BRE then sells the receivables to a non-consolidated and unaffiliated third-party entity for which we do not exercise any level of control, nor does the entity qualify as a VIE.

Variable Interest Entity

We determined that the EIP BRE is a VIE as its equity investment at risk lacks the obligation to absorb a certain portion of its expected losses. We have a variable interest in the EIP BRE and determined that we are the primary beneficiary based on our ability to direct the activities which most significantly impact the EIP BRE's economic performance. Those activities include selecting which receivables are transferred into the EIP BRE and sold in the EIP sale arrangement and funding of the EIP BRE. Additionally, our equity interest in the EIP BRE obligates us to absorb losses and gives us the right to receive benefits from the EIP BRE that could potentially be significant to the EIP BRE. Accordingly, we determined that we are the primary beneficiary, and include the balances and results of operations of the EIP BRE in our consolidated financial statements.

The following table summarizes the carrying amounts and classification of assets, which consists primarily of the deferred purchase price and liabilities included in our Consolidated Balance Sheets that relate to the EIP BRE:

(in millions)	December 31, 2017	December 31, 2016
Other current assets	\$ 403	\$ 371
Other assets	109	83
Other long-term liabilities	3	4

[Table of Contents](#)

In addition, the EIP BRE is a separate legal entity with its own separate creditors who will be entitled, prior to any liquidation of the EIP BRE, to be satisfied prior to any value in the EIP BRE becoming available to us. Accordingly, the assets of the EIP BRE may not be used to settle our general obligations and creditors of the EIP BRE have limited recourse to our general credit.

Sales of Receivables

The transfers of service receivables and EIP receivables to the non-consolidated entities are accounted for as sales of financial assets. Once identified for sale, the receivable is recorded at the lower of cost or fair value. Upon sale, we derecognize the net carrying amount of the receivables. We recognize the net cash proceeds in Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

The proceeds are net of the deferred purchase price, consisting of a receivable from the purchasers that entitles us to certain collections on the receivables. We recognize the collection of the deferred purchase price in Net cash provided by operating activities as it is dependent on collection of the customer receivables and is not subject to significant interest rate risk. The deferred purchase price represents a financial asset that is primarily tied to the creditworthiness of the customers and which can be settled in such a way that we may not recover substantially all of our recorded investment, due to default by the customers on the underlying receivables. We elected, at inception, to measure the deferred purchase price at fair value with changes in fair value included in Selling, general and administrative expense in our Consolidated Statements of Comprehensive Income. The fair value of the deferred purchase price is determined based on a discounted cash flow model which uses primarily unobservable inputs (Level 3 inputs), including customer default rates. As of December 31, 2017 and 2016, our deferred purchase price related to the sales of service receivables and EIP receivables was \$745 million and \$659 million, respectively.

The following table summarizes the impacts of the sale of certain service receivables and EIP receivables in our Consolidated Balance Sheets:

(in millions)	December 31, 2017	December 31, 2016
Derecognized net service receivables and EIP receivables	\$ 2,725	\$ 2,502
Other current assets	639	578
<i>of which, deferred purchase price</i>	<i>636</i>	<i>576</i>
Other long-term assets	109	83
<i>of which, deferred purchase price</i>	<i>109</i>	<i>83</i>
Accounts payable and accrued liabilities	25	17
Other current liabilities	180	129
Other long-term liabilities	3	4
Net cash proceeds since inception	2,058	2,030
Of which:		
Change in net cash proceeds during the year-to-date period	28	536
Net cash proceeds funded by reinvested collections	2,030	1,494

We recognized losses from sales of receivables of \$299 million, \$228 million and \$204 million for the years ended December 31, 2017, 2016 and 2015, respectively. These losses from sales of receivables were recognized in Selling, general and administrative expense in our Consolidated Statements of Comprehensive Income. Losses from sales of receivables include adjustments to the receivables' fair values and changes in fair value of the deferred purchase price.

Continuing Involvement

Pursuant to the sale arrangements described above, we have continuing involvement with the service receivables and EIP receivables we sell as we service the receivables and are required to repurchase certain receivables, including ineligible receivables, aged receivables and receivables where write-off is imminent. We continue to service the customers and their related receivables, including facilitating customer payment collection, in exchange for a monthly servicing fee. As the receivables are sold on a revolving basis, the customer payment collections on sold receivables may be reinvested in new receivable sales. While servicing the receivables, we apply the same policies and procedures to the sold receivables as we apply to our owned receivables, and we continue to maintain normal relationships with our customers. Pursuant to the EIP sale arrangement, under certain circumstances, we are required to deposit cash or replacement EIP receivables primarily for contracts terminated by customers under our JUMP! Program.

[Table of Contents](#)

In addition, we have continuing involvement with the sold receivables as we may be responsible for absorbing additional credit losses pursuant to the sale arrangements. Our maximum exposure to loss related to the involvement with the service receivables and EIP receivables sold under the sale arrangements was \$1.3 billion as of December 31, 2017. The maximum exposure to loss, which is a required disclosure under GAAP, represents an estimated loss that would be incurred under severe, hypothetical circumstances whereby we would not receive the deferred purchase price portion of the contractual proceeds withheld by the purchasers and would also be required to repurchase the maximum amount of receivables pursuant to the sale arrangements without consideration for any recovery. As we believe the probability of these circumstances occurring is remote, the maximum exposure to loss is not an indication of our expected loss.

Note 4 – Property and Equipment

The components of property and equipment were as follows:

(in millions)	Useful Lives	December 31, 2017	December 31, 2016
Buildings and equipment	Up to 40 years	\$ 2,066	\$ 1,657
Wireless communications systems	Up to 20 years	32,706	29,272
Leasehold improvements	Up to 12 years	1,182	1,068
Capitalized software	Up to 10 years	10,563	8,488
Leased wireless devices	Up to 18 months	1,209	2,624
Construction in progress		1,771	2,613
Accumulated depreciation and amortization		(27,301)	(24,779)
Property and equipment, net		<u>\$ 22,196</u>	<u>\$ 20,943</u>

Wireless communication systems include capital lease agreements for network equipment with varying expiration terms through 2031. Capital lease assets and accumulated amortization were \$2.4 billion and \$533 million, and \$1.6 billion and \$300 million, as of December 31, 2017 and 2016, respectively.

We capitalize interest associated with the acquisition or construction of certain property and equipment and spectrum intangible assets. We recognized capitalized interest of \$136 million, \$142 million and \$230 million for the years ended December 31, 2017, 2016 and 2015, respectively.

The components of leased wireless devices under our JUMP! On Demand program were as follows:

(in millions)	December 31, 2017	December 31, 2016
Leased wireless devices, gross	\$ 1,209	\$ 2,624
Accumulated depreciation	(417)	(1,193)
Leased wireless devices, net	<u>\$ 792</u>	<u>\$ 1,431</u>

Future minimum payments expected to be received over the lease term related to the leased wireless devices, which exclude optional residual buy-out amounts at the end of the lease term, are summarized below:

(in millions)	Total
Year Ended December 31,	
2018	\$ 485
2019	104
Total	<u>\$ 589</u>

Total depreciation expense relating to property and equipment was \$5.8 billion, \$6.0 billion and \$4.4 billion for the years ended December 31, 2017, 2016 and 2015, respectively. Included in the total depreciation expense for the years ended December 31, 2017, 2016 and 2015 was \$1.0 billion, \$1.5 billion and \$312 million, respectively, related to leased wireless devices.

For the years ended December 31, 2017, 2016 and 2015, we recorded additional depreciation expense of \$63 million, \$101 million and \$85 million, respectively, as a result of adjustments to useful lives of network equipment expected to be replaced in connection with our network transformation and decommissioning the MetroPCS CDMA network and redundant network cell sites.

[Table of Contents](#)

Asset retirement obligations are primarily for certain legal obligations to remediate leased property on which our network infrastructure and administrative assets are located.

Activity in our asset retirement obligations was as follows:

(in millions)	December 31, 2017	December 31, 2016
Asset retirement obligations, beginning of year	\$ 539	\$ 483
Liabilities incurred	25	50
Liabilities settled	(16)	(67)
Accretion expense	27	24
Changes in estimated cash flows	(13)	49
Asset retirement obligations, end of year	\$ 562	\$ 539
Classified on the balance sheet as:		
Other current liabilities	\$ 3	\$ 16
Other long-term liabilities	559	523
Asset retirement obligations	\$ 562	\$ 539

The corresponding assets, net of accumulated depreciation, related to asset retirement obligations were \$220 million and \$258 million as of December 31, 2017 and 2016, respectively.

Note 5 – Goodwill, Spectrum Licenses and Other Intangible Assets

Goodwill

There were no changes in carrying values of goodwill for the years ended December 31, 2017 and 2016.

Spectrum Licenses

The following table summarizes our spectrum license activity for the years ended December 31, 2017 and 2016:

(in millions)	December 31, 2017	December 31, 2016
Spectrum licenses, beginning of year	\$ 27,014	\$ 23,955
Spectrum license acquisitions	8,599	3,334
Spectrum licenses transferred to held for sale	(271)	(324)
Costs to clear spectrum	24	49
Spectrum licenses, end of year	\$ 35,366	\$ 27,014

We had the following spectrum license transactions during 2017:

- In March 2017, we closed on an agreement with a third party for the exchange of certain AWS and PCS spectrum licenses. Upon closing of the transaction, we recorded the spectrum licenses received at their estimated fair value of approximately \$123 million and recognized a gain of \$37 million included in Gains on disposal of spectrum licenses in our Consolidated Statements of Comprehensive Income.
- In April 2017, the FCC announced that we were the winning bidder of 1,525 licenses in the 600 MHz spectrum auction for an aggregate price of \$8.0 billion. At inception of the auction in June 2016, we deposited \$2.2 billion with the FCC which, based on the outcome of the auction, was sufficient to cover our down payment obligation due in April 2017. In May 2017, we paid the FCC the remaining \$5.8 billion of the purchase price using cash reserves and by issuing debt to Deutsche Telekom AG (“DT”), our majority stockholder, pursuant to existing purchase commitments. See [Note 7 - Debt](#) for further information. The licenses are included in Spectrum licenses as of December 31, 2017, in our Consolidated Balance Sheets. We began deployment of these licenses on our network in the third quarter of 2017.
- In September 2017, we closed on an agreement with a third party for the exchange of certain AWS and PCS spectrum licenses. Upon closing of the transaction, we recorded the spectrum licenses received at their estimated fair value of

[Table of Contents](#)

approximately \$115 million and recognized a gain of \$29 million included in Gains on disposal of spectrum licenses in our Consolidated Statements of Comprehensive Income.

- In September 2017, we entered into a Unit Purchase Agreement (“UPA”) to acquire the remaining equity in Iowa Wireless Services, LLC (“IWS”), a 54% owned unconsolidated subsidiary, for a purchase price of \$25 million. On January 1, 2018, we closed on the purchase agreement and received the IWS spectrum licenses, among other assets. As of December 31, 2017, we accounted for our existing investment in IWS under the equity method as we had significant influence, but not control.
- In December 2017, we closed on an agreement with a third party for the exchange of certain AWS and PCS spectrum licenses. Upon closing of the transaction, we recorded the spectrum licenses received at their estimated fair value of approximately \$352 million and recognized a gain of \$168 million included in Gains on disposal of spectrum licenses in our Consolidated Statements of Comprehensive Income.

We had the following spectrum license transactions during 2016:

- We closed on an agreement with AT&T Inc. for the acquisition and exchange of certain spectrum licenses. Upon closing of the transaction during the first quarter of 2016, we recorded the spectrum licenses received at their estimated fair value of approximately \$1.2 billion and recognized a gain of \$636 million included in Gains on disposal of spectrum licenses in our Consolidated Statements of Comprehensive Income.
- We closed on agreements with multiple third parties for the purchase and exchange of certain spectrum licenses for \$1.3 billion in cash. Upon closing of the transactions, we recorded spectrum licenses received at their estimated fair values totaling approximately \$1.7 billion and recognized gains of \$199 million included in Gains on disposal of spectrum licenses in our Consolidated Statements of Comprehensive Income.
- We closed on an agreement with a third party for the purchase of certain spectrum licenses covering approximately 11 million people for approximately \$420 million during the fourth quarter of 2016.

Goodwill and Other Intangible Assets Impairment Assessments

Our impairment assessment of goodwill and indefinite-lived intangible assets (spectrum licenses) resulted in no impairment as of December 31, 2017 and 2016.

Other Intangible Assets

The components of Other intangible assets were as follows:

(in millions)	Useful Lives	December 31, 2017			December 31, 2016		
		Gross Amount	Accumulated Amortization	Net Amount	Gross Amount	Accumulated Amortization	Net Amount
Customer lists	Up to 6 years	\$ 1,104	\$ (1,016)	\$ 88	\$ 1,104	\$ (894)	\$ 210
Trademarks and patents	Up to 19 years	307	(192)	115	303	(156)	147
Other	Up to 28 years	49	(35)	14	50	(31)	19
Other intangible assets		\$ 1,460	\$ (1,243)	\$ 217	\$ 1,457	\$ (1,081)	\$ 376

Amortization expense for intangible assets subject to amortization was \$163 million, \$220 million and \$276 million for the years ended December 31, 2017, 2016 and 2015, respectively.

[Table of Contents](#)

The estimated aggregate future amortization expense for intangible assets subject to amortization are summarized below:

(in millions)	Estimated Future Amortization
Year Ending December 31,	
2018	\$ 105
2019	52
2020	35
2021	14
2022	4
Thereafter	7
Total	\$ 217

Note 6 – Fair Value Measurements and Derivative Instruments

Embedded Derivative Instruments

In connection with the business combination with MetroPCS, we issued senior reset notes to Deutsche Telekom. The interest rates were adjusted at the reset dates to rates defined in the applicable supplemental indentures to manage interest rate risk related to the senior reset notes. We determined certain components of the reset feature are required to be bifurcated from the senior reset notes and separately accounted for as embedded derivative instruments. As of December 31, 2017 and 2016, there were no embedded derivatives subject to interest rate volatility related to the Senior Reset Notes to affiliates.

The fair value of our embedded derivatives was determined using a lattice-based valuation model by determining the fair value of the senior reset notes with and without the embedded derivatives included. The fair value of the senior reset notes with the embedded derivatives utilizes the contractual term of each senior reset note, reset rates calculated based on the spread between specified yield curves and the yield curve on certain T-Mobile long-term debt adjusted pursuant to the applicable supplemental indentures and interest rate volatility. Interest rate volatility is a significant unobservable input (Level 3) as it is derived based on weighted risk-free rate volatility and credit spread volatility. Significant increases or decreases in the weighting of risk-free volatility and credit spread volatility, in isolation, would result in a higher or lower fair value of the embedded derivatives. The embedded derivatives were classified as Level 3 in the fair value hierarchy.

The fair value of embedded derivative instruments by balance sheet location and level were as follows:

(in millions)	December 31, 2017			
	Level 1	Level 2	Level 3	Total
Other long-term liabilities	\$ —	\$ —	\$ 66	\$ 66

(in millions)	December 31, 2016			
	Level 1	Level 2	Level 3	Total
Other long-term liabilities	\$ —	\$ —	\$ 118	\$ 118

The following table summarizes the gain (loss) activity related to embedded derivatives instruments recognized in Interest expense to affiliates:

(in millions)	Year Ended December 31,		
	2017	2016	2015
Embedded derivatives	\$ 52	\$ 25	\$ (148)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The carrying amounts and fair values of our assets and liabilities measured at fair value on a recurring basis included in our Consolidated Balance Sheets were as follows:

(in millions)	Level within the Fair Value Hierarchy	December 31, 2017		December 31, 2016	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:					
Deferred purchase price assets	3	\$ 745	\$ 745	\$ 659	\$ 659
Liabilities:					
Guarantee liabilities	3	105	105	135	135

The principal amounts and fair values of our short-term and long-term debt included in our Consolidated Balance Sheets were as follows:

(in millions)	Level within the Fair Value Hierarchy	December 31, 2017		December 31, 2016	
		Principal Amount	Fair Value	Principal Amount	Fair Value
Liabilities:					
Senior Notes to third parties	1	\$ 11,850	\$ 12,540	\$ 18,600	\$ 19,584
Senior Notes to affiliates	2	7,500	7,852	—	—
Incremental Term Loan Facility to affiliates	2	4,000	4,020	—	—
Senior Reset Notes to affiliates	2	3,100	3,260	5,600	5,955
Senior Secured Term Loans	2	—	—	1,980	2,005

Long-term Debt

The fair value of our Senior Notes to third parties was determined based on quoted market prices in active markets, and therefore was classified as Level 1 within the fair value hierarchy. The fair values of the Senior Notes to affiliates, Incremental Term Loan Facility to affiliates, Senior Reset Notes to affiliates and Senior Secured Term Loans were determined based on a discounted cash flow approach using quoted prices of instruments with similar terms and maturities and an estimate for our standalone credit risk. Accordingly, our Senior Notes to affiliates, Incremental Term Loan Facility to affiliates, Senior Reset Notes to affiliates and Senior Secured Term Loans were classified as Level 2 within the fair value hierarchy.

Although we have determined the estimated fair values using available market information and commonly accepted valuation methodologies, considerable judgment was required in interpreting market data to develop fair value estimates for the Senior Notes to affiliates, Incremental Term Loan Facility to affiliates, Senior Reset Notes to affiliates and Senior Secured Term Loans to affiliates. The fair value estimates were based on information available as of December 31, 2017 and 2016. As such, our estimates are not necessarily indicative of the amount we could realize in a current market exchange.

Deferred Purchase Price Assets

In connection with the sales of certain service and EIP receivables pursuant to the sale arrangements, we have deferred purchase price assets measured at fair value that are based on a discounted cash flow model using unobservable Level 3 inputs, including customer default rates. See [Note 3 – Sales of Certain Receivables](#) for further information.

Guarantee Liabilities

We offer certain device trade-in programs, including JUMP!, which provide eligible customers a specified-price trade-in right to upgrade their device. For customers who are enrolled in a device trade-in program, we defer the portion of equipment revenues which represents the estimated fair value of the specified-price trade-in right guarantee incorporating the expected probability and timing of the handset upgrade and the estimated fair value of the used handset which is returned. Accordingly, our guarantee liabilities were classified as Level 3 within the fair value hierarchy. When customers upgrade their device, the difference between the trade-in credit to the customer and the fair value of the returned device is recorded against the guarantee liabilities. Guarantee liabilities are included in Other current liabilities in our Consolidated Balance Sheets.

The total estimated remaining gross EIP receivable balances of all enrolled handset upgrade program customers, which are the

[Table of Contents](#)

remaining EIP amounts underlying the JUMP! guarantee, including EIP receivables that have been sold, was \$2.5 billion as of December 31, 2017. This is not an indication of our expected loss exposure as it does not consider the expected fair value of the used handset or the probability and timing of the trade-in.

Note 7 – Debt

Debt was as follows:

(in millions)	December 31, 2017	December 31, 2016
5.250% Senior Notes due 2018	\$ —	\$ 500
6.464% Senior Notes due 2019	—	1,250
6.288% Senior Reset Notes to affiliates due 2019	—	1,250
6.542% Senior Notes due 2020	—	1,250
6.625% Senior Notes due 2020	—	1,000
6.366% Senior Reset Notes to affiliates due 2020	—	1,250
6.250% Senior Notes due 2021	—	1,750
6.633% Senior Notes due 2021	—	1,250
5.300% Senior Notes to affiliates due 2021	2,000	—
8.097% Senior Reset Notes to affiliates due 2021	1,250	1,250
6.125% Senior Notes due 2022	1,000	1,000
6.731% Senior Notes due 2022	—	1,250
4.000% Senior Notes due 2022	500	—
4.000% Senior Notes to affiliates due 2022	1,000	—
8.195% Senior Reset Notes to affiliates due 2022	1,250	1,250
Incremental term loan facility to affiliates due 2022	2,000	—
6.000% Senior Notes due 2023	1,300	1,300
6.625% Senior Notes due 2023	1,750	1,750
6.836% Senior Notes due 2023	600	600
9.332% Senior Reset Notes to affiliates due 2023	600	600
6.000% Senior Notes due 2024	1,000	1,000
6.500% Senior Notes due 2024	1,000	1,000
6.000% Senior Notes to affiliates due 2024	1,350	—
6.000% Senior Notes to affiliates due 2024	650	—
Incremental term loan facility to affiliates due 2024	2,000	—
5.125% Senior Notes due 2025	500	—
6.375% Senior Notes due 2025	1,700	1,700
5.125% Senior Notes to affiliates due 2025	1,250	—
6.500% Senior Notes due 2026	2,000	2,000
5.375% Senior Notes due 2027	500	—
5.375% Senior Notes to affiliates Due 2027	1,250	—
Senior Secured Term Loans	—	1,980
Capital leases	1,824	1,425
Unamortized premium from purchase price allocation fair value adjustment	78	212
Unamortized premium on debt to affiliates	59	—
Unamortized discount on Senior Secured Term Loans	—	(8)
Unamortized discount on affiliates Senior Notes	(73)	—
Debt issuance cost	(19)	(23)
Total debt	28,319	27,786
Less: Current portion of Senior Secured Term Loans	—	20
Less: Current portion of Senior Notes	999	—
Less: Current portion of capital leases	613	334
Total long-term debt	\$ 26,707	\$ 27,432
Classified on the balance sheet as:		
Long-term debt	\$ 12,121	\$ 21,832
Long-term debt to affiliates	14,586	5,600
Total long-term debt	\$ 26,707	\$ 27,432

Debt to Third Parties

Issuances and Borrowings

During the year ended December 31, 2017, we issued the following Senior Notes:

(in millions)	Principal Issuances	Issuance Costs	Net Proceeds from Issuance of Long-Term Debt
4.000% Senior Notes due 2022	\$ 500	\$ 2	\$ 498
5.125% Senior Notes due 2025	500	2	498
5.375% Senior Notes due 2027	500	1	499
Total of Senior Notes issued	\$ 1,500	\$ 5	\$ 1,495

On March 16, 2017, T-Mobile USA and certain of its affiliates, as guarantors, issued a total of \$1.5 billion of public Senior Notes with various interest rates and maturity dates. Issuance costs related to the public debt issuance totaled \$5 million for the year ended December 31, 2017. We used the net proceeds of \$1.495 billion from the transaction to redeem callable high yield debt.

On January 25, 2018, T-Mobile USA and certain of its affiliates, as guarantors, (i) issued \$1.0 billion of public 4.500% Senior Notes due 2026 and (ii) issued \$1.5 billion of public 4.750% Senior Notes due 2028. We intend to use the net proceeds of \$2.493 billion from the transaction to redeem up to \$1.75 billion of 6.625% Senior Notes due 2023, and up to \$600 million of 6.836% Senior Notes due 2023, with the balance to be used for general corporate purposes, including partial pay down of borrowings under our revolving credit facility with DT. Issuance costs related to the public debt issuance totaled approximately \$7 million.

Notes Redemptions

During the year ended December 31, 2017, we made the following note redemptions:

(in millions)	Principal Amount	Write-off of Premiums, Discounts and Issuance Costs ⁽¹⁾	Call Penalties ⁽¹⁾⁽²⁾	Redemption Date	Redemption Price
6.625% Senior Notes due 2020	\$ 1,000	\$ (45)	\$ 22	February 10, 2017	102.208%
5.250% Senior Notes due 2018	500	1	7	March 4, 2017	101.313%
6.250% Senior Notes due 2021	1,750	(71)	55	April 1, 2017	103.125%
6.464% Senior Notes due 2019	1,250	—	—	April 28, 2017	100.000%
6.542% Senior Notes due 2020	1,250	—	21	April 28, 2017	101.636%
6.633% Senior Notes due 2021	1,250	—	41	April 28, 2017	103.317%
6.731% Senior Notes due 2022	1,250	—	42	April 28, 2017	103.366%
Total note redemptions	\$ 8,250	\$ (115)	\$ 188		

(1) Write-off of premiums, discounts, issuance costs and call penalties are included in Other expense, net in our Consolidated Statements of Comprehensive Income. Write-off of premiums, discounts and issuance costs are included in Other, net within Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

(2) The call penalty is the excess paid over the principal amount. Call penalties are included within Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

Prior to December 31, 2017, we delivered a notice of redemption on \$1.0 billion aggregate principal amount of our 6.125% Senior Notes due 2022. The notes were redeemed on January 15, 2018, at a redemption price equal to 103.063% of the principal amount of the notes (plus accrued and unpaid interest thereon). The redemption premium was approximately \$31 million and the write-off of issuance costs was approximately \$1 million. The outstanding principal amount was reclassified from Long-term debt to Short-term debt in our Consolidated Balance Sheets as of December 31, 2017.

Debt to Affiliates
Issuances and Borrowings

During the year ended December 31, 2017, we made the following borrowings:

(in millions)	Net Proceeds from Issuance of Long-Term Debt	Extinguishments	Write-off of Discounts and Issuance Costs ⁽¹⁾
LIBOR plus 2.00% Senior Secured Term Loan due 2022	\$ 2,000	\$ —	\$ —
LIBOR plus 2.00% Senior Secured Term Loan due 2024	2,000	—	—
LIBOR plus 2.750% Senior Secured Term Loan ⁽²⁾	—	(1,980)	13
Total	\$ 4,000	\$ (1,980)	\$ 13

(1) Write-off of discounts and issuance costs are included in Other expense, net in our Consolidated Statements of Comprehensive Income and Other, net within Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

(2) Our Senior Secured Term Loan extinguished during the year ended December 31, 2017 was Third Party debt.

On January 25, 2017, T-Mobile USA, Inc. (“T-Mobile USA”), and certain of its affiliates, as guarantors, entered into an agreement to borrow \$4.0 billion under a secured term loan facility (“Incremental Term Loan Facility”) with DT, our majority stockholder, to refinance \$1.98 billion of outstanding senior secured term loans under its Term Loan Credit Agreement dated November 9, 2015, with the remaining net proceeds from the transaction used to redeem callable high yield debt. The Incremental Term Loan Facility increased DT’s incremental term loan commitment provided to T-Mobile USA under that certain First Incremental Facility Amendment dated as of December 29, 2016, from \$660 million to \$2.0 billion and provided T-Mobile USA with an additional \$2.0 billion incremental term loan commitment.

On January 31, 2017, the loans under the Incremental Term Loan Facility were drawn in two tranches: (i) \$2.0 billion of which bears interest at a rate equal to a per annum rate of LIBOR plus a margin of 2.00% and matures on November 9, 2022, and (ii) \$2.0 billion of which bears interest at a rate equal to a per annum rate of LIBOR plus a margin of 2.25% and matures on January 31, 2024. In July 2017, we repriced the \$2.0 billion Incremental Term Loan Facility maturing on January 31, 2024, with DT by reducing the interest rate to a per annum rate of LIBOR plus a margin of 2.00%. No issuance fees were incurred related to this debt agreement for the year ended December 31, 2017.

On March 31, 2017, the Incremental Term Loan Facility was amended to waive all interim principal payments. The outstanding principal balance will be due at maturity.

During the year ended December 31, 2017, we issued the following Senior Notes to DT:

(in millions)	Principal Issuances (Redemptions)	Discounts ⁽¹⁾	Net Proceeds from Issuance of Long-Term Debt
4.000% Senior Notes due 2022	\$ 1,000	\$ (23)	\$ 977
5.125% Senior Notes due 2025	1,250	(28)	1,222
5.375% Senior Notes due 2027 ⁽²⁾	1,250	(28)	1,222
6.288% Senior Reset Notes due 2019	(1,250)	—	(1,250)
6.366% Senior Reset Notes due 2020	(1,250)	—	(1,250)
Total	\$ 1,000	\$ (79)	\$ 921

(1) Discounts reduce Proceeds from issuance of long-term debt and are included within Net cash (used in) provided by financing activities in our Consolidated Statements of Cash Flows.

(2) In April 2017, we issued to DT \$750 million in aggregate principal amount of the 5.375% Senior Notes due 2027, and in September 2017, we issued to DT the remaining \$500 million in aggregate principal amount of the 5.375% Senior Notes due 2027.

On March 13, 2017, DT agreed to purchase a total of \$3.5 billion in aggregate principal amounts of Senior Notes with various interest rates and maturity dates (the “new DT Notes”).

Through net settlement in April 2017, we issued to DT a total of \$3.0 billion in aggregate principal amount of the new DT Notes and redeemed the \$2.5 billion in outstanding aggregate principal amount of Senior Reset Notes with various interest rates and maturity dates (the “old DT Notes”).

[Table of Contents](#)

The redemption prices of the old DT Notes were 103.144% and 103.183%, resulting in a total of \$79 million in early redemption fees. These early redemption fees were recorded as discounts on the issuance of the new DT Notes.

In September 2017, we issued to DT \$500 million in aggregate principal amount of 5.375% Senior Notes due 2027, which is the final tranche of the new DT Notes. We were not required to pay any underwriting fees or issuance costs in connection with the issuance of the notes.

Net proceeds from the issuance of the new DT Notes were \$921 million and are included in Proceeds from issuance of long-term debt in our Consolidated Statements of Cash Flows.

On May 9, 2017, we exercised our option under existing purchase agreements and issued the following Senior Notes to DT:

(in millions)	Principal Issuances	Premium	Net Proceeds from Issuance of Long-Term Debt
5.300% Senior Notes due 2021	\$ 2,000	\$ —	\$ 2,000
6.000% Senior Notes due 2024	1,350	40	1,390
6.000% Senior Notes due 2024	650	24	674
Total	\$ 4,000	\$ 64	\$ 4,064

The proceeds were used to fund a portion of the purchase price of spectrum licenses won in the 600 MHz spectrum auction. Net proceeds from these issuances include \$64 million in debt premiums. See [Note 5 - Goodwill, Spectrum Licenses and Other Intangible Assets](#) for further information.

On January 22, 2018, DT agreed to purchase \$1.0 billion in aggregate principal amount of 4.500% Senior Notes due 2026 and \$1.5 billion in aggregate principal amount of 4.750% Senior Notes due 2028 directly from T-Mobile USA and certain of its affiliates, as guarantors, with no underwriting discount (the "DT Notes").

DT has agreed that the payment for the DT notes will be made by delivery of \$1.25 billion in aggregate principal amount of 8.097% Senior Reset Notes due 2021 and \$1.25 billion in aggregate principal amount of 8.195% Senior Reset Notes due 2022 (collectively, the "DT Senior Reset Notes") held by DT and which T-Mobile USA will have called for redemption, in exchange for the DT notes. In connection with such exchange, we will pay DT in cash the premium portion of the redemption price set forth in the indenture governing the DT Senior Reset Notes, plus accrued but unpaid interest on the DT Senior Reset Notes to, but not including, the exchange date.

The closing of the issuance and sale of the DT notes to DT, and exchange of the DT Senior Reset Notes, is expected to occur on or about April 30, 2018.

Capital Leases

Capital lease agreements primarily relate to network equipment with varying expiration terms through 2031. Future minimum payments required under capital leases, including interest and maintenance, over their remaining terms are summarized below:

(in millions)	Future Minimum Payments
Year Ended December 31,	
2018	\$ 682
2019	634
2020	338
2021	151
2022	67
Thereafter	172
Total	\$ 2,044
Included in Total	
Interest	\$ 169
Maintenance	51

Financing Arrangements

We maintain a handset financing arrangement with Deutsche Bank AG (“Deutsche Bank”), which allows for up to \$108 million in borrowings. Under the handset financing arrangement, we can effectively extend payment terms for invoices payable to certain handset vendors. The interest rate on the handset financing arrangement is determined based on LIBOR plus a specified margin per the arrangement. Obligations under the handset financing arrangement are included in Short-term debt in our Consolidated Balance Sheets. In 2016, we utilized and repaid \$100 million under the financing arrangement. As of December 31, 2017 and 2016, there was no outstanding balance.

We maintain vendor financing arrangements with our primary network equipment suppliers. Under the respective agreements, we can obtain extended financing terms. The interest rate on the vendor financing arrangements is determined based on the difference between LIBOR and a specified margin per the agreements. Obligations under the vendor financing arrangements are included in Short-term debt in our Consolidated Balance Sheets. In 2017, we utilized and repaid \$300 million under the financing arrangement. As of December 31, 2017 and 2016, there was no outstanding balance.

Revolving Credit Facility and Standby Letters of Credit

We had an unsecured revolving credit facility with Deutsche Telekom which allowed for up to \$500 million in borrowings. In December 2016, we terminated our \$500 million unsecured revolving credit facility with Deutsche Telekom.

In December 2016, T-Mobile USA entered into a \$2.5 billion revolving credit facility with Deutsche Telekom which comprised of (i) a three-year \$1.0 billion unsecured revolving credit agreement and (ii) a three-year \$1.5 billion secured revolving credit agreement. The applicable margin for the Unsecured Revolving Credit Facility ranges from 2.00% to 3.25% per annum for Eurodollar Rate loans. The applicable margin for the Secured Revolving Credit Facility ranges from 1.00% to 1.75% per annum for Eurodollar Rate loans. As of December 31, 2017 and 2016, there were no outstanding borrowings under the revolving credit facility.

In January 2018, we utilized proceeds under the revolving credit facility to redeem \$1.0 billion in aggregate principal amount of our 6.125% Senior Notes due 2022 and for general corporate purposes. As of February 5, 2018, there were no outstanding borrowings on the revolving credit facility. The Proceeds and borrowings from the revolving credit facility are presented in Proceeds from borrowing on revolving credit facility and Repayments of revolving credit facility within Net cash (used in) provided by financing activities in our Consolidated Statements of Cash Flows.

For the purposes of securing our obligations to provide handset insurance services, we maintain an agreement for standby letters of credit with JP Morgan Chase Bank, N.A. (“JP Morgan Chase”). For purposes of securing our general purpose obligations, we maintain a letter of credit reimbursement agreement with Deutsche Bank.

The following table summarizes the outstanding standby letters of credit under each agreement:

(in millions)	December 31, 2017	December 31, 2016
JP Morgan Chase	\$ 20	\$ 20
Deutsche Bank	59	54
Total outstanding balance	\$ 79	\$ 74

Note 8 - Tower Obligations

In 2012, we conveyed to Crown Castle International Corp. (“CCI”) the exclusive right to manage and operate approximately 7,100 T-Mobile-owned wireless communication tower sites (“CCI Tower Sites”) in exchange for net proceeds of \$2.5 billion (“2012 Tower Transaction”). Rights to approximately 6,200 of the tower sites were transferred to CCI via a Master Prepaid Lease with site lease terms ranging from 23 to 37 years (“CCI Lease Sites”), while the remaining tower sites were sold to CCI (“CCI Sales Sites”). CCI has fixed-price purchase options for these towers totaling approximately \$2.0 billion, based on the estimated fair market value at the end of the lease term. We lease back space at certain tower sites for an initial term of ten years, followed by optional renewals at customary terms.

In 2015, we conveyed to Phoenix Tower International (“PTI”) the exclusive right to manage and operate approximately 600 T-Mobile-owned wireless communication tower sites (“PTI Tower Sites”) in exchange for net proceeds of approximately \$140 million (“2015 Tower Transaction”). As of December 31, 2017, rights to approximately 200 of the tower sites remain operated

[Table of Contents](#)

by PTI under a management agreement (“PTI Managed Sites”). We lease back space at certain tower sites for an initial term of ten years, followed by optional renewals at customary terms.

Assets and liabilities associated with the operation of certain of the tower sites were transferred to SPEs. Assets included ground lease agreements or deeds for the land on which the towers are situated, the towers themselves and existing subleasing agreements with other mobile network operator tenants, who lease space at the tower sites. Liabilities included the obligation to pay ground lease rentals, property taxes and other executory costs. Upon closing of the 2012 Tower Transaction, CCI acquired all of the equity interests in the SPEs containing CCI Sales Sites and an option to acquire the CCI Lease Sites at the end of their respective lease terms and entered into a master lease agreement under which we agreed to lease back space at certain of the tower sites. Upon closing of the 2015 Tower Transaction, PTI acquired all of the equity interests in the SPEs containing PTI Sales Sites and entered into a master lease agreement under which we agreed to lease back space at certain of the tower sites.

We determined the SPEs containing the CCI Lease Sites (“Lease Site SPEs”) are VIEs as the Company's equity investment lacks the power to direct the activities that most significantly impact the economic performance of the VIEs. These activities include managing tenants and underlying ground leases, performing repair and maintenance on the towers, the obligation to absorb expected losses and the right to receive the expected future residual returns from the purchase option to acquire the CCI Lease Sites. As we determined that we are not the primary beneficiary and do not have a controlling financial interest in the Lease Site SPEs, the balances and operating results of the Lease Site SPEs are not included in our consolidated financial statements.

Due to our continuing involvement with the tower sites, we determined that we were precluded from applying sale-leaseback accounting. We recorded long-term financial obligations in the amount of the net proceeds received and recognized interest on the tower obligations at a rate of approximately 8% for the 2012 Tower Transaction and 5% for the 2015 Tower Transaction using the effective interest method. The tower obligations are increased by interest expense and amortized through contractual leaseback payments made by us to CCI or PTI and through estimated future net cash flows generated and retained by CCI or PTI from operation of the tower sites. Our historical tower site asset costs continue to be reported in Property and equipment, net in our Consolidated Balance Sheets and are depreciated.

The following table summarizes the impacts to the Consolidated Balance Sheets:

(in millions)	December 31, 2017	December 31, 2016
Property and equipment, net	\$ 402	\$ 485
Long-term financial obligation	2,590	2,621

Future minimum payments related to the tower obligations are expected to be approximately \$189 million in 2018, \$379 million in total for 2019 and 2020, \$381 million in total for 2021 and 2022 and \$1.0 billion in total for years thereafter.

We are contingently liable for future ground lease payments through the remaining term of the CCI Lease Sites. These contingent obligations are not included in the above table as any amount due is contractually owed by CCI based on the subleasing arrangement. See [Note 13 – Commitments and Contingencies](#) for further information.

Note 9 – Employee Compensation and Benefit Plans

Under our 2013 Omnibus Incentive Plan (the “Incentive Plan”), we are authorized to issue up to 63 million shares of our common stock. Under the Incentive Plan, we can grant stock options, stock appreciation rights, restricted stock, restricted stock units (“RSUs”), and performance awards to eligible employees, consultants, advisors and non-employee directors. As of December 31, 2017, there were 15 million shares of common stock available for future grants under the Incentive Plan.

In January 2018, we closed on our previously announced acquisition of Layer3 TV, Inc. (“Layer3 TV”). Upon closing, the Layer3 TV 2013 Stock Plan and stock restriction agreements between Layer3 and certain employees were added to the Registration Statement related to the Incentive Plan. See [Note 15 - Subsequent Events](#) for further information regarding the Layer3 TV acquisitions.

We grant RSUs to eligible employees and certain non-employee directors and performance-based restricted stock units (“PRSUs”) to eligible key executives. RSUs entitle the grantee to receive shares of our common stock at the end of a vesting period of generally up to 3 years, subject to continued service through the applicable vesting date. PRSUs entitle the holder to receive shares of our common stock at the end of a vesting period of generally up to 3 years if the applicable performance goals are achieved and generally subject to continued employment through the vesting period. The number of shares ultimately

[Table of Contents](#)

received by the holder of PRSUs is dependent on our business performance against the specified performance goal(s) over a pre-established performance period. We also maintain an employee stock purchase plan (“ESPP”), under which eligible employees can purchase our common stock at a discounted price.

Stock-based compensation expense and related income tax benefits were as follows:

(in millions, except shares, per share and contractual life amounts)	December 31, 2017	December 31, 2016	December 31, 2015
Stock-based compensation expense	\$ 306	\$ 235	\$ 201
Income tax benefit related to stock-based compensation	73	80	71
Realized excess tax benefit	—	—	79
Weighted average fair value per stock award granted	60.21	45.07	35.56
Unrecognized compensation expense	445	389	327
Weighted average period to be recognized (years)	1.9	2.0	2.0
Fair value of stock awards vested	503	354	445

Stock Awards

RSU and PRSU Awards

The following activity occurred under the RSU and PRSU awards:

(in millions, except shares, per share and contractual life amounts)	Number of Units ⁽¹⁾	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Nonvested, December 31, 2016	15,715,391	\$ 37.93	1.1	\$ 904
Granted	7,133,359	60.21		
Vested	(8,338,271)	35.47		
Forfeited	(814,936)	49.02		
Nonvested, December 31, 2017	13,695,543	50.38	1.1	870

(1) PRSUs included in the table above are shown at target. Share payout can range from 0 to 200% based on different performance outcomes.

Payment of the underlying shares in connection with the vesting of stock awards generally triggers a tax obligation for the employee, which is required to be remitted to the relevant tax authorities. We have agreed to withhold stock otherwise issuable under the award to cover certain of these tax obligations, with the net shares issued to the employee accounted for as outstanding common stock. We withheld 2,754,721 and 2,605,807 shares of stock to cover tax obligations associated with the payment of shares upon vesting of stock awards and remitted cash of \$166 million and \$121 million to the appropriate tax authorities for the years ended December 31, 2017 and 2016, respectively.

Employee Stock Purchase Plan

Our ESPP allows eligible employees to contribute up to 15% of their eligible earnings toward the semi-annual purchase of our common stock at a discounted price, subject to an annual maximum dollar amount. Employees can purchase stock at a 15% discount applied to the closing stock price on the first or last day of the six-month offering period, whichever price is lower. The number of shares issued under our ESPP was 1,832,043 and 1,905,534 for the years ended December 31, 2017 and 2016, respectively.

Stock Options

Prior to the business combination, MetroPCS had established the MetroPCS Communications, Inc. 2010 Equity Incentive Compensation Plan, the Amended and Restated MetroPCS Communications, Inc. 2004 Equity Incentive Compensation Plan and the Second Amended and Restated 1995 Stock Option Plan (“Predecessor Plans”). Following stockholder approval of the Incentive Plan, no new awards have been or may be granted under the Predecessor Plans.

[Table of Contents](#)

The following activity occurred under the Predecessor Plans:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)
Outstanding and exercisable, December 31, 2016	833,931	\$ 31.75	2.3
Exercised	(450,873)	44.18	
Expired	(9,900)	45.76	
Outstanding and exercisable, December 31, 2017	373,158	16.36	2.8

Stock options exercised under the Predecessor Plans generated proceeds of approximately \$21 million and \$29 million for the years ended December 31, 2017 and 2016, respectively.

Employee Retirement Savings Plan

We sponsor a retirement savings plan for the majority of our employees under section 401(k) of the Internal Revenue Code and similar plans. The plans allow employees to contribute a portion of their pretax income in accordance with specified guidelines. The plans provide that we match a percentage of employee contributions up to certain limits. Employer matching contributions were \$87 million, \$83 million and \$73 million for the years ended December 31, 2017, 2016 and 2015, respectively.

Legacy Long-Term Incentive Plan

Prior to the business combination with MetroPCS Communications, Inc., we maintained a performance-based Long-Term Incentive Plan (“LTIP”) which aligned to our long-term business strategy. As of December 31, 2017 and 2016, there were no LTIP awards outstanding and no new awards are expected to be granted under the LTIP.

Compensation expense reported within operating expenses related to our LTIP and payments to participants related to our LTIP were as follows:

(in millions)	December 31, 2017	December 31, 2016	December 31, 2015
Compensation expense	\$ —	\$ —	\$ 27
Payments	—	52	57

Note 10 – Repurchases of Common Stock

On December 6, 2017, our Board of Directors authorized a stock repurchase program for up to \$1.5 billion of our common stock through December 31, 2018. Under the repurchase program, repurchases can be made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions or otherwise, all in accordance with the rules of the Securities and Exchange Commission and other applicable legal requirements. The specific timing, price and size of purchases will depend on prevailing stock prices, general economic and market conditions, and other considerations. The repurchase program does not obligate us to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at our discretion. Repurchased shares are retired.

We also understand that Deutsche Telekom AG, our majority stockholder, or its affiliates, is considering plans to purchase additional shares of our common stock. Such purchases would likely take place through December 31, 2018, all in accordance with the rules of the Securities and Exchange Commission and other applicable legal requirements.

The following table summarizes information regarding repurchases of our common stock:

(In millions, except shares and per share price)	Number of Shares Repurchased	Average Price Paid Per Share	Total Purchase Price
Year Ended December 31, 2017	7,010,889	\$ 63.34	\$ 444

From the inception of the repurchase program through February 5, 2018, we repurchased approximately 12.3 million shares at an average price per share of \$63.68 for a total purchase price of approximately \$783 million. As of February 5, 2018, there was approximately \$717 million of repurchase authority remaining.

Note 11 – Income Taxes

Our sources of Income before income taxes were as follows:

(in millions)	Year Ended December 31,		
	2017	2016	2015
U.S.	\$ 3,274	\$ 2,286	\$ 898
Puerto Rico	(113)	41	80
Income before income taxes	\$ 3,161	\$ 2,327	\$ 978

Income tax expense is summarized as follows:

(in millions)	Year Ended December 31,		
	2017	2016	2015
Current tax benefit (expense)			
Federal	\$ —	\$ 66	\$ 30
State	(28)	(29)	(2)
Puerto Rico	(1)	10	(17)
Total current tax benefit (expense)	(29)	47	11
Deferred tax benefit (expense)			
Federal	1,182	(804)	(281)
State	173	(96)	37
Puerto Rico	49	(14)	(12)
Total deferred tax benefit (expense)	1,404	(914)	(256)
Total income tax benefit (expense)	\$ 1,375	\$ (867)	\$ (245)

The reconciliation between the U.S. federal statutory income tax rate and our effective income tax rate is as follows:

	Year Ended December 31,		
	2017	2016	2015
Federal statutory income tax rate	35.0 %	35.0 %	35.0 %
Effect of the Tax Cuts and Jobs Act	(68.9)	—	—
Change in valuation allowance	(11.4)	1.0	(3.2)
State taxes, net of federal benefit	4.8	4.0	(1.1)
Equity-based compensation	(2.4)	(2.2)	—
Puerto Rico taxes, net of federal benefit	(1.5)	—	3.3
Permanent differences	0.5	0.6	1.6
Federal tax credits, net of reserves	0.3	(0.5)	(9.5)
Other, net	0.1	(0.6)	(1.0)
Effective income tax rate	(43.5)%	37.3 %	25.1 %

[Table of Contents](#)

Significant components of deferred income tax assets and liabilities, tax effected, are as follows:

(in millions)	December 31, 2017	December 31, 2016
Deferred tax assets		
Loss carryforwards	\$ 1,576	\$ 1,442
Deferred rents	759	1,153
Reserves and accruals	667	1,058
Federal and state tax credits	298	284
Debt fair market value adjustment	—	83
Other	403	430
Deferred tax assets, gross	3,703	4,450
Valuation allowance	(273)	(573)
Deferred tax assets, net	3,430	3,877
Deferred tax liabilities		
Spectrum licenses	5,038	6,952
Property and equipment	1,840	1,732
Other intangible assets	41	119
Other	48	12
Total deferred tax liabilities	6,967	8,815
Net deferred tax liabilities	\$ 3,537	\$ 4,938

Classified on the balance sheet as:

Deferred tax liabilities	\$ 3,537	\$ 4,938
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On December 22, 2017, President Trump signed the Tax Cuts and Jobs Act of 2017 (“TCJA”) into legislation. The TCJA includes numerous changes to existing tax law, including a permanent reduction in the federal corporate income tax rate from 35% to 21%. The rate reduction takes effect on January 1, 2018. We recognized a net tax benefit of \$2.2 billion associated with enactment of the TCJA in Income tax benefit (expense) in our Consolidated Statements of Comprehensive Income in the fourth quarter of 2017, primarily due to a re-measurement of deferred tax assets and liabilities.

The SEC has issued Staff Accounting Bulletin (“SAB”) No. 118 which permits the recording of provisional amounts related to the impact of the TCJA during a measurement period which is not to exceed one year from the enactment date of the TCJA. We have recorded an immaterial amount for provisional items related to the TCJA in our Consolidated Statements of Comprehensive Income.

As of December 31, 2017, we have tax effected net operating loss (“NOL”) carryforwards of \$1.0 billion for federal income tax purposes and \$832 million for state income tax purposes, expiring through 2037. As of December 31, 2017, our tax effected federal and state NOL carryforwards for financial reporting purposes were approximately \$123 million and \$242 million, respectively, less than our NOL carryforwards for federal and state income tax purposes, due to unrecognized tax benefits of the same amount.

As of December 31, 2017, we have available Alternative Minimum Tax (“AMT”) credit carryforwards of \$86 million. Under the TCJA, the AMT credits will be fully recovered by 2021. We also have research and development and foreign tax credit carryforwards with a combined value of \$198 million for federal income tax purposes, which begin to expire in 2018.

As of December 31, 2017 and 2016, our valuation allowance was \$273 million and \$573 million, respectively. The change in the valuation allowance is primarily related to a net reduction in the valuation allowance against deferred tax assets in state jurisdictions that resulted in the recognition of \$359 million in net tax benefits in 2017, partially offset by a \$26 million valuation allowance established during 2017 for the impact of the TCJA on certain tax credits and a \$33 million increase in the valuation allowance associated with the reduced federal benefit of state items.

During 2017, due to ongoing analysis of positive and negative evidence related to the utilization of the deferred tax assets, we determined that \$319 million of the valuation allowance in certain state jurisdictions was no longer necessary. Positive evidence supporting the release of a portion of the valuation allowance included reaching a position of cumulative income over a three-year period in certain state jurisdictions as well as projecting sustained earnings in those jurisdictions. Due to this positive evidence, we reduced the valuation allowance which resulted in a decrease to Deferred tax liabilities in our Consolidated

[Table of Contents](#)

Balance Sheets. We will continue to monitor positive and negative evidence related to the utilization of the remaining deferred tax assets for which a valuation allowance continues to be provided. It is possible that our valuation allowance may change within the next twelve months.

We file income tax returns in the U.S. federal jurisdiction, various state jurisdictions and in Puerto Rico. We are currently under a scope-limited examination by the U.S. Internal Revenue Service (“IRS”) and separate examinations by various states. Management does not believe the resolution of any of the audits will result in a material change to our financial condition, results of operations or cash flows. The IRS has concluded its audits of our federal tax returns through the 2013 tax year; however, NOL and other carryforwards for certain audited periods remain open for examination. We are generally closed to U.S. federal, state and Puerto Rico examination for years prior to 1998.

A reconciliation of the beginning and ending amount of unrecognized tax benefits were as follows:

(in millions)	Year Ended December 31,		
	2017	2016	2015
Unrecognized tax benefits, beginning of year	\$ 410	\$ 411	\$ 388
Gross decreases to tax positions in prior periods	(10)	(5)	(112)
Gross increases to current period tax positions	12	4	135
Unrecognized tax benefits, end of year	\$ 412	\$ 410	\$ 411

As of December 31, 2017 and 2016, we had \$254 million and \$168 million, respectively, in unrecognized tax benefits that, if recognized, would affect our annual effective tax rate. Penalties and interest on income tax assessments are included in Selling, general and administrative expenses and Interest expense, respectively, in our Consolidated Statements of Comprehensive Income. The accrued interest and penalties associated with unrecognized tax benefits are insignificant.

Note 12 – Earnings Per Share

The computation of basic and diluted earnings per share was as follows:

(in millions, except shares and per share amounts)	Year Ended December 31,		
	2017	2016	2015
Net income	\$ 4,536	\$ 1,460	\$ 733
Less: Dividends on mandatory convertible preferred stock	(55)	(55)	(55)
Net income attributable to common stockholders - basic	4,481	1,405	678
Add: Dividends related to mandatory convertible preferred stock	55	—	—
Net income attributable to common stockholders - diluted	\$ 4,536	\$ 1,405	\$ 678
Weighted average shares outstanding - basic	831,850,073	822,470,275	812,994,028
Effect of dilutive securities:			
Outstanding stock options and unvested stock awards	9,200,873	10,584,270	9,623,910
Mandatory convertible preferred stock	30,736,504	—	—
Weighted average shares outstanding - diluted	871,787,450	833,054,545	822,617,938
Earnings per share - basic	\$ 5.39	\$ 1.71	\$ 0.83
Earnings per share - diluted	\$ 5.20	\$ 1.69	\$ 0.82
Potentially dilutive securities:			
Outstanding stock options and unvested stock awards	33,980	3,528,683	4,842,370
Mandatory convertible preferred stock	—	32,238,000	32,238,000

As of December 15, 2017, 20 million shares of our preferred stock converted to approximately 32 million shares of our common stock at a conversion rate of 1.6119 common shares for each share of previously outstanding preferred stock and certain cash-in-lieu of fractional shares.

Potentially dilutive securities were not included in the computation of diluted earnings per share if to do so would have been anti-dilutive.

Note 13 – Commitments and Contingencies

Commitments

Operating Leases

We have non-cancellable operating leases for cell sites, switch sites, retail stores and office facilities with contractual terms expiring through 2027. The majority of cell site leases have an initial non-cancelable term of five to ten years with several renewal options. In addition, we have operating leases for dedicated transportation lines with varying expiration terms through 2024. Our commitments under these leases are approximately \$2.4 billion in 2018, \$4.1 billion in total for 2019 and 2020, \$2.7 billion in total for 2021 and 2022 and \$2.3 billion in total for years thereafter.

As of December 31, 2017, we were contingently liable for future ground lease payments related to the tower obligations. These contingent obligations are not included in the above table as the amounts due are contractually owed by CCI based on the subleasing arrangement. See [Note 8 – Tower Obligations](#) for further information.

Total rent expense under operating leases, including dedicated transportation lines, was \$2.9 billion, \$2.8 billion and \$2.8 billion for the years ended December 31, 2017, 2016 and 2015, respectively, and is classified as Cost of services and Selling, general and administrative in our Consolidated Statements of Comprehensive Income.

In February 2018, we extended the leases related to our corporate headquarters facility. These agreements will increase our minimum lease payments by approximately \$400 million in the aggregate.

Purchase Commitments

We have commitments for non-dedicated transportation lines with varying expiration terms through 2028. In addition, we have commitments to purchase spectrum licenses, wireless devices, network services, equipment, software, marketing sponsorship agreements and other items in the ordinary course of business, with various terms through 2028. These amounts are not reflective of our entire anticipated purchases under the related agreements, but are determined based on the non-cancelable quantities or termination amounts to which we are contractually obligated.

We have contractual obligations to purchase certain goods and services from various other parties. Our purchase obligations are approximately \$2.1 billion in 2018, \$2.2 billion in total for 2019 and 2020, \$1.5 billion in total for 2021 and 2022 and \$1.0 billion in total for years thereafter.

In September 2017, we entered into a UPA to acquire the remaining equity in IWS, a 54% owned unconsolidated subsidiary, for a purchase price of \$25 million. In January 2018, we closed on the purchase agreement and received the IWS spectrum licenses, among other assets. See [Note 5 - Goodwill, Spectrum Licenses and Other Intangible Assets](#) for further information.

On January 22, 2018, we completed our acquisition of television innovator Layer3 TV for consideration of approximately \$325 million, subject to customary working capital and other post-closing adjustments. Upon closing of the transaction, Layer3 TV became a wholly-owned consolidated subsidiary. This transaction represents an opportunity for us to acquire a unique and complementary service and represents a progression in our video strategy, which began with Binge On, was strengthened with Netflix On Us, and will expand further with Layer3 TV's management, technology, and content relationships which will enable us to bring the Un-carrier philosophy to video.

Our first-quarter 2018 operating results will include the results of Layer3 TV from the date of acquisition. Our consolidated balance sheet will include the assets and liabilities of Layer3 TV, such as intangibles assets acquired, which are being appraised by a third-party and include various assumptions in determining fair value.

Renewable Energy Purchase Agreements

In January 2017, T-Mobile USA entered into a REPA with Red Dirt Wind Project, LLC. The agreement is based on the expected operation of a wind energy-generating facility located in Oklahoma and will remain in effect until the twelfth anniversary of the facility's entry into commercial operation. The facility began commercial operations in January 2018. The REPA consists of two components: (1) an energy forward agreement that is net settled based on energy prices and the energy output generated by the facility and (2) a commitment to purchase the renewable energy credits ("RECs") associated with the energy output generated by the facility. T-Mobile USA will net settle the forward agreement and acquire the RECs monthly by paying, or receiving, an aggregate net payment based on two variables (1) the facility's energy output, which has an estimated

[Table of Contents](#)

maximum capacity of approximately 160 megawatts and (2) the difference between (a) an initial fixed price, subject to annual escalation, and (b) current local marginal energy prices during the monthly settlement period. We have determined that the REPA does not meet the definition of a derivative because the expected energy output of the facility may not be reliably estimated (the arrangement lacks a notional amount). The REPA does not contain any unconditional purchase obligations because amounts under the agreement are not fixed and determinable. Our participation in the REPA did not require an upfront investment or capital commitment. We do not control the activities that most significantly impact the energy-generating facility nor do we receive specific energy output from it. No amounts were settled under the agreement during the year ended December 31, 2017.

In August 2017, T-Mobile USA entered into a REPA with Solomon Forks Wind Project, LLC. The agreement is based on the expected operation of a wind energy-generating facility located in Kansas and will remain in effect until the fifteenth anniversary of the facility's entry into commercial operation. Commercial operation of the facility is expected to occur by the end of 2018. The REPA consists of two components: (1) an energy forward agreement that is net settled based on energy prices and the energy output generated by the facility and (2) a commitment to purchase the environmental attributes ("EACs") associated with the energy output generated by the facility. T-Mobile USA will net settle the forward agreement and acquire the EACs monthly by paying, or receiving, an aggregate net payment based on two variables (1) the facility's energy output, which has an estimated maximum capacity of approximately 160 megawatts and (2) the difference between (a) an initial fixed price, subject to annual escalation, and (b) current local marginal energy prices during the monthly settlement period. We have determined that the REPA does not meet the definition of a derivative because the expected energy output of the facility may not be reliably estimated (the arrangement lacks a notional amount). The REPA does not contain any unconditional purchase obligations because amounts under the agreement are not fixed and determinable. Our participation in the REPA did not require an upfront investment or capital commitment. We do not control the activities that most significantly impact the energy-generating facility nor do we receive specific energy output from it. No amounts were settled under the agreement during the year ended December 31, 2017.

Contingencies and Litigation

We are involved in various lawsuits, claims, government agency investigations and enforcement actions, and other proceedings ("Litigation Matters") that arise in the ordinary course of business, which include claims of patent infringement (most of which are asserted by non-practicing entities primarily seeking monetary damages), class actions, and proceedings to enforce FCC rules and regulations. The Litigation Matters described above have progressed to various stages and some of them may proceed to trial, arbitration, hearing or other adjudication that could result in fines, penalties, or awards of monetary or injunctive relief in the coming 12 months, if they are not otherwise resolved. We have established an accrual with respect to certain of these matters, where appropriate, which is reflected in the consolidated financial statements but that we do not consider, individually or in the aggregate, material. An accrual is established when we believe it is both probable that a loss has been incurred and an amount can be reasonably estimated. For other matters, where we have not determined that a loss is probable or because the amount of loss cannot be reasonably estimated, we have not recorded an accrual due to various factors typical in contested proceedings, including but not limited to: uncertainty concerning legal theories and their resolution by courts or regulators; uncertain damage theories and demands; and a less than fully developed factual record. While we do not expect that the ultimate resolution of these proceedings, individually or in the aggregate, will have a material adverse effect on our financial position, an unfavorable outcome of some or all of these proceedings could have a material adverse impact on results of operations or cash flows for a particular period. This assessment is based on our current understanding of relevant facts and circumstances. As such, our view of these matters is subject to inherent uncertainties and may change in the future.

Note 14 – Additional Financial Information**Supplemental Consolidated Balance Sheets Information*****Accounts Payable and Accrued Liabilities***

Accounts payable and accrued liabilities are summarized as follows:

(in millions)	December 31, 2017	December 31, 2016
Accounts payable	\$ 6,182	\$ 5,163
Payroll and related benefits	614	559
Property and other taxes, including payroll	620	525
Interest	253	423
Commissions	324	159
Network decommissioning	92	101
Toll and interconnect	109	85
Advertising	46	44
Other	288	93
Accounts payable and accrued liabilities	\$ 8,528	\$ 7,152

Book overdrafts included in accounts payable and accrued liabilities were \$455 million and \$356 million as of December 31, 2017 and 2016, respectively.

Hurricane Impacts

During the third and fourth quarters of 2017, our operations in Texas, Florida and Puerto Rico experienced losses related to hurricanes. The impact to operating income for the year ended December 31, 2017, from lost revenue, assets damaged or destroyed and other hurricane related costs was a decrease of \$201 million, net of insurance recoveries. We expect additional expenses to be incurred and customer activity to be impacted in the first quarter of 2018, primarily related to our operations in Puerto Rico. We have recognized insurance recoveries related to those hurricane losses in the amount of approximately \$93 million for the year ended December 31, 2017 as an offset to the costs incurred within Cost of services in our Consolidated Statements of Comprehensive Income and as an increase to Other current assets in our Consolidated Balance Sheets. We continue to assess the damage of the hurricanes and work with our insurance carriers to submit claims for property damage and business interruption. We expect to record additional insurance recoveries related to these hurricanes in future periods.

Supplemental Consolidated Statements of Comprehensive Income Information***Related Party Transactions***

We have related party transactions associated with Deutsche Telekom or its affiliates in the ordinary course of business, which are included in the consolidated financial statements.

The following table summarizes the impact of significant transactions with Deutsche Telekom or its affiliates included in operating expenses in the Consolidated Statements of Comprehensive Income:

(in millions)	Year Ended December 31,		
	2017	2016	2015
Discount related to roaming expenses	\$ —	\$ (15)	\$ (21)
Fees incurred for use of the T-Mobile brand	79	74	65
Expenses for telecommunications and IT services	12	25	23
International long distance agreement	55	60	—

We have an agreement with Deutsche Telekom for the reimbursement of certain administrative expenses, which were \$11 million, \$11 million, and \$2 million for the years ended December 31, 2017, 2016 and 2015, respectively.

Note 15 – Subsequent Events

On January 1, 2018, we closed on a UPA to acquire the remaining equity in IWS, a 54% owned unconsolidated subsidiary, for a purchase price of \$25 million. See [Note 5 - Goodwill, Spectrum Licenses and Other Intangible Assets](#) for further information.

On January 22, 2018, we completed our acquisition of television innovator Layer3 TV for consideration of approximately \$325 million, subject to customary working capital and other post-closing adjustments. See [Note 13 - Commitments and Contingencies](#) for further information.

In January 2018, we redeemed \$1.0 billion aggregate principal amount of our 6.125% Senior Notes due 2022 and issued \$1.0 billion of public 4.500% Senior Notes due 2026 and issued \$1.5 billion of public 4.750% Senior Notes due 2028. Additionally in January 2018, DT agreed to purchase \$1.0 billion in aggregate principal amount of 4.500% Senior Notes due 2026 and \$1.5 billion in aggregate principal amount of 4.750% Senior Notes due 2028 directly from T-Mobile USA and certain of its affiliates, as guarantors, with no underwriting discount. See [Note 7 - Debt](#) for further information.

In February 2018, the service receivable sale arrangement was amended to extend the scheduled expiration date to March 2019. See [Note 3 - Sales of Certain Receivables](#) for further information.

In February 2018, we extended the leases related to our corporate headquarters facility. See [Note 13 - Commitments and Contingencies](#) for further information.

Through February 5, 2018, we made additional repurchases of our common stock. See [Note 10 - Repurchases of Common Stock](#) for further information.

Note 16 – Guarantor Financial Information

Pursuant to the applicable indentures and supplemental indentures, the long-term debt to affiliates and third parties, excluding Senior Secured Term Loans and capital leases, issued by T-Mobile USA (“Issuer”) is fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by T-Mobile (“Parent”) and certain of the Issuer’s 100% owned subsidiaries (“Guarantor Subsidiaries”).

In January 2017, T-Mobile USA, and certain of its affiliates, as guarantors, borrowed \$4.0 billion under the Incremental Term Loan Facility to refinance \$1.98 billion of outstanding secured term loans under its Term Loan Credit Agreement dated November 9, 2015, with the remaining net proceeds from the transaction intended to be used to redeem callable high yield debt.

In March 2017, T-Mobile USA and certain of its affiliates, as guarantors, (i) issued \$500 million in aggregate principal amount of public 4.000% Senior Notes due 2022, (ii) issued \$500 million in aggregate principal amount of public 5.125% Senior Notes due 2025 and (iii) issued \$500 million in aggregate principal amount of public 5.375% Senior Notes due 2027.

In April 2017, T-Mobile USA and certain of its affiliates, as guarantors, (i) issued \$1.0 billion in aggregate principal amount of 4.000% Senior Notes due 2022, (ii) issued \$1.25 billion in aggregate principal amount of 5.125% Senior Notes due 2025 and (iii) issued \$750 million in aggregate principal amount of 5.375% Senior Notes due 2027. Additionally, T-Mobile USA and certain of its affiliates, as guarantors, redeemed through net settlement, the \$1.25 billion outstanding aggregate principal amount of the 6.288% Senior Reset Notes to affiliates due 2019 and \$1.25 billion in aggregate principal amount of the 6.366% Senior Reset Notes to affiliates due 2020.

In May 2017, T-Mobile USA and certain of its affiliates, as guarantors, (i) issued \$2.0 billion in aggregate principal amount of 5.300% Senior Notes due 2021, (ii) issued \$1.35 billion in aggregate principal amount of 6.000% Senior Notes due 2024 and (iii) issued \$650 million in aggregate principal amount of 6.000% Senior Notes due 2024.

In September 2017, T-Mobile USA and certain of its affiliates, as guarantors, issued the remaining \$500 million in aggregate principal amount of 5.375% Senior Notes due 2027.

See [Note 7 - Debt](#) for further information.

The guarantees of the Guarantor Subsidiaries are subject to release in limited circumstances only upon the occurrence of certain customary conditions. The indentures and credit facilities governing the long-term debt contain covenants that, among other things, limit the ability of the Issuer and the Guarantor Subsidiaries to: incur more debt; pay dividends and make distributions; make certain investments; repurchase stock; create liens or other encumbrances; enter into transactions with affiliates; enter

[Table of Contents](#)

into transactions that restrict dividends or distributions from subsidiaries; and merge, consolidate, or sell, or otherwise dispose of, substantially all of their assets. Certain provisions of each of the credit facilities, indentures and supplemental indentures relating to the long-term debt restrict the ability of the Issuer to loan funds or make payments to Parent. However, the Issuer and Guarantor Subsidiaries are allowed to make certain permitted payments to the Parent under the terms of the indentures and the supplemental indentures.

During the preparation of the condensed consolidating financial information of T-Mobile US, Inc. and Subsidiaries for the year ended December 31, 2017, it was determined that certain intercompany advances were misclassified in Net cash provided by (used in) operating activities and Net cash (used in) provided by financing activities in the Condensed Consolidating Statement of Cash Flows Information for the years ended December 31, 2016 and 2015, as filed in our 2016 Form 10-K. We have revised the Issuer, Guarantor Subsidiaries and Non-Guarantor Subsidiaries columns of the Condensed Consolidating Statement of Cash Flows Information to reclassify Intercompany advances, net from Net cash provided by (used in) operating activities to Net cash (used in) provided by financing activities. The impacts to the Issuer, Guarantor Subsidiaries and Non-Guarantor Subsidiaries columns for the year ended December 31, 2016 were \$696 million, \$625 million and \$71 million, respectively. The impacts to the Issuer, Guarantor Subsidiaries and Non-Guarantor Subsidiaries columns for the year ended December 31, 2015 were \$3.4 billion, \$3.3 billion and \$69 million, respectively. The revisions, which we have determined are not material, are eliminated upon consolidation and have no impact on our consolidated cash flows.

Presented below is the condensed consolidating financial information as of December 31, 2017 and December 31, 2016, and for the years ended December 31, 2017, 2016, and 2015.

Condensed Consolidating Balance Sheet Information
December 31, 2017

(in millions)	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
Assets						
Current assets						
Cash and cash equivalents	\$ 74	\$ 1	\$ 1,086	\$ 58	\$ —	\$ 1,219
Accounts receivable, net	—	—	1,659	256	—	1,915
Equipment installment plan receivables, net	—	—	2,290	—	—	2,290
Accounts receivable from affiliates	—	—	22	—	—	22
Inventories	—	—	1,566	—	—	1,566
Other current assets	—	—	1,275	628	—	1,903
Total current assets	74	1	7,898	942	—	8,915
Property and equipment, net ⁽¹⁾	—	—	21,890	306	—	22,196
Goodwill	—	—	1,683	—	—	1,683
Spectrum licenses	—	—	35,366	—	—	35,366
Other intangible assets, net	—	—	217	—	—	217
Investments in subsidiaries, net	22,534	40,988	—	—	(63,522)	—
Intercompany receivables and note receivables	—	8,503	—	—	(8,503)	—
Equipment installment plan receivables due after one year, net	—	—	1,274	—	—	1,274
Other assets	—	2	814	236	(140)	912
Total assets	\$ 22,608	\$ 49,494	\$ 69,142	\$ 1,484	\$ (72,165)	\$ 70,563
Liabilities and Stockholders' Equity						
Current liabilities						
Accounts payable and accrued liabilities	\$ —	\$ 253	\$ 8,014	\$ 261	\$ —	\$ 8,528
Payables to affiliates	—	146	36	—	—	182
Short-term debt	—	999	613	—	—	1,612
Deferred revenue	—	—	779	—	—	779
Other current liabilities	17	—	192	205	—	414
Total current liabilities	17	1,398	9,634	466	—	11,515
Long-term debt	—	10,911	1,210	—	—	12,121
Long-term debt to affiliates	—	14,586	—	—	—	14,586
Tower obligations ⁽¹⁾	—	—	392	2,198	—	2,590
Deferred tax liabilities	—	—	3,677	—	(140)	3,537
Deferred rent expense	—	—	2,720	—	—	2,720
Negative carrying value of subsidiaries, net	—	—	629	—	(629)	—
Intercompany payables and debt	32	—	8,201	270	(8,503)	—
Other long-term liabilities	—	65	866	4	—	935
Total long-term liabilities	32	25,562	17,695	2,472	(9,272)	36,489
Total stockholders' equity (deficit)	22,559	22,534	41,813	(1,454)	(62,893)	22,559
Total liabilities and stockholders' equity	\$ 22,608	\$ 49,494	\$ 69,142	\$ 1,484	\$ (72,165)	\$ 70,563

(1) Assets and liabilities for Non-Guarantor Subsidiaries are primarily included in VEs related to the 2012 Tower Transaction. See [Note 8 – Tower Obligations](#) for further information.

Condensed Consolidating Balance Sheet Information
December 31, 2016

(in millions)	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
Assets						
Current assets						
Cash and cash equivalents	\$ 358	\$ 2,733	\$ 2,342	\$ 67	\$ —	\$ 5,500
Accounts receivable, net	—	—	1,675	221	—	1,896
Equipment installment plan receivables, net	—	—	1,930	—	—	1,930
Accounts receivable from affiliates	—	—	40	—	—	40
Inventories	—	—	1,111	—	—	1,111
Asset purchase deposit	—	—	2,203	—	—	2,203
Other current assets	—	—	972	565	—	1,537
Total current assets	358	2,733	10,273	853	—	14,217
Property and equipment, net ⁽¹⁾	—	—	20,568	375	—	20,943
Goodwill	—	—	1,683	—	—	1,683
Spectrum licenses	—	—	27,014	—	—	27,014
Other intangible assets, net	—	—	376	—	—	376
Investments in subsidiaries, net	17,682	35,095	—	—	(52,777)	—
Intercompany receivables and note receivables	196	6,826	—	—	(7,022)	—
Equipment installment plan receivables due after one year, net	—	—	984	—	—	984
Other assets	—	7	600	262	(195)	674
Total assets	\$ 18,236	\$ 44,661	\$ 61,498	\$ 1,490	\$ (59,994)	\$ 65,891
Liabilities and Stockholders' Equity						
Current liabilities						
Accounts payable and accrued liabilities	\$ —	\$ 423	\$ 6,474	\$ 255	\$ —	\$ 7,152
Payables to affiliates	—	79	46	—	—	125
Short-term debt	—	20	334	—	—	354
Deferred revenue	—	—	986	—	—	986
Other current liabilities	—	—	258	147	—	405
Total current liabilities	—	522	8,098	402	—	9,022
Long-term debt	—	20,741	1,091	—	—	21,832
Long-term debt to affiliates	—	5,600	—	—	—	5,600
Tower obligations ⁽¹⁾	—	—	400	2,221	—	2,621
Deferred tax liabilities	—	—	5,133	—	(195)	4,938
Deferred rent expense	—	—	2,616	—	—	2,616
Negative carrying value of subsidiaries, net	—	—	568	—	(568)	—
Intercompany payables and debt	—	—	6,785	237	(7,022)	—
Other long-term liabilities	—	116	906	4	—	1,026
Total long-term liabilities	—	26,457	17,499	2,462	(7,785)	38,633
Total stockholders' equity (deficit)	18,236	17,682	35,901	(1,374)	(52,209)	18,236
Total liabilities and stockholders' equity	\$ 18,236	\$ 44,661	\$ 61,498	\$ 1,490	\$ (59,994)	\$ 65,891

(1) Assets and liabilities for Non-Guarantor Subsidiaries are primarily included in VIEs related to the 2012 Tower Transaction. See [Note 8 – Tower Obligations](#) for further information.

Condensed Consolidating Statement of Comprehensive Income Information
Year Ended December 31, 2017

(in millions)	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
Revenues						
Service revenues	\$ —	\$ —	\$ 28,894	\$ 2,113	\$ (847)	\$ 30,160
Equipment revenues	—	—	9,620	—	(245)	9,375
Other revenues	—	3	879	212	(25)	1,069
Total revenues	—	3	39,393	2,325	(1,117)	40,604
Operating expenses						
Cost of services, exclusive of depreciation and amortization shown separately below	—	—	6,076	24	—	6,100
Cost of equipment sales	—	—	10,849	1,003	(244)	11,608
Selling, general and administrative	—	—	12,276	856	(873)	12,259
Depreciation and amortization	—	—	5,914	70	—	5,984
Gains on disposal of spectrum licenses	—	—	(235)	—	—	(235)
Total operating expense	—	—	34,880	1,953	(1,117)	35,716
Operating income	—	3	4,513	372	—	4,888
Other income (expense)						
Interest expense	—	(811)	(109)	(191)	—	(1,111)
Interest expense to affiliates	—	(560)	(23)	—	23	(560)
Interest income	1	29	10	—	(23)	17
Other (expense) income, net	—	(88)	16	(1)	—	(73)
Total other income (expense), net	1	(1,430)	(106)	(192)	—	(1,727)
Income (loss) before income taxes	1	(1,427)	4,407	180	—	3,161
Income tax benefit (expense)	—	—	1,527	(152)	—	1,375
Earnings (loss) of subsidiaries	4,535	5,962	(57)	—	(10,440)	—
Net income	4,536	4,535	5,877	28	(10,440)	4,536
Dividends on preferred stock	(55)	—	—	—	—	(55)
Net income attributable to common stockholders	\$ 4,481	\$ 4,535	\$ 5,877	\$ 28	\$ (10,440)	\$ 4,481
Net Income	\$ 4,536	\$ 4,535	\$ 5,877	\$ 28	\$ (10,440)	\$ 4,536
Other comprehensive income, net of tax						
Other comprehensive income, net of tax	7	7	7	—	(14)	7
Total comprehensive income	\$ 4,543	\$ 4,542	\$ 5,884	\$ 28	\$ (10,454)	\$ 4,543

Condensed Consolidating Statement of Comprehensive Income Information
Year Ended December 31, 2016

(in millions)	Parent	Issuer	Guarantor Subsidiaries (As adjusted - See Note 1)	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated (As adjusted - See Note 1)
Revenues						
Service revenues	\$ —	\$ —	\$ 26,613	\$ 2,023	\$ (792)	\$ 27,844
Equipment revenues	—	—	9,145	—	(418)	8,727
Other revenues	—	3	739	(1) 195	(18)	919
Total revenues	—	3	36,497	(1) 2,218	(1,228)	37,490
Operating expenses						
Cost of services, exclusive of depreciation and amortization shown separately below	—	—	5,707	24	—	5,731
Cost of equipment sales	—	—	10,209	1,027	(417)	10,819
Selling, general and administrative	—	—	11,321	868	(811)	11,378
Depreciation and amortization	—	—	6,165	78	—	6,243
Cost of MetroPCS business combination	—	—	104	—	—	104
Gains on disposal of spectrum licenses	—	—	(835)	—	—	(835)
Total operating expenses	—	—	32,671	1,997	(1,228)	33,440
Operating income	—	3	3,826	(1) 221	—	4,050
Other income (expense)						
Interest expense	—	(1,147)	(82)	(189)	—	(1,418)
Interest expense to affiliates	—	(312)	—	—	—	(312)
Interest income (expense)	—	31	(18)	(1)	—	13
Other income (expense), net	—	2	(8)	—	—	(6)
Total other expense, net	—	(1,426)	(108)	(1) (189)	—	(1,723)
Income (loss) before income taxes	—	(1,423)	3,718	32	—	2,327
Income tax expense	—	—	(857)	(10)	—	(867)
Earnings (loss) of subsidiaries	1,460	2,883	(17)	—	(4,326)	—
Net income	1,460	1,460	2,844	22	(4,326)	1,460
Dividends on preferred stock	(55)	—	—	—	—	(55)
Net income attributable to common stockholders	\$ 1,405	\$ 1,460	\$ 2,844	\$ 22	\$ (4,326)	\$ 1,405
Net income	\$ 1,460	\$ 1,460	\$ 2,844	\$ 22	\$ (4,326)	\$ 1,460
Other comprehensive income, net of tax						
Other comprehensive income, net of tax	2	2	2	2	(6)	2
Total comprehensive income	\$ 1,462	\$ 1,462	\$ 2,846	\$ 24	\$ (4,332)	\$ 1,462

(1) The amortized imputed discount on EIP receivables previously recognized as Interest income has been retrospectively reclassified as Other revenues. See [Note 1 - Summary of Significant Accounting Policies](#) for further information.

Condensed Consolidating Statement of Comprehensive Income Information
Year Ended December 31, 2015

(in millions)	Parent	Issuer	Guarantor Subsidiaries (As adjusted - See Note 1)	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated (As adjusted - See Note 1)
Revenues						
Service revenues	\$ —	\$ —	\$ 23,748	\$ 1,669	\$ (596)	\$ 24,821
Equipment revenues	—	—	7,148	—	(430)	6,718
Other revenues	—	1	770 (1)	171	(14)	928
Total revenues	—	1	31,666 (1)	1,840	(1,040)	32,467
Operating expenses						
Cost of services, exclusive of depreciation and amortization shown separately below	—	—	5,530	24	—	5,554
Cost of equipment sales	—	—	9,055	720	(431)	9,344
Selling, general and administrative	—	—	10,065	733	(609)	10,189
Depreciation and amortization	—	—	4,605	83	—	4,688
Cost of MetroPCS business combination	—	—	376	—	—	376
Gains on disposal of spectrum licenses	—	—	(163)	—	—	(163)
Total operating expenses	—	—	29,468	1,560	(1,040)	29,988
Operating income	—	1	2,198 (1)	280	—	2,479
Other income (expense)						
Interest expense	—	(847)	(50)	(188)	—	(1,085)
Interest expense to affiliates	—	(411)	—	—	—	(411)
Interest income	—	2	4 (1)	—	—	6
Other expense, net	—	(10)	—	(1)	—	(11)
Total other expense, net	—	(1,266)	(46) (1)	(189)	—	(1,501)
Income (loss) before income taxes	—	(1,265)	2,152	91	—	978
Income tax expense	—	—	(214)	(31)	—	(245)
Earnings (loss) of subsidiaries	733	1,998	(48)	—	(2,683)	—
Net income	733	733	1,890	60	(2,683)	733
Dividends on preferred stock	(55)	—	—	—	—	(55)
Net income attributable to common stockholders	\$ 678	\$ 733	\$ 1,890	\$ 60	\$ (2,683)	\$ 678
Net income	\$ 733	\$ 733	\$ 1,890	\$ 60	\$ (2,683)	\$ 733
Other comprehensive loss, net of tax						
Other comprehensive loss, net of tax	(2)	(2)	(2)	—	4	(2)
Total comprehensive income	\$ 731	\$ 731	\$ 1,888	\$ 60	\$ (2,679)	\$ 731

(1) The amortized imputed discount on EIP receivables previously recognized as Interest income has been retrospectively reclassified as Other revenues. See [Note 1 - Summary of Significant Accounting Policies](#) for further information.

Condensed Consolidating Statement of Cash Flows Information
Year Ended December 31, 2017

(in millions)	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
Operating activities						
Net cash provided by (used in) operating activities	\$ 1	\$ (1,613)	\$ 9,616	\$ 58	\$ (100)	\$ 7,962
Investing activities						
Purchases of property and equipment	—	—	(5,237)	—	—	(5,237)
Purchases of spectrum licenses and other intangible assets, including deposits	—	—	(5,828)	—	—	(5,828)
Equity investment in subsidiary	(308)	—	—	—	308	—
Other, net	—	—	1	—	—	1
Net cash used in investing activities	(308)	—	(11,064)	—	308	(11,064)
Financing activities						
Proceeds from issuance of long-term debt	—	10,480	—	—	—	10,480
Proceeds from borrowing on revolving credit facility, net	—	2,910	—	—	—	2,910
Repayments of revolving credit facility	—	—	(2,910)	—	—	(2,910)
Repayments of capital lease obligations	—	—	(486)	—	—	(486)
Repayments of short-term debt for purchases of inventory, property and equipment, net	—	—	(300)	—	—	(300)
Repayments of long-term debt	—	—	(10,230)	—	—	(10,230)
Proceeds from exercise of stock options	21	—	—	—	—	21
Repurchases of common shares	(427)	—	—	—	—	(427)
Intercompany advances, net	484	(14,817)	14,300	33	—	—
Equity investment from parent	—	308	—	—	(308)	—
Tax withholdings on share-based awards	—	—	(166)	—	—	(166)
Intercompany dividend paid	—	—	—	(100)	100	—
Dividends on preferred stock	(55)	—	—	—	—	(55)
Other, net	—	—	(16)	—	—	(16)
Net cash provided by (used in) financing activities	23	(1,119)	192	(67)	(208)	(1,179)
Change in cash and cash equivalents	(284)	(2,732)	(1,256)	(9)	—	(4,281)
Cash and cash equivalents						
Beginning of period	358	2,733	2,342	67	—	5,500
End of period	\$ 74	\$ 1	\$ 1,086	\$ 58	\$ —	\$ 1,219

Condensed Consolidating Statement of Cash Flows Information
Year Ended December 31, 2016

(in millions)	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
Operating activities						
Net cash provided by (used in) operating activities	\$ 6	\$ (1,335)	\$ 7,541	\$ 33	\$ (110)	\$ 6,135
Investing activities						
Purchases of property and equipment	—	—	(4,702)	—	—	(4,702)
Purchases of spectrum licenses and other intangible assets, including deposits	—	—	(3,968)	—	—	(3,968)
Sales of short-term investments	—	2,000	998	—	—	2,998
Other, net	—	—	(8)	—	—	(8)
Net cash provided by (used in) investing activities	—	2,000	(7,680)	—	—	(5,680)
Financing activities						
Proceeds from issuance of long-term debt	—	997	—	—	—	997
Repayments of capital lease obligations	—	—	(205)	—	—	(205)
Repayments of short-term debt for purchases of inventory, property and equipment, net	—	—	(150)	—	—	(150)
Repayments of long-term debt	—	—	(20)	—	—	(20)
Intercompany advances, net	—	(696)	625	71	—	—
Proceeds from exercise of stock options	29	—	—	—	—	29
Tax withholdings on share-based awards	—	—	(121)	—	—	(121)
Intercompany dividend paid	—	—	—	(110)	110	—
Dividends on preferred stock	(55)	—	—	—	—	(55)
Other, net	—	—	(12)	—	—	(12)
Net cash (used in) provided by financing activities	(26)	301	117	(39)	110	463
Change in cash and cash equivalents	(20)	966	(22)	(6)	—	918
Cash and cash equivalents						
Beginning of period	378	1,767	2,364	73	—	4,582
End of period	\$ 358	\$ 2,733	\$ 2,342	\$ 67	\$ —	\$ 5,500

Condensed Consolidating Statement of Cash Flows Information
Year Ended December 31, 2015

(in millions)	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating and Eliminating Adjustments	Consolidated
Operating activities						
Net cash provided by (used in) operating activities	\$ (1)	\$ (1,147)	\$ 6,652	\$ 85	\$ (175)	\$ 5,414
Investing activities						
Purchases of property and equipment	—	—	(4,724)	—	—	(4,724)
Purchases of spectrum licenses and other intangible assets, including deposits	—	—	(1,935)	—	—	(1,935)
Purchases of short-term investments	—	(1,999)	(998)	—	—	(2,997)
Investment in subsidiaries	(1,905)	—	—	—	1,905	—
Other, net	—	—	96	—	—	96
Net cash used in investing activities	(1,905)	(1,999)	(7,561)	—	1,905	(9,560)
Financing activities						
Proceeds from capital contribution	—	1,905	—	—	(1,905)	—
Proceeds from issuance of long-term debt	—	3,979	—	—	—	3,979
Proceeds from tower obligations	—	140	—	—	—	140
Repayments of capital lease obligations	—	—	(57)	—	—	(57)
Repayments of short-term debt for purchases of inventory, property and equipment, net	—	—	(564)	—	—	(564)
Intercompany advances, net	—	(3,357)	3,288	69	—	—
Proceeds from exercise of stock options	47	—	—	—	—	47
Intercompany dividend paid	—	—	—	(175)	175	—
Tax withholdings on share-based awards	—	—	(156)	—	—	(156)
Dividends on preferred stock	(41)	—	(14)	—	—	(55)
Other, net	—	—	79	—	—	79
Net cash provided by (used in) financing activities	6	2,667	2,576	(106)	(1,730)	3,413
Change in cash and cash equivalents	(1,900)	(479)	1,667	(21)	—	(733)
Cash and cash equivalents						
Beginning of period	2,278	2,246	697	94	—	5,315
End of period	\$ 378	\$ 1,767	\$ 2,364	\$ 73	\$ —	\$ 4,582

Supplementary Data

Quarterly Financial Information (Unaudited)

(in millions, except shares and per share amounts)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
2017					
Total revenues	\$ 9,613	\$ 10,213	\$ 10,019	\$ 10,759	\$ 40,604
Operating income	1,037	1,416	1,323	1,112	4,888
Net income	698	581	550	2,707	4,536
Dividends on preferred stock	(14)	(14)	(13)	(14)	(55)
Net income attributable to common stockholders	684	567	537	2,693	4,481
Earnings per share					
Basic	\$ 0.83	\$ 0.68	\$ 0.65	\$ 3.22	\$ 5.39
Diluted	0.80	0.67	0.63	3.11	5.20
Weighted average shares outstanding					
Basic	827,723,034	830,971,528	831,189,779	837,416,683	831,850,073
Diluted	869,395,250	870,456,447	871,420,065	871,501,578	871,787,450
Net income includes:					
Gains on disposal of spectrum licenses	\$ (37)	\$ (1)	\$ (29)	\$ (168)	\$ (235)
2016					
Total revenues ⁽¹⁾	\$ 8,664	\$ 9,287	\$ 9,305	\$ 10,234	\$ 37,490
Operating income ⁽¹⁾	1,168	833	1,048	1,001	4,050
Net income	479	225	366	390	1,460
Dividends on preferred stock	(14)	(14)	(13)	(14)	(55)
Net income attributable to common stockholders	465	211	353	376	1,405
Earnings per share					
Basic	\$ 0.57	\$ 0.26	\$ 0.43	\$ 0.46	\$ 1.71
Diluted	0.56	0.25	0.42	0.45	1.69
Weighted average shares outstanding					
Basic	819,431,761	822,434,490	822,998,697	824,982,734	822,470,275
Diluted	859,382,827	829,752,956	832,257,819	867,262,400	833,054,545
Net income includes:					
Cost of MetroPCS business combination	\$ 36	\$ 59	\$ 15	\$ (6)	\$ 104
Gains on disposal of spectrum licenses	(636)	—	(199)	—	(835)

(1) The amortized imputed discount on EIP receivables previously recognized as Interest income has been retrospectively re-classified as Other revenues. See [Note 1 - Summary of Significant Accounting Policies](#) of the Notes to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Earnings per share is computed independently for each quarter and the sum of the quarters may not equal earnings per share for the full year.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure information required to be disclosed in our periodic reports filed or submitted under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Our disclosure controls are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

[Table of Contents](#)

Under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective, as of the end of the period covered by this Form 10-K.

The certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 are filed as exhibits [31.1](#) and [31.2](#), respectively, to this Form 10-K.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act, during our most recently completed fiscal quarter that materially affected or are reasonably likely to materially affect our internal control over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements in accordance with generally accepted accounting principles; providing reasonable assurance that receipts and expenditures are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework and criteria established in Internal Control – Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2017.

The effectiveness of our internal control over financial reporting as of December 31, 2017 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report herein.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

We maintain a code of ethics applicable to our Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, Treasurer, and Controller, which is a “Code of Ethics for Senior Financial Officers” as defined by applicable rules of the SEC. This code is publicly available on our website at investor.t-mobile.com. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code we will disclose the nature of the amendment or waiver, its effective date and to whom it applies on our website at investor.t-mobile.com or in a Current Report on Form 8-K filed with the SEC.

The remaining information required by this item, including information about our Directors, Executive Officers and Audit Committee, is incorporated by reference to the definitive Proxy Statement for our 2018 Annual Meeting of Stockholders, which will be filed with the SEC, no later than 120 days after December 31, 2017.

Item 11. Executive Compensation

The information required by this item is incorporated by reference to the definitive Proxy Statement for our 2018 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after December 31, 2017.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated by reference to the definitive Proxy Statement for our 2018 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after December 31, 2017.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated by reference to the definitive Proxy Statement for our 2018 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after December 31, 2017.

Item 14. Principal Accounting Fees and Services

The information required by this item is incorporated by reference to the definitive Proxy Statement for our 2018 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after December 31, 2017.

PART IV.

Item 15. Exhibits, Financial Statement Schedules

(a) Documents filed as a part of this Form 10-K:

1. Financial Statements

The following financial statements are included in Part II, Item 8 of this Form 10-K:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets
Consolidated Statements of Comprehensive Income
Consolidated Statements of Cash Flows
Consolidated Statement of Stockholders' Equity
Notes to the Consolidated Financial Statements

2. Financial Statement Schedules

All other schedules have been omitted because they are not required, not applicable, or the required information is otherwise included.

3. Exhibits

See the [Index to Exhibits](#) immediately following Item 16. Form 10-K Summary of this Form 10-K.

Item 16. Form 10-K Summary

None.

INDEX TO EXHIBITS

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
2.1	Business Combination Agreement, dated as of October 3, 2012, by and among MetroPCS Communications, Inc., Deutsche Telekom AG, T-Mobile Zwischenholding GmbH, T-Mobile Global Holding GmbH and T-Mobile USA, Inc.	8-K	10/3/2012	2.1	
2.2	Consent Solicitation Letter Agreement, dated December 5, 2012, by and among MetroPCS Communications, Inc. and Deutsche Telekom AG, amending Exhibit G to the Business Combination Agreement.	8-K	12/7/2012	2.1	
2.3	Amendment No. 1 to the Business Combination Agreement by and among Deutsche Telekom AG, T-Mobile USA, Inc., T-Mobile Global Zwischenholding GmbH, T-Mobile Global Holding GmbH and MetroPCS Communications, Inc., dated April 14, 2013.	8-K	4/15/2013	2.1	
3.1	Fourth Amended and Restated Certificate of Incorporation.	8-K	5/2/2013	3.1	
3.2	Fifth Amended and Restated Bylaws.	8-K	5/2/2013	3.2	
3.3	Certificate of Designations of 5.50% Mandatory Convertible Preferred Stock, Series A, of T-Mobile US, Inc., dated December 12, 2014.	8-K	12/15/2014	3.1	
4.1	Indenture, dated September 21, 2010, among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Wells Fargo Bank, N.A., a trustee.	8-K	9/21/2010	4.1	
4.2	First Supplemental Indenture, dated September 21, 2010, among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Wells Fargo Bank, N.A., as trustee.	8-K	9/21/2010	4.2	
4.3	Second Supplemental Indenture, dated November 17, 2010, among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Wells Fargo Bank, N.A., as trustee.	8-K	11/17/2010	4.1	
4.4	Third Supplemental Indenture, dated December 23, 2010, among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Wells Fargo Bank, N.A., as trustee.	10-K	3/1/2011	10.19(d)	
4.5	Fourth Supplemental Indenture, dated December 23, 2010, among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Wells Fargo Bank, N.A., as trustee.	10-K	3/1/2011	10.19(e)	
4.6	Fifth Supplemental Indenture, dated as of December 14, 2012, among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Wells Fargo Bank, N.A., as trustee.	8-K	12/17/2012	4.1	
4.7	Sixth Supplemental Indenture, dated as of December 14, 2012, among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Wells Fargo Bank, N.A., as trustee.	8-K	12/17/2012	4.2	
4.8	Seventh Supplemental Indenture, dated as of May 1, 2013, among T-Mobile USA, Inc., the guarantors party thereto, and Wells Fargo Bank, N.A., as trustee.	8-K	5/2/2013	4.15	
4.9	Eighth Supplemental Indenture, dated as of July 15, 2013, among T-Mobile USA, Inc., the guarantors party thereto, and Wells Fargo Bank, N.A., as trustee.	10-Q	8/8/2013	4.19	
4.10	Ninth Supplemental Indenture, dated as of August 11, 2014, by and among T-Mobile USA, Inc., the guarantors party thereto and Wells Fargo Bank, N.A., as trustee.	10-Q	10/28/2014	4.2	
4.11	Tenth Supplemental Indenture, dated as of September 28, 2015, by and among T-Mobile USA, Inc., the guarantors party thereto and Wells Fargo Bank, N.A., as trustee.	10-Q	10/27/2015	4.2	
4.12	Eleventh Supplemental Indenture, dated as of August 11, 2014, by and among T-Mobile USA, Inc., the guarantors party thereto and Wells Fargo Bank, N.A., as trustee.	10-Q	10/24/2016	4.1	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
4.13	Indenture, dated as of March 19, 2013, by and among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Deutsche Bank Trust Company Americas, as trustee.	8-K	3/22/2013	4.1	
4.14	First Supplemental Indenture, dated as of March 19, 2013, by and among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Deutsche Bank Trust Company Americas, as trustee.	8-K	3/22/2013	4.2	
4.15	Form of 6.250% Senior Notes due 2021.	8-K	3/22/2013	4.3	
4.16	Second Supplemental Indenture, dated as of March 19, 2013, by and among MetroPCS Wireless, Inc., the Guarantors (as defined therein) and Deutsche Bank Trust Company Americas, as trustee.	8-K	3/22/2013	4.4	
4.17	Form of 6.625% Senior Notes due 2023.	8-K	3/22/2013	4.5	
4.18	Third Supplemental Indenture, dated as of April 29, 2013, among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	10-Q	8/8/2013	4.17	
4.19	Fourth Supplemental Indenture, dated as of May 1, 2013, among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.16	
4.20	Fifth Supplemental Indenture, dated as of July 15, 2013, among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	10-Q	8/8/2013	4.20	
4.21	Sixth Supplemental Indenture, dated as of August 11, 2014, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee.	10-Q	10/28/2014	4.1	
4.22	Seventh Supplemental Indenture, dated as of September 28, 2015, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee.	10-Q	10/27/2015	4.1	
4.23	Eighth Supplemental Indenture, dated as of August 30, 2016, by and among T-Mobile USA, Inc., the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	10-Q	10/24/2016	4.2	
4.24	Ninth Supplemental Indenture, dated as of January 25, 2018, by and among T-Mobile USA, Inc., the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.				X
4.25	Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.1	
4.26	First Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.2	
4.27	Second Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.3	
4.28	Third Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.4	
4.29	Fourth Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.5	
4.30	Fifth Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.6	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
4.31	Sixth Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.7	
4.32	Seventh Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.8	
4.33	Eighth Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.9	
4.34	Ninth Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.10	
4.35	Tenth Supplemental Indenture, dated as of April 28, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.11	
4.36	Eleventh Supplemental Indenture, dated as of May 1, 2013 among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/2/2013	4.12	
4.37	Twelfth Supplemental Indenture, dated as of July 15, 2013, among T-Mobile USA, Inc., the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee.	10-Q	8/8/2013	4.18	
4.38	Thirteenth Supplemental Indenture, dated as of August 21, 2013, by and among T-Mobile USA, Inc., the Guarantors (as defined therein) and Deutsche Bank Trust Company Americas, as trustee, including the Form of 5.250% Senior Note due 2018.	8-K	8/22/2013	4.1	
4.39	Fourteenth Supplemental Indenture, dated as of November 21, 2013, by and among T-Mobile USA, Inc., the Guarantors and Deutsche Bank Trust Company Americas, as trustee, including the Form of 6.125% Senior Note due 2022.	8-K	11/22/2013	4.1	
4.40	Fifteenth Supplemental Indenture, dated as of November 21, 2013, by and among T-Mobile USA, Inc., the Guarantors and Deutsche Bank Trust Company Americas, as trustee, including the Form of 6.500% Senior Note due 2024.	8-K	11/22/2013	4.2	
4.41	Sixteenth Supplemental Indenture, dated as of August 11, 2014, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee.	10-Q	10/28/2014	4.3	
4.42	Seventeenth Supplemental Indenture, dated as of September 5, 2014, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 6.000% Senior Notes due 2023.	8-K	9/5/2014	4.1	
4.43	Eighteenth Supplemental Indenture, dated as of September 5, 2014, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 6.375% Senior Notes due 2025.	8-K	9/5/2014	4.2	
4.44	Nineteenth Supplemental Indenture, dated as of September 28, 2015, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee.	10-Q	10/27/2015	4.3	
4.45	Twentieth Supplemental Indenture, dated as of November 5, 2015, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as Trustee, including the Form of 6.500% Senior Notes due 2026.	8-K	11/5/2015	4.1	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
4.46	Twenty-First Supplemental Indenture, dated as of November 5, 2015, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Bank Trust Company Americas, as Trustee, including the Form of 6.000% Senior Notes due 2024.	8-K	4/1/2016	4.1	
4.47	Twenty-Second Supplemental Indenture, dated as of August 30, 2016, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee.	10-Q	10/24/2016	4.3	
4.48	Twenty-Third Supplemental Indenture, dated as of March 16, 2017, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 4.000% Senior Note due 2022.	8-K	3/16/2017	4.1	
4.49	Twenty-Fourth Supplemental Indenture, dated as of March 16, 2017, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 4.000% Senior Note due 2025.	8-K	3/16/2017	4.2	
4.50	Twenty-Fifth Supplemental Indenture, dated as of March 16, 2017, by and among T-Mobile USA, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 5.375% Senior Note due 2027.	8-K	3/16/2017	4.3	
4.51	Twenty-Sixth Supplemental Indenture, dated as of April 27, 2017, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 4.000% Senior Note due 2022-1.	8-K	4/28/2017	4.1	
4.52	Twenty-Seventh Supplemental Indenture, dated as of April 28, 2017, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 5.125% Senior Note due 2025-1.	8-K	4/28/2017	4.2	
4.53	Twenty-Eighth Supplemental Indenture, dated as of April 28, 2017, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 5.375% Senior Note due 2027-1.	8-K	4/28/2017	4.3	
4.54	Twenty-Ninth Supplemental Indenture, dated as of May 9, 2017, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 5.300% Senior Notes due 2021.	8-K	5/9/2017	4.1	
4.55	Thirtieth Supplemental Indenture, dated as of May 9, 2017, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee.	8-K	5/9/2017	4.2	
4.56	Thirty-First Supplemental Indenture, dated as of January 25, 2018, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee.				X
4.57	Thirty-Second Supplemental Indenture, dated as of January 25, 2018, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 4.500% Senior Note due 2026.	8-K	1/25/2018	4.1	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
4.58	Thirty-Third Supplemental Indenture, dated as of January 25, 2018, by and among T-Mobile USA, Inc., T-Mobile US, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, including the Form of 4.750% Senior Note due 2028.	8-K	1/25/2018	4.2	
4.59	Noteholder Agreement dated as of April 28, 2013, by and between Deutsche Telekom AG and T-Mobile USA, Inc.	8-K	5/2/2013	4.13	
10.1	Master Agreement, dated as of September 28, 2012, among T-Mobile USA, Inc., Crown Castle International Corp., and certain T-Mobile and Crown subsidiaries.	10-Q	8/8/2013	10.1	
10.2	Amendment No. 1, to Master Agreement, dated as of November 30, 2012, among Crown Castle International Corp., and certain T-Mobile and Crown subsidiaries.	10-Q	8/8/2013	10.2	
10.3	Master Prepaid Lease, dated as of November 30, 2012, by and among T-Mobile USA Tower LLC, T-Mobile West Tower LLC, T-Mobile USA, Inc. and CCTMO LLC.	10-Q	8/8/2013	10.3	
10.4	MPL Site Master Lease Agreement, dated as of November 30, 2012, by and among Cook Inlet/VS GSM IV PCS Holdings, LLC, T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., Voicestream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, Suncom Wireless Operating Company, L.L.C., T-Mobile USA, Inc. and CCTMO LLC.	10-Q	8/8/2013	10.4	
10.5	First Amendment to MPL Site Master Lease Agreement, dated as of November 30, 2012, by and among Cook Inlet/VS GSM IV PCS Holdings, LLC, T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., Voicestream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, Suncom Wireless Operating Company, L.L.C., T-Mobile USA, Inc. and CCTMO LLC.	10-Q	8/8/2013	10.5	
10.6	Sale Site Master Lease Agreement, dated as of November 30, 2012, by and among Cook Inlet/VS GSM IV PCS Holdings, LLC, T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., Voicestream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, Suncom Wireless Operating Company, L.L.C., T-Mobile USA, Inc., T3 Tower 1 LLC and T3 Tower 2 LLC.	10-Q	8/8/2013	10.6	
10.7	First Amendment to Sale Site Master Lease Agreement, dated as of November 30, 2012, by and among Cook Inlet/VS GSM IV PCS Holdings, LLC, T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., Voicestream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, Suncom Wireless Operating Company, L.L.C., T-Mobile USA, Inc., T3 Tower 1 LLC and T3 Tower 2 LLC.	10-Q	8/8/2013	10.7	
10.8	Management Agreement, dated as of November 30, 2012, by and among Suncom Wireless Operating Company, L.L.C., Cook Inlet/VS GSM IV PCS Holdings, LLC, T-Mobile Central LLC, T-Mobile South LLC, Powertel/Memphis, Inc., Voicestream Pittsburgh, L.P., T-Mobile West LLC, T-Mobile Northeast LLC, Wireless Alliance, LLC, Suncom Wireless Property Company, L.L.C., T-Mobile USA Tower LLC, T-Mobile West Tower LLC, CCTMO LLC, T3 Tower 1 LLC and T3 Tower 2 LLC.	10-Q	8/8/2013	10.8	
10.9	Stockholder's Agreement dated as of April 30, 2013 by and between MetroPCS Communications, Inc. and Deutsche Telekom AG.	8-K	5/2/2013	10.1	
10.10	Waiver of Required Approval Under Section 3.6(a) of the Stockholder's Agreement, dated August 7, 2013, between T-Mobile US, Inc. and Deutsche Telekom AG.	10-Q	8/8/2013	10.10	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
10.11	License Agreement dated as of April 30, 2013 by and between T-Mobile US, Inc. and Deutsche Telekom AG	8-K	5/2/2013	10.2	
10.12	Credit Agreement, dated as of May 1, 2013, among T-Mobile USA, Inc., as Borrower, Deutsche Telekom AG, as Lender, the other lenders party thereto from time to time, and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	5/2/2013	4.14	
10.13	Amendment No. 1, dated as of November 15, 2013, to the Credit Agreement, dated May 1, 2013, among T-Mobile US, Inc., T-Mobile USA, Inc., each of the Subsidiaries signatory thereto, Deutsche Telekom AG and the other lenders party thereto from time to time, and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	11/20/2013	10.1	
10.14	Amendment No. 2, dated as of September 3, 2014, to the Credit Agreement, dated as of May 1, 2013, among T-Mobile USA, Inc., Deutsche Telekom AG and the other lenders party thereto from time to time, and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	9/5/2014	10.1	
10.15	Amendment No. 3, dated as of November 2, 2015, to the Credit Agreement, dated as of May 1, 2013, among T-Mobile USA, Inc., Deutsche Telekom AG and the other lenders party thereto from time to time, and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	11/5/2015	10.2	
10.16	Registration Rights Agreement, dated as of March 19, 2013, by and among MetroPCS Wireless, Inc., the Initial Guarantors (as defined therein), and Deutsche Bank Securities, as representative of the Initial Purchasers (as defined therein).	8-K	3/22/2013	10.1	
10.17	Registration Rights Agreement, dated as of August 21, 2013, by and among T-Mobile USA, Inc., the Guarantors (as defined therein), and Deutsche Bank Securities Inc., as Initial Purchaser (as defined therein).	8-K	8/22/2013	10.1	
10.18	License Exchange Agreement, dated January 5, 2014, among T-Mobile USA, Inc., T-Mobile License LLC, Cellco Partnership d/b/a Verizon Wireless, Verizon Wireless (VAW) LLC, Athens Cellular, Inc. and Verizon Wireless of the East LP.	8-K	1/6/2014	10.1	
10.19	License Purchase Agreement, dated January 5, 2014, among T-Mobile USA, Inc., T-Mobile License LLC and Cellco Partnership d/b/a Verizon Wireless.	8-K	1/6/2014	10.2	
10.20	November 2016 Amended and Restated Guarantee Facility Agreement, dated as of December 5, 2016, among T-Mobile US, Inc., as the company, T-Mobile Airtime Funding LLC, as the funding seller, and KfW IPEX-Bank GmbH, as the bank.	10-K	2/14/2017	10.29	
10.21	Receivables Sale and Conveyancing Agreement, dated as of February 26, 2014, among T-Mobile West LLC, T-Mobile Central LLC, T-Mobile Northeast LLC and T-Mobile South LLC, as sellers, and T-Mobile PCS Holdings LLC, as purchaser.	8-K	3/4/2014	10.1	
10.22	Joinder and First Amendment to the Receivables Sale and Conveyancing Agreement, dated as of November 28, 2014, among Powertel/Memphis, Inc., Triton PCS Holdings Company L.L.C., T-Mobile West LLC, T-Mobile Central LLC, T-Mobile Northeast LLC and T-Mobile South LLC, as sellers, and T-Mobile PCS Holdings LLC, as purchaser.	10-K	2/19/2015	10.55	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
10.23	Joinder and Second Amendment to the Receivables Sale and Conveyancing Agreement, dated as of January 9, 2015, among SunCom Wireless Operating Company, LLC, Powertel/Memphis, Inc., Triton PCS Holdings Company LLC, T-Mobile West LLC, T-Mobile Central LLC, T-Mobile Northeast LLC and T-Mobile South LLC, as sellers, and T-Mobile PCS Holdings LLC, as purchaser.	10-Q	4/28/2015	10.5	
10.24	Receivables Sale and Contribution Agreement, dated as of February 26, 2014, between T-Mobile PCS Holdings LLC, as seller, and T-Mobile Airtime Funding LLC, as purchaser.	8-K	3/4/2014	10.2	
10.25	First Amendment to the Receivables Sale and Contribution Agreement, dated as of November 28, 2014, between T-Mobile PCS Holdings LLC, as seller, and T-Mobile Airtime Funding LLC, as purchaser.	10-K	2/19/2015	10.56	
10.26	Second Amendment to the Receivables Sale and Contribution Agreement, dated as of January 9, 2015, by and among T-Mobile PCS Holdings LLC, as seller, and T-Mobile Airtime Funding LLC, as purchaser.	10-Q	4/28/2015	10.6	
10.27	Third Amendment to the Receivables Sale and Contribution Agreement, dated as of November 30, 2016, by and among T-Mobile PCS Holdings LLC, as seller, and T-Mobile Airtime Funding LLC, as purchaser.	10-K	2/14/2017	10.33	
10.28	Fourth Amendment to the Receivables Sale and Contribution Agreement, dated as of May 5, 2017, by and among T-Mobile PCS Holdings LLC, as seller, and T-Mobile Airtime Funding LLC, as purchaser.	10-Q	7/20/2017	10.1	
10.29	Second Amended and Restated Master Receivables Purchase Agreement, dated as of November 30, 2016, among T-Mobile Airtime Funding LLC, as funding seller, Billing Gate One LLC, as purchaser, Landesbank Hessen-Thüringen Girozentrale, as bank purchasing agent, The Bank of Tokyo Mitsubishi UFJ, Ltd., as bank collection agent, T-Mobile PCS Holdings LLC, as servicer, and T-Mobile US, Inc., as performance guarantor.	8-K	12/6/2016	10.1	
10.30	First Amendment to Second Amended and Restated Master Receivables Purchase Agreement, dated as of May 5, 2017, among T-Mobile Airtime Funding LLC, as funding seller, Billing Gate One LLC, as purchaser, Landesbank Hessen-Thüringen Girozentrale, as bank purchasing agent, The Bank of Tokyo Mitsubishi UFJ, Ltd., as bank collection agent, T-Mobile PCS Holdings LLC, as servicer, and T-Mobile US, Inc., as performance guarantor.	10-Q	7/20/2017	10.2	
10.31	Third Amended and Restated Master Receivables Purchase Agreement, dated as of February 5, 2018, among T-Mobile Airtime Funding LLC, as funding seller, Billing Gate One LLC, as purchaser, Landesbank Hessen-Thüringen Girozentrale, as bank purchasing agent, The Bank of Tokyo Mitsubishi UFJ, Ltd., as bank collection agent, T-Mobile PCS Holdings LLC, as servicer, and T-Mobile US, Inc., as performance guarantor.				X
10.32	Term Loan Credit Agreement, dated as of November 9, 2015, among T-Mobile USA, Inc., the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent.	8-K	11/12/2015	10.1	
10.33	First Amendment to Term Loan Credit Agreement, dated as of January 25, 2017, among T-Mobile USA, Inc., the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent.	10-Q	4/24/2017	10.3	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
10.34	Second Amendment to Term Loan Credit Agreement, dated as of January 25, 2017, among T-Mobile USA, Inc., the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent.	10-Q	4/24/2017	10.4	
10.35	Third Amendment to Term Loan Credit Agreement, dated as of March 28, 2017, among T-Mobile USA, Inc., the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent.	10-Q	4/24/2017	10.5	
10.36	Fourth Amendment Term Loan Credit Agreement, dated as of July 25, 2017, among T-Mobile USA, Inc., the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent.	8-K	7/27/2017	10.1	
10.37	First Incremental Facility Amendment, dated as of December 29, 2016, to the Term Loan Credit Agreement, dated as of November 9, 2015, by and among T-Mobile USA, Inc., the several banks and other financial institutions or entities from time to time parties thereto as lenders, and Deutsche Bank AG New York Branch, as administrative agent.	8-K	12/30/2016	10.3	
10.38	Second Incremental Facility Amendment, dated as of January 25, 2017, to the Term Loan Credit Agreement, dated as of November 9, 2015, as amended by that certain First Incremental Facility Amendment dated as of December 29, 2016, by and among T-Mobile USA, Inc., the several banks and other financial institutions or entities from time to time parties thereto as lenders, and Deutsche Bank AG New York Branch, as administrative agent.	8-K	1/25/2017	10.1	
10.39	Amended and Restated Receivables Sale Agreement, dated as of June 6, 2016, by and between T-Mobile Financial LLC, as seller, and T-Mobile Handset Funding LLC, as purchaser.	8-K	6/8/2016	10.1	
10.40	First Amendment, dated as of December 23, 2016, to the Amended and Restated Receivables Sale Agreement, dated as of June 6, 2016, by and between T-Mobile Financial LLC, as seller, and T-Mobile Handset Funding LLC, as purchaser.	10-K	2/14/2017	10.41	
10.41	Second Amended and Restated Receivables Sale Agreement, dated as of August 21, 2017, by and between T-Mobile Financial LLC, as seller, and T-Mobile Handset Funding LLC, as purchaser.	10-Q	10/23/2017	10.2	
10.42	Amended and Restated Receivables Purchase and Administration Agreement, dated as of June 6, 2016, by and among T-Mobile Handset Funding LLC, as transferor, T-Mobile Financial LLC, as servicer, T-Mobile US, Inc., as performance guarantor, Royal Bank of Canada, as administrative agent, and certain financial institutions party thereto from time to time.	8-K	6/8/2016	10.2	
10.43	First Amendment, dated as of July 27, 2016, to the Amended and Restated Receivables Purchase and Administration Agreement, dated as of June 6, 2016, by and among T-Mobile Handset Funding LLC, as transferor, T-Mobile Financial LLC, as servicer, T-Mobile US, Inc., as performance guarantor, Royal Bank of Canada, as administrative agent, and certain financial institutions party thereto.	10-Q	10/24/2016	10.1	
10.44	Second Amendment, dated as of October 31, 2016, to the Amended and Restated Receivables Purchase and Administration Agreement, dated as of June 6, 2016, by and among T-Mobile Handset Funding LLC, as transferor, T-Mobile Financial LLC, as servicer, T-Mobile US, Inc., as performance guarantor, Royal Bank of Canada, as administrative agent, and certain financial institutions party thereto.	10-K	2/14/2017	10.46	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
10.45	Third Amendment, dated as of December 23, 2016, to the Amended and Restated Receivables Purchase and Administration Agreement, dated as of June 6, 2016, by and among T-Mobile Handset Funding LLC, as transferor, T-Mobile Financial LLC, as servicer, T-Mobile US, Inc., as performance guarantor, Royal Bank of Canada, as administrative agent, and certain financial institutions party thereto.	10-K	2/14/2017	10.47	
10.46	Fourth Amendment, dated as of May 18, 2017, to the Amended and Restated Receivables Purchase and Administration Agreement, dated as of June 6, 2016, by and among T-Mobile Handset Funding LLC, as transferor, T-Mobile Financial LLC, as servicer, T-Mobile US, Inc., as performance guarantor, Royal Bank of Canada, as administrative agent, and certain financial institutions party thereto.	10-Q	7/20/2017	10.3	
10.47	Second Amended and Restated Receivables Purchase and Administration Agreement, dated as of August 21, 2017, by and among T-Mobile Handset Funding LLC, as transferor, T-Mobile Financial LLC, as servicer, T-Mobile US, Inc., as performance guarantor, Royal Bank of Canada, as administrative agent, and certain financial institutions party thereto	10-Q	10/23/2017	10.3	
10.48	First Amendment, dated as of December 18, 2017, to the Second Amended and Restated Receivables Purchase and Administrative Agreement, dated as of August 21, 2017, by and among T-Mobile Handset Funding LLC, as transferor, T-Mobile Financial LLC, as servicer, T-Mobile US, Inc., as performance guarantor, Royal Bank of Canada, as administrative agent, and certain financial institutions party thereto.				X
10.49	Purchase Agreement, dated as of March 6, 2016, among T-Mobile USA, Inc., the guarantor party thereto and Deutsche Telekom AG	8-K	3/7/2016	1.1	
10.50	Amendment No. 1 to Purchase Agreement, dated as of October 28, 2016, to Purchase Agreement, dated as of March 6, 2016, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Telekom AG	8-K	11/2/2016	10.1	
10.51	Purchase Agreement, dated as of April 25, 2016, among T-Mobile USA, Inc., the guarantor party thereto and Deutsche Telekom AG	8-K	4/26/2016	1.1	
10.52	Amendment No. 1 to Purchase Agreement, dated as of October 28, 2016, to Purchase Agreement, dated as of April 25, 2016, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Telekom AG	8-K	11/2/2016	10.2	
10.53	Purchase Agreement, dated as of April 29, 2016, among T-Mobile USA, Inc., the guarantor party thereto and Deutsche Telekom AG	8-K	4/29/2016	1.1	
10.54	Amendment No. 1 to Purchase Agreement, dated as of October 28, 2016, to Purchase Agreement, dated as of April 29, 2016, by and among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Telekom AG	8-K	11/2/2016	10.3	
10.55	Purchase Agreement, dated as of March 13, 2017, among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Telekom AG	8-K	3/16/2017	10.1	
10.56	Unsecured Revolving Credit Agreement, dated as of December 29, 2016, by and among T-Mobile US, Inc., T-Mobile USA, Inc., the several banks and other financial institutions or entities from time to time party thereto as lenders, and Deutsche Telekom AG as administrative agent.	8-K	12/30/2016	10.1	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
10.57	Secured Revolving Credit Agreement, dated as of December 29, 2016, by and among T-Mobile US, Inc., T-Mobile USA, Inc., the several banks and other financial institutions or entities from time to time party thereto as lenders, and Deutsche Telekom AG as administrative agent.	8-K	12/30/2016	10.2	
10.58	Purchase Agreement, dated as of January 22, 2018, among T-Mobile USA, Inc., the guarantors party thereto and Deutsche Telekom AG.	8-K	1/25/2018	10.1	
10.59*	Amended and Restated MetroPCS Communications, Inc. 2004 Equity Incentive Compensation Plan.	S-1/A	2/27/2007	10.1(a)	
10.60*	MetroPCS Communications, Inc. 2010 Equity Incentive Compensation Plan.	Schedule 14A	4/19/2010	Annex A	
10.61*	Form Change in Control Agreement for MetroPCS Communications, Inc.	10-Q	8/9/2010	10.2	
10.62*	Form Change in Control Agreement Amendment for MetroPCS Communications, Inc.	10-Q	10/30/2012	10.1	
10.63*	MetroPCS Communications, Inc. Employee Non-qualified Stock Option Award Agreement relating to the MetroPCS Communications, Inc. Amended and Restated 2004 Equity Incentive Compensation Plan.	10-K	3/1/2013	10.9(a)	
10.64*	MetroPCS Communications, Inc. Non-Employee Director Non-qualified Stock Option Award Agreement relating to the MetroPCS Communications, Inc. Amended and Restated 2004 Equity Incentive Compensation Plan.	10-K	3/1/2013	10.9(b)	
10.65*	Form Amendment to the MetroPCS Communications, Inc. Notice of Grant of Stock Option relating to the Second Amended and Restated 1995 Stock Option Plan of MetroPCS, Inc.	10-Q	8/9/2010	10.5	
10.66*	Form MetroPCS Communications, Inc. 2010 Equity Incentive Compensation Plan Employee Non-Qualified Stock Option Award Agreement.	10-K	2/29/2012	10.12	
10.67*	Form MetroPCS Communications, Inc. 2010 Equity Incentive Compensation Plan Non-Employee Director Non-Qualified Stock Option Award Agreement.	10-K	3/1/2013	10.12(b)	
10.68*	Employment Agreement of J. Braxton Carter dated as of January 25, 2013.	8-K	5/2/2013	10.3	
10.69*	Amended and Restated Employment Agreement of J. Braxton Carter dated as of December 20, 2017.				X
10.70*	Employment Agreement of Thomas C. Keys dated as of January 25, 2013.	8-K	5/2/2013	10.4	
10.71*	Employment Agreement of John J. Legere dated as of September 22, 2012.	10-Q	8/8/2013	10.17	
10.72*	Amendment to Employment Agreement of John J. Legere dated as of October 23, 2013.	10-K	2/25/2014	10.35	
10.73*	Amendment No. 2 to Employment Agreement between T-Mobile US, Inc. and John J. Legere, dated as of February 25, 2015.	8-K	2/26/2015	10.1	
10.74*	Amended and Restated Employment Agreement of John J. Legere dated as of March 28, 2017.	10-Q	4/24/2017	10.7	
10.75*	T-Mobile US, Inc. Amended and Restated Compensation Term Sheet for Michael Sievert Effective as of January 1, 2017.	10-Q	4/24/2017	10.6	
10.76*	Form of Indemnification and Advancement Agreement.				X
10.77*	T-Mobile US, Inc. Non-Qualified Deferred Executive Compensation Plan (As Amended and Restated Effective as of January 1, 2014).	10-K	2/25/2014	10.39	

[Table of Contents](#)

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herein
		Form	Date of First Filing	Exhibit Number	
10.78*	T-Mobile US, Inc. Executive Continuity Plan as Amended and Restated Effective as of January 1, 2014.	8-K	10/25/2013	10.1	
10.79*	T-Mobile US, Inc. 2013 Omnibus Incentive Plan (as amended and restated on August 7, 2013).	10-Q	8/8/2013	10.20	
10.80*	T-Mobile USA, Inc. 2011 Long-Term Incentive Plan.	10-Q	8/8/2013	10.21	
10.81*	Annual Incentive Award Notice under the 2013 Omnibus Incentive Plan.	10-K	2/25/2014	10.45	
10.82*	Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under the T-Mobile US, Inc. 2013 Omnibus Incentive Plan.	8-K	6/4/2013	10.2	
10.83*	Form of Restricted Stock Unit Award Agreement (Time-Vesting) for Executive Officers under the T-Mobile US, Inc. 2013 Omnibus Incentive Plan.	10-Q	8/8/2013	10.24	
10.84*	Form of Restricted Stock Unit Award Agreement (Performance-Vesting) for Executive Officers under the T-Mobile US, Inc. 2013 Omnibus Incentive Plan.	10-Q	8/8/2013	10.25	
10.85*	Form of Restricted Stock Unit Award Agreement (Performance-Vesting) with Deferral Option for Executive Officers under the T-Mobile US, Inc. 2013 Omnibus Incentive Plan.	10-K	2/19/2015	10.43	
10.86*	Form of Restricted Stock Unit Award Agreement (Time-Vesting) with Deferral Option for Executive Officers under the T-Mobile US, Inc. 2013 Omnibus Incentive Plan.	10-K	2/19/2015	10.44	
10.87*	T-Mobile US, Inc. 2014 Employee Stock Purchase Plan.	S-8	2/19/2015	99.1	
10.88*	Amended Director Compensation Program effective as of May 1, 2013 (amended June 4, 2014 and further amended on June 1, 2015, June 16, 2016 and June 13, 2017).	10-Q	7/20/2017	10.4	
12.1	Computation of Ratio of Earnings to Fixed Charges.				X
21.1	Subsidiaries of Registrant.				X
23.1	Consent of PricewaterhouseCoopers LLP.				X
24.1	Power of Attorney, pursuant to which amendments to this Form 10-K may be filed (included on the signature page contained in Part IV of the Form 10-K).				X
31.1	Certifications of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certifications of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1**	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
32.2**	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
101.INS	XBRL Instance Document.				X
101.SCH	XBRL Taxonomy Extension Schema Document.				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.				X

* Indicates a management contract or compensatory plan or arrangement.

** Furnished herein.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

T-MOBILE US, INC.

February 7, 2018

/s/ John J. Legere
John J. Legere
President and Chief Executive Officer

Each person whose signature appears below constitutes and appoints John J. Legere and J. Braxton Carter, and each or either of them, his or her true and lawful attorney-in-fact and agent, each acting alone, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any or all amendments or supplements (including post-effective amendments) to this Report, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of February 7, 2018.

<u>Signature</u>	<u>Title</u>
<u>/s/ John J. Legere</u> John J. Legere	President and Chief Executive Officer and Director (Principal Executive Officer)
<u>/s/ J. Braxton Carter</u> J. Braxton Carter	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
<u>/s/ Peter Osvaldik</u> Peter Osvaldik	Senior Vice President, Finance and Chief Accounting Officer (Principal Accounting Officer)
<u>/s/ Timotheus Höttges</u> Timotheus Höttges	Chairman of the Board
<u>/s/ W. Michael Barnes</u> W. Michael Barnes	Director
<u>/s/ Thomas Dannenfeldt</u> Thomas Dannenfeldt	Director

<u>/s/ Srikant Datar</u> Srikant Datar	Director
<u>/s/ Lawrence H. Guffey</u> Lawrence H. Guffey	Director
<u>/s/ Bruno Jacobfeuerborn</u> Bruno Jacobfeuerborn	Director
<u>/s/ Raphael Kübler</u> Raphael Kübler	Director
<u>/s/ Thorsten Langheim</u> Thorsten Langheim	Director
<u>/s/ Teresa A. Taylor</u> Teresa A. Taylor	Director
<u>/s/ Kelvin R. Westbrook</u> Kelvin R. Westbrook	Director

Section 2: EX-4.24 (TMUS EXHIBIT 4.24)

EXHIBIT 4.24

NINTH SUPPLEMENTAL INDENTURE

NINTH SUPPLEMENTAL INDENTURE (this “*Ninth Supplemental Indenture*”), dated as of January 25, 2018, among all the entities listed on Schedule I (the “*Guaranteeing Subsidiaries*”) (or their permitted successors), T-Mobile USA, Inc., as successor to MetroPCS Wireless Inc. (in such successor capacity, the “*Company*” pursuant to Section 5.01 of the Indenture referred to herein), the other Guarantors (as defined in the Indenture referred to herein) and Deutsche Bank Trust Company Americas, as trustee under the Indenture referred to herein (the “*Trustee*”).

WITNESSETH:

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Indenture, dated as of March 19, 2013 (the “*Base Indenture*”);

WHEREAS, the Company has heretofore executed and delivered to the Trustee a First Supplemental Indenture, dated as of March 19, 2013 (the “*First Supplemental Indenture*”), providing for the issuance of the Company’s 6.250% Senior Notes due 2021, which notes have been redeemed by the Company;

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Second Supplemental Indenture, dated as of March 19, 2013 (the “*Second Supplemental Indenture*”), providing for the issuance of the Company’s 6.625% Senior Notes due 2023 (the “*Notes*”);

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Third Supplemental Indenture, dated as of April 29, 2013 (the “*Third Supplemental Indenture*”);

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Fourth Supplemental Indenture, dated as of May 1, 2013 (the “*Fourth Supplemental Indenture*”);

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Fifth Supplemental Indenture, dated as of July 15,

2013 (the “*Fifth Supplemental Indenture*”);

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Sixth Supplemental Indenture, dated as of August 11, 2014 (the “*Sixth Supplemental Indenture*”);

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Seventh Supplemental Indenture, dated as of September 28, 2015 (the “*Seventh Supplemental Indenture*”);

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Eighth Supplemental Indenture, dated as of August 30, 2016 (the “*Eighth Supplemental Indenture*”; the Base Indenture, as amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, and the Eighth Supplemental Indenture, the “*Indenture*”);

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which

the Guaranteeing Subsidiaries shall unconditionally guarantee all of the Company's obligations under the Notes and the Indenture with respect to the Notes on the terms and conditions set forth herein; and

WHEREAS, pursuant to Section 9.01 of the Base Indenture, the Trustee is authorized to execute and deliver this Ninth Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiaries and the Trustee, intending to be legally bound, mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.
2. AGREEMENT TO GUARANTEE. The Guaranteeing Subsidiaries hereby agree to provide an unconditional guarantee of the Notes on the terms and subject to the conditions set forth herein and in the Indenture including but not limited to Article X of the Base Indenture, as heretofore amended and supplemented.
3. NO RECOURSE AGAINST OTHERS. No past, present or future director, officer, member, manager, partner, employee, incorporator, stockholder or agent of the Guaranteeing Subsidiaries, as such, shall have any liability for any obligations of the Company or any Guaranteeing Subsidiaries under the Notes, any Note Guarantees, the Indenture or this Ninth Supplemental Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.
4. THIS NINTH SUPPLEMENTAL INDENTURE WILL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.
5. COUNTERPARTS. This Ninth Supplemental Indenture may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. The exchange of copies of this Ninth Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Ninth Supplemental Indenture as to the parties hereto and may be used in lieu of the original Ninth Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF transmission shall be deemed to be their original signatures for all purposes.
6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.
7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Ninth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed and attested, all as of the date first above written.

IOWA WIRELESS SERVICES, LLC
IOWA WIRELESS SERVICES HOLDING CORPORATION

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Executive Vice President and
Chief Financial Officer

[Ninth Supplemental Indenture to Indenture dated March 19, 2013]

T-MOBILE USA, INC.

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Executive Vice President and
Chief Financial Officer

T-MOBILE US, INC.

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Executive Vice President and
Chief Financial Officer

[Ninth Supplemental Indenture to Indenture dated March 19, 2013]

IBSV LLC
METROPCS CALIFORNIA, LLC
METROPCS FLORIDA, LLC
METROPCS GEORGIA, LLC
METROPCS MASSACHUSETTS, LLC
METROPCS MICHIGAN, LLC
METROPCS NETWORKS CALIFORNIA, LLC
METROPCS NETWORKS FLORIDA, LLC
METROPCS NEVADA, LLC
METROPCS NEW YORK, LLC
METROPCS PENNSYLVANIA, LLC
METROPCS TEXAS, LLC
POWERTEL MEMPHIS LICENSES, INC.
POWERTEL/MEMPHIS, INC.
SUNCOM WIRELESS HOLDINGS, INC.
SUNCOM WIRELESS INVESTMENT COMPANY LLC
SUNCOM WIRELESS LICENSE COMPANY, LLC
SUNCOM WIRELESS MANAGEMENT COMPANY, INC.
SUNCOM WIRELESS OPERATING COMPANY, L.L.C.
SUNCOM WIRELESS PROPERTY COMPANY, L.L.C.
SUNCOM WIRELESS, INC.
T-MOBILE CENTRAL LLC
T-MOBILE FINANCIAL LLC
T-MOBILE LEASING LLC
T-MOBILE LICENSE LLC
T-MOBILE NORTHEAST LLC
T-MOBILE PCS HOLDINGS LLC
T-MOBILE PUERTO RICO HOLDINGS LLC
T-MOBILE PUERTO RICO LLC
T-MOBILE RESOURCES CORPORATION
T-MOBILE SOUTH LLC
T-MOBILE SUBSIDIARY IV CORPORATION
T-MOBILE WEST LLC
TRITON PCS FINANCE COMPANY, INC.
TRITON PCS HOLDINGS COMPANY L.L.C.
VOICESTREAM PCS I IOWA CORPORATION

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Authorized Person

[Ninth Supplemental Indenture to Indenture dated March 19, 2013]

DEUTSCHE BANK TRUST COMPANY
AMERICAS, as Trustee

By: /s/ Carol Ng

Name: Carol Ng

Title: Vice President

By: /s/ James Briggs

Name: James Briggs

Title: Vice President

[Ninth Supplemental Indenture to Indenture dated March 19, 2013]

Schedule I

Iowa Wireless Services, LLC

Iowa Wireless Services Holding Corporation
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[\(Back To Top\)](#)

Section 3: EX-4.56 (TMUS EXHIBIT 4.56)

EXHIBIT 4.56

THIRTY-FIRST SUPPLEMENTAL INDENTURE

THIRTY-FIRST SUPPLEMENTAL INDENTURE (this “*Thirty-First Supplemental Indenture*”), dated as of January 25, 2018, among T-Mobile USA, Inc. (the “*Company*”), the entities listed on Schedule I (the “*New Guarantors*”), the existing guarantors signatory hereto (the “*Existing Guarantors*”) and Deutsche Bank Trust Company Americas, as trustee under the Indenture referred to herein (the “*Trustee*”).

WITNESSETH:

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Indenture, dated as of April 28, 2013 (the “*Base Indenture*”) as amended and supplemented with respect to the Company’s (a) Senior Reset Notes due 2019 pursuant to the First Supplemental Indenture dated as of April 28, 2013, (b) Senior Reset Notes due 2020 pursuant to the Second Supplemental Indenture dated as of April 28, 2013, (c) Senior Reset Notes due 2021 pursuant to the Third Supplemental Indenture dated as of April 28, 2013 (the “*2021 Reset Notes*”), (d) Senior Reset Notes due 2022 pursuant to the Fourth Supplemental Indenture dated as of April 28, 2013 (the “*2022 Reset Notes*”), (e) Senior Reset Notes due 2023 pursuant to the Fifth Supplemental Indenture dated as of April 28, 2013 (the “*2023 Reset Notes*”), (f) 6.464% Senior Notes due 2019 pursuant to the Sixth Supplemental Indenture dated as of April 28, 2013, which notes have been redeemed by the Company, (g) 6.542% Senior Notes due 2020 pursuant to the Seventh Supplemental Indenture dated as of April 28, 2013, which notes have been redeemed by the Company, (h) 6.633% Senior Notes due 2021 pursuant to the Eighth Supplemental Indenture dated as of April 28, 2013, which notes have been redeemed by the Company, (i) 6.731% Senior Notes due 2022 pursuant to the Ninth Supplemental Indenture dated as of April 28, 2013, which notes have been redeemed by the Company, and (j) 6.836% Senior Notes due 2023 pursuant to the Tenth Supplemental Indenture dated as of April 28, 2013 (the “*6.836% 2023 Notes*”), (k) 5.250% Senior Notes due 2018 pursuant to the Thirteenth Supplemental Indenture dated as of August 21, 2013, which notes have been redeemed by the Company, (l) 6.125% Senior Notes due 2022 pursuant to the Fourteenth Supplemental Indenture dated as of November 21, 2013, which notes have been redeemed by the Company, (m) 6.500% Senior Notes due 2024 pursuant to the Fifteenth Supplemental Indenture dated as of November 21, 2013 (the “*6.500% 2024 Notes*”), (n) 6.000% Senior Notes due 2023 pursuant to the Seventeenth Supplemental Indenture dated as of September 5, 2014 (the “*6.000% 2023 Notes*”), (o) 6.375% Senior Notes due 2025 pursuant to the Eighteenth Supplemental Indenture dated as of September 5, 2014 (the “*6.375% 2025 Notes*”), (p) 6.500% Senior Notes due 2026 pursuant to the Twentieth Supplemental Indenture dated as of November 5, 2015 (the “*6.500% 2026 Notes*”), (q) 6.000% Senior Notes due 2024 pursuant to the Twenty-First Supplemental Indenture dated as of April 1, 2016 (the “*6.000% 2024 Notes*”), (r) 4.000% Senior Notes due 2022 pursuant to the Twenty-Third Supplemental Indenture dated as of March 16, 2017 (the “*4.000% 2022 Notes*”), (s) 5.125% Senior Notes due 2025 pursuant to the Twenty-Fourth Supplemental Indenture dated as of March 16, 2017 (the “*5.125% 2025 Notes*”), (t) 5.375% Senior Notes due 2027 pursuant to the Twenty-Fifth Supplemental Indenture dated as of March 16, 2017 (the “*5.375% 2027 Notes*”), (u) 4.000% Senior Notes due 2022-1 pursuant to the Twenty-Sixth Supplemental Indenture dated as of April 27, 2017 (the “*4.000% 2022-1 Notes*”), (v) 5.125% Senior Notes due 2025-1 pursuant to the Twenty-Seventh Supplemental Indenture dated as of April 28, 2017 (the “*5.125% 2025-1 Notes*”), (w) 5.375% Senior Notes due 2027-1 pursuant to the Twenty-Eighth Supplemental

Indenture dated as of April 28, 2017 (the “5.375% 2027-1 Notes”) and (x) 5.300% Senior Notes due 2021 pursuant to the Twenty-Ninth Supplemental Indenture dated as of May 9, 2017 (the “5.300% 2021 Notes”) and together with the 2021 Reset Notes, the 2022 Reset Notes, the 2023 Reset Notes, the 6.836% 2023 Notes, the 6.500% 2024 Notes, the 6.000% 2023 Notes, the 6.375% 2025 Notes, the 6.500% 2026 Notes, the 6.000% 2024 Notes, the 4.000% 2022 Notes, the 5.125% 2025 Notes, the 5.375% 2027 Notes, the 4.000% 2022-1 Notes, the 5.125% 2025-1 Notes and the 5.375% 2027-1 Notes, the “Notes”), and as amended and supplemented by the Eleventh Supplemental Indenture dated as of May 1, 2013, the Twelfth Supplemental Indenture dated as of July 15, 2013, the Sixteenth Supplemental Indenture dated as of August 11, 2014, the Nineteenth Supplemental Indenture dated as of September 28, 2015, the Twenty-Second Supplemental Indenture dated as of August 30, 2016, and the Thirtieth Supplemental Indenture dated as of May 9, 2017 (the Base Indenture as so amended and supplemented, the “Indenture”);

WHEREAS, Section 4.17 of the Indenture provides that under certain circumstances the Company is required to cause the New Guarantors to execute and deliver to the Trustee a supplemental indenture pursuant to which the New Guarantors shall become Guarantors of the applicable Notes on the terms and conditions set forth herein; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee, the Company, the Existing Guarantors and the New Guarantors are authorized to execute and deliver this Thirty-First Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company, the New Guarantors, the Existing Guarantors and the Trustee mutually covenant and agree for the benefit of the Holders of the applicable Notes as follows:

1. Defined Terms. As used in this Thirty-First Supplemental Indenture, capitalized terms used but not defined herein shall have the meaning set forth in the Indenture. The words “herein,” “hereof” and “hereby” and other words of similar import used in this Thirty-First Supplemental Indenture refer to this Thirty-First Supplemental Indenture as a whole and not to any particular section hereof.
2. Agreement to Guarantee. The New Guarantors hereby agree to unconditionally guarantee the Company’s obligations under the Notes and the Indenture on the terms and subject to the conditions set forth in the Indenture including but not limited to ARTICLE X thereof.
3. Notices. All notices or other communications to the Company and the New Guarantors shall be given as provided in Section 12.02 of the Indenture.
4. Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly contemplated hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect.
5. Governing Law. THIS THIRTY-FIRST SUPPLEMENTAL INDENTURE WILL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

6. The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Thirty-First Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the New Guarantors and the Company.

7. Counterpart Originals. This Thirty-First Supplemental Indenture may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. The exchange of copies of this Thirty-First Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Thirty-First Supplemental Indenture as to the parties hereto and may be used in lieu of the original Thirty-First Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF transmission shall be deemed to be their original signatures for all purposes. The parties may sign any number of copies of this Thirty-First Supplemental Indenture. Each signed copy will be an original, but all of them together represent the same agreement.

8. Headings, etc. The headings of the Articles and Sections of this Thirty-First Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part of this Thirty-First Supplemental Indenture and will in no way modify or restrict any of the terms or provisions hereof.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Thirty-First Supplemental Indenture to be duly executed, as of the date first above written.

IOWA WIRELESS SERVICES, LLC
IOWA WIRELESS SERVICES HOLDING CORPORATION

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Executive Vice President and
Chief Financial Officer

[Thirty-First Supplemental Indenture to Indenture dated as of April 28, 2013]

T-MOBILE USA, INC.

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Executive Vice President and
Chief Financial Officer

T-MOBILE US, INC.

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Executive Vice President and
Chief Financial Officer

[Thirty-First Supplemental Indenture to Indenture dated as of April 28, 2013]

IBSV LLC
METROPCS CALIFORNIA, LLC
METROPCS FLORIDA, LLC
METROPCS GEORGIA, LLC
METROPCS MASSACHUSETTS, LLC
METROPCS MICHIGAN, LLC
METROPCS NETWORKS CALIFORNIA, LLC
METROPCS NETWORKS FLORIDA, LLC
METROPCS NEVADA, LLC
METROPCS NEW YORK, LLC
METROPCS PENNSYLVANIA, LLC
METROPCS TEXAS, LLC
POWERTEL MEMPHIS LICENSES, INC.
POWERTEL/MEMPHIS, INC.
SUNCOM WIRELESS HOLDINGS, INC.
SUNCOM WIRELESS INVESTMENT COMPANY LLC
SUNCOM WIRELESS LICENSE COMPANY, LLC
SUNCOM WIRELESS MANAGEMENT COMPANY, INC.
SUNCOM WIRELESS OPERATING COMPANY, L.L.C.
SUNCOM WIRELESS PROPERTY COMPANY, L.L.C.
SUNCOM WIRELESS, INC.
T-MOBILE CENTRAL LLC
T-MOBILE FINANCIAL LLC
T-MOBILE LEASING LLC
T-MOBILE LICENSE LLC
T-MOBILE NORTHEAST LLC
T-MOBILE PCS HOLDINGS LLC
T-MOBILE PUERTO RICO HOLDINGS LLC
T-MOBILE PUERTO RICO LLC
T-MOBILE RESOURCES CORPORATION
T-MOBILE SOUTH LLC
T-MOBILE SUBSIDIARY IV CORPORATION
T-MOBILE WEST LLC
TRITON PCS FINANCE COMPANY, INC.
TRITON PCS HOLDINGS COMPANY L.L.C.
VOICESTREAM PCS I IOWA CORPORATION

By: /s/ J. Braxton Carter

Name: J. Braxton Carter
Title: Authorized Person

[Thirty-First Supplemental Indenture to Indenture dated as of April 28, 2013]

DEUTSCHE BANK TRUST COMPANY
AMERICAS, as Trustee

By: /s/ Carol Ng

Name: Carol Ng

Title: Vice President

By: /s/ James Briggs

Name: James Briggs

Title: Vice President

[Signature Page to Thirty-First Supplemental Indenture]

Schedule I

Iowa Wireless Services, LLC

Iowa Wireless Services Holding Corporation
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[\(Back To Top\)](#)

Section 4: EX-10.31 (TMUS EXHIBIT 10.31)

EXHIBIT 10.31

EXECUTION VERSION

DATED AS OF FEBRUARY 5, 2018

T-MOBILE AIRTIME FUNDING LLC

as Funding Seller

BILLING GATE ONE LLC

as Purchaser

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE

as Bank Purchasing Agent

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., DÜSSELDORF BRANCH

as Bank Collections Agent

T-MOBILE PCS HOLDINGS LLC

as Servicer

and

T-MOBILE US, INC.

as Performance Guarantor

**THIRD AMENDED AND RESTATED
MASTER RECEIVABLES PURCHASE AGREEMENT**



TABLE OF CONTENTS

	<u>Page</u>
1 Interpretation	3
2 Sale and Assignment	23
3 Servicing of Purchased Receivables	31
4 Fees and Payments; Increased Costs; Set-Off	37
5 Repurchase of Receivables; Allocation and Sharing of Losses	40
6 Representations and Warranties of the Funding Seller and the Performance Guarantor	47
7 Certain Covenants of the Funding Seller, the Servicer, the Performance Guarantor, the Bank Purchasing Agent and the Purchaser	52
8 Conditions Precedent	57
9 Indemnification By Funding Seller	57
10 Payments	59
11 Term; Termination	59
12 Confidentiality	63
13 Notices	64
14 Assignments	64
15 Amendments	65
16 Other Costs	65
17 Separability	65
18 Money Laundering	65
19 Performance Guarantee	65
20 Termination of KFW Guarantees	68
21 Purchasing Entities' Undertakings related to German VAT	68
22 Bankruptcy	68
23 Limited Recourse against Wells Fargo	69
24 Choice of Law and Jurisdiction; Waiver of Jury Trial	69
25 Counterparts	69
26 Execution	70
27 Anti-Corruption; Sanctions	70
28 Acknowledgement and Consent to Bail-In of EEA Financial Institutions	72
SIGNATURE PAGES	
ANNEX 1 ADDRESSES	A-1
ANNEX 2A FORM OF NOTICE OF RELEASE OF KFW GUARANTEES	A-2A
ANNEX 2B FORM OF NOTICE OF RELEASE OF KFW GUARANTEES	A-2B
ANNEX 3 ELIGIBLE RECEIVABLES	A-3
ANNEX 4 ORIGINATORS	A-4
ANNEX 5 CONDITIONS PRECEDENT TO EACH PURCHASE	A-5
ANNEX 6 FORM OF MONTHLY REPORT	A-6
ANNEX 7 SCOPE OF ACCOUNTANT'S REPORT	A-7

ANNEX 8 DATA CONFIDENTIALITY PROVISIONS	A-8
ANNEX 9 FORM OF DT PAYMENT GUARANTEE	A-9
ANNEX 10 TEMPLATE FOR INVOICES ON SERVICER FEE TO BE ISSUED BY SERVICER SEPARATELY TO EACH BANK PURCHASER PURSUANT TO SECTION 4.3(b)	A-10
ANNEX 11 LEVEL 4 RESERVE PERCENTAGES ON PRIOR SETTLEMENT DATES	A-11

THIS THIRD AMENDED AND RESTATED MASTER RECEIVABLES PURCHASE AGREEMENT (this “**Agreement**”) is dated as of February 5, 2018, and made

AMONG:

- (1) **T-Mobile Airtime Funding LLC**, a limited liability company organized under the laws of the State of Delaware, with its principal place of business at 12920 SE 38th Street, Bellevue, Washington, USA 98006 (“**T-Mobile Funding**” or the “**Funding Seller**”);
- (2) **Billing Gate One LLC**, a limited liability company organized under the laws of the State of Delaware, with its principal place of business at 919 N. Market Street, Suite 1600, Wilmington, Delaware, USA 19801 (the “**Purchaser**”);
- (3) **Landesbank Hessen-Thüringen Girozentrale**, a public law corporation incorporated under the laws of Germany, registered in the commercial register kept at the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRA 29821 and the local court (*Amtsgericht*) of Jena under registration number HRA 102181, with its business address at Neue Mainzer Straße 52-58, 60311 Frankfurt am Main, Germany (“**Helaba**” or, in its capacity as Bank Purchasing Agent on behalf of the Bank Purchasers, the “**Bank Purchasing Agent**” and a “**Co-Agent**”);
- (4) **The Bank of Tokyo-Mitsubishi UFJ, Ltd., Düsseldorf branch**, a bank incorporated under the laws of Japan, operating through its Düsseldorf Branch, which is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Düsseldorf under registration number HRB 34094, with its seat at Breite Straße 34, 40213 Düsseldorf, Germany (“**BTMU**” or, in its capacity as Bank Collections Agent on behalf of the Bank Purchasers, the “**Bank Collections Agent**” and a “**Co-Agent**”);
- (5) **T-Mobile PCS Holdings LLC**, a Delaware limited liability company, with its business address at 12920 SE 38th Street, Bellevue, Washington, USA 98006, as Servicer (“**T-Mobile PCS Holdings**” or the “**Servicer**”); and
- (6) **T-Mobile US, Inc.**, a Delaware corporation, with its business address at 12920 SE 38th Street, Bellevue, Washington, USA 98006 (the “**Performance Guarantor**” or “**TMUS**”).

PREAMBLE

- (A) On or about February 26, 2014 (the “**Original Signing Date**”):
 - (i) T-Mobile PCS Holdings and the Originators entered into a receivables sale and conveyancing agreement, as amended from time to time (the “**Conveyancing Agreement**”), pursuant to which T-Mobile PCS Holdings (in such capacity, the “**Initial Purchaser**”) agreed to purchase Receivables and Related Rights from the Originators, and the Originators have agreed to sell certain Receivables and Related Rights to the Initial Purchaser;
 - (ii) T-Mobile Funding and the Initial Purchaser entered into a receivables sale and contribution agreement, as amended from time to time (the “**Contribution Agreement**”), pursuant to which T-Mobile Funding agreed to purchase Receivables and Related Rights from the Initial Purchaser, and the Initial Purchaser agreed to sell or contribute Receivables and Related Rights to T-Mobile Funding that the Initial Purchaser has acquired pursuant to the Conveyancing Agreement;
 - (iii) in order to enable the Funding Seller to purchase such Receivables and Related Rights from the Initial Purchaser pursuant to the Contribution Agreement, the Funding Seller and the Purchaser entered into the Master Receivables Purchase Agreement, as amended from time to time (the

“**Master Receivables Purchase Agreement**”), pursuant to which the Funding Seller sold to the Purchaser, and the Purchaser purchased from the Funding Seller, the Receivables and Related Rights that the Funding Seller had acquired pursuant to the Contribution Agreement;

- (iv) in order to enable the Purchaser to purchase the Receivables and Related Rights from the Funding Seller pursuant to the Master Receivables Purchase Agreement, the Bank Purchasing Agent, the Bank Purchasers and the Purchaser entered into the Onward Receivables Purchase Agreement (as amended and restated on the date hereof and as otherwise amended, restated, supplemented or otherwise modified from time to time, the “**Onward Receivables Purchase Agreement**”), pursuant to which the Purchaser agreed to sell to the Bank Purchasers, and the Bank Purchasers agreed to purchase from the Purchaser, undivided percentage ownership interests in such Receivables and Related Rights;
 - (v) Helaba was requested to act, and since then has been acting, as Bank Purchasing Agent on behalf of the Bank Purchasers and their assigns in accordance with the terms of the Onward Receivables Purchase Agreement;
 - (vi) T-Mobile PCS Holdings was requested to act, and since then has been acting, as the Servicer in accordance with the terms of the Master Receivables Purchase Agreement; and
 - (vii) in order to induce the Purchaser to enter into the Master Receivables Purchase Agreement, the Performance Guarantor agreed to guaranty certain of the obligations of the Servicer, the Initial Purchaser and the Originators under the Transaction Documents.
- (B) On June 6, 2016, the parties hereto amended, restated and replaced the Master Receivables Purchase Agreement in its entirety with the First Amended and Restated Master Receivables Purchase Agreement and BTMU was requested to act, and since then has been acting, as Bank Collections Agent on behalf of the Bank Purchasers and their assigns in accordance with the terms of the Onward Receivables Purchase Agreement.
- (C) On November 30, 2016, the parties hereto amended, restated and replaced the First Amended and Restated Master Receivables Purchase Agreement in its entirety with the Second Amended and Restated Master Receivables Purchase Agreement.
- (D) On May 5, 2017, the parties hereto entered into an amendment to the Second Amended and Restated Master Receivables Purchase Agreement.
- (E) The parties hereto now desire to amend, restate and replace the Master Receivables Purchase Agreement in its entirety as provided herein.

1. **IT IS AGREED** as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement (including recitals hereto):

“**1-Month LIBOR**” means, for each Accrual Period, the percentage rate per annum for deposits in USD in a principal amount equal to not less than USD 1,000,000 having a maturity of one month displayed on the Bloomberg Screen two Business Days prior to the first day of such Accrual Period. If such rate is unavailable for any reason on such day, “1-Month LIBOR” shall be determined on the basis of the rates at which one-month deposits in USD are offered by four prime banks in the London interbank market reasonably selected by the Co-Agents (the “**1-Month LIBOR Reference Banks**”) at approximately 11:00 a.m. (London time) on such date, to prime banks in the London interbank market in an amount determined by the Co-Agents. If at least two such quotations are provided, “1-Month LIBOR” will be the arithmetic mean of the quotations rounded to four decimal places. If fewer than two quotations are provided, “1-Month LIBOR” will be the arithmetic mean of rates quoted by at least two major banks in New York City, reasonably selected by the Co-Agents, at approximately 11:00 a.m., New York City time, on such date for one-month loans in USD to leading European banks in a principal amount equal to not less than USD 1,000,000; provided, however, that if fewer than two 1-Month LIBOR Reference Banks selected as aforesaid by the Co-Agents are quoting rates as mentioned above, “1-Month LIBOR” shall be the rate in effect for the previous Accrual Period. Notwithstanding the foregoing, with respect to the initial Accrual Period, “1-Month LIBOR” shall be determined through the use of straight-line interpolation by reference to two rates based on the relevant rates displayed on the Bloomberg Screen, one of which shall be determined as if the initial Accrual Period were one month in duration and the other of which shall be determined as if the initial Accrual Period were two months in duration. Any determination or selection required to be made by the Co-Agents pursuant to this paragraph shall be made by the Co-Agents acting in concert or, if the Co-Agents cannot agree to act in concert by the time prescribed, by either one of the Co-Agents acting at the direction of all of the Bank Purchasers whose LIBOR Rate is based on 1-Month LIBOR.

“**3-Month LIBOR**” means, for each Accrual Period, the percentage rate per annum for deposits in USD in a principal amount equal to not less than USD 1,000,000 having a maturity of three months displayed on the Bloomberg Screen two Business Days prior to the first day of such Accrual Period. If such rate is unavailable for any reason on such day, “3-Month LIBOR” shall be determined on the basis of the rates at which three-month deposits in USD are offered by four prime banks in the London interbank market reasonably selected by the Co-Agents (the “**3-Month LIBOR Reference Banks**”) at approximately 11:00 a.m. (London time) on such date, to prime banks in the London interbank market in an amount determined by the Co-Agents. If at least two such quotations are provided, “3-Month LIBOR” will be the arithmetic mean of the quotations rounded to four decimal places. If fewer than two quotations are provided, “3-Month LIBOR” will be the arithmetic mean of rates quoted by at least two major banks in New York City, reasonably selected by the Co-Agents, at approximately 11:00 a.m., New York City time, on such date for three-month loans in USD to leading European banks in a principal amount equal to not less than USD 1,000,000; provided, however, that if fewer than two 3-Month LIBOR Reference Banks selected as aforesaid by the Co-Agents are quoting rates as mentioned above, “3-Month LIBOR” shall be the rate in effect for the previous Accrual Period.

“**Account Bank Required Rating**” means a short-term debt rating of at least A-1 by S&P and at least P-1 by Moody’s.

“**Account Control Agreement**” means the agreement originally dated on or about the Original Signing Date, as amended and restated on the date hereof and as otherwise amended, restated, supplemented or otherwise modified from time to time, among the Bank Collections Agent, the Purchaser, the Funding Seller and the Collection Account Bank entered into to perfect the security interest of the Bank Collections Agent and the Purchaser in the Collection Account.

“**Accrual Period**” means (A) initially, the period beginning on the Closing Date and ending on the first Settlement Date and (B) the period beginning on any Settlement Date and ending on the subsequent Settlement Date.

“**Administration Fee**” means the amount set forth in the applicable Fee Letter.

“**Adverse Claim**” means a lien, security interest, trust, mortgage, hypothecation, charge, floating charge, pledge, assignment, deposit arrangement, easement, right of way, or any promise or irrevocable mandate or other encumbrance (including any lien by attachment, conditional sale, capital lease, retention of title, and any form of extended retention of title), or other right, claim, preference, priority, or other preferential arrangement in the nature of a security interest of any kind or nature whatsoever under the laws of any jurisdiction in, of or on any asset or property of a Person (including any UCC financing statement or any similar instrument of any jurisdiction filed against such Person, its assets or properties) and any financing lease having substantially the same economic effect as any of the foregoing.

“**Affected Party**” means each Co-Agent and each Bank Purchaser.

“**Affiliate**” means, as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or is a director or officer of such Person.

“**Aged Receivable**” means a Purchased Receivable (other than a Written-Off Receivable) that has not been paid in full by the related Obligor more than 120 days after its original Due Date. For the avoidance of doubt, an EPS Receivable shall not be considered to be an Aged Receivable.

“**Aged Receivables Ratio**” means, for any Settlement Date, a fraction, expressed as a percentage, the numerator of which is the aggregate Outstanding Balance of all Receivables that first became Aged Receivables or Written-Off Receivables during the most recently ended Collection Period, and the denominator of which is the Settlement Date Receivables Balance for the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Receivables Balance).

“**Aged Receivables Write-Off Amount**” shall have the meaning specified in Section 5.3

“**Aggregate Level 3 Excess Loss Sharing Payment Amount**” shall have the meaning specified in Section 5.3.

“**Aggregate Level 3 Loss Sharing Payment Amount**” shall have the meaning specified in Section 5.3.

“**Agreement**” shall have the meaning specified in the preamble hereto. For the avoidance of doubt, this “Agreement” shall include the Performance Guarantee.

“**Allocated Write-Off Amount**” means, with respect to each Batch, for each Settlement Date, the aggregate amount of Write-Offs that occurred with respect to the Purchased Receivables (other than EPS Receivables) included in such Batch during the most recently ended Collection Period.

“**Autobahn**” means Autobahn Funding Company LLC, a Delaware limited liability company.

“**Bank Collections Agent**” has the meaning specified in the preamble hereto.

“**Bank Purchaser**” shall mean each of (A) Helaba, BTMU and Autobahn, in their respective capacities as a “Bank Purchaser” under the Onward Receivables Purchase Agreement, and (B) any other Person that becomes party to the Onward Receivables Purchase Agreement as a “Bank Purchaser” in accordance with the terms thereof.

“**Bank Purchasing Agent**” means Helaba in its capacity as Bank Purchasing Agent under the Onward Receivables Purchase Agreement.

“**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 101 et seq.

“**Bankruptcy Event**” means, for any Person, any of the following events:

- (a) a case or other proceeding shall be commenced, without the application or consent of such Person, in any court, seeking the liquidation, reorganization, debt arrangement, dissolution, winding up or composition or readjustment of debts of such Person, the appointment of a trustee, receiver, custodian, liquidator, assignee, sequestrator or the like for such Person or any substantial part of its assets, or any similar action with respect to such Person under the Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts, and, except in the case of the Funding Seller, such case or proceeding shall continue undismissed, or unstayed and in effect, for a period of 60 days; or an order for relief in respect of such Person shall be entered in an involuntary case under the Bankruptcy Code or other similar laws now or hereafter in effect; or
- (b) such Person shall commence a voluntary case or other proceeding under the Bankruptcy Code or any other applicable bankruptcy, insolvency, reorganization, debt arrangement, dissolution or other similar law now or hereafter in effect, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestration or the like, for such Person or any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail to, or admit in writing its inability to, pay its debts generally as they become due; or
- (c) such Person shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors or file a notice of intention to make a proposal to some or all of its creditors.

“**Batch**” refers to the Closing Date Batch or any Collection Period Batch.

“**Batch Receivables Amount**” means the aggregate Nominal Value of all of the Purchased Receivables that belong to such Batch as at their respective Purchase Dates.

“**Billing Gate One Trust**” means Billing Gate One Trust, a Delaware statutory trust.

“**Bloomberg Screen**” means the display which appears on the Bloomberg page “US0001M” (or such other page as may replace that page on that service).

“**Board of Directors**” means (a) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board; (b) with respect to a partnership, the Board of Directors of the general partner of the partnership; (c) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and (d) with respect to any other Person, the board or committee of such Person serving a similar function.

“**BTMU**” has the meaning specified in the recitation preceding the preamble hereto.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks in Düsseldorf, Germany; Frankfurt am Main, Germany; London, England, U.K.; New York City, New York, U.S.A.; Seattle, Washington, U.S.A.; Wilmington, Delaware, U.S.A.; and the Collection Account Bank are open for business.

“**CCPC**” means, with respect to a Receivable, the Cost Center Profit Center identified by the Servicer on its related books and records and collections systems.

“**Change in Law**” means (i) any change after the date of this Agreement in (a) the risk-based capital guidelines in effect in the United States on the date of this Agreement, including transition rules, or (b) the corresponding capital regulations promulgated by regulatory authorities outside the United States (including the Federal Republic of Germany), including, in each case, transition rules, and any amendments to such regulations adopted prior to the date of this Agreement, or (ii) any adoption or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof after the date of this Agreement which affects the amount of capital required or expected to be maintained by any of the Purchasing Entities or any corporation controlling any of them. Notwithstanding the foregoing, for purposes of this Agreement, all requests, rules, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change in Law regardless of the date enacted, adopted or issued and all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States financial regulatory authorities shall be deemed to be a Change in Law regardless of the date adopted, issued, promulgated or implemented.

“**Change of Control**” means an event that shall be deemed to occur if Deutsche Telekom shall no longer (i) be the direct or indirect “beneficial owner,” as defined in Rule 13d-3 under the Exchange Act, of more than 50% of the Voting Shares of TMUS (or any successor entity) or (ii) have the ability to elect a majority of the Board of Directors of TMUS (or any successor entity).

“**Charges**” means, with respect to an Obligor, the amounts billed to such Obligor as reflected on the corresponding Invoice.

“**Clean-up Call**” shall have the meaning specified in Section 11.9.

“**Closing Cut-Off Date**” means February 26, 2014, at 12:00 a.m., Pacific standard time.

“**Closing Date**” means March 3, 2014.

“**Closing Date Batch**” refers, in the aggregate, to all of the Receivables sold by the Funding Seller to the Purchaser on the Closing Date.

“**Closing Date Deferred Purchase Price**” means an amount equal to the sum of (i) the Closing Date Dilution Reserve Amount, (ii) the Closing Date Mandatory Repurchase Reserve Amount, and (iii) the Closing Date Yield Reserve Amount, (iv) the Closing Date Excess Funding Amount and (v) the Closing Date Level 4 Reserve Amount.

“**Closing Date Dilution Reserve Amount**” means an amount equal to the product of (i) the Closing Date Receivables Balance and (ii) the Dilution Discount Amount Percentage for the Closing Date.

“**Closing Date Excess Funding Amount**” means the amount (if any) by which the Closing Date Funded Amount would exceed the Funding Limit, after giving effect to the determination of the Closing Date Dilution Reserve Amount, the Closing Date Mandatory Repurchase Reserve Amount, the Closing Date Yield Reserve Amount and the Closing Date Level 4 Reserve Amount.

“**Closing Date Funded Amount**” means the amount that equals (A) the product of the Funding Advance Rate and the Closing Date Receivables Balance minus (B) the Closing Date Deferred Purchase Price.

“**Closing Date Level 4 Reserve Amount**” means the Level 4 Reserve Percentage multiplied by the Closing Date Receivables Balance.

“**Closing Date Mandatory Repurchase Reserve Amount**” means an amount equal to the product of (i) the Closing Date Receivables Balance and (ii) the Maximum Mandatory Repurchase Percentage on the Closing Date.

“**Closing Date Receivables Balance**” means an amount equal to the aggregate Outstanding Balance of all Purchased Receivables purchased by the Purchaser from the Funding Seller on the Closing Date, as of the close of business on the Closing Cut-Off Date.

“**Closing Date Yield Reserve Amount**” means an amount equal to \$3,000,000.

“**Co-Agent**” means each of the Bank Collections Agent and the Bank Purchasing Agent.

“**Code**” means the United States Internal Revenue Code of 1986, as amended from time to time (and any successor statute thereto), and the regulations promulgated and rulings issued thereunder. Section references to the Code are to the Code as in effect on the Closing Date, and any subsequent provisions of the Code, amendments thereto or substituted therefrom.

“**Collections**” means, with respect to any Purchased Receivable, any cash payments (or equivalent) made by or on behalf of the related Obligor with respect to such Purchased Receivable as a payment thereon and any other cash proceeds of such Purchased Receivables, including cash proceeds of Related Rights with respect to such Purchased Receivables; provided that the parties agree that (a) tax refunds, whether in the form of cash or otherwise, with respect to Receivables, and (b) any cash payments (or equivalent) or any other cash proceeds collected on EPS Receivables (including cash proceeds of Related Rights with respect to such EPS Receivables), shall not constitute Collections.

“**Collection Account**” means the deposit account identified as the Collection Account in the Master Receivables Purchase Agreement Side Letter and any successor deposit account.

“**Collection Account Bank**” means the depository institution at which the Collection Account is maintained, which depository institution shall satisfy the Account Bank Required Rating.

“**Collection Period**” means (A) initially, the period beginning on the Closing Cut-Off Date and ending on March 31, 2014, and (B) each calendar month that shall occur thereafter.

“**Collection Period Batch**” refers, in the aggregate, to all of the Receivables (other than Receivables in the Closing Date Batch) that have been sold by the Funding Seller to the Purchaser within the same Collection Period, it being understood (for the avoidance of doubt) that each Collection Period in which Receivables are so sold shall give rise to a separate and distinct Batch.

“**Commingling Loss**” has the meaning set forth in Section 5.6.

“**Commitment**” has the meaning specified in the Onward Receivables Purchase Agreement.

“**Commitment Fee**” of any Bank Purchaser means the “commitment fee” payable to the Purchaser for the benefit of such Bank Purchaser pursuant to Section 4.1.

“**Commitment Fee Rate**” means, for each Bank Purchaser, the amount specified for such Bank Purchaser in the applicable Fee Letter.

“**Competitor**” means any Person that is a telecommunications, internet or comparable service provider or otherwise a commercial competitor of the Performance Guarantor or one of its material Affiliates.

“**Conduit Agent**” means DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, New York Branch, in its capacity as the Conduit Agent under the Onward Receivables Purchase Agreement.

“**Confidential Information**” has the meaning specified in Section 12.1.

“**Consolidated Debt**” means, as of any date of determination, for the Performance Guarantor and its consolidated Subsidiaries, an amount equal to (a) the amount of long-term debt, plus (b) the amount of short-term debt, minus (c) cash and cash equivalents, each as of the end of the preceding calendar quarter, each as determined in accordance with GAAP and shown in the consolidated balance sheets of the Performance Guarantor as of such date.

“**Consolidated EBITDA**” means, (I) for any fiscal quarter ending after June 30, 2013, an amount equal to the Consolidated Net Income for such period plus (a) each of the following to the extent deducted in calculating such Consolidated Net Income: (i) interest expense (net of interest income) payable by the Performance Guarantor and its Subsidiaries for such period, (ii) the provision for Federal, state, local and foreign income taxes payable (including those deferred) by the Performance Guarantor and its Subsidiaries for such period, (iii) depreciation and amortization expenses of the Performance Guarantor and its Subsidiaries for such period, (iv) other deducted income and expenses, (v) expenses constituting stock-based compensation and (vi) other non-recurring expenses of the Performance Guarantor and its Subsidiaries reducing such Consolidated Net Income which are not reflective of ongoing operations and (II) for any periods prior to or ending on June 30, 2013, the pro-forma statements shown in the *Investor Quarterly* (3rd quarter 2013) as filed with the Securities and Exchange Commission on November 5, 2013, for the Performance Guarantor and its predecessor companies.

“**Consolidated Equity Ratio**” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is (a) Consolidated Shareholders’ Equity and the denominator of which is (b) Consolidated Total Assets.

“**Consolidated Leverage Ratio**” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is (a) Consolidated Debt as of such date and the denominator of which is (b) Consolidated EBITDA for the period of the four fiscal quarters most recently ended.

“**Consolidated Net Income**” means, for any fiscal quarter for the Performance Guarantor and its consolidated Subsidiaries, the net income of the Performance Guarantor and its consolidated Subsidiaries as of the end of such fiscal quarter, determined in the accordance with GAAP and shown in the consolidated statements of income of the Performance Guarantor and its consolidated Subsidiaries for such date.

“**Consolidated Shareholders’ Equity**” means, as of any date of determination, the stockholders’ equity of the Performance Guarantor and its consolidated Subsidiaries on a consolidated basis as of the end of the prior calendar quarter determined in accordance with GAAP and shown in the consolidated balance sheets of the Performance Guarantor as of such date.

“Consolidated Total Assets” means, as of any date of determination, the total assets of the Performance Guarantor and its consolidated Subsidiaries on a consolidated basis as of the end of the prior calendar quarter, determined in accordance with GAAP and shown in the consolidated balance sheets of the Performance Guarantor as of such date.

“Contract” means with respect to any Receivable, an agreement or arrangement pursuant to agreed-upon terms and conditions between an Originator and any Obligor, pursuant to or under which such Obligor shall be obligated to pay for goods or services from time to time.

“Contribution Agreement” has the meaning specified in the Preamble hereto.

“Conveyancing Agreement” has the meaning specified in the Preamble hereto.

“Credit and Collection Policy” means, with respect to the Receivables and Related Rights, those policies and procedures of T-Mobile PCS Holdings (or one of its Affiliates) with respect to receivables credit, servicing, administering, originating and collection in effect as of the Closing Date and as modified from time to time in accordance with this Agreement.

“CRR” has the meaning set forth in Section 7.1(m).

“CRR Cost” has the meaning set forth in Section 7.1(m).

“Debt” of any Person shall mean, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, or upon which interest payments are customarily made, (iii) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business), (iv) all obligations of such Person issued or assumed as the deferred purchase price of property or services purchased by such Person (other than trade debt incurred in the ordinary course of business and due within twelve months of the incurrence thereof) which would appear as liabilities on a balance sheet of such Person, (v) all obligations of such Person under take-or-pay or similar arrangements or under commodities agreements, (vi) all indebtedness of others secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Adverse Claim on, or payable out of the proceeds of production from, property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed; provided that for purposes hereof the amount of such indebtedness shall be limited to the greater of (A) the amount of such indebtedness as to which there is recourse to such Person and (B) the fair market value of the property which is subject to the Adverse Claim, (vii) all guarantees of such Person, (viii) the principal portion of all obligations of such Person under capitalized leases, (ix) all obligations of such Person in respect of interest rate protection agreements, foreign currency exchange agreements, commodity purchase or option agreements or other interest or exchange rate or commodity price hedging agreements, (x) the maximum amount of all standby letters of credit issued or bankers’ acceptances facilities created for the account of such Person and, without duplication, all drafts drawn thereunder (to the extent unreimbursed), (xi) all preferred stock issued by such Person and required by the terms thereof to be redeemed, or for which mandatory sinking fund payments are due by a fixed date, and (xii) the principal balance outstanding under any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product to which such Person is a party, where such transaction is considered borrowed money indebtedness for tax purposes. The Debt of any Person shall include the indebtedness of any partnership or joint venture in which such Person is a general partner or a joint venturer, but only to the extent to which there is recourse to such Person for payment of such indebtedness.

“Deferred Purchase Price” means, for each Settlement Date, the sum of (i) the Dilution Reserve Amount, (ii) the Mandatory Repurchase Reserve Amount, (iii) the Yield Reserve Amount, (iv) the Excess Funding Reserve Amount, and (v) the Level 4 Reserve Amount, and, on and following the KfW Termination Date, (vi) 85% of the Level 3 Maximum Amount and (vii) the Level 3A Maximum Amount, in each case, determined for such Settlement Date.

“Delinquency Ratio” means a fraction, expressed as a percentage, computed as of the last day of each Collection Period, the numerator of which is (a) the aggregate Outstanding Balance of all Purchased Receivables that were Delinquent Receivables as of the close of business on such day, and the denominator of which is (b) the Settlement Date Receivables Balance as of the Settlement Date immediately preceding such day (which, for purposes of the first Collection Period, shall be deemed to have been the Closing Date Receivables Balance).

“Delinquent Receivable” means a Purchased Receivable that is not an Aged Receivable and for which any payment, or part thereof, remains unpaid for more than 60 and less than 91 days from the original Due Date for such payment. For the avoidance of doubt, an EPS Receivable shall not be considered to be a Delinquent Receivable.

“Designated November 2014 Receivable” means a receivable originated by either of the November 2014 Joining Originators in November 2014 on or before the November 2014 Amendment Effective Date.

“Designated State” means the states referred to in paragraph (dd) of Annex 3, or such other states designated by the Servicer from time to time and consented to by the Bank Purchasing Agent.

“Designated SunCom Receivable” means a receivable originated by the January 2015 Joining Originator in November 2014, December 2014, or January 2015 on or before the January 2015 Amendment Effective Date.

“Deutsche Telekom” means Deutsche Telekom AG, a public law corporation incorporated under the laws of Germany.

“Dilutions” means, with respect to any Purchased Receivable (other than an EPS Receivable), the aggregate amount of any reductions or adjustments in the Outstanding Balance of such Receivable as a result of any defective, rejected, returned, repossessed or foreclosed goods or services, any failure to provide services or any credit, rebate, sales allowance, discount or other adjustment or setoff. For the avoidance of doubt, no Dilution shall be recognized with respect to an EPS Receivable, including at the time when a Purchased Receivable becomes an EPS Receivable.

“Dilution Discount Amount Percentage” means:

(A) for each Settlement Date other than the first Settlement Date, a percentage equal to the greater of (i) the Dilution Peak Ratio multiplied by (x) until the March 2018 Settlement Date 1.1 and on the April 2018 Settlement Date and thereafter 1.25, if TMUS shall then be rated at least BB by S&P and Ba3 by Moody’s, or (y) 1.5, otherwise, and (ii) 8%; and

(B) for the Closing Date and the first Settlement Date, 15%.

“Dilution Peak Ratio” means, (A) for the second and third Settlement Dates, the highest Dilution Ratio after the first Settlement Date, (B) for the fourth to fifteenth Settlement Dates, the highest three-month rolling average of the Dilution Ratios since the second Settlement Date, and (C) for any other Settlement Date, a percentage equal to the highest three-month rolling average of the Dilution Ratio over the 12 immediately preceding Settlement Dates.

“Dilution Ratio” means, for any Settlement Date, a fraction, expressed as a percentage, the numerator of which is (a) the amount of Dilutions that occurred during the most recently ended Collection Period, and the denominator of which is (b) the aggregate Nominal Value of all Receivables sold to the Purchaser hereunder during the most recent Collection Period.

“Dilution Reserve Amount” means, (A) for each Settlement Date prior to the Facility Termination Date, an amount equal to the product of (i) the Settlement Date Receivables Balance on such Settlement Date and (ii) the Dilution Discount Amount Percentage for such Settlement Date, (B) for each Settlement Date on or following the Facility Termination Date on which the Funded Amount is greater than zero, an amount equal to the lesser of (i) the Dilution Reserve Payment Amount and (ii) (a) the Settlement Date Receivables Balance minus (b) the Mandatory Repurchase Reserve Amount, and (C) for each other Settlement Date, zero, provided that, following the Facility Termination Date, the Bank Purchasing Agent at any time may reduce the Dilution Reserve Amount and increase either or both of the Mandatory Repurchase Reserve Amount and the Yield Reserve Amount by a corresponding total amount, whereupon the Dilution Reserve Amount, the Mandatory Repurchase Reserve Amount and the Yield Reserve Amount shall be adjusted accordingly.

“Dilution Reserve Payment Amount” means, for each Settlement Date, the amount equal to the higher of (A) (i) the Dilution Reserve Amount for the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Dilution Reserve Amount), minus (ii) the product of (a) the Funding Advance Rate, multiplied by (b) the aggregate amount of all Dilutions that occurred during the most recently ended Collection Period, and (B) zero.

“Discount” means, with respect to each Purchased Receivable, the Outstanding Balance of such Purchased Receivable on the related Purchase Date multiplied by the Discount Rate.

“Discount Ledger” means a book-entry ledger that shall be maintained by the Bank Purchasing Agent, in which the Bank Purchasing Agent shall record the Discount Ledger Balance in accordance with the terms of this Agreement.

“Discount Ledger Adjusted Balance” shall mean, for any Settlement Date, the amount equal to the sum of (A) the Discount Ledger Balance as of the end of the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been zero) plus (B) the aggregate of amounts that were required to have been added to the Discount Ledger Balance on such Settlement Date pursuant to Sections 2.7 and 5.4 hereof, which amount shall be determined by the Bank Purchasing Agent.

“Discount Ledger Balance” shall mean, as of any Settlement Date, the amount, which shall be determined by the Bank Purchasing Agent, equal to the following:

- (a) the Discount Ledger Adjusted Balance for such Settlement Date; minus
- (b) the sum of (i) the aggregate amount, if any, by which the Discount Ledger Balance is required to be reduced pursuant to Section 5.3(b)(ii) on such Settlement Date plus (ii) the aggregate amount, if any, payable by the Purchaser to the Funding Seller pursuant to Section 5.3(c)(ii) on such Settlement Date.

“Discount Rate” means (i) with respect to the Closing Date Batch and the Batches related to the first three consecutive Collection Periods following the Closing Cut-Off Date, 0.40%, (ii) with respect to the June 2014 Batch until the December 2015 Batch (inclusive), 0.05%, (iii) with respect to the January 2016 Batch until the February 2017 Batch 0.40%, (iv) with respect to the March 2017 Batch and April 2017 Batch, 0.60%, (v) with respect to the May 2017 Batch until the November 2017 Batch, 0.80%, and (vi) with respect to the December 2017 Batch and all subsequent Batches thereafter, 0.70%, as such percentage may be adjusted from time to time in accordance with the terms hereof.

“**DT Payment Guarantee**” means a guarantee for the benefit of the Purchasing Entities, substantially in the form attached hereto as Annex 9.

“**Due Date**” means, with respect to any Receivable, the date on which such Receivable becomes due and payable pursuant to the corresponding Invoice.

“**Eligible Receivable**” means any Receivable that satisfies all of the criteria specified in Annex 3.

“**EPS Cap Increase Notice**” means a notice issued by the Servicer to the Purchasing Entities mandating an increase in the limit on EPS Receivables and specifying an increase in the Discount Rate.

“**EPS Fair Value Percentage**” means, for any Purchased Receivable that has become an EPS Receivable at any time, a percentage determined in good faith by the Servicer, which reflects the expected percentage of the Nominal Value of an EPS Receivable which the Servicer reasonably believes will be recovered following such time as a Purchased Receivable becomes an EPS Receivable. Such determination shall be based on historical recovery experience of the Servicer and its affiliates with respect to similar receivables. As of the date hereof, the EPS Fair Value Percentage shall be 75%. The Servicer may change the EPS Fair Value Percentage from time to time based on such historical recovery experience and will review such percentage on a monthly basis and notify the other parties hereto of any such change.

“**EPS Loss Amount**” means, with respect to any Purchased Receivable that has become an EPS Receivable, the EPS Loss Percentage for such Purchased Receivable of the Nominal Value of such Purchased Receivable.

“**EPS Loss Percentage**” means, at any time, (a) 100% minus (b) the EPS Fair Value Percentage.

“**EPS Program**” shall mean a program, in accordance with the Credit and Collection Policy, by which the Servicer may permit an Obligor who is delinquent on his or her payment obligations under a Contract to be made current on delinquent amounts under his or her Contract by application of a credit amount to the delinquent Receivable.

“**EPS Receivable**” shall mean a Purchased Receivable where (a) the related Obligor is or has been past due on payment obligations, (b) the related Obligor requests or has requested that the Servicer allow him or her to be part of the EPS Program, (c) such request is or has been accepted by the Servicer, and (d) the balance of the related Purchased Receivable is or has been reduced.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, or any successor statutes.

“**Excess Funding Amount**” means, for each Settlement Date, the amount (if any) by which the Funded Amount would exceed the Funding Limit, after giving effect to the determination of (i)(a) the Dilution Reserve Amount, (b) the Mandatory Repurchase Reserve Amount, (c) the Yield Reserve Amount and (d) the Level 4 Reserve Amount, and, on and following the KfW Termination Date, (e) 85% of the Level 3 Maximum Amount and (f) the Level 3A Maximum Amount, and (ii) the making of all payments, on such Settlement Date.

“**Excess Funding Reserve Amount**” means, (A) for each Settlement Date prior to the Facility Termination Date, an amount equal to the Excess Funding Amount for such Settlement Date or such higher amount as may be related to the Funding Seller’s request in accordance with Section 2.2, (B) for each Settlement Date on or following the Facility Termination Date on which the Funded Amount is greater than zero, an amount equal to the lesser of (i) the Excess Funding Reserve Payment Amount and (ii) (a) the Settlement Date Receivables Balance minus (b) the Mandatory Repurchase Reserve Amount minus (c) the Dilution Reserve Amount minus (d) the Yield Reserve Amount minus (e) the Level 4 Reserve Amount, and (C) for each other Settlement Date, zero.

“**Excess Funding Reserve Payment Amount**” means, for each Settlement Date, the Excess Funding Reserve Amount for the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been zero).

“**Excess Level 3A Amount**” has the meaning specified in Section 5.3(b)(v).

“**Excess Level 3A Excess Amount**” has the meaning specified in Section 5.3(c)(v).

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended or supplemented from time to time.

“**Excluded Taxes**” means any of the following Taxes (A) imposed on, or with respect to, (i) the Bank Purchasing Agent or any Bank Purchaser or (ii) only for purposes of Section 3.11, any Special Indemnified Party (as such term is defined therein) or (B) required to be withheld or deducted from a payment to any Purchasing Entity:

- (I) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, imposed as a result of the Bank Purchasing Agent or any Bank Purchaser being organized under the laws of, or having its principal office located in, the jurisdiction imposing such Tax (or any political subdivision thereof); and
- (II) Taxes attributable to any Purchasing Entity’s failure to comply with Section 4.7(b) or 4.7(c).

For the avoidance of doubt, Excluded Taxes shall not include any Taxes payable by the Purchasing Entities contemplated by Section 3.11, 9.1(i), 19.8(a) or 19.8(b).

“**Excluded Receivable**” has the meaning specified in Section 2.1(c).

“**Facility Termination Date**” means the earliest of (a) the Scheduled Termination Date, (b) the date upon which the commitment of the Purchaser is terminated pursuant to Section 11.3 or (c) the date upon which the commitment of the Purchaser is terminated in connection with a Termination Event hereunder.

“**Factoring Fee**” of any Bank Purchaser means the fee payable to the Purchaser for the benefit of such Bank Purchaser pursuant to Section 4.2.

“**Factoring Fee Margin**” means, for each Bank Purchaser, the amount specified for such Bank Purchaser in the applicable Fee Letter.

“**FATCA**” means Sections 1471 through 1474 of the Code as of the date of this Agreement and any regulations or official interpretations thereof (or any amended or successor version thereof), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreements entered into in connection with the implementation of such Sections of the Code.

“**FATCA Deductions**” means any deductions or withholdings required by FATCA from any payments made by the Funding Seller, the Originators or the Initial Purchaser in connection with this Agreement or any of the other Transaction Documents.

“**Fee Letter**” means (i) that certain fee letter dated as of the Original Signing Date among the Funding Seller, the Purchaser and the Bank Purchasers and (ii) each other agreement among any of the parties hereto identified as a “Fee Letter” and entered into in connection herewith, each as amended, restated, supplemented or otherwise modified from time to time.

“**Final Termination Date**” means the first date after the Facility Termination Date on which (a) the Funded Amount has been reduced to zero and (b) all other obligations of the Funding Seller, the Servicer and the Performance Guarantor then payable have been paid in full in cash or otherwise satisfied and (c) all the Receivables previously sold to the Purchaser have been either paid, written-off by the Servicer or repurchased by the Funding Seller.

“**Funded Amount**” means, for each Settlement Date, (a) (i) the product of (A) the Funding Advance Rate and (B) the Settlement Date Receivables Balance for such Settlement Date minus (ii) the Deferred Purchase Price as of such Settlement Date or (b) such lesser amount as the Funding Seller may request in accordance with Section 2.2.

“**Funding Advance Rate**” means, for any Batch, a percentage equal to (a) 100% minus (b) the Discount Rate for such Batch.

“**Funding Limit**” means \$950,000,000, as the same may be increased pursuant to Section 2.13 or decreased pursuant to Section 2.14.

“**Funding Seller**” shall have the meaning specified in the recitation preceding the Preamble hereof.

“**Funding Seller Termination Event**” shall have the meaning specified in Section 11.2.

“**Funding Seller’s Fees**” means, for any Settlement Date, the sum of the Commitment Fees, the Factoring Fees, the Administration Fee, all fees payable to Wells Fargo in its capacity as the trustee of the manager of the Purchaser, and all Servicer Fees.

“**GAAP**” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board, the American Institute of Certified Public Accountants and the Financial Accounting Standards Board, consistently applied.

“**Governmental Authority**” means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

“**Helaba**” has the meaning specified in the recitation preceding the preamble hereof.

“**IASB**” means the International Accounting Standards Board.

“**IFRS**” means the International Financial Reporting Standards as issued and amended by the IASB.

“**Immediate Write-Off Amount**” shall have the meaning specified in Section 5.3.

“**Increased Costs**” has the meaning specified in Section 4.4.

“**Indemnified Amounts**” has the meaning specified in Section 9.1.

“**Indemnified Party**” has the meaning specified in Section 9.1.

“**Indemnified Taxes**” means all Taxes that are not Excluded Taxes.

“**Initial Purchaser**” shall have the meaning specified in the Preamble hereof.

“**Invoice**” means, with respect to any Receivable, the original bill in relation to such Receivable as issued by an Originator to the Obligor with respect to such Receivable.

“**Invoice Date**” means, with respect to any Invoice, the date on which such Invoice was originally issued.

“**January 2015 Amendment Effective Date**” means January 9, 2015.

“**January 2015 Joining Originator**” means the January 2015 Joining Seller, as such term is defined in the Conveyancing Agreement.

“**June 2016 Amendment Effective Date**” means the June 2016 Settlement Date.

“**KfW**” means KfW IPEX-Bank Gesellschaft mit beschraenkter Haftung and its successors.

“**KfW Guarantee Facility Agreement**” means that certain November 2016 Amended and Restated Guarantee Facility Agreement, dated December 5, 2016, by and among the Performance Guarantor, the Funding Seller and KfW.

“**KfW Guarantees**” means, collectively, the KfW Level 3 Guarantee and the KfW Level 3A Guarantee.

“**KfW Level 3 Guarantee**” means that certain guarantee provided by KfW to the Bank Purchasers on or about the Original Signing Date in respect of the Funding Seller’s obligations under Section 5.3(b)(iii), as amended, restated, supplemented or otherwise modified from time to time.

“**KfW Level 3A Guarantee**” means that certain guarantee provided by KfW to the Bank Purchasers on or about the November 2014 Amendment Effective Date in respect of the Funding Seller’s obligations under Section 5.3(b)(iv), as amended, restated, supplemented or otherwise modified from time to time.

“**KfW Termination Date**” means (A) the November 2018 Settlement Date, or (B) such earlier Settlement Date designated by the Funding Seller or the Performance Guarantor to the Bank Purchasing Agent in accordance with Section 20.4.

“**Late Collection**” means any Collection received by the Funding Seller, the Servicer and/or any Originator with respect to an Aged Receivable after such Aged Receivable shall have been transferred to the Funding Seller pursuant to Section 5.1, until such Aged Receivable shall have (i) been paid in full or (ii) become a Written-Off Receivable.

“**Level 3 Maximum Amount**” means, for any Settlement Date, the following amount, as may be adjusted from time to time in accordance with the terms hereof: (a) \$50,000,000 minus (b) the sum of the amounts by which the Level 3 Maximum Amount was required to be reduced (whether or not such amounts were actually paid) pursuant to Section 5.3(b)(iii) and Section 5.3(c)(iii) on all prior Settlement Dates plus (c) the aggregate amount of all Recoveries paid to the Funding Seller and the Purchaser pursuant to Section 5.4(iv) on such Settlement Date and all prior Settlement Dates.

“**Level 3A Maximum Amount**” means, for any Settlement Date, the following amount, as may be adjusted from time to time in accordance with the terms hereof: (a) \$40,000,000 minus (b) the sum of the amounts by which the Level 3A Maximum Amount was required to be reduced (whether or not such amounts were actually paid) pursuant to Section 5.3(b)(iv) and Section 5.3(c)(iv) on all prior Settlement Dates plus (c) the aggregate amount of all Recoveries paid to the Funding Seller and the Purchaser pursuant to Section 5.4(iii) on such Settlement Date and all prior Settlement Dates.

“**Level 4 Reserve Amount**” means, for any Settlement Date, an amount equal to:

- (A) the Level 4 Reserve Percentage multiplied by:
 - (I) for the initial three Settlement Dates, the Batch Receivables Amount for the Closing Date Batch plus the sum of the Level 4 Reserve Batch Amounts for all Collection Periods preceding such Settlement Date; and
 - (II) thereafter, the sum of the Level 4 Reserve Batch Amounts for the four Collection Periods immediately preceding such Settlement Date;
- minus
- (B) the sum of the amounts by which the Level 4 Reserve Amount was required to be reduced pursuant to Section 5.3(b)(v) and Section 5.3(c)(v) on all prior Settlement Dates; plus
- (C) the aggregate amount of all Recoveries paid to the Funding Seller pursuant to Section 5.4(ii) on such Settlement Date and all prior Settlement Dates.

“**Level 4 Reserve Batch Amount**” means, for each Collection Period Batch, the greater of (A) its Batch Receivables Amount and (B) the amount equal to (i) before November 30, 2014, \$875,000,000, (ii) on and after November 30, 2014, through November 30, 2016, \$985,000,000, (iii) on and after December 1, 2016 through April 30, 2017, \$1,150,000,000, (iv) on and after May 1, 2017 through February 28, 2018, \$1,300,000,000, and (v) on and after March 1, 2018, \$1,400,000,000.

“**Level 4 Reserve Percentage**” means (A) with respect to the Closing Date and each Settlement Date until the June 2018 Settlement Date, as described on Annex 11 attached hereto, and (B) with respect to the July 2018 Settlement Date and each Settlement Date thereafter, 3.57%, as such percentage may be adjusted from time to time in accordance with the terms hereof.

“**LIBOR Rate**” of any Bank Purchaser means (A) with respect to Helaba and BTMU, 1-Month LIBOR, and (B) with respect to Autobahn, 3-Month LIBOR.

“**Mandatory Repurchase Reserve**” means, for any Batch on each Settlement Date, an amount equal to the Maximum Batch Mandatory Repurchase Amount.

“**Mandatory Repurchase Reserve Amount**” means, (A) for each Settlement Date prior to the Facility Termination Date, an amount equal to the sum of the Mandatory Repurchase Reserves for (x) for the initial four Settlement Dates, the Closing Date Batch and all Collection Period Batches preceding such Settlement Date and (y) thereafter, the five Collection Period Batches immediately preceding such Settlement Date, (B) for each Settlement Date on or following the Facility Termination Date on which the Funded Amount is greater than zero, an amount equal to the lesser of (i) the Mandatory Repurchase Reserve Payment Amount and (ii) the Settlement Date Receivables Balance, and (C) for each other Settlement Date, zero, provided that, following the Facility Termination Date, the Bank Purchasing Agent may at any time reduce the Mandatory Repurchase Reserve Amount and increase either or both of the Dilution Reserve Amount and the Yield Reserve Amount by a corresponding total amount, whereupon the Dilution Reserve Amount, the Mandatory Repurchase Reserve Amount and the Yield Reserve Amount shall be adjusted accordingly.

“**Mandatory Repurchase Reserve Payment Amount**” means, for each Settlement Date, the amount equal to (i) the Mandatory Repurchase Reserve Amount for the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Mandatory Repurchase Reserve Amount), minus (ii) the amount equal to the losses to be borne by the Funding Seller pursuant to Section 5.3(b)(i) on such Settlement Date, minus (iii) the amount of the payment deemed to have been made by the Funding Seller to the Purchaser pursuant to Section 5.1 on such Settlement Date.

“**Master Receivables Purchase Agreement Side Letter**” means that certain side letter dated as of the Original Signing Date among the parties hereto.

“**Material Adverse Change**” means a material adverse change in, or a material adverse effect on:

- (a) the financial condition, assets or business of the Performance Guarantor and its Subsidiaries, taken as a whole; or
- (b) the ability of the Funding Seller, the Servicer, the Initial Purchaser, the Performance Guarantor or the Originators to perform and comply with their respective obligations under any Transaction Document.

“**Maximum Batch Mandatory Repurchase Amount**” means, with respect to a Batch and a Settlement Date, the following:

- (a) the product of (i) the Maximum Mandatory Repurchase Percentage for the Collection Period to which such Batch relates times (ii) its Batch Receivables Amount; minus
- (b) the aggregate amount of reductions (in connection with the allocation of the Allocated Write-Off Amount and EPS Loss Amounts) that were required to be made to the Mandatory Repurchase Reserve Payment Amount with respect to such Batch on all prior Settlement Dates pursuant to Sections 5.3(b)(i) and 5.3(c)(i).

“**Maximum Mandatory Repurchase Percentage**” means, (i) with respect to the Closing Date Batch and the Batches related to the first three consecutive Collection Periods following the Closing Cut-Off Date, 2.20%, (ii) with respect to the June 2014 Batch, the July 2014 Batch and the August 2014 Batch, 1.95%, (iii) with respect to the September 2014 Batch until the July 2015 Batch (inclusive), 1.60%, (iv) with respect to the August 2015 Batch until the December 2015 Batch (inclusive), 1.00%, (v) with respect to the January 2016 Batch until the August 2016 Batch (inclusive), 1.40%, (vi) with respect to the September 2016 Batch until the November 2017 Batch (inclusive), 1.20%, and (vii) with respect to the December 2017 Batch and each subsequent Batch thereafter, 1.00%, as amended from time to time pursuant to the provisions of Section 5.5, or any other percentage to which the Funding Seller and the Bank Purchasing Agent may agree in writing from time to time.

“**Maximum Sales Amount**” means, (A) prior to the April 2018 Settlement Date, \$1,900,000,000, and (B) on and following the April 2018 Settlement Date, \$2,000,000,000, or such other amount agreed from time to time between the Funding Seller and the Bank Purchasing Agent.

“**Monthly Report**” means, collectively, (1) a report in the form of Annex 6 and (2) a transmittal document to include additional statistical information setting forth the aggregate Nominal Value of, and the aggregate amount of Dilutions that occurred with respect to, Purchased Receivables that became EPS Receivables during the related Collection Period and whether such aggregate Nominal Value exceeded \$10,000,000.

“**Moody’s**” means Moody’s Investors Service, Inc., and any successor thereto.

“**Nominal Value**” means, for any Receivable, the full face amount (*i.e.*, the nominal value) owed by the Obligor of such Receivable as evidenced by the corresponding Invoice.

“**Notice of Assignment**” means a notice, executed in blank by each Originator and delivered to the Bank Collections Agent on or before the June 2016 Amendment Effective Date, informing the Obligors with respect to Purchased Receivables that such Purchased Receivables have been assigned to the Bank Collections Agent for the benefit of the Bank Purchasers.

“**November 2014 Amendment Effective Date**” means November 30, 2014.

“**November 2014 Joining Originators**” means the November 2014 Joining Sellers, as such term is defined in the Conveyancing Agreement.

“**Obligor**” means any Person with respect to whom/which an Originator has originated a claim for payment (receivable) for the provision of goods and/or services which claim has subsequently been acquired by the Funding Seller pursuant to the Contribution Agreement.

“**Onward Receivables Purchase Agreement**” has the meaning specified in the Preamble hereto.

“**Original Signing Date**” has the meaning specified in the recitation preceding the preamble hereof.

“**Originator**” means each of the parties to the Conveyancing Agreement as “Sellers” thereunder (as such term is defined therein) from time to time.

“**Other Corporations**” means the T-Mobile Group other than the Funding Seller.

“**Outstanding Balance**” with respect to any Purchased Receivable, means the Nominal Value of such Purchased Receivable, after giving effect to (i) all Collections received (or deemed to be received) with respect thereto by the Servicer, the Funding Seller, the Initial Purchaser and/or any Originator, and (ii) all Write-Off amounts with respect thereto; provided that an EPS Receivable shall be deemed to have an Outstanding Balance of zero.

“**Overdue Receivable**” means any Purchased Receivable which remains unpaid in whole or in part at any time after its Due Date.

“**Payment Account**” means each of the deposit accounts identified and listed as a “Payment Account” in the Master Receivables Purchase Agreement Side Letter and any successor deposit account, as such list may be supplemented by the Servicer from time to time.

“**Payment Account Bank**” means any depository institution at which a Payment Account is maintained.

“**Performance Guarantee**” means the guarantee provided by the Performance Guarantor for the benefit of the Purchaser and the Bank Purchasers pursuant to Article 19.

“**Performance Guarantor**” has the meaning specified in the recitation preceding the preamble hereof.

“**Person**” means an individual, partnership, corporation (including a business trust), joint stock company, limited liability company, unincorporated association, trust, joint venture or other entity, or a government or any political subdivision or agency thereof.

“**Purchase Date**” means, with respect to a Purchased Receivable, the date on which such Purchased Receivable is acquired, or purported to be acquired, by the Purchaser from the Funding Seller in accordance with the terms of this Agreement.

“**Purchase Price**” means, with respect to each Purchased Receivable on its Purchase Date, (a) the Outstanding Balance of such Purchased Receivable on such date minus (b) the Discount with respect to such Purchased Receivable.

“**Purchased Receivable**” means any Receivable (other than an Excluded Receivable) which has been acquired, or purported to be acquired, by the Purchaser from the Funding Seller in accordance with the terms of this

Agreement. For the avoidance of doubt, on and after the November 2014 Amendment Effective Date, the term “Purchased Receivable” shall be interpreted to include any and all Designated November 2014 Receivables deemed to have been sold, transferred, assigned, set over or otherwise conveyed to the Purchaser pursuant to Section 2.1(b), as amended as of the November 2014 Amendment Effective Date. For the avoidance of doubt, on and after the January 2015 Amendment Effective Date, the term “Purchased Receivable” shall be interpreted to include any and all Designated SunCom Receivables deemed to have been sold, transferred, assigned, set over or otherwise conveyed to the Purchaser pursuant to Section 2.1(b), as amended as of the January 2015 Amendment Effective Date.

“**Purchaser**” has the meaning specified in the recitation preceding the Preamble hereof.

“**Purchasing Entity**” means each of (A) the Purchaser, (B) each of the Bank Purchasers and (C) the Bank Purchasing Agent.

“**Ratable Share**” has the meaning specified in the Onward Receivables Purchase Agreement.

“**Receivable**” means any “account” or “general intangible” (as such terms are defined in the UCC) or other indebtedness or payment obligation of an Obligor, in each case, resulting from the provision or sale of merchandise, goods or services by an Originator, including, without limitation, the right to payment of interest or finance charges, taxes, delinquency or late-payment charges, delivery charges, extension or collection fees and all other obligations related thereto.

“**Recharacterization**” has the meaning specified in Section 2.10.

“**Recoveries**” means all Collections with respect to Written-Off Receivables and the amount of any adjustments made on Written-Off Receivables after they become Written-Off Receivables; provided that the parties agree that (a) tax refunds, whether in the form of cash or otherwise, with respect to Receivables, and (b) any cash payments (or equivalent) or any other cash proceeds collected on EPS Receivables (including cash proceeds of Related Rights with respect to such EPS Receivables), shall not constitute Recoveries.

“**Related Rights**” means all of the Funding Seller’s right, title and interest in, to and under (a) the Transaction Documents, (b) the Collection Account and (c) without limiting the foregoing, with respect to any Receivable, all of the related Originators’, the Initial Purchaser’s and the Funding Seller’s respective right, title and interest in, to and under:

- (A) all security interests, hypothecations, reservations of ownership, liens or other adverse claims and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the contract pursuant to which such Receivable was originated, together with all financing statements, registrations, hypothecations, charges or other similar filings or instruments against an Obligor and all security agreements describing any collateral securing such Receivable, if any;
- (B) all guarantees, insurance policies and other agreements or arrangements of whatsoever character from time to time supporting of such Receivable whether pursuant to the contract pursuant to which such Receivable was originated, including any obligation of any party under the Transaction Documents to promptly deposit amounts received in respect of Collections to an account;
- (C) all Collections with respect to such Receivable; and
- (D) all proceeds of the foregoing.

“**Reporting Date**” means the fourth Business Day immediately preceding each Settlement Date.

“**Required Amount**” means the aggregate of the amounts needed for full payments pursuant to Section 2.7(b)(i)-(vii).

“**Requirement of Law**” means, as to any Person, any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“**Restricted Receivable**” means any Receivable which is not freely assignable, which arose under a Contract the terms of which require notice to, or the consent of, the related Obligor to the assignment of that Receivable or which purports to restrict the ability of the Purchaser or its assignees to exercise their rights under this Agreement, including, without limitation, their right to review the Contract.

“**S&P**” means Standard & Poor’s Ratings Service and any successor thereto.

“**Scheduled Termination Date**” means the March 2019 Settlement Date.

“**Securitization Obligation**” of any Person shall mean the amount outstanding under any securitization transaction or similar off-balance sheet financing product to which such Person is a party, where such transaction is considered borrowed money indebtedness for tax purposes.

“**Servicer**” has the meaning specified in the recitation preceding the Preamble hereof.

“**Servicer Event**” means a Servicer Replacement Event or a Servicer Termination Event, as applicable.

“**Servicer Fee**” has the meaning specified in Section 4.3.

“**Servicer Replacement Event**” has the meaning specified in Section 3.1.

“**Servicer Termination Event**” means:

- (a) any failure by the Servicer to make any payment, transfer or deposit pursuant to this Agreement, which failure continues unremedied for a period of five (5) days; or
- (b) failure on the part of the Servicer duly to observe or perform in any material manner any other covenants or agreements of the Servicer set forth in this Agreement, which continues unremedied for a period of ten (10) days after the first to occur of (i) the date on which written notice of such failure requiring the same to be remedied shall have been given to the Servicer by the Bank Purchasing Agent or any Bank Purchaser, and (ii) the date on which the Servicer becomes aware thereof; or
- (c) any representation, warranty or certification made by the Servicer in this Agreement or in any certificate delivered pursuant hereto shall prove to have been incorrect or untrue in any material respect when made or deemed made which, if capable of cure, continues to be incorrect in any material respect for a period of thirty (30) days after the first to occur of (i) the date on which written notice of such incorrectness shall have been given to the Servicer by the Bank Purchasing Agent or any Bank Purchaser, and (ii) the date on which the Servicer becomes aware thereof; or
- (d) a Bankruptcy Event shall occur with respect to the Servicer.

“**Settlement Date**” means the 12th day of each calendar month, or, if such day is not a Business Day, the next succeeding Business Day, with the first such Settlement Date being April 14, 2014, or, after the occurrence

and continuance of a Termination Event, such other Business Day designated by the Bank Collections Agent (which, for the avoidance of doubt, may occur with any frequency and more frequently than monthly) pursuant to Section 2.4(d) of the Onward Receivables Purchase Agreement. For the avoidance of doubt, whenever a reference is made herein to a Settlement Date that is “related to” a Collection Period, the referenced Settlement Date shall be understood to refer to the first Settlement Date to occur after the end of such Collection Period.

“**Settlement Date Receivables Balance**” means, for each Settlement Date, an amount equal to (A) the aggregate Outstanding Balance of all of the Purchased Receivables which are Eligible Receivables as of the last day of the most recently ended Collection Period minus (B) the aggregate Outstanding Balance of all of the Purchased Receivables transferred pursuant to Section 5.1(a) or 5.1(b) on such Settlement Date.

“**Special Indemnified Amounts**” has the meaning specified in Section 3.11.

“**Special Indemnified Party**” has the meaning specified in Section 3.11.

“**Subject to Defenses**” means subject to affirmative or absolute defenses of any type and based on any grounds, including nullity, voidability, assignability, rights of retention or set-off.

“**Subsidiary**” means, as to any Person, any other Person that is controlled, directly or indirectly by such Person; and for purposes of this definition, the term “control” means: (A) the direct or indirect ownership of a majority of the Voting Shares of such Person, (B) having the right to appoint a majority of the board of directors or supervisory board or like board or body, or (C) having the power to direct the management and policies of such Person, whether through the ownership of such Voting Shares, by contract or otherwise.

“**T-Mobile Group**” means the Performance Guarantor, T-Mobile PCS Holdings, the Funding Seller, the Originators and each of the other Affiliates of the Performance Guarantor, excluding, for the avoidance of doubt, the Purchaser.

“**T-Mobile Information**” means, with respect to each Receivable sold hereunder from time to time, the following: (i) billing account number, (ii) invoice number, (iii) invoice due date, (iv) invoice amount and (v) the related Originator.

“**T-Mobile PCS Holdings**” has the meaning specified in the recitation preceding the Preamble hereof.

“**Taxes**” means any and all present and future taxes, duties, deductions, withholdings, tax liability or tax commitment amounts, or other charges of any nature imposed by any Governmental Authority, including (A) any and all stamp or documentary taxes or any sales, value-added, goods and services or transfer taxes or similar levies arising from any payment made under, or in connection with, the Receivables, any of the Related Rights, or the transactions contemplated by any and all of the Transaction Documents and (B) any and all interest, surcharges, additions to tax or penalties applicable thereto (which taxes, duties, deductions, withholdings or other charges, for the avoidance of doubt, shall include those imposed by the laws of the United States of America, the Federal Republic of Germany and/or any political subdivisions thereof).

“**Termination Event**” has the meaning specified in Section 11.4.

“**Transaction Documents**” means, collectively, the Onward Receivables Purchase Agreement, this Agreement, the Contribution Agreement, the Conveyancing Agreement, the Account Control Agreement, the KfW Guarantees, each Fee Letter and the Master Receivables Purchase Agreement Side Letter, together with any other agreement or document entered into or delivered by any party hereto or thereto in connection herewith or therewith (including, but not limited to, the DT Payment Guarantee, if, as and when executed), as the same may be amended, supplemented or otherwise modified from time to time.

“UCC” means the Uniform Commercial Code as in effect in the State of New York; *provided that*, if, according to such statute, the effect of the perfection or the non-perfection of the security interest in any property contemplated by this Agreement is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of New York, the term “UCC” in that context shall refer to the Uniform Commercial Code as in effect in such jurisdiction.

“Unpaid Repurchased Receivable” means any receivable that (A) has been transferred to the Funding Seller pursuant to Section 5.1, (B) has not yet become a Written-Off Receivable and (C) has not been otherwise paid in full.

“Unused Part of the Funding Limit” means, for purposes of determining the amount of the Commitment Fees payable pursuant to Section 4.1 by the Funding Seller to the Purchaser on any Settlement Date, the amount by which the Funding Limit exceeded the Funded Amount on the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Funded Amount).

“USD” or “\$” means United States Dollars, the lawful currency of the United States of America.

“Voting Shares” means, with respect to any Person, any class or classes of capital stock or other ownership interests pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect directors, managers or trustees of such Person (irrespective of whether or not, at the time, stock of any other class or classes has, or might have, voting power by reason of the happening of any contingency).

“Wells Fargo” means Wells Fargo Delaware Trust Company, National Association.

“Write-Off” means, with respect to any Purchased Receivable other than an Aged Receivable that has not been repurchased by the Funding Seller in accordance with Section 5.1(b), the portion of the Nominal Value thereof, if any, that has been “written off” in accordance with the Credit and Collection Policy, and, with respect to an Aged Receivable that has not been repurchased by the Funding Seller in accordance with Section 5.1(b), an amount equal to the product of (A) the Funding Advance Rate times (B) the Outstanding Balance of such Receivable.

“Write-Off Horizon” means, (A) for each Written-Off Receivable, the number of days (rounded up to the next integral number) between its due date and the date of the applicable Write-Off, and (B) for each Unpaid Repurchased Receivable, the greater of (i) the number of days (rounded up to the next integral number) that have passed since its due date and (ii) 155.

“Write-Off Ratio” means, for any Settlement Date, the percentage equivalent of a fraction, the numerator of which shall be (a) the Outstanding Balance of Purchased Receivables that first became Written-Off Receivables during the immediately preceding Collection Period, and the denominator of which shall be (b) the Settlement Date Receivables Balance as of the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Receivables Balance).

“Written-Off Receivable” means any Purchased Receivable (other than an EPS Receivable) with regard to which a Write-Off has occurred.

“Yield Reserve Amount” means: (A) for each Settlement Date prior to the Facility Termination Date, an amount equal to the greater of (i) 6 times the aggregate of all of the Funding Seller’s Fees that shall become payable by the Funding Seller to the Purchaser or any other Person during the period beginning on the day following such Settlement Date and ending on the immediately succeeding Settlement Date and (ii) \$3,000,000; (B) for each Settlement Date on or following the Facility Termination Date on which the Funded Amount is

greater than zero, an amount equal to the lesser of (i) the Yield Reserve Payment Amount and (ii) (a) the Settlement Date Receivables Balance minus (b) the Mandatory Repurchase Reserve Amount minus (c) the Dilution Reserve Amount, and (C) for each other Settlement Date, zero, provided that, following the Facility Termination Date, the Bank Purchasing Agent at any time may reduce the Yield Reserve Amount and increase either or both of the Mandatory Repurchase Reserve Amount and the Dilution Reserve Amount by a corresponding total amount, whereupon the Dilution Reserve Amount, the Mandatory Repurchase Reserve Amount and the Yield Reserve Amount shall be adjusted accordingly.

“**Yield Reserve Payment Amount**” means, for any Settlement Date, the amount equal to (i) the Yield Reserve Amount for the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Yield Reserve Amount) minus (ii) all of the Funding Seller’s Fees that were payable by the Funding Seller to the Purchaser or any other Person since the immediately preceding Settlement Date.

1.2 Construction. The index to and the headings in this Agreement are for ease of reference only and are to be ignored in construing this Agreement.

1.3 Application of Revised Allocation Levels. The parties hereto agree that following any amendment or revision to the definition of Discount Rate, Funding Advance Rate or Level 4 Reserve Percentage:

- (A) for any amount whose determination (or calculation) hereunder is based upon the application of the Discount Rate or the Funding Advance Rate to a particular Batch, to certain Purchased Receivables in a Batch, or to quantities associated with certain Purchased Receivables (including, but not necessarily limited to, Dilutions, Settlement Date Receivables Balances, Collections, Late Collections and Outstanding Balances), the Discount Rate and the Funding Advance Rate that is associated with such Batch (or related to such Purchased Receivables) when such Batch (or related Purchased Receivables) was sold by the Funding Seller to the Purchaser hereunder shall apply when making such determination (or calculation), irrespective of the date of when such determination (or calculation) is in fact made; and
- (B) in the event that an amount to be determined hereunder relates to multiple Batches and varying Discount Rates, Funding Advance Rates or Level 4 Reserve Percentages, such aggregate amount shall be determined by (1) applying each applicable Discount Rate, Funding Advance Rate or Level 4 Reserve Percentage, as the case may be, separately to the related Batch or Batches and then (2) aggregating the results obtained by application of the preceding clause.

2. **SALE AND ASSIGNMENT**

2.1 Sale.

- (a) On the Closing Date, subject to the terms and conditions of this Agreement, all of the Funding Seller’s right, title and interest in and to all existing Receivables and associated Related Rights that the Funding Seller, immediately prior to the sale contemplated hereunder, acquired from the Initial Purchaser pursuant to the terms of the Contribution Agreement on the Closing Date shall be, and hereby are, sold, transferred, assigned, set-over and otherwise conveyed to the Purchaser.
- (b) (i) Except as provided in clauses (ii) and (iii) below, after the Closing Date, on each Business Day prior to the Facility Termination Date, all of the Funding Seller’s right, title and interest in and to all newly created Receivables and associated Related Rights that the Funding Seller, immediately prior to the sales contemplated hereunder, acquires from the Initial Purchaser on each such Business Day pursuant to the terms of the Contribution Agreement, shall be, and hereby are, sold, transferred,

assigned, set over and otherwise conveyed to the Purchaser without any further action by the Funding Seller or any other Person.

(ii) Notwithstanding any of the foregoing set forth in clause (i) above, on the November 2014 Amendment Effective Date and solely with respect to Designated November 2014 Receivables and associated Related Rights, all of the Funding Seller's right, title and interest in and to such Designated November 2014 Receivables and associated Related Rights that the Funding Seller, immediately prior to the sales contemplated hereunder, acquires from the Initial Purchaser on the November 2014 Amendment Effective Date pursuant to the terms of the Contribution Agreement, shall be, and hereby are, sold, transferred, assigned, set over and otherwise conveyed to the Purchaser without any further action by the Funding Seller or any other Person; and, in connection with the foregoing, the parties hereto, for all purposes, shall account for each Designated November 2014 Receivable as if it had been sold by the applicable November 2014 Joining Originator (and further conveyed to the Purchaser pursuant to the Transaction Documents) on the date it was originated.

(iii) Notwithstanding any of the foregoing set forth in clauses (i) and (ii) above, the parties hereto confirm and ratify, and the Funding Seller represents and warrants, that all of the Funding Seller's right, title and interest in and to the Designated SunCom Receivables and associated Related Rights that the Funding Seller acquired from the Initial Purchaser pursuant to the terms of the Contribution Agreement, have been sold, transferred, assigned, set over and otherwise conveyed to the Purchaser as of the date of such acquisition without any further action by the Funding Seller or any other Person; and, in connection with the foregoing, the parties hereto, for all purposes, shall account for each Designated SunCom Receivable as if it had been sold by the January 2015 Joining Originator (and further conveyed to the Purchaser pursuant to the Transaction Documents) on the date it was originated.

(c) Notwithstanding the foregoing clauses (a) and (b), the Funding Seller may, at any time, cease to sell all Receivables related to one or more specific CCPCs or one or more Designated States in order to avoid the concentration limits on Eligible Receivables set forth in clauses (t), (u), (v), (cc) or (dd) in Annex 3 being exceeded (each such Receivable, an "**Excluded Receivable**"), provided that, at all times, Receivables relating to at least eight Designated States shall not be so excluded. The Funding Seller shall notify each of the Purchasing Entities of any such exclusions and such exclusions shall remain in effect until the Funding Seller shall otherwise notify the Purchasing Entities. Each such notice shall be given in writing no less than one (1) Business Day prior to the beginning of a Collection Period and shall be effective, prospectively, from the beginning of the immediately succeeding Collection Period.

2.2 Increases or Decreases to the Funded Amount. On any Reporting Date until the Facility Termination Date, the Funding Seller may provide each of the Purchasing Entities with written notice included within the Monthly Report delivered on such Reporting Date of its request for an increase or a decrease in the Funded Amount (to be effected by a decrease or increase in the Excess Funding Reserve Amount), which notice shall be irrevocable and shall specify the amount of such requested increase or decrease (which shall not be less than \$10,000,000); provided, however, that (A) no such request by the Funding Seller shall cause either (i) the Funded Amount to be less than 70% or greater than 100% of the Funding Limit or (ii) the Excess Funding Reserve Amount to be less than zero at any time and (B) the Funded Amount shall remain as requested on the immediately following Settlement Date unless the Funding Seller shall have requested a further increase or decrease in the Funded Amount for such Settlement Date in accordance with this Section 2.2.

2.3 (Reserved)

2.4 Payment of Purchase Price.

- (a) The amount payable by the Purchaser to the Funding Seller for each Purchased Receivable shall be the Purchase Price for such Receivable and associated Related Rights. The Purchase Price for the Receivables and associated Related Rights sold hereunder shall be paid or provided for in the manner provided below on each Business Day. The Funding Seller hereby appoints the Servicer as its agent to receive payment of the Purchase Price for Receivables sold by it to the Purchaser hereunder and hereby authorizes the Purchaser to make all payments due to the Funding Seller directly to, or as directed by, the Servicer. The Servicer hereby accepts and agrees to such appointment.
- (b) The Purchase Price for Receivables and associated Related Rights purchased by the Purchaser from the Funding Seller shall be paid by the Purchaser on each Purchase Date as follows:
 - (i) to the extent available for such purpose in accordance with Section 2.6(b), in cash from Collections of Purchased Receivables; and
 - (ii) to the extent that the Purchase Price on such Purchase Date exceeds the amount available from Collections (as contemplated by clause (i) above) on such Purchase Date, by an increase in the deferred payments owed by the Purchaser to the Funding Seller hereunder.
- (c) Following each sale of Receivables, the Funding Seller shall have no retained right, title or interest in the Purchased Receivables or any rights with respect to the Obligors thereof and will look solely to the Purchaser for payment of amounts payable in accordance with the terms hereof. The Purchaser and the Servicer will apply Collections with respect to the Receivables in accordance with the terms hereof.
- (d) The parties hereto agree that the cash component of the Purchase Price of the Receivables paid to the Funding Seller from time to time shall be allocated, upon receipt, first to payment with of the Purchase Price of Receivables that, at such time, have been appropriately categorized as “earned” by the applicable Originator for accounting purposes.

2.5 Excess Dilutions; Breaches of Representations.

- (a) If the product of (A) the aggregate amount of Dilutions for any Collection Period and (B) the Funding Advance Rate exceeds (C) the Dilution Reserve Amount for the immediately succeeding Settlement Date, the Funding Seller shall deposit an amount equal to such excess into the Collection Account on or before the Business Day immediately prior to such Settlement Date.
- (b) If there is a breach of any representation in Section 6.3 relating to a Purchased Receivable, the Funding Seller shall deposit cash equal to the Funding Advance Rate times the Outstanding Balance of such Purchased Receivable into the Collection Account on or before the Business Day immediately prior to the immediately following Settlement Date.

2.6 Deposit of Collections.

- (a) Collection of the Purchased Receivables shall be administered by the Servicer in accordance with the terms of Article 3 and other terms of this Agreement.
- (b) During each Collection Period on each Business Day prior to the Facility Termination Date on which Collections of Purchased Receivables are received by the Servicer, the Servicer shall pay the Purchase Price to the Funding Seller pursuant to Section 2.4(b)(i) from Collections received on such day to the extent any new Receivables have been acquired by the Funding Seller; provided, however, that such Purchase Price shall not be paid in cash from Collections to the extent that the payment thereof would

cause the Servicer not to have sufficient funds to pay the full Required Amount pursuant to clause (c) below on the next Settlement Date.

- (c) No later than the Business Day immediately prior to each Settlement Date, the Servicer shall deposit cash in an amount equal to the Required Amount into the Collection Account to the extent not previously deposited thereto by the Funding Seller pursuant to the terms of this Agreement. On each Business Day prior to the Facility Termination Date, the Servicer shall transfer the Collections not required to be deposited into the Collection Account pursuant to the preceding sentence to the Funding Seller in partial payment of the amounts owed by the Purchaser to the Funding Seller hereunder.
- (d) On and after the Facility Termination Date, all Collections shall be deposited by the Servicer into the Collection Account immediately following a determination that such Collections relate to Purchased Receivables, but in each case within two (2) Business Days after receipt thereof.

2.7 Settlement Date Procedures.

- (a) On each Settlement Date, the following amounts shall be deposited to the Collection Account by the Purchaser:
 - (i) until the Facility Termination Date, the higher of (i) the Funded Amount for such Settlement Date minus the Funded Amount for the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Funded Amount), and (ii) zero; and
 - (ii) the amount of all payments required to be made by the Purchaser on such Settlement Date in respect of Immediate Write-Off Amounts in accordance with Section 5.3(b)(ii) and (iii).
- (b) All amounts on deposit in the Collection Account shall be applied by the Servicer on each Settlement Date (in accordance with the Monthly Report provided by the Servicer to the Bank Purchasing Agent prior to such Settlement Date) for the related Collection Period in the following order of priority:
 - (i) to the Servicer in payment of the monthly Servicer Fee;
 - (ii) to Wells Fargo, in payment of any other amounts, including indemnification amounts, payable to it in accordance with the organizational documents of the Purchaser or the organizational documents of the Purchaser's manager, Billing Gate One Trust;
 - (iii) to the Purchaser, (A) *first*, to the payment of the Factoring Fees, and (B) *then*, to the payment of the Commitment Fees;
 - (iv) to the Purchaser, (A) the Administration Fee and (B) all indemnities and other amounts payable by the Funding Seller to any of the Purchasing Entities pursuant to the Transaction Documents;
 - (v) to the Purchaser, an amount equal to the product of (x) the Discount Rate and (y) the Collections on Purchased Receivables owned by the Purchaser during the prior Collection Period;
 - (vi) to the Purchaser, an amount equal to the product of (x) the Discount Rate and (y) the amount of all Late Collections that occurred during the prior Collection Period;
 - (vii) if the Funded Amount for such Settlement Date is less than the Funded Amount for the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Funded Amount), the amount of such decrease in

the Funded Amount (excluding a decrease in the Funded Amount pursuant to Section 5.3(b)(vi)) to the Purchaser; and

(viii) the remainder, if any, to the Funding Seller.

- (c) Immediately upon the application of the payments disbursed pursuant to Sections 2.7(b)(v) and 2.7(b)(vi) above, the Bank Purchasing Agent shall increase the Discount Ledger Balance by such amounts. Following the Final Termination Date, any amounts relating to the Discount Ledger Balance shall be retained by the Purchaser in accordance with this Agreement.
- (d) The Servicer shall make available the amounts due to the Purchaser pursuant to Section 2.7(b) by wire transfer in U.S. dollars in same day funds to the accounts designated by the Bank Purchasing Agent no later than 3:00 p.m. (New York City time) on the related Settlement Date.

2.8 UCC Filings.

- (a) On or before the Closing Date, the Funding Seller shall cause to be filed:
 - (i) with the Secretary of State of Delaware a UCC financing statement, naming the Funding Seller as debtor, the Purchaser as secured party, and the Bank Purchasing Agent as the assignee of the secured party;
 - (ii) with respect to each Originator, with the Secretary of State of the state in which such Originator is organized or otherwise "located" for purposes of the UCC, a UCC financing statement, naming such Originator as debtor, the Initial Purchaser as secured party, and the Funding Seller as the assignee of the secured party; and
 - (iii) with respect to each Originator, with the Secretary of State of the state in which such Originator is organized or otherwise "located" for purposes of the UCC, UCC Amendments (Form UCC-3) assigning each UCC financing statement described in the foregoing clause (ii) to the Purchaser as the assignee of the Funding Seller, to the Bank Purchasing Agent as the assignee of the Purchaser;

in each case as may be necessary or desirable under the UCC in order to perfect the respective interests of the Purchaser and the Bank Purchasing Agent in the Receivables sold, or purported to be sold, by the Funding Seller to the Purchaser hereunder.

- (b) On or before the November 2014 Amendment Effective Date, the Funding Seller shall cause to be filed, with respect to each November 2014 Joining Originator, with the Secretary of State of the state in which such November 2014 Joining Originator is organized or otherwise "located" for purposes of the UCC:
 - (i) a UCC financing statement naming such November 2014 Joining Originator as debtor and the Initial Purchaser as secured party;
 - (ii) a UCC financing statement amendment assigning such financing statement to the Funding Seller;
 - (iii) a UCC financing statement amendment assigning such amended financing statement to the Purchaser; and

(iv) a UCC financing statement amendment assigning such amended financing statement to the Bank Purchasing Agent;

in each case as may be necessary or desirable under the UCC in order to perfect the respective interests of the Purchaser and the Bank Purchasing Agent in the Receivables sold, or purported to be sold, by the Funding Seller to the Purchaser hereunder.

(c) On or before the January 2015 Amendment Effective Date, the Funding Seller shall cause to be filed, with the Secretary of State of the state in which the January 2015 Originator is organized or otherwise "located" for purposes of the UCC:

(i) a UCC financing statement naming the January 2015 Joining Originator as debtor and the Initial Purchaser as secured party;

(ii) a UCC financing statement amendment assigning such financing statement to the Funding Seller;

(iii) a UCC financing statement amendment assigning such amended financing statement to the Purchaser; and

(iv) a UCC financing statement amendment assigning such amended financing statement to the Bank Purchasing Agent;

in each case as may be necessary or desirable under the UCC in order to perfect the respective interests of the Purchaser and the Bank Purchasing Agent in the Receivables sold, or purported to be sold, by the Funding Seller to the Purchaser hereunder.

(d) On or before the June 2016 Amendment Effective Date, the Funding Seller shall cause to be filed with the Secretary of State of Delaware UCC financing statement amendments amending each previously filed UCC financing statement that named the Funding Seller, the Initial Purchaser or any Originator as debtor and the Bank Purchasing Agent as secured party (or as the assignee of a secured party) so that each of the Bank Purchasing Agent and the Bank Collections Agent is named as a secured party (or as the assignee of a secured party, if applicable) in their respective agency capacities.

(e) On or before the December 2016 Settlement Date, the Funding Seller shall cause to be filed with the Secretary of State of Delaware a UCC financing statement amendment amending each previously filed UCC financing statement that named the Funding Seller, the Initial Purchaser or any Originator as debtor and the Bank Purchasing Agent and the Bank Collections Agent as secured party (or as the assignee of a secured party) so that only the Bank Collections Agent in its agency capacity, and not the Bank Purchasing Agent in any capacity, shall be named as a secured party (or as the assignee of a secured party, if applicable).

(f) The Funding Seller hereby irrevocably authorizes the Bank Collections Agent to file all such UCC financing statements (and amendments thereto and continuations thereof) and agrees to cooperate with the Bank Collections Agent in providing the necessary documents, signatures or further consents reasonably required therefor. If any further declarations or action be required to perfect the sale, assignment and transfer of the Receivables in accordance with this Agreement, the Funding Seller shall, at the Bank Collections Agent's request, make any such declarations or take any such action.

(g) The Funding Seller (and the Servicer) are hereby authorized to file all necessary UCC financing statements (and amendments thereto and continuations thereof) and UCC termination statements, in each case in form and substance satisfactory to the Bank Collections Agent, to reflect the transfers of

Aged Receivables, Written-Off Receivables and Purchased Receivables from the Purchaser to the Funding Seller permitted hereunder.

2.9 Responsibilities. The parties hereto agree that:

- (a) except as expressly contemplated by this Agreement, the Funding Seller shall have no liability with respect to any Purchased Receivable;
- (b) subject to and in accordance with Article 3, the Servicer shall be responsible for the servicing and collection of Purchased Receivables on behalf of each of the Bank Purchasers in accordance with the terms hereof;
- (c) except as may be expressly permitted by this Agreement, the Purchaser shall not notify any Obligor of the sale and assignment of the Receivable made under this Agreement; it being understood that the disclosure of this Agreement or the existence of this Agreement to the public generally shall not constitute such a notification;
- (d) in the event that the Purchaser wishes to sell, transfer or assign all or part of the Purchased Receivables to a third party prior to the Facility Termination Date, the Purchaser shall offer the Funding Seller a right of first refusal to purchase such Purchased Receivables at a purchase price equal to the greater of (a) the price at which the Purchaser has agreed to sell such Purchased Receivables or (b) an amount equal to the (i) the Funding Advance Rate times (ii) the Outstanding Balance of such Purchased Receivables; provided, however, that the Purchaser may sell undivided percentage interests in the Purchased Receivables and Related Rights to the Bank Purchasers pursuant to the Onward Receivables Purchase Agreement without initiating such right of first refusal if the Bank Purchasers agree to grant a similar right of first refusal to the Funding Seller with respect to any subsequent sale of such Purchased Receivables;
- (e) the Purchaser shall have the sole right to retain any gains or profits created by buying, selling or holding the Purchased Receivables; and except as otherwise expressly contemplated by this Agreement, the Purchaser shall have the sole risk of, and responsibility for, losses or damages created by such buying, selling or holding of such Purchased Receivables;
- (f) except as otherwise expressly contemplated by this Agreement, the sale and purchase of Purchased Receivables under this Agreement shall be without recourse to the Funding Seller; it being understood that the Funding Seller shall be liable to the Purchaser for all representations, warranties, covenants and indemnities made by the Funding Seller pursuant to the terms of this Agreement, all of which obligations are, except as otherwise expressly contemplated by this Agreement, limited so as not to constitute recourse to the Funding Seller for the credit risk of the Obligors; and
- (g) the Purchaser shall have no obligation or liability to any Obligor (including any obligation to perform any of the obligations of the Originators under any Receivable, related contracts or any other related purchase orders or other agreements). No such obligation or liability is intended to be assumed by the Purchaser hereunder, and any assumption is expressly disclaimed.

2.10 Intention of the Parties. It is the intention of the parties hereto that the sale of the Purchased Receivables hereunder shall constitute a “sale of accounts”, as such term is used in Section 9-109(a) of the UCC and therefore this Agreement is intended to create a “security interest” in the Purchased Receivables within the meaning of the UCC in favor of the Purchaser. The Funding Seller and the Purchaser intend the sales of Purchased Receivables hereunder to be considered to be “true sales” of the Purchased Receivables and Related Rights by the Funding Seller to the Purchaser that (A) shall constitute irrevocable, absolute transfers of the

same by the Funding Seller to the Purchaser and (B) provide the Purchaser with the full benefits of ownership of the Purchased Receivables and Related Rights. If, notwithstanding such intent, any Purchased Receivables or Related Rights are determined to be property of the Funding Seller's estate and the conveyance of such property hereunder shall be characterized as a loan secured by such property (any of the foregoing being referred to herein as a "**Recharacterization**"), then (i) this Agreement also shall be deemed to be, and hereby is, a "security agreement" within the meaning of the UCC, and (ii) the conveyance by the Funding Seller provided for in this Agreement shall be deemed to be a grant by the Funding Seller to the Purchaser, and the Funding Seller hereby grants to the Purchaser, a security interest in, to and under all of the Funding Seller's right, title and interest in, to and under the Purchased Receivables and Related Rights conveyed by the Funding Seller to the Purchaser, hereunder, whether now or hereafter existing or created, to secure (1) the rights of the Purchaser hereunder, (2) a loan by the Purchaser to the Funding Seller in the amount of the Funded Amount from time to time and (3) without limiting any of the foregoing, the payment and performance of the obligations (whether monetary or otherwise) from time to time owing by the Funding Seller to the Purchaser hereunder. The Funding Seller shall take such actions as may be necessary to ensure that a security interest in such Purchased Receivables will be a perfected security interest of first priority in favor of the Purchaser under the UCC and all other applicable law and shall be maintained as such throughout the term of this Agreement. If a Recharacterization were to occur, after the occurrence of any Termination Event, the Purchaser and its permitted assignees (including the Bank Collections Agent, to the extent contemplated by the Onward Receivables Purchase Agreement) shall have, in addition to the rights and remedies contemplated by this Agreement and the other Transaction Documents, all other rights and remedies against the Funding Seller and the Originators provided to a secured creditor under the UCC and other applicable law, and the parties hereto agree that each remittance of Collections to the Purchaser hereunder shall be, or have been, in payment of debt incurred by the Funding Seller in the ordinary course of its business.

- 2.11 Tax Treatment. Notwithstanding anything to the contrary contained herein, the Funding Seller and the Purchaser agree that, except as otherwise required by applicable law, the transfer of the Purchased Receivables and Related Rights by the Funding Seller to the Purchaser shall be treated as a loan to the Funding Seller of the proceeds of such transfer for U.S. federal income tax purposes and state or local income tax and transactional tax purposes.
- 2.12 Records. The Funding Seller shall mark its accounting records regarding the Purchased Receivables conveyed by it hereunder to indicate the sale, transfer, set-off and assignment of the Purchased Receivables to the Purchaser.
- 2.13 Increase in Funding Limit. The Funding Seller may, at any time and from time to time, request in writing, with a copy to each of the Purchasing Entities, that the Bank Purchasers increase the Funding Limit (a "**Funding Limit Increase Request**"), provided that:
- (a) any such requested increase shall be in an amount not less than \$20,000,000 and would not, if effected, cause the Funding Limit to exceed \$950,000,000;
 - (b) each Bank Purchaser shall make a determination whether or not to accept any request to increase the Funding Limit and shall notify the Funding Seller and the other Purchasing Entities in writing of such determination within thirty (30) Business Days of receipt of a Funding Limit Increase Request; and
 - (c) if any Bank Purchaser fails to so notify the Funding Seller or the Bank Purchasing Agent, such Bank Purchaser shall be deemed to have refused to consent to such Funding Limit Increase Request.
- 2.14 Decrease in Funding Limit. The Funding Seller may, at any time and from time to time, request in writing, with a copy to each of the Purchasing Entities, that the Bank Purchasers decrease the Funding Limit (a "**Funding Limit Decrease Request**"); provided that no such requested decrease shall be in an amount less than

\$10,000,000 and the aggregate of all of such requested decreases shall not exceed 20% of the greatest Funding Limit at any time since the Closing Date. Any such decrease shall take effect on the Settlement Date following such Funding Limit Decrease Request.

3. SERVICING OF PURCHASED RECEIVABLES

3.1 Appointment of Servicer. The servicing, administration and collection of the Purchased Receivables shall be conducted by the Servicer so designated hereunder from time to time. Until either of the Co-Agents gives prior notice to the Funding Seller and the other Co-Agent of the designation of a new Servicer in accordance with the terms hereof, T-Mobile PCS Holdings is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms hereof. Each of (i) the Bank Collections Agent, at any time after the occurrence of a Servicer Termination Event, and (ii) the Bank Purchasing Agent, following receipt by the Funding Seller of three months' prior written notice of the Bank Purchasing Agent's election to designate a new Servicer (an event under this clause (ii), a "**Servicer Replacement Event**"), may designate as Servicer any Person (including, in each case, either of the Co-Agents) to succeed T-Mobile PCS Holdings or any successor Servicer, if such Person shall consent and agree to the terms hereof, and so long as such Person is not a Competitor. The Servicer may subcontract with an Affiliate of the Servicer for the servicing, administration or collection of the Purchased Receivables. Any such subcontract shall not affect the Servicer's liability for performance of its duties and obligations pursuant to the terms hereof. Any termination of the Servicer shall also terminate such subcontract.

3.2 Servicing of Receivables; Standard of Care.

- (a) The Servicer shall take or cause to be taken all such actions as may be necessary or advisable to collect each Purchased Receivable from time to time, all in accordance with applicable laws, rules and regulations, with reasonable care and diligence, and in accordance with the Credit and Collection Policy. The Funding Seller and the Purchaser hereby appoint the Servicer, from time to time designated pursuant to Section 3.1, as agent for themselves to enforce their respective rights and interests in the Purchased Receivables and the Related Rights. In performing its duties as Servicer, the Servicer shall exercise the same care and apply the same policies as it would exercise and apply if it owned such Purchased Receivables.
- (b) If no Termination Event shall have occurred and be continuing, the Servicer, may, in accordance with the Credit and Collection Policy, extend the maturity or adjust the Outstanding Balance or otherwise modify the payment terms of any Purchased Receivable as it deems appropriate; provided that such modification shall not (i) modify or alter the status of any Purchased Receivable as an Aged Receivable or Delinquent Receivable or (ii) limit the rights of the Purchaser, the Bank Collections Agent or the Bank Purchasing Agent. Notwithstanding anything to the contrary in this Agreement, a Purchased Receivable which has become an EPS Receivable shall not be considered an Aged Receivable or a Delinquent Receivable for purposes of this Agreement. The Servicer shall not permit any Purchased Receivable to become an EPS Receivable if, during any Collection Period, the aggregate Nominal Value of Purchased Receivables that become EPS Receivables during such Collection Period would exceed \$10,000,000 unless the Servicer has issued the EPS Cap Increase Notice to each of the Purchasing Entities by no later than the Reporting Date related to such Collection Period. If an EPS Cap Increase Notice has been issued by the Servicer, such \$10,000,000 limit for EPS Receivables shall be increased to \$20,000,000 and the Discount Rate shall be increased by 0.09%, effective as of the first day of the Collection Period in which the aggregate Nominal Value of Purchased Receivables that became EPS Receivables exceeded \$10,000,000. Any failure of the Servicer to issue an EPS Cap Increase Notice on or before such Reporting Date related to a Collection Period during which the \$10,000,000 EPS limit was exceeded specifying such increase in the Discount Rate shall be deemed a failure to perform in a material manner a term contained in this Agreement for purposes of Section

11.4(c). The Servicer will include the amount of EPS Receivables with respect to each Collection Period in the related Monthly Report. In the event of an increase of the EPS limit to \$20,000,000, (i) the Servicer shall thereafter be required to determine the amount of Purchased Receivables which become EPS Receivables no less frequently than weekly and (ii) any breach of the \$20,000,000 EPS limit during any Collection Period shall be deemed a failure to perform in a material manner a term contained in this Agreement for purposes of Section 11.4(c).

- (c) The Servicer shall, as soon as practicable following receipt, turn over to the owner thereof any cash collections or other cash proceeds received with respect to receivables not constituting Purchased Receivables.
- (d) The Funding Seller, the Initial Purchaser and the Originators shall perform their respective obligations under the Contracts related to the Purchased Receivables to the same extent as if Purchased Receivables had not been sold and the exercise by the Purchaser of its rights under this Agreement shall not release the Servicer, any Originator, the Initial Purchaser or the Funding Seller from any of their duties or obligations with respect to any Purchased Receivables or related Contracts. The Purchaser shall have no obligation or liability with respect to any Purchased Receivables or related Contracts, nor shall it be obligated to perform the obligations of the Funding Seller, the Initial Purchaser or the Originators thereunder.
- (e) Subject to Section 3.2(b), the Servicer shall not, without the prior written consent of the Bank Purchasing Agent, make any change to its Credit and Collection Policy that would have a material adverse effect on the Bank Purchasers or the credit quality of the Purchased Receivables.

3.3 Reporting.

- (a) On or before each Reporting Date, the Servicer shall prepare and forward to each of the Purchasing Entities a Monthly Report relating to the Purchased Receivables outstanding on the last day of the immediately preceding Collection Period.
- (b) On or before each Reporting Date, the Servicer shall prepare and provide to the Bank Purchasing Agent the T-Mobile Information relating to the Purchased Receivables outstanding on the last day of the immediately preceding Collection Period. The parties hereto acknowledge and agree that such T-Mobile Information shall be maintained by the Bank Purchasing Agent in the United States of America and such T-Mobile Information may be viewed, but cannot be shared or distributed outside the United States of America.

3.4 Cooperation of the Funding Seller, the Initial Purchaser, and the Originators. The Funding Seller will, and will cause each of the Initial Purchaser and the Originators to, from time to time, at its own expense, promptly execute and deliver all further instruments and documents and take all further actions that may be reasonably necessary or desirable, or that the Bank Collections Agent may reasonably request, to perfect, protect or more fully evidence the transfers and/or ownership of the Purchased Receivables under the Transaction Documents, or to enable the Purchaser to exercise and enforce its rights and remedies hereunder.

3.5 Rights of the Co-Agents following a Servicer Event.

- (a) At any time after a Servicer Termination Event, unless the Final Termination Date has occurred:
 - (i) the Bank Collections Agent may direct the Obligors of Purchased Receivables that all payments thereunder be made directly to the Purchaser or one or more of the other Purchasing Entities (as directed by the Bank Collections Agent);

- (ii) at the Funding Seller's expense, the Bank Collections Agent may, and, at the request of the Bank Collections Agent, the Servicer shall, deliver a Notice of Assignment to each Obligor of Purchased Receivables and direct that payments be made directly to the Purchaser or any Person or Persons otherwise acceptable to the Bank Purchasers; and
 - (iii) after the replacement of T-Mobile PCS Holdings as Servicer, at the Bank Collections Agent's request and at the Funding Seller's expense, the Funding Seller and the Servicer shall (x) assemble all of the documents, instruments and other records (including, without limitation, computer tapes and disks) that evidence or relate to the Purchased Receivables and the related Contracts and Related Rights, or that are otherwise necessary or desirable to collect the Purchased Receivables, and shall make the same available to the Purchaser and the Bank Collections Agent at a place selected by the Bank Collections Agent, (y) segregate all cash, checks and other instruments received by it from time to time constituting Collections of Purchased Receivables in a manner acceptable to the Bank Collections Agent, and (z) promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Purchaser or one or more of the other Purchasing Entities (as directed by the Bank Collections Agent).
- (b) At any time before a Servicer Termination Event but after a Servicer Replacement Event, unless the Final Termination Date has occurred:
- (i) the Bank Purchasing Agent may direct the Obligors of Purchased Receivables that all payments thereunder be made directly to the Purchaser or one or more of the other Purchasing Entities (as directed by the Bank Purchasing Agent);
 - (ii) at the Funding Seller's expense, the Bank Purchasing Agent may, and, at the request of the Bank Purchasing Agent, the Servicer shall, deliver a Notice of Assignment to each Obligor of Purchased Receivables and direct that payments be made directly to the Purchaser or any Person or Persons otherwise acceptable to the Bank Purchasers; and
 - (iii) after the replacement of T-Mobile PCS Holdings as Servicer, at the Bank Purchasing Agent's request and at the Funding Seller's expense, the Funding Seller and the Servicer shall (x) assemble all of the documents, instruments and other records (including, without limitation, computer tapes and disks) that evidence or relate to the Purchased Receivables and the related Contracts and Related Rights, or that are otherwise necessary or desirable to collect the Purchased Receivables, and shall make the same available to the Purchaser and the Bank Purchasing Agent at a place selected by the Bank Purchasing Agent, (y) segregate all cash, checks and other instruments received by it from time to time constituting Collections of Purchased Receivables in a manner acceptable to the Bank Purchasing Agent, and (z) promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Purchaser or one or more of the other Purchasing Entities (as directed by the Bank Purchasing Agent).

3.6 Rights of the Bank Collections Agent following a Termination Event.

- (a) The Bank Collections Agent is authorized at any time after the occurrence of a Termination Event to deliver to the Collection Account Bank the notice of effectiveness provided for in the Account Control Agreement. The Funding Seller hereby transfers to the Bank Collections Agent the exclusive control of the Collection Account, subject only to the Bank Collections Agent's delivery of such notice of effectiveness. The Funding Seller shall take any actions reasonably requested by the Bank Collections

Agent to effect such transfer of control of the Collection Account to the Purchaser. All amounts in the Collection Account will be distributed on each Settlement Date in accordance with Section 2.7.

- (b) Following a Termination Event, the Funding Seller authorizes the Bank Collections Agent to take any and all steps in the Funding Seller's name and on behalf of the Funding Seller that are necessary or desirable, in the determination of the Bank Collections Agent, to collect amounts due under the Purchased Receivables to the Bank Purchasers under the Onward Receivables Purchase Agreement, including, without limitation, endorsing the Funding Seller's name on checks and other instruments representing Collections of Purchased Receivables and enforcing the Purchased Receivables and the Related Rights.

3.7 Periodic Audits by the Bank Purchasing Agent.

- (a) The Servicer will, and will cause each of the Initial Purchaser and each of the Originators to, from time to time during regular business hours as may be reasonably requested by the Bank Purchasing Agent or any Bank Purchaser, permit the Bank Purchasing Agent or such Bank Purchaser:
 - (i) to conduct periodic audits of the Purchased Receivables, the Related Rights and the related books and records and collections systems of the Servicer, the Funding Seller, the Initial Purchaser and the Originators, provided that information relating to specific Receivables shall be limited to the T-Mobile Information;
 - (ii) upon reasonable prior notice, to examine all books, records and documents (including, without limitation, computer tapes and disks) in the possession or under the control of the Servicer, the Funding Seller, the Initial Purchaser or the Originators relating to Purchased Receivables and the Related Rights, including, without limitation, the Contracts, provided that information relating to specific Receivables shall be limited to the T-Mobile Information; and
 - (iii) upon reasonable prior notice, to visit the offices and properties of the Servicer, the Funding Seller, the Initial Purchaser or the Originators for the purpose of examining such materials described in Section 3.7(a)(ii) above, and to discuss matters relating to Purchased Receivables and the Related Rights or the Servicer's performance hereunder with any of the officers or employees of the Servicer, the Funding Seller, the Initial Purchaser or the Originators having knowledge of such matters; provided that, unless a Termination Event shall have occurred and be continuing, neither the Funding Seller nor the Servicer shall be liable for the cost of any of the actions contained in this Section 3.7(a)(iii) more often than once every twelve months.
- (b) The Servicer shall assist each Bank Purchaser (including its auditors and supervisory authorities, which may include the *Bundesanstalt für Finanzdienstleistungsaufsicht*) and provide them with information readily available to the Servicer upon a reasonable request, subject to applicable data protection laws and banking secrecy duty, provided that information with respect to any individual Receivables shall be limited to the T-Mobile Information.

- 3.8 Accountant's Report. Upon request by the Bank Purchasing Agent or any of the Bank Purchasers (which, at any time prior to the occurrence of a Termination Event, shall be no more frequent than once every twelve months and may be performed contemporaneously with the annual audit of the Funding Seller), the Funding Seller shall at its expense appoint independent public accountants (which may be the audit firm of the Performance Guarantor) to prepare and deliver to the Bank Purchasing Agent a written report with respect to the Purchased Receivables and the Credit and Collection Policy (including, in each case, the systems, procedures and records relating thereto) of a scope substantially as described on Annex 7 attached hereto with

such changes as may be reasonably requested by the Bank Purchasing Agent and in the format to be agreed between the Bank Purchasing Agent and the Funding Seller.

- 3.9 Payment of Taxes. The Servicer will, and will cause each Originator to, pay all sales, excise or other taxes with respect to the Purchased Receivables to the applicable taxing authority when due, and will, upon the request of the Bank Purchasing Agent or any Bank Purchaser, provide it with evidence of such payment.
- 3.10 Segregation of Collections. From and after the occurrence, and during the continuation, of a Termination Event, the Servicer shall cause all Collections with respect to the Purchased Receivables to be deposited to deposit accounts of the Servicer or of the related Originator which contain no cash other than Collections of Purchased Receivables and collections of other Receivables. The Servicer shall, within 2 Business Days of their receipt, identify all Collections received into such deposit accounts and shall deposit such Collections to the Collection Account. The Servicer shall not transfer any funds, and shall not permit any funds to be transferred, out of such deposit accounts and shall not allow such funds to be commingled with any other cash prior to the identification of such funds as Collections or otherwise.
- 3.11 Servicer Indemnity. Without limiting any other rights that any of the Purchasing Entities or any of their respective Affiliates or agents (each, a “**Special Indemnified Party**”) may have hereunder or under applicable law, and in consideration of its appointment as Servicer, the Servicer hereby agrees to indemnify each Special Indemnified Party from and against any and all claims, damages, costs, expenses, losses and liabilities (including reasonable attorneys’ fees) (all of the foregoing being collectively referred to as “**Special Indemnified Amounts**”) arising out of or resulting from any of the following, excluding, however, (a) Special Indemnified Amounts to the extent resulting from gross negligence or willful misconduct on the part of a Special Indemnified Party, (b) recourse for uncollectible Receivables and (c) any Excluded Taxes:
- (a) any representation or warranty or statement made by the Servicer under or in connection with this Agreement or the Transaction Documents that shall have been incorrect in any material respect when made or deemed made;
 - (b) the failure by the Servicer to comply with any applicable law, rule or regulation with respect to any Purchased Receivable or Contract, including payment of all unpaid sales, excise or other taxes when due;
 - (c) any failure of the Servicer to perform its duties or obligations in accordance with the provisions of this Agreement;
 - (d) the commingling of Collections of Purchased Receivables at any time by the Servicer with other funds;
 - (e) any action or omission by the Servicer not in compliance with the Credit and Collection Policy that has the effect of reducing or impairing the rights of any of the Purchasing Entities with respect to any Purchased Receivable or the value of any Purchased Receivable;
 - (f) any claim brought by any Person arising from any activity by the Servicer or its Affiliates in servicing, administering or collecting any Purchased Receivable; or
 - (g) any dispute, claim, offset or defense of the Obligor to the payment of any Purchased Receivable as a result of the collection activities with respect to such Purchased Receivable by the Servicer.
- 3.12 Representations of the Servicer. The Servicer hereby represents and warrants to each of the Purchasing Entities that, as of the date hereof and each Purchase Date:

- (a) the Servicer (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, (ii) is duly qualified to do business and (iii) has all corporate or other organizational power and all licenses, authorizations, consents, approvals and qualifications, of and from all third parties required to execute and deliver and perform its obligations under the Transaction Documents to which it is a party and to carry on its business in each jurisdiction in which its business is now conducted except where the failure to so qualify could not be expected to have a material adverse effect on the Servicer's ability to perform its duties or obligations with respect to the Purchased Receivables;
- (b) the execution, delivery and performance by the Servicer of this Agreement and any other Transaction Document to which it is a party, (i) are within the Servicer's corporate powers, (ii) have been duly authorized by all necessary corporate action, (iii) do not, with respect to execution and delivery, and will not, with respect to the performance of its obligations, contravene or constitute a default under (A) the Servicer's organic documents, (B) any applicable law, (C) any contractual restriction binding on or affecting the Servicer or its property or (D) any order, writ, judgment, award, injunction or decree binding on or affecting the Servicer or its property;
- (c) each Transaction Document to which the Servicer is a party has been duly executed and delivered by the Servicer;
- (d) no authorization, approval, license, consent, qualification or other action by, and no notice to or filing or registration with, any governmental body or agency or official thereof or any third party is required for the due execution, delivery and performance by the Servicer of this Agreement or any other Transaction Document to which the Servicer is a party or any other document to be delivered by the Servicer hereunder or thereunder, all of which have been duly made or taken, as the case may be, and are in full force and effect;
- (e) each Transaction Document to which the Servicer is a party constitutes the legal, valid and binding obligations of the Servicer enforceable against the Servicer in accordance with its terms, subject to any limitation on the enforceability thereof against the Funding Seller arising from the application of any applicable bankruptcy law or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);
- (f) (i) there are no actions, suits, investigations by any governmental body or agency, litigation or proceedings at law or in equity or by or before any governmental body or agency or in arbitration now pending, or credibly threatened, against or affecting the Servicer or any of its businesses, properties or revenues that could reasonably be expected to result in a Material Adverse Change; and (ii) the Servicer is not in default or violation of any order, judgment or decree of any governmental body or agency or arbitrator that could reasonably be expected to result in a Material Adverse Change;
- (g) no Bankruptcy Event has occurred with respect to the Servicer;
- (h) the Servicer (i) is not overdue in the filing of any income tax returns or any other material tax returns required to be filed; and (ii) has made adequate provision for the payment of all income taxes and all other material taxes, assessments and other government charges;
- (i) the Servicer has the capability to identify each Purchased Receivable sold and assigned hereunder on a daily basis and the Collections received with respect thereto within 2 Business Days after receipt;
- (j) the Servicer has not breached any laws applicable to it or its business or property that could reasonably be expected to result in a Material Adverse Change;

- (k) each Monthly Report, information, exhibit, financial statement, document, book, record or report furnished at any time by or on behalf of the Servicer to the Purchaser or the Bank Purchasing Agent in connection with this Agreement is true, complete and accurate in all material respects as of its date or as of the date so furnished, and, as of such date, no such document contains any untrue statement of a material fact or (taken as a whole) omits to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;
- (l) each Purchased Receivable is an Eligible Receivable as of its Purchase Date;
- (m) all sales, excise or other taxes with respect to the goods, insurance or services that are the subject of any Contract for a Purchased Receivable have been paid as and when due unless such amounts are being disputed in good faith; and
- (n) the name and address of the Payment Account Banks, together with the account names and numbers of the Payment Accounts, are specified in the Master Receivables Purchase Agreement Side Letter.

4. FEES AND PAYMENTS; INCREASED COSTS; SET-OFF

4.1 Commitment Fees.

- (a) On the December 2016 Settlement Date, the Purchaser, for the benefit of Autobahn, shall be entitled to receive from Collections a commitment fee equal to \$55,000.
- (b) On the January 2017 Settlement Date and each subsequent Settlement Date thereafter, the Purchaser, for the benefit of each Bank Purchaser, shall be entitled to receive from Collections a commitment fee in an amount equal to the product of (a) such Bank Purchaser's Commitment Fee Rate, (b) such Bank Purchaser's Ratable Share of the Unused Part of the Funding Limit as of such Settlement Date, and (c) a fraction, (i) the numerator of which is the actual number of days elapsed during the most recently ended Accrual Period and (ii) the denominator of which is 360.

4.2 Factoring Fees.

- (a) On the December 2016 Settlement Date, the Purchaser, for the benefit of each of BTMU and Helaba, shall be entitled to receive from Collections a fee in an amount equal to the product of (a) such Bank Purchaser's LIBOR Rate for the immediately preceding Accrual Period plus such Bank Purchaser's Factoring Fee Margin in effect during such Accrual Period, (b) such Bank Purchaser's Ratable Share, determined as of the November 2016 Settlement Date, of the Funded Amount on the November 2016 Settlement Date and (c) a fraction, (i) the numerator of which is the actual number of days that elapsed during the most recently ended Accrual Period and (ii) the denominator of which is 360.
- (b) On the January 2017 Settlement Date and each subsequent Settlement Date thereafter, the Purchaser, for the benefit of each Bank Purchaser, shall be entitled to receive from Collections a fee in an amount equal to the product of (a) such Bank Purchaser's LIBOR Rate for the immediately preceding Accrual Period plus such Bank Purchaser's Factoring Fee Margin in effect during such Accrual Period, (b) such Bank Purchaser's Ratable Share of the Funded Amount on the immediately preceding Settlement Date and (c) a fraction, (i) the numerator of which is the actual number of days that elapsed during the most recently ended Accrual Period and (ii) the denominator of which is 360.

4.3 Servicer Fee.

- (a) On each Settlement Date, the Servicer shall be entitled to receive a fee (the “**Servicer Fee**”) in an amount equal to the product of (a) 0.20%, (b) the Funded Amount on the immediately preceding Settlement Date (which, for purposes of the first Settlement Date, shall be deemed to have been the Closing Date Funded Amount), and (c) a fraction, (i) the numerator of which is the actual number of days elapsed during the most recently ended Accrual Period and (ii) the denominator of which is 360. If the Servicer shall at any time cease to be a member of the T-Mobile Group, the Bank Purchasing Agent and such Servicer may agree to a different percentage per annum, but in no event in excess of 110% of the reasonable costs and expenses of the Servicer in administering and collecting the Purchased Receivables.
- (b) The Servicer shall issue a separate invoice to each of the Bank Purchasers on the services rendered during any month and the Servicer Fee thereon by the Settlement Date in the following month. Such invoices shall be materially in the form specified in Annex 10. The Bank Purchasing Agent shall inform the Servicer of any required change to the invoicing should the relevant statutory VAT provisions or their interpretation change. Notwithstanding the receipt of invoices by the Bank Purchasers from the Servicer, the Servicer Fee shall be payable only from Collections pursuant to Section 2.7.
- 4.4 Increased Costs. If any of the Affected Parties shall have determined that any Change in Law shall have the effect of reducing the rate of return on such party’s respective capital or assets as a consequence of its obligations or the purchases of Purchased Receivables hereunder or under the Onward Receivables Purchase Agreement to a level below that which such party could have achieved but for such adoption, change or compliance (taking into consideration such party’s policies with respect to capital adequacy) by an amount deemed by such party to be material, then from time to time, within 15 days of submission by such party to the Funding Seller of a written request therefor, the Funding Seller shall pay to such party such additional amount or amounts as will compensate such party for such reduction (the “**Increased Costs**”). A certificate as to any additional amounts payable pursuant to this Section 4.4 submitted by such party to the Funding Seller shall be conclusive in the absence of manifest error. The obligations of the Funding Seller pursuant to this Section 4.4 shall survive the termination of this Agreement and the payment of all other amounts owing by the Funding Seller to such party hereunder.
- 4.5 Set-Off. No Purchasing Entity shall have any right of set-off with respect to the obligations of the parties to the Transaction Documents other than those rights arising under applicable law.
- 4.6 Obligations of Funding Seller, Servicer and Performance Guarantor. Except as otherwise expressly provided herein, the obligations of the Funding Seller, the Servicer and the Performance Guarantor to make the deposits and other payments contemplated by this Agreement are absolute and unconditional and all payments to be made by the Funding Seller, the Servicer or the Performance Guarantor under or in connection with this Agreement shall be made free and clear of, and each of the Funding Seller, the Servicer and the Performance Guarantor hereby irrevocably and unconditionally waives all rights of, any counterclaim, set-off, deduction or other analogous rights or defenses, in connection with such obligations, which it may have against any of the Purchasing Entities (including any obligation of any Purchasing Entity in respect of payment of any amount payable under this Agreement). All stamp, documentary, registration or similar duties or taxes, including withholding taxes and any penalties, additions, fines, surcharges or interest relating thereto, which are imposed or chargeable in connection with this Agreement shall be paid by the Funding Seller; provided that each of the Purchasing Entities shall be entitled but not obliged to pay any such duties or taxes whereupon the Funding Seller shall on demand indemnify such party against those duties or taxes and against any costs and expenses so incurred by it in discharging them.
- 4.7 Taxes.

- (a) Any and all payments and distributions made by, or on behalf of, the Funding Seller in respect of the Purchased Receivables and the Related Rights that shall be conveyed by the Funding Seller to the Purchaser hereunder or otherwise, and all payments and distributions required to be made or deemed to have been made by, or on behalf of, the Funding Seller or any other Person (including the Purchaser) to any of the Purchasing Entities pursuant to any Transaction Document shall be made free and clear of, and without deduction for, any Indemnified Taxes, provided that:
- (i) if the Funding Seller or any other Person shall be required to deduct any Indemnified Taxes from such payments, then (1) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 4.7) such Purchasing Entity receives an amount equal to the sum it would have received had no such deductions been made, (2) the Funding Seller or such Person shall make such deductions, and (3) the Funding Seller or such Person shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law; and
 - (ii) the Funding Seller shall not be obligated to make a payment under this Section 4.7 in respect of penalties, interest, and additions to Tax attributable to any Indemnified Taxes (and, for the avoidance of doubt, reasonable expenses arising therefrom or with respect thereto), if (1) such penalties, interest or additions to Tax are attributable to the failure of the Purchaser to pay the relevant Governmental Authority amounts received by it from the Funding Seller or any other Person, as the case may be in respect of Indemnified Taxes within 30 days after receipt of such amount from the Funding Seller or any such other Person or (2) such penalties, interest or additions to Tax are attributable to the gross negligence or willful misconduct of the Purchaser.

Notwithstanding anything to the contrary contained in this Agreement, none of the Funding Seller, the Servicer, the Originators or the Performance Guarantor shall have any obligation to make a “gross-up” payment of taxes or indemnification under this Section 4.7 to the Purchaser or the Bank Purchasers related to a FATCA Deduction.

- (b) Notwithstanding any other provision of this Agreement, the Funding Seller shall comply with all federal and state withholding requirements with respect to payments to any of the Purchasing Entities of amounts that the Funding Seller reasonably believes are applicable under the Code, the treasury regulations or any applicable state or local law. The Funding Seller will withhold on payments to each of the Purchasing Entities unless such Purchasing Entity provides at such time or times as required by law (i) a correct, complete and properly executed U.S. Internal Revenue Service Form W-8BEN claiming eligibility of such Purchasing Entity for benefits of an income tax treaty to which the United States is a party, (ii) a correct, complete and properly executed U.S. Internal Revenue Service Form W-8ECI, (iii) a correct, complete and properly executed U.S. Internal Revenue Service Form W-8BEN and a certificate of a duly authorized officer of such Purchasing Entity to the effect that such Purchasing Entity is not (A) a “bank” within the meaning of Section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Funding Seller within the meaning of Section 881(c)(3)(B) of the Code, or (C) a controlled foreign corporation receiving interest from a related person within the meaning of Section 881(c)(3)(C) of the Code, or (iv) a correct, complete and properly executed U.S. Internal Revenue Service Form W-8IMY, with appropriate attachments from each of the beneficial owners that either (a) satisfies one of the clauses (i) through (iii) above or (b) is a correct, complete and properly executed U.S. Internal Revenue Service Form W-9. For any period with respect to which any of the Purchasing Entities has failed to provide the Funding Seller with the appropriate, complete and accurate form or other relevant document pursuant to this Section 4.7 establishing a complete exemption from U.S. federal withholding tax, such Purchasing Entity shall not be entitled to any “gross-up” of taxes or indemnification under this Section 4.7.

- (c) If a payment made to any of the Purchasing Entities under any Transaction Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such party were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such party shall deliver to the Funding Seller, at the time or times prescribed by law and at such time or times reasonably requested by the Funding Seller, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Funding Seller as may be necessary for the Funding Seller to comply with its obligations under FATCA, to determine that such party has or has not complied with its obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment.

4.8 Late Fees.

- (a) If the Funding Seller, the Servicer or the Performance Guarantor shall default in the payment, when due, of any amount owed by it to the Purchaser pursuant to Sections 2.7(b)(v), 2.7(b)(vi), 2.7(b)(vii), 5.4(i), 5.4(iv) or 5.4(v), then the Funding Seller, the Servicer or the Performance Guarantor, as the case may be, shall pay to the Purchaser, for the benefit of each Bank Purchaser, interest on such Bank Purchaser's Ratable Share of the amount of such payment at a *per annum* rate equal to (i) such Bank Purchaser's LIBOR Rate during the related Accrual Period plus such Bank Purchaser's Factoring Fee Margin in effect during such Accrual Period plus (ii) 2.00% for the period beginning on (and including) the first day on which such payment was due and ending on (but not including) the day on which such payment is remitted to the Purchaser, which interest shall be calculated on the basis of the actual number of days included in such period and a year consisting of 360 days.
- (b) If the Funding Seller, the Servicer or the Performance Guarantor shall default in the payment, when due, of any amount not subject to subsection (a) above owed by it to any of the Purchasing Entities hereunder, then the Funding Seller, the Servicer or the Performance Guarantor, as the case may be, shall pay to each relevant Affected Party interest on the amount of such payment at a *per annum* rate equal to (i) such Affected Party's LIBOR Rate during the related Accrual Period plus such Affected Party's Factoring Fee Margin in effect during such Accrual Period plus (ii) 2.00% for the period beginning on (and including) the first day on which such payment was due and ending on (but not including) the day on which such payment is remitted to such Affected Party, which interest shall be calculated on the basis of the actual number of days included in such period and a year consisting of 360 days.

5. **REPURCHASE OF RECEIVABLES; ALLOCATION AND SHARING OF LOSSES**

5.1 Retransfer and Repurchase of Certain Receivables.

- (a) Imminent Write-Offs; EPS Receivables. On each Business Day, each Purchased Receivable that the Servicer has determined will become the subject of a Write-Off shall be retransferred by the Purchaser to the Funding Seller, automatically, and without any further action by the Purchaser or the Funding Seller. On each Business Day on and following the Facility Termination Date, each Purchased Receivable not previously retransferred that has become an EPS Receivable shall be retransferred by the Purchaser to the Funding Seller, upon deposit by the Funding Seller of a repurchase price to the Collection Account equal to the EPS Fair Value Percentage of the Nominal Value of such EPS Receivable within two Business Days of such Receivable becoming an EPS Receivable. For the avoidance of doubt, following the Facility Termination Date, the Servicer shall not, without the prior written consent of the Co-Agents, permit any Purchased Receivable to become an EPS Receivable following the Funding Seller's failure to pay the repurchase price for any EPS Receivables in accordance with this Section 5.1(a).

- (b) Aged Receivables; EPS Receivables. In addition to the foregoing, unless the Servicer at any time shall have failed to pay the Required Amount into the Collection Account in accordance with Section 2.6(c), during each Collection Period, on each Business Day that shall occur during such Collection Period, the Funding Seller shall repurchase from the Purchaser, effective automatically as of such Business Day, each Purchased Receivable that shall have become an Aged Receivable, or, prior to the Facility Termination Date, an EPS Receivable, it being agreed and understood (i) that the repurchase thereof shall be settled on the first Settlement Date to occur after the end of such Collection Period in accordance with the following provisions of this Section 5.1(b) and (ii) that, notwithstanding any of the foregoing, at any time, the Funding Seller may notify each of the Purchasing Entities in writing that, for any Batch, the Funding Seller shall repurchase Aged Receivables pursuant to this Section 5.1 only to the extent that the aggregate Outstanding Balance of all of the Aged Receivables from such Batch repurchased by the Funding Seller during the term of this Agreement would not exceed 10.00% of the related Batch Receivables Amount, which limitation of repurchases shall take effect on the first Settlement Date to occur after the end of the Collection Period during which such notification was given.

For each Batch, the repurchase price payable by the Funding Seller to the Purchaser for such Aged Receivables or EPS Receivables (i) shall be an amount equal to (x) with respect to such Aged Receivables (which are not EPS Receivables), the product of (A) the Funding Advance Rate times (B) the aggregate Outstanding Balance of all of the repurchased Aged Receivables included in such Batch, and (y) with respect to such EPS Receivables, the EPS Fair Value Percentage of the Nominal Value of such EPS Receivables; and (ii) shall be paid on the Settlement Date on which their repurchase is to be settled in accordance with this Section 5.1(b) by requiring the Funding Seller to pay to the Purchaser an amount equal to the aggregate amount of all of such repurchase prices, which amount shall be deemed to have been paid by requiring the Purchaser to reduce the Mandatory Repurchase Reserve Payment Amount for such Settlement Date by a corresponding amount, it being understood between the parties that such reduction may result in a negative Mandatory Repurchase Reserve Payment Amount.

- (c) All of the transfers and repurchases of Receivables contemplated by Sections 5.1(a) and 5.1(b) shall occur without recourse to, and without warranty of any kind made or deemed to have been made by, the Purchaser, and all representations and warranties are hereby expressly disclaimed. Notwithstanding any of the foregoing, the Servicer shall continue to monitor the status of all of the Receivables transferred back to the Funding Seller pursuant to Section 5.1(a) above and all of the Aged Receivables repurchased by the Funding Seller pursuant to Section 5.1(b) above in order to determine if and when such Receivables become Written-Off Receivables and to identify and report to the Funding Seller and each of the Purchasing Entities any Recoveries thereon.
- (d) The parties agree that (i)(A) tax refunds, whether in the form of cash or otherwise, with respect to Receivables and (B) any cash payments (or equivalent) or any other cash proceeds collected on EPS Receivables (including cash proceeds of Related Rights with respect to such EPS Receivables) shall be retained by the Funding Seller, (ii) the Servicer shall have no responsibility for reporting receipt of such amounts to any party other than the Funding Seller, and (iii) following such time as a Purchased Receivable becomes an EPS Receivable, the Servicer shall have no responsibility to track, or report information regarding such Receivables (including in connection with the Monthly Report) including information on dilutions, reductions, adjustments and Write-Offs.

- 5.2 Order of Repurchase. The Servicer shall designate the order in which Purchased Receivables (which will become Written-Off Receivables or are Aged Receivables) are to be transferred back during a Collection Period in a notice delivered to the Purchaser and the Funding Seller. The Purchaser and the Funding Seller acknowledge

initial receipt of such notice. The Servicer may change such designation by means of an additional notice delivered by it to each of the Purchasing Entities.

5.3 Allocation of Write-Offs.

- (a) On each Settlement Date until and including the Final Termination Date, the Servicer will determine, for each Batch and such Settlement Date, the Allocated Write-Off Amount related thereto and the relevant EPS Loss Amounts described in Sections 5.3(b) and 5.3(c), together with the Immediate Write-Off Amount and the Aged Receivables Write-Off Amount (as each of such terms is defined in Sections 5.3(b) and 5.3(c) below) related thereto.
- (b) On each Settlement Date until and including the Final Termination Date, before giving effect to Section 5.3(c) below, for each Batch, an amount equal to the sum of (x) the portion of the Allocated Write-Off Amount for such Settlement Date that is not attributable to Aged Receivables that have been repurchased by the Funding Seller and paid for pursuant to Section 5.1(b) above plus (y) the aggregate EPS Loss Amounts with respect to Purchased Receivables (other than Aged Receivables repurchased under clause (i)(x) of the second paragraph of Section 5.1(b)) included in such Batch which become EPS Receivables during the most recently ended Collection Period (such aggregate amount is referred to herein as the “**Immediate Write-Off Amount**” for such Settlement Date) shall be allocated between the Funding Seller and the Purchaser as follows:
- (i) FIRST, the Funding Seller shall bear the losses associated with the Immediate Write-Off Amount for such Settlement Date by paying to the Purchaser an amount equal to the lesser of (A) the Maximum Batch Mandatory Repurchase Amount for such Settlement Date and (B) the Immediate Write-Off Amount for such Settlement Date, which amount shall be deemed to have been paid by requiring the Purchaser to reduce the Mandatory Repurchase Reserve Payment Amount for such Settlement Date (and the Maximum Batch Mandatory Repurchase Amount as contemplated in the definition of such term) by a corresponding amount, it being understood between the parties that such reduction may result in a negative Mandatory Repurchase Reserve Payment Amount;
- (ii) SECOND, until the Discount Ledger Adjusted Balance is reduced to zero, the Purchaser shall deposit into the Collection Account (for application pursuant to Section 2.7 on such date) an amount equal to the excess, if any, of the Immediate Write-Off Amount for such Settlement Date over the Maximum Batch Mandatory Repurchase Amount for such Settlement Date; and, simultaneously, the Bank Purchasing Agent shall reduce the Discount Ledger Balance by the amount of such deposit in the Discount Ledger;
- (iii) THIRD, until the Level 3 Maximum Amount is reduced to zero: (A) prior to the KfW Termination Date, the Funding Seller shall deposit into the Collection Account (for application pursuant to Section 2.7 on such date), and on and after the KfW Termination Date, the Deferred Purchase Price shall be reduced by, an amount equal to the product of (i) 85% and (ii) the amount by which the Immediate Write-Off Amount for such Settlement Date exceeds the sum of the amount to be borne by the Funding Seller pursuant to clause FIRST above and the amount deposited by the Purchaser pursuant to clause SECOND above (the amount of such excess is referred to herein as the “**Aggregate Level 3 Loss Sharing Payment Amount**” for such Settlement Date); and (B) the Purchaser shall deposit into the Collection Account (for application pursuant to Section 2.7 on such date) an amount equal to the product of (i) 15% and (ii) the Aggregate Level 3 Loss Sharing Payment Amount for such Settlement Date; and (C) and, upon the making of such payments or such reduction of the Deferred Purchase Price, as applicable, the Level 3 Maximum Amount (without duplication of the reduction caused by

the reduction of the Deferred Purchase Price set forth above) shall be reduced by an amount equal to the sum of the deposits and the reductions made pursuant to subclauses (A) and (B) of this clause THIRD on such Settlement Date;

- (iv) FOURTH, until the Level 3A Maximum Amount is reduced to zero: (A) prior to the KfW Termination Date, the Funding Seller shall deposit into the Collection Account (for application pursuant to Section 2.7 on such date), and on and after the KfW Termination Date, the Deferred Purchase Price shall be reduced by, an amount equal to the amount by which the Immediate Write-Off Amount for such Settlement Date exceeds the sum of the amount to be borne by the Funding Seller pursuant to clause FIRST above, the amount deposited by the Purchaser pursuant to clause SECOND above, the amount deposited by the Funding Seller or the amount of such reduction of the Deferred Purchase Price, as applicable, pursuant to subclause (A) of clause THIRD above, and the amount deposited by the Purchaser pursuant to subclause (B) of clause THIRD above; and (B) upon the making of such payment or such reduction of the Deferred Purchase Price, as applicable, the Level 3A Maximum Amount (without duplication of the reduction caused by the reduction of the Deferred Purchase Price set forth above) shall be reduced by an amount equal to the sum of the deposit or the reductions made pursuant to subclause (A) of this clause FOURTH on such Settlement Date;
 - (v) FIFTH, if the Immediate Write-Off Amount for such Settlement Date shall be greater than the aggregate amount of the allocations made pursuant to clauses FIRST, SECOND, THIRD and FOURTH of this Section 5.3(b) on such Settlement Date (the “**Excess Level 3A Amount**”), the Servicer shall deposit Collections in the Collection Account in an amount equal to the lesser of the (A) the Level 4 Reserve Amount and (B) the Excess Level 3A Amount, and the Level 4 Reserve Amount shall be reduced by the amount of such deposit on such Settlement Date; and
 - (vi) SIXTH, if the Immediate Write-Off Amount for such Settlement Date shall be greater than the aggregate amount of the allocations made pursuant to clauses FIRST, SECOND, THIRD, FOURTH and FIFTH of this Section 5.3(b) on such Settlement Date, the Purchaser shall then reduce the Funded Amount by the amount of such excess.
- (c) On each Settlement Date until and including the Final Termination Date, after giving effect to Section 5.3(b) above, for each Batch, an amount equal to the sum of (x) the portion of the Allocated Write-Off Amount for such Settlement Date that is attributable to Aged Receivables that have been repurchased by the Funding Seller pursuant to Section 5.1(b) above plus (y) the aggregate EPS Loss Amounts with respect to Aged Receivables included in such Batch that were repurchased under clause (i)(x) of the second paragraph of Section 5.1(b) which become EPS Receivables during the most recently ended Collection Period (such aggregate amount is referred to herein as the “Aged Receivables Write-Off Amount” for such Settlement Date) shall be allocated between the Funding Seller and the Purchaser as follows:
- (i) FIRST, the Funding Seller shall bear the losses associated with the Aged Receivables Write-Off Amount up to an amount equal to the excess of (A) the Maximum Batch Mandatory Repurchase Amount for such Settlement Date over (B) the amounts deemed to have been paid by the Funding Seller on such Settlement Date pursuant to clause FIRST of Section 5.3(b) above; it being understood (for the avoidance of doubt) that no payment by the Funding Seller shall be required to give effect the allocation of Write-Offs to the Funding Seller pursuant to this clause FIRST;

- (ii) SECOND, until the Discount Ledger Adjusted Balance is reduced to zero, the Purchaser shall pay directly to the Funding Seller an amount equal to the excess, if any, of the Aged Receivables Write-Off Amount for such Settlement Date over the amount borne by the Funding Seller pursuant to clause FIRST above; and, simultaneously, the Bank Purchasing Agent shall reduce the Discount Ledger Balance by the amount of such deposit;
- (iii) THIRD, until the Level 3 Maximum Amount is reduced to zero and taking into account any reduction of the Level 3 Maximum Amount made on such Settlement Date pursuant to clause THIRD of Section 5.3(b) above: (A) the Purchaser shall pay directly to the Funding Seller an amount equal to the product of (i) 15% and (ii) the amount by which the Aged Receivables Write-Off Amount for such Settlement Date exceeds the sum of the amount to be borne by the Funding Seller pursuant to clause FIRST above and the amount deposited by the Purchaser pursuant to clause SECOND above (such amount is referred to herein as the “**Aggregate Level 3 Excess Loss Sharing Payment Amount**” for such Settlement Date); and (B) the Funding Seller shall bear losses in an amount equal to the product of (i) 85% and (ii) the Aggregate Level 3 Excess Loss Sharing Payment Amount for such Settlement Date; it being understood (for the avoidance of doubt) that no payment by the Funding Seller shall be required to give effect the allocation of Write-Offs to the Funding Seller pursuant to this clause THIRD; and (C) the Level 3 Maximum Amount shall be reduced by an amount equal to the sum of the deposit made by the Purchaser pursuant to subclause (A) and the amount of losses borne by the Funding Seller pursuant to subclause (B) of this clause THIRD;
- (iv) FOURTH, until the Level 3A Maximum Amount is reduced to zero and taking into account any reduction of the Level 3A Maximum Amount made on such Settlement Date pursuant to clause FOURTH of Section 5.3(b) above: (A) the Funding Seller shall bear losses in an amount equal to the amount by which the Aged Receivables Write-Off Amount for such Settlement Date exceeds the sum of the amount to be borne by the Funding Seller pursuant to clause FIRST above, the amount deposited by the Purchaser pursuant to clause SECOND above, the amount deposited by the Purchaser pursuant to subclause (A) of clause THIRD above, and the amount to be borne by the Funding Seller pursuant to subclause (B) of clause THIRD above; it being understood (for the avoidance of doubt) that no payment by the Funding Seller shall be required to give effect to the allocation of Write-Offs to the Funding Seller pursuant to this clause FOURTH; and (B) the Level 3A Maximum Amount shall be reduced by an amount equal to the amount of losses borne by the Funding Seller pursuant to this clause FOURTH;
- (v) FIFTH, until the Level 4 Reserve Amount is reduced to zero and taking into account any reduction of the Level 4 Reserve Amount made on such Settlement Date pursuant to clause FIFTH of Section 5.3(b) above, if the Aged Receivables Write-Off Amount for such Settlement Date shall be greater than the aggregate amount of the allocations made pursuant to clauses FIRST, SECOND, THIRD and FOURTH of this Section 5.3(c) on such Settlement Date (the “**Excess Level 3A Excess Amount**”), the Servicer shall deposit Collections in the Collection Account in an amount equal to the lesser of the (A) the Level 4 Reserve Amount and (B) the Excess Level 3A Excess Amount, and the Level 4 Reserve Amount shall be reduced by the amount of such deposit on such Settlement Date; and
- (vi) SIXTH, the Purchaser shall pay directly to the Funding Seller an amount equal to the excess, if any, of the Aged Receivables Write-Off Amount for such Settlement Date over the aggregate amount of the allocations made pursuant to clauses FIRST, SECOND, THIRD, FOURTH and FIFTH of this Section 5.3(c) on such Settlement Date.

- 5.4 Allocation of Recoveries. On each Settlement Date until and including the Final Termination Date, Recoveries for the prior Collection Period shall be paid or allocated by the Funding Seller or by the Servicer on behalf of the Funding Seller in accordance with the following order of priority:
- (i) FIRST, to the Purchaser, up to the aggregate of the amounts, if any, allocated to the Purchaser pursuant to Section 5.3(b)(vi) above and/or payable by the Purchaser to the Funding Seller pursuant to Sections 5.3(c)(vi) above with respect to any Batch on all prior Settlement Dates;
 - (ii) SECOND, to the Funding Seller, up to the aggregate of the amounts deposited by the Servicer in the Collection Account pursuant to Section 5.3(b)(v) and/or Section 5.3(c)(v);
 - (iii) THIRD, to the Funding Seller, up to the aggregate of the amounts paid by the Funding Seller, reductions of the Deferred Purchase Price and losses borne, if any, pursuant to Sections 5.3(b)(iv) and 5.3(c)(iv) with respect to any Batch on such Settlement Date and all prior Settlement Dates, whereupon the Level 3A Maximum Amount shall be increased by the aggregate amount so paid to the Funding Seller;
 - (iv) FOURTH, ratably and *pari passu*, (A) 85% to the Funding Seller and (B) 15% to the Purchaser up to the aggregate of the amounts, if any, paid by the Funding Seller and the Purchaser, reductions of the Deferred Purchase Price and losses borne by the Funding Seller, if any, pursuant to Sections 5.3(b)(iii) and 5.3(c)(iii) with respect to any Batch on such Settlement Date and all prior Settlement Dates, whereupon the Level 3 Maximum Amount shall be increased by the aggregate amount so paid to the Purchaser and the Funding Seller;
 - (v) FIFTH, to the Purchaser, up to the aggregate of (A) the amounts, if any, by which the Discount Ledger Balance was required to be reduced pursuant to Section 5.3(b)(ii) and (B) the amounts, if any, payable by the Purchaser to the Funding Seller pursuant to Section 5.3(c)(ii), if any, with respect to any Batch on such Settlement Date and all prior Settlement Dates, whereupon the Bank Purchasing Agent shall be obligated to increase the Discount Ledger Balance by the amount so paid to the Purchaser; and
 - (vi) FINALLY, to pay any remainder to the Funding Seller.

5.5 Revision of Allocation Levels.

- (a) In the event that the Discount Ledger Balance exceeds 2.00% of the Maximum Sales Amount on any Settlement Date (after giving effect to any adjustments to the Discount Ledger Balance on such Settlement Date), upon notice by the Funding Seller to the Bank Purchasing Agent and the Bank Purchasers on such Settlement Date, the Discount Rate shall be decreased to a percentage determined by the Funding Seller, but not less than 0.00%, to reflect such change in credit quality, and the Level 4 Reserve Percentage shall be increased by 1.25 times the reduction in the Discount Rate. Such adjustment shall be prospective in nature and shall only apply to succeeding Collection Periods after the adjustment is made. The notice described in this Section 5.5(a) may be issued more than once.
- (b) If the Discount Ledger Balance is less than 1.75% of the Maximum Sales Amount on any Settlement Date (after giving effect to any adjustments to the Discount Ledger Balance on such Settlement Date), upon notice by the Funding Seller to the Bank Purchasing Agent and the Bank Purchasers on such Settlement Date, the Discount Rate shall be increased to a percentage determined by the Funding Seller, and the Level 4 Reserve Percentage shall be decreased by an amount equal to 1.25 multiplied by such increase in the Discount Rate; provided that the Level 4 Reserve Percentage for any Settlement Date and any Batch shall not be less than the numerical percentage prescribed by the definition of the

term “Level 4 Reserve Percentage” for such Settlement Date and such Batch without giving effect to any increase or decrease to such percentage that may have been effected pursuant to this Section 5.5. Such adjustment shall be prospective in nature and shall only apply to succeeding Collection Periods after the adjustment is made.

- (c) The Funding Seller may, no more frequently than twice per calendar year, submit a written request to the Co-Agents, requesting a change in the Discount Rate, the Maximum Mandatory Repurchase Percentage, the Level 3 Maximum Amount, the Level 3A Maximum Amount or the Level 4 Reserve Percentage, or any combination thereof, in order to adjust for changes in the credit quality of the Purchased Receivables and the history and magnitude of write-offs made with respect thereto; provided, however, that (A) any such changes shall be effective as of the first day of a Collection Period and shall be prospective only, and (B) no such changes shall cause the total credit support available to cover losses in accordance with Sections 5.3(b)(i)-(v) and 5.3(c)(i)-(v) (without taking into account the Discount Ledger Balance) to be less protective than such total credit support immediately prior to giving effect to the requested changes, (C) as a condition to any increase in the Level 3 Maximum Amount to an amount in excess of \$50,000,000, the Funding Seller shall provide collateral in an amount no less than 85% of such excess in form and substance, and subject to documentation in form and substance, satisfactory to the Bank Purchasing Agent, in order to secure the Funding Seller’s obligations under Sections 5.6(a)(i) and 5.6(a)(iii), and (D) as a condition to any increase in the Level 3A Maximum Amount to an amount in excess of \$40,000,000, the Funding Seller shall provide collateral in an amount no less than 100% of such excess in form and substance, and subject to documentation in form and substance, satisfactory to the Bank Purchasing Agent, in order to secure the Funding Seller’s obligations under Sections 5.6(a)(ii) and 5.6(a)(iii). Any such requested change shall be accepted or rejected by the Co-Agents within five Business Days following the Reporting Date that next follows the receipt of such request. The Co-Agents shall be obligated to agree, in good faith, to accept or reject each written request submitted to them pursuant to this Section 5.5(c) within such five-Business Day period; it being agreed and understood that, if agreement is not achieved within such period, then such requested change shall be deemed to have been rejected. For the avoidance of doubt, the prospective changes to the Discount Rate and Level 4 Reserve Percentage that may occur pursuant to Sections 5.5(a) and 5.5(b) shall not constitute or trigger changes to such rates pursuant to this Section 5.5(c).

5.6 KfW Guarantees.

- (a) The parties hereto acknowledge and agree that, prior to the KfW Termination Date, the Bank Purchasing Agent shall be entitled to make a demand on behalf of the Bank Purchasers under the KfW Guarantees under the following circumstances and in the following amounts.
- (i) If, on any Settlement Date, the Funding Seller fails to make all or any portion of the deposit into the Collection Account that was required to be made by it pursuant to Section 5.3(b)(iii), then, on or after such Settlement Date, the Bank Purchasing Agent shall be permitted to make a draw under the KfW Second Amended and Restated Level 3 Guarantee, to the extent that there shall be availability thereunder, in an amount equal to the amount that the Funding Seller shall have failed to so deposit into the Collection Account.
- (ii) If, on any Settlement Date, the Funding Seller fails to make all or any portion of the deposit into the Collection Account that was required to be made by it pursuant to Section 5.3(b)(iv), then, on or after such Settlement Date, the Bank Purchasing Agent shall be permitted to make a draw under the KfW First Amended and Restated Level 3A Guarantee, to the extent that there shall be availability thereunder, in an amount equal to the amount that the Funding Seller shall have failed to so deposit into the Collection Account.

- (iii) If, on any Settlement Date, (I) the Servicer shall fail to deposit any of the Collections into the Collection Account, as required under this Agreement, and such Collections shall have been commingled with other funds of the Servicer or any other member of the T-Mobile Group and (II) as a direct result of such failure and commingling, such Collections are not readily identifiable and any of the Bank Purchasers suffers a loss (any such loss is referred to herein as a “**Commingling Loss**”), then, on or after such Settlement Date:

(A) the Bank Purchasing Agent shall be permitted to make a draw under one or both of the KfW Guarantees (in accordance with subparagraph (B) below) in an amount equal to the excess of:

- (x) the sum of the amounts that the Funding Seller would have been required to deposit into the Collection Account pursuant to Sections 5.3(b)(iii) and 5.3(b)(iv) if the Commingling Loss for such Settlement Date had been added to and included in the determination of the Immediate Write-Off Amount for such Settlement Date; over
- (y) the sum of the amounts that the Funding Seller was actually required to deposit into the Collection Account pursuant to Sections 5.3(b)(iii) and 5.3(b)(iv) on such Settlement Date; and

- (B) unless otherwise directed by the Bank Purchasing Agent, such draw shall be made, *first*, under the KfW First Amended and Restated Level 3A Guarantee to the extent that there shall be availability thereunder and, *second*, under the KfW Second Amended and Restated Level 3 Guarantee to the extent that there shall be availability thereunder.

For the avoidance of doubt, a draw permitted to be made under any of the foregoing clauses (i) through (iii) shall be in addition to, and shall not be an alternative to, a draw permitted to be made under any other such clause.

- (b) The Bank Purchasing Agent shall specify in the related demand notice provided to KfW under the applicable KfW Guarantee the amount of the proceeds thereof that shall be due to each Bank Purchaser and shall provide a copy of such demand notice to the Purchaser.
- (c) Following the KfW Termination Date, this Section 5.6 shall no longer have any force and effect.

The provisions of this Section 5.6 shall not be construed to limit in any way the provisions of the KfW Guarantees themselves.

6. REPRESENTATIONS AND WARRANTIES OF THE FUNDING SELLER AND THE PERFORMANCE GUARANTOR

6.1 The Funding Seller. The Funding Seller hereby represents and warrants to each of the Purchasing Entities that, as of the date hereof and each Purchase Date:

- (a) the Funding Seller (i) is a limited liability company, duly organized solely, validly existing and in good standing under the laws of the State of Delaware, (ii) is duly qualified to do business and (iii) has all corporate or other organizational power and all licenses, authorizations, consents, approvals and qualifications, of and from all third parties required to execute and deliver and perform its obligations under the Transaction Documents to which it is a party and to carry on its business in each jurisdiction in which its business is now conducted;

- (b) the execution, delivery and performance by the Funding Seller of this Agreement and any other Transaction Document to which it is a party, including the Funding Seller's sales hereunder of Receivables and the Funding Seller's use of the proceeds thereof (i) are within the Funding Seller's corporate and other organizational powers, (ii) have been duly authorized by all necessary corporate and other organizational action, (iii) do not, with respect to execution and delivery, and will not, with respect to the performance of its obligations, contravene or constitute a default under (A) the Funding Seller's organic documents, (B) any applicable law, (C) any contractual restriction binding on or affecting the Funding Seller or its property or (D) any order, writ, judgment, award, injunction or decree binding on or affecting the Funding Seller or its property and (iv) do not, with respect to execution and delivery, and will not, with respect to the performance of its obligations, result in or require the creation or imposition of any Adverse Claim (other than any Adverse Claim arising under any Transaction Document) upon or with respect to any of its properties;
- (c) each Transaction Document to which the Funding Seller is a party has been duly executed and delivered by the Funding Seller;
- (d) no authorization, approval, license, consent, qualification or other action by, and no notice to or filing or registration with, any governmental body or agency or official thereof or any third party is required for the due execution, delivery and performance by the Funding Seller of this Agreement or any other Transaction Document to which the Funding Seller is a party or any other document to be delivered by the Funding Seller hereunder or thereunder, all of which have been duly made or taken, as the case may be, and are in full force and effect;
- (e) each Transaction Document to which the Funding Seller is a party constitutes the legal, valid and binding obligations of the Funding Seller enforceable against the Funding Seller in accordance with its terms, subject to any limitation on the enforceability thereof against the Funding Seller arising from the application of any applicable bankruptcy law or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);
- (f) (i) there are no actions, suits, investigations by any governmental body or agency, litigation or proceedings at law or in equity or by or before any governmental body or agency or in arbitration now pending, or credibly threatened, against or affecting the Funding Seller or any of its businesses, properties or revenues; and (ii) the Funding Seller is not in default or violation of any order, judgment or decree of any governmental body or agency or arbitrator;
- (g) no event has occurred and is continuing, or would result from any purchase by the Purchaser of Receivables from the Funding Seller or the application of the proceeds therefrom, which constitutes a Bankruptcy Event;
- (h) no proceeds of any purchase by the Purchaser of Purchased Receivables from the Funding Seller pursuant to this Agreement will be used to purchase or carry, or to extend credit to others for the purpose of purchasing or carrying, "margin stock" within the meaning of Regulation T, U or X promulgated by the Board of Governors of the Federal Reserve System from time to time;
- (i) the Funding Seller (i) is not overdue in the filing of any income tax returns or any other tax returns required to be filed; (ii) has made adequate provision for the payment of all income taxes and all other taxes, assessments and other government charges; and (iii) is wholly-owned (or so treated for U.S. federal tax purposes) by one member of the consolidated tax group of which TMUS is the common parent and has not made, and will not make, an election to be treated as an association taxable as a corporation for U.S. federal tax purposes;

- (j) the Funding Seller has not changed its name or legal structure in the four months immediately preceding the Closing Date and is not known by and does not use any trade name or doing-business-as name;
- (k) the Funding Seller is not an “investment company” under, and as defined in, the Investment Company Act of 1940, as amended;
- (l) (i) no purchase by the Purchaser of Purchased Receivables from the Funding Seller pursuant to this Agreement has been made for or on account of an antecedent debt owed by the Funding Seller to the Purchaser and no such purchase is or may be voidable or subject to avoidance under any section of any applicable bankruptcy law or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and (ii) the sale of Purchased Receivables by the Funding Seller to the Purchaser pursuant to this Agreement, and all other transactions between the Funding Seller and the Purchaser, have been and will be made in good faith and without intent to hinder, delay or defraud creditors of the Funding Seller or any other member of the T-Mobile Group;
- (m) the Funding Seller has not breached any laws applicable to it or its business or property;
- (n) the Funding Seller is not required to account to any governmental body or agency for any value added or other similar tax in respect of the assignment by the Funding Seller of any Purchased Receivable and no withholding or other tax is deductible or payable on any payment made by any Obligor with respect to any Purchased Receivable;
- (o) the Funding Seller is exclusively resident for tax purposes in the United States and, for the purposes of this Agreement and the other Transaction Documents to which it is a party, will not act through any branch or permanent establishment located outside of the United States;
- (p) the Funding Seller is not required to make any deduction for or on account of taxes from any payment made by it under a Transaction Document;
- (q) duly completed and sufficient UCC financing statements covering all Receivables and Related Rights sold by the Funding Seller to the Purchaser hereunder have been filed (A) with the Secretary of State of Delaware, naming the Funding Seller as debtor, the Purchaser as secured party, and the Co-Agents as the assignees of the secured party, and (B) with respect to each Originator, with the Secretary of State of the state in which such Originator is organized or otherwise “located” for purposes of the UCC, naming such Originator as debtor, the Initial Purchaser as secured party, and the Funding Seller as the assignee of the secured party, and (C) with respect to each Originator, with the Secretary of State of the state in which such Originator is organized or otherwise “located” for purposes of the UCC, assigning each UCC financing statement described in the foregoing clause (B) to the Purchaser as the assignee of the Funding Seller, in each case as may be necessary under the UCC in order to perfect the Bank Collections Agent’s interest in the Purchased Receivables;
- (r) the Funding Seller is not an employee benefit plan that is subject to Title I of ERISA or Section 4975 of the Code or a “benefit plan investor” as defined in Section 3(42) of ERISA and the Funding Seller shall not use the assets of an employee benefit plan that is subject to Title I of ERISA or Section 4975 of the Code or any “benefit plan investor” as defined in Section 3(42) of ERISA to discharge any of its obligations under this Agreement or the Contribution Agreement;
- (s) upon each purchase of Purchased Receivables hereunder, the Purchaser shall acquire (i) a valid and perfected ownership interest in each such Purchased Receivable and all identifiable cash proceeds thereof and (ii) a valid ownership interest in all Related Rights with respect thereto;

- (t) no effective financing statement or other instrument similar in effect covering any Contract or any Purchased Receivable or the Related Rights or Collections with respect thereto is on file in any recording office, except those filed in favor of the Co-Agents relating to this Agreement and the other Transaction Documents;
 - (u) each Monthly Report (if prepared by the Funding Seller, or to the extent that information contained therein is supplied by the Funding Seller), information, exhibit, financial statement, document, book, record or report furnished at any time by or on behalf of the Funding Seller to the Purchaser in connection with this Agreement is true, complete and accurate in all material respects as of its date or as of the date so furnished, and, as of such date, no such document contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;
 - (v) the principal place of business and chief executive office of the Funding Seller and the office where the Funding Seller keeps its records concerning the Purchased Receivables are located at the address or addresses in Annex 1 hereto;
 - (w) the name and address of the Collection Account Bank, together with the account number of the Collection Account, are specified in the Master Receivables Purchase Agreement Side Letter;
 - (x) the Funding Seller was formed on November 8, 2013 and the Funding Seller did not engage in any business activities prior to the Closing Date; the Funding Seller has no Subsidiaries; and
 - (y) no event has occurred and is continuing that constitutes a Termination Event.
- 6.2 The Performance Guarantor. The Performance Guarantor hereby represents and warrants to each of the Purchasing Entities that, as of the date hereof and each Purchase Date:
- (a) the Performance Guarantor (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, (ii) is duly qualified to do business and (iii) has all corporate or other organizational power and all licenses, authorizations, consents, approvals and qualifications, of and from all third parties required to execute and deliver and perform its obligations under the Transaction Documents to which it is a party and to carry on its business in each jurisdiction in which its business is now conducted except where the failure to so qualify could not be expected to have a material adverse effect on the Performance Guarantor's ability to perform its duties or obligations under the Transaction Documents;
 - (b) the execution, delivery and performance by the Performance Guarantor of this Agreement and any other Transaction Document to which it is a party, (i) are within the Performance Guarantor's corporate powers, (ii) have been duly authorized by all necessary corporate action, (iii) do not, with respect to execution and delivery, and will not, with respect to the performance of its obligations, contravene or constitute a default under (A) the Performance Guarantor's organic documents, (B) any applicable law, (C) any contractual restriction binding on or affecting the Performance Guarantor or its property or (D) any order, writ, judgment, award, injunction or decree binding on or affecting the Servicer or its property;
 - (c) each Transaction Document to which the Performance Guarantor is a party has been duly executed and delivered by the Performance Guarantor;
 - (d) no authorization, approval, license, consent, qualification or other action by, and no notice to or filing or registration with, any governmental body or agency or official thereof or any third party is required

for the due execution, delivery and performance by the Performance Guarantor of this Agreement or any other Transaction Document to which the Performance Guarantor is a party or any other document to be delivered by the Performance Guarantor hereunder or thereunder, all of which have been duly made or taken, as the case may be, and are in full force and effect;

- (e) each Transaction Document to which the Performance Guarantor is a party constitutes the legal, valid and binding obligations of the Performance Guarantor enforceable against the Performance Guarantor in accordance with its terms, subject to any limitation on the enforceability thereof against the Performance Guarantor arising from the application of any applicable bankruptcy law or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);
- (f) no Bankruptcy Event has occurred with respect to the Performance Guarantor; and
- (g) each of the Originators is a direct or indirect, wholly owned subsidiary of the Performance Guarantor and is duly organized and validly existing under the laws of the state specified as its jurisdiction of organization in Annex 4.

6.3 The Receivables. The Funding Seller hereby represents, warrants and covenants to each of the Purchasing Entities as of each Purchase Date with respect to each Receivable purchased or purported to be purchased on such date (including each Receivable originated by the January 2015 Originator and sold or purported to be sold to the Purchaser on such date), that:

- (a) such Receivable is a validly existing Eligible Receivable and each Contract with respect to such Receivable is effective to create, and has created, a legal, valid and binding obligation of the related Obligor to pay the Outstanding Balance of the Receivable created thereunder and any accrued interest thereon, enforceable against the Obligor in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);
- (b) the Funding Seller has sole legal, good and marketable, and beneficial title to such Receivable;
- (c) the Funding Seller has not entered into any agreements that would impair the rights of the Purchaser in, or altered any of the material terms (including the maturity or Due Date) of, such Receivable;
- (d) the Funding Seller has not previously sold, transferred or otherwise disposed of such Receivable to, or in favor of, any Person other than the Purchaser;
- (e) the sale of such Receivable, together with any and all Related Rights, to the Purchaser pursuant to this Agreement constitutes a valid sale, transfer and assignment of all of the Funding Seller's right, title and interest in, to and under such Receivable and Related Rights to the Purchaser that is perfected and of first priority under the UCC and otherwise, enforceable against creditors of, and subsequent purchasers from, the Funding Seller and free and clear of any Adverse Claim (other than any Adverse Claim arising under any Transaction Document); such sale, transfer and assignment is made for "reasonably equivalent value" (as such term is used in Section 548 of the Bankruptcy Code) and not for, or on account of, "antecedent debt" (as such term is used in Section 547 of the Bankruptcy Code); and without limiting any of the foregoing, such sale, transfer and assignment (i) is not voidable or subject to avoidance under applicable law and (ii) is made in good faith without the intent to defraud any creditors of the Funding Seller or any Originator;

- (f) the Funding Seller (i) shall have received such Receivable as a contribution of capital by the Initial Purchaser or (ii) shall have purchased such Receivable from the Initial Purchaser in exchange for payment (made by the Funding Seller to the Initial Purchaser in accordance with the provisions of the Contribution Agreement) of cash or a deferred purchase price in an amount that constitutes fair consideration and reasonably equivalent value. Each such sale referred to in clause (ii) of the preceding sentence shall not have been made for or on account of an antecedent Debt owed by the Originators or the Initial Purchaser to the Funding Seller and no such sale is voidable or subject to avoidance under any section of the Bankruptcy Code; and
 - (g) no event would result from a purchase in respect of such Receivable or from the application of the proceeds therefrom that constitutes a Termination Event.
- 6.4 Liability. The Funding Seller shall be liable for the accuracy of the foregoing representations and warranties regardless of whether any Purchasing Entity actually was aware or could have been aware of the respective facts and circumstances at the time of purchase.
7. **CERTAIN COVENANTS OF THE FUNDING SELLER, THE SERVICER, THE PERFORMANCE GUARANTOR, THE BANK PURCHASING AGENT AND THE PURCHASER**
- 7.1 Until the Final Termination Date:
- (a) The Funding Seller and the Performance Guarantor will comply in all material respects with all applicable laws, rules, regulations and orders and preserve and maintain its existence, rights, franchises, qualifications, and privileges except to the extent that the failure so to comply with such laws, rules and regulations or the failure so to preserve and maintain such existence, rights, franchises, qualifications and privileges would not materially adversely affect the collectibility of the Purchased Receivables or the ability of the Funding Seller or the Performance Guarantor to perform its obligations under the Transaction Documents.
 - (b) The Funding Seller will keep its principal place of business and chief executive office and the office where it keeps its records concerning the Purchased Receivables (and all original documents relating thereto) at the address of the Funding Seller set forth in Annex 1 or, upon 30 days' prior written notice to the Purchaser and the Bank Collections Agent, at any other locations in jurisdictions where all actions reasonably requested by the Bank Collections Agent to protect and perfect the interest in the Purchased Receivables and the Related Rights with respect thereto have been taken and completed. The Servicer also will maintain and implement administrative and operating procedures (including, without limitation, an ability to recreate records evidencing the Purchased Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records and other information reasonably necessary or advisable for the collection of all Purchased Receivables (including, without limitation, records adequate to permit the daily identification of each Purchased Receivable and all Collections of and adjustments to each existing Purchased Receivable).
 - (c) The Funding Seller will require, at its expense, that each Originator will timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Contracts related to the Purchased Receivables, and timely and fully comply in all material respects with the Credit and Collection Policy in regard to each Purchased Receivable and the related Contract.
 - (d) The Funding Seller will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon or with respect to, any Purchased Receivable or

Related Rights, or upon or with respect to the Collection Account, or assign any right to receive income in respect thereof, except to the extent arising under any Transaction Document.

- (e) Neither the Funding Seller nor the Servicer nor any of their respective Affiliates (which shall include the Originators) shall be permitted to grant to any Person other than the Purchaser and the Bank Collections Agent a security interest (as such term is defined in the UCC) in (i) any Collections (A) before they are deposited to the Collection Account or distributed to the Funding Seller pursuant to Section 2.6 or (B) after they are deposited to the Collection Account pursuant to Section 2.6 or (ii) the Collection Account itself.
- (f) Except as provided in Section 3.2(b), the Funding Seller and the Servicer will not (i) extend the maturity or adjust the Outstanding Balance or otherwise modify the terms of any Purchased Receivable in a manner that would result in the Dilution of such Purchased Receivable or that would otherwise prevent such Purchased Receivable from being an Eligible Receivable unless, in each case, the Funding Seller shall have been deemed to have received a Collection in respect of such Purchased Receivable, or (ii) amend, modify or waive in any material respect any term or condition relating to payments under or enforcement of any Contract related thereto.
- (g) None of the Funding Seller, the Servicer or the Performance Guarantor will make or permit any change in the character of its business that would, in either case, materially adversely affect the collectibility of the Purchased Receivables or the ability of the Funding Seller, the Servicer, or the Performance Guarantor to perform its obligations under this Agreement.
- (h) The Servicer will, or will cause the Originators to, instruct all Obligors to make payments with respect to the Purchased Receivables to a Payment Account and will not make or permit any change in the instructions to Obligors regarding payments to be made to a Payment Account, other than a change related solely to instructions to Obligors to pay to a new Payment Account which has been identified in writing to each of the Purchasing Entities.
- (i) The Funding Seller will not terminate or cause or permit the termination of the bank as the Collection Account Bank that is listed in the Master Receivables Purchase Agreement Side Letter or terminate the Account Control Agreement. The Funding Seller will not permit any provision of the Account Control Agreement to be changed, amended, modified or waived without the prior written consent of the Bank Collections Agent.
- (j) At its expense, the Servicer will mark its, and the Funding Seller's, master data processing records evidencing Purchased Receivables and related Contracts with a legend evidencing that such Purchased Receivables and related Contracts have been sold in accordance with this Agreement.
- (k) The Performance Guarantor will provide to each Purchasing Entity the following:
 - (A) as soon as available and in any event within 45 days after the end of the first three quarters of each fiscal year of the Performance Guarantor, balance sheets of the Performance Guarantor, and its Subsidiaries as of the end of such quarter and statements of income and retained earnings of the Performance Guarantor, and its Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, certified by the chief financial officer of the Performance Guarantor;
 - (B) as soon as available and in any event within 90 days after the end of each fiscal year of the Performance Guarantor, a copy of the annual report for such year for the Performance Guarantor and its Subsidiaries, containing financial statements for such year audited by

PriceWaterhouse Coopers LLP or other independent public accountants of recognized national standing;

- (C) at least ten (10) Business Days prior to any change in the name of an Originator or the Funding Seller, a notice setting forth the new name and the effective date thereof and UCC-3 amendments to all then existing UCC-1 financing statements filed in connection with the Transaction Documents;
- (D) no later than 2 Business Days after the Funding Seller or the Performance Guarantor has knowledge thereof notice of any Termination Event or any material breach of any representation, warranty or covenant under any other Transaction Document;
- (E) as soon as possible and in any event no later than the day of occurrence thereof, notice that any Originator or the Initial Purchaser has ceased selling or contributing (as the case may be) Receivables as required pursuant to the Conveyancing Agreement or the Contribution Agreement, respectively;
- (F) at the time of the delivery of the financial statements provided for in clauses (A) and (B) above, a certificate of the chief financial officer or the treasurer of the Funding Seller or the Performance Guarantor (x) setting forth in reasonable detail the calculation of the Consolidated Equity Ratio and the Consolidated Leverage Ratio for the period then ended, and (y) certifying, to the best of such officer's knowledge, that no Termination Event has occurred and is continuing or, if any Termination Event has occurred and is continuing, specifying the nature and extent thereof; and
- (G) promptly after receipt thereof, copies of all consents requested from the Funding Seller by, and all notices or other documents received by the Funding Seller from, any Originator under the Conveyancing Agreement; and
- (H) promptly after request therefore, such other information, documents, records or reports respecting the condition or operations, financial or otherwise, of the Performance Guarantor as the Bank Purchasing Agent or the Bank Collections Agent may from time to time reasonably request, provided that information relating to specific Receivables shall be limited to the T-Mobile Information.

The reporting requirements specified above may be satisfied by filing with the Securities and Exchange Commission through the EDGAR electronic filing system.

- (l) None of the Funding Seller, the Servicer, the Performance Guarantor or any of their respective Affiliates shall exercise any option (if any) available to it under German law to have value added tax apply with respect to any supply, for German value added tax purposes, rendered in connection with the sale of the Receivables contemplated by the Transaction Documents, provided that any party having such an option right shall be required to exercise such option if the Bank Purchasing Agent shall so request in writing.
- (m) (i) From the date hereof, T-Mobile PCS Holdings undertakes for the benefit of each of the Affected Parties to retain on an on-going basis a material net economic interest in accordance with Article 405 (1) sub-paragraph (c) of Regulation (EU) No. 575/2013 (the "CRR") and the technical standards relating thereto in full force and effect as of the date of this Agreement. On each Business Day after the date hereof, such interest shall, in accordance with such sub-paragraph (c), be comprised of an interest in Receivables randomly selected from, and having

an aggregate Nominal Value of no less than 5% of the aggregate Nominal Values of, all of the Purchased Receivables sold by the Originators to T-Mobile PCS Holdings on such Business Day. T-Mobile PCS Holdings shall not, and shall not permit any Affiliate, to enter into any credit risk mitigation, short positions or any other hedge with respect to the retained interest, except to the extent permitted under the CRR.

- (ii) In each Monthly Report to be delivered pursuant to this Agreement, T-Mobile PCS Holdings shall confirm whether T-Mobile PCS Holdings is in compliance with clause (i) above, which confirmation shall be deemed satisfied by delivery of each Monthly Report containing such confirmation.
- (iii) T-Mobile PCS Holdings shall cooperate with each Affected Party, as applicable, by providing information or documents reasonably requested by such Affected Party in order to allow such Affected Party to conduct its due diligence required under the CRR so that such Affected Party shall be able to demonstrate to the competent authorities (who have jurisdictional authority over such Affected Party) that such Affected Party has performed its due diligence and monitoring obligations (to the extent applicable) under the CRR; provided that (1) any information provided by T-Mobile PCS Holdings shall be subject to the confidentiality provisions set forth in Article 12 hereof and (2) any such information relating to the Receivables or the related Obligors shall be limited to the T-Mobile Information.
- (iv) In the event of a breach of clause (i), (ii) or (iii) above by T-Mobile PCS Holdings, the only remedy available for an Affected Party shall be that, to the extent that such breach resulted in an additional risk-weighted capital charge (“**CRR Cost**”) imposed on such Affected Party, such CRR Cost shall be treated as an Increased Cost for such Affected Party and shall be payable as an Increased Cost in accordance with the terms of Section 4.4. The parties hereto acknowledge and agree that in no event shall a breach of clause (i), (ii) or (iii) above by T-Mobile PCS Holdings result in a Termination Event.

7.2 Non-Consolidation and Separateness Covenants. Until the Final Termination Date:

- (a) (i) The Funding Seller shall at all times maintain at least one independent director who (w) is not currently and has not been during the five years preceding the date of this Agreement an officer, director or employee of, or a major vendor or supplier of services to, an Affiliate of the Funding Seller or any Other Corporation, (x) is not a current or former officer or employee of the Funding Seller or any Other Corporation, (y) is not a stockholder of any Other Corporation or any of their respective Affiliates, and (z) is an employee of a company the business of which is to provide directors with respect to special purpose entities.
- (b) The Funding Seller shall not direct or participate in the management of any of the Other Corporations’ operations.
- (c) The Funding Seller shall conduct its business from an office separate from that of the Other Corporations (but which may be located in the same facility as one or more of the Other Corporations). The Funding Seller shall have stationery and other business forms and a mailing address and a telephone number separate from that of the Other Corporations.
- (d) The Funding Seller shall at all times be adequately capitalized in light of its contemplated business.
- (e) The Funding Seller shall at all times provide for its own operating expenses and liabilities from its own funds.

- (f) The Funding Seller shall maintain its assets and transactions separately from those of the Other Corporations and reflect such assets and transactions in financial statements separate and distinct from those of the Other Corporations and evidence such assets and transactions by appropriate entries in books and records separate and distinct from those of the Other Corporations. The Funding Seller shall hold itself out to the public under the Funding Seller's own name as a legal entity separate and distinct from the Other Corporations. The Funding Seller shall not hold itself out as having agreed to pay, or as being liable, primarily or secondarily, for, any obligations of the Other Corporations.
- (g) The Funding Seller shall not maintain any joint account with any Other Corporation or become liable as a guarantor or otherwise with respect to any Debt or contractual obligation of any Other Corporation.
- (h) The Funding Seller shall not make any payment or distribution of assets with respect to any obligation of any Other Corporation or grant an Adverse Claim on any of its assets to secure any obligation of any Other Corporation.
- (i) The Funding Seller shall not make loans, advances or otherwise extend credit to any of the Other Corporations.
- (j) The Funding Seller shall hold regular duly noticed meetings of its managers and make and retain minutes of such meetings.
- (k) The Funding Seller shall have bills of sale (or similar instruments of assignment) and, if appropriate, UCC-1 financing statements, with respect to all assets purchased from any of the Other Corporations.
- (l) The Funding Seller shall not engage in any transaction with any of the Other Corporations, except as permitted by this Agreement and the Contribution Agreement.
- (m) The Funding Seller shall not, and shall not permit the Initial Purchaser to, amend, waive or modify any provision of any of the Transaction Documents without the prior written consent of the Bank Purchasing Agent. The Funding Seller will perform all of its obligations under the Transaction Documents in all material respects and will enforce the Transaction Documents in accordance with their terms in all material respects.
- (n) The Funding Seller shall not engage in any business other than the purchase of Receivables and Related Rights from the Originators and the transactions contemplated by this Agreement. The Funding Seller will not create or form any Subsidiary.
- (o) The Funding Seller shall not merge with or into or consolidate (other than for accounting purposes) with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions), all or substantially all of its assets (whether now owned or hereafter acquired) to, or acquire all or substantially all of the assets or capital stock or other ownership interest of, or enter into any joint venture or partnership agreement with, any Person.
- (p) The Funding Seller shall not declare or make any dividend payment or other distribution of assets, properties, cash, rights, obligations or securities on account of any shares of any class of capital stock of the Funding Seller, or return any capital to its shareholders as such, or purchase, retire, defease, redeem or otherwise acquire for value or make any payment in respect of any shares of any class of capital stock of the Funding Seller or any warrants, rights or options to acquire any such shares, now or hereafter outstanding; *provided, however*, that the Funding Seller may declare and pay cash dividends on its capital stock to its shareholders so long as (i) no Termination Event shall then exist or would occur as a result thereof, (ii) such dividends are in compliance with all applicable law

including the corporate law of the state of the Funding Seller's formation, and (iii) such dividends have been approved by all necessary and appropriate corporate action of the Funding Seller.

- (q) The Funding Seller shall not incur any Debt, other than any Debt incurred pursuant to the Transaction Documents.
- (r) The Funding Seller will not amend its limited liability company agreement without the prior written consent of the Bank Purchasing Agent.

7.3 If, at any time prior to the Final Termination Date, the Purchaser determines that it may be required to take any discretionary action or to refrain from taking any discretionary action, then (A) the Purchaser may (but shall not be obligated to) consult with the Bank Purchasing Agent's New York Branch regarding the Purchaser's exercise of such discretion, and (B) upon the receipt of any related advice from the Bank Purchasing Agent's New York Branch (which the Bank Purchasing Agent's New York Branch may (but shall not be obligated) to provide to the Purchaser), the Purchaser may (but shall not be obligated to) act in accordance with such advice; provided, however, it is also hereby agreed and understood that, if the Purchaser shall seek any consultation contemplated by this Section 7.3, (i) the Purchaser shall not be permitted to, and shall not, consult with any office or personnel of the Bank Purchasing Agent or any other Person located in Germany or otherwise outside of the United States of America, and (ii) without limiting the foregoing, in connection therewith, the Bank Purchasing Agent agrees that its offices and personnel located in Germany will not provide any advice or instruction to the Purchaser even if the Purchaser shall seek to consult or engage in any other similar form of discourse directly with any of such offices or personnel. For the avoidance of doubt, and notwithstanding any of the foregoing, nothing contained in this Section 7.3 is intended, or shall be construed, to limit or otherwise apply to the ability of the Bank Purchasing Agent or any Bank Purchaser to exercise any right granted to it, or to perform any obligation of it, under any other Transaction Document or otherwise, including the place or manner of the exercise of such right or the performance of such obligation.

7.4 On or before the June 2016 Amendment Effective Date, the Funding Seller shall furnish the Bank Collections Agent with each Notice of Assignment, executed in blank.

8. **CONDITIONS PRECEDENT**

8.1 The agreement of the Purchaser to purchase Receivables shall be subject to the prior satisfaction of all of the conditions precedent set forth in Annex 5.

8.2 Notwithstanding any contrary provision of this Agreement, it is expressly understood that each purchase of new Receivables pursuant to Section 2.1(b) shall, unless otherwise directed by the Bank Purchasing Agent, occur automatically on each Business Day prior to the Facility Termination Date (to the extent that new Receivables become available for purchase in accordance with such section) without the requirement that any further action be taken on the part of any Person and notwithstanding the failure of the Funding Seller to satisfy any of the conditions precedent in respect of such purchase. If (A) any of the conditions precedent set forth in Annex 5 shall not be satisfied in respect of the purchase of any Receivables and (B) the Bank Purchasing Agent shall have elected to rescind the onward purchase and sale of such Receivables pursuant to the Onward Receivables Purchase Agreement, then the Funding Seller and the Purchaser shall be required to rescind the related purchase and the Funding Seller shall be required to deposit into the Collection Account for the Purchaser (by making a corresponding deposit into the Collection Account), an amount equal to the Collections that shall have been applied to make the affected purchase.

9. **INDEMNIFICATION BY FUNDING SELLER**

- 9.1 Without limiting any other rights that any of the Purchasing Entities or any of their respective Affiliates or employees, officers, directors, managers, agents or counsel (each, an “**Indemnified Party**”) may have hereunder or under applicable law, the Funding Seller hereby agrees to indemnify each Indemnified Party from and against any and all claims, damages, costs, expenses, losses and liabilities (including reasonable attorneys’ fees) (all of the foregoing being collectively referred to herein as “**Indemnified Amounts**”) arising out of or resulting from this Agreement or any other Transaction Document or the ownership of the Purchased Receivables or any Contract, excluding, however, (a) Indemnified Amounts to the extent resulting from gross negligence or willful misconduct on the part of such Indemnified Party, (b) recourse for uncollectible Receivables (except as expressly provided for herein), (c) any Excluded Taxes or (d) with respect to subparagraph (i) below, Indemnified Amounts directly attributable to the Bank Purchasing Agent’s failure to comply with its agreements contained in Section 7.3. Without limiting or being limited by the foregoing (but subject to the aforementioned exclusions), the Funding Seller shall pay on demand to each Indemnified Party any and all amounts necessary to indemnify such Indemnified Party from and against any and all Indemnified Amounts relating to or resulting from any of the following:
- (a) the sale of any Receivable that is not at the date of such sale an Eligible Receivable except to the extent it has made a payment to the Collection Account pursuant to Section 2.5;
 - (b) any representation or warranty or statement made or deemed made by the Funding Seller (or any of its officers) pursuant to this Agreement and the other Transaction Documents that shall have been incorrect when made or deemed made;
 - (c) the failure by the Funding Seller or any of the Originators to comply with any applicable law, rule or regulation with respect to any Purchased Receivable or the related Contract; or the failure of any Purchased Receivable or the related Contract to conform to any such applicable law, rule or regulation;
 - (d) the failure to vest and maintain vested in the Purchaser a first priority perfected ownership interest in the Purchased Receivables (subject to the assignment of such interest to the Co-Agents), in each case free and clear of any Adverse Claim.
 - (e) any failure of the Funding Seller to perform its duties or obligations in accordance with the provisions hereof or of any of the Transaction Documents to which it is a party, or under any Contract;
 - (f) any products liability or other claim, investigation or proceeding (including any claim for unpaid sales, excise or other taxes) arising out of or in connection with the goods or services or merchandise or insurance that are the subject of any Contract;
 - (g) the failure to deposit Collections into the Collection Account pursuant to the terms hereof;
 - (h) any investigation, litigation or proceeding related to this Agreement or the ownership of Purchased Receivables or in respect of any Purchased Receivable or Related Rights; or
 - (i)
 - (i) any value added tax plus any interest and other ancillary Tax charges (A) applicable to the payment of the Servicer Fee, the supply of the services rendered by the Servicer or the sale of the Receivables and the Related Rights pursuant to this Agreement or the Onward Receivables Purchase Agreement or (B) arising as a result of a breach by the Funding Seller, the Servicer, the Performance Guarantor or any of their Affiliates of Section 7.1(l) (less any respective value added tax credits or deductions as are obtained by or credited to the Purchasing Entities, which credits or deductions shall be taken into account following the final and

unchangeable determination thereof by the German tax authorities; whereby the Bank Purchaser shall take reasonable steps to receive eligible value added tax credits or deductions by filing respective returns); or

- (ii) any Taxes payable by the Purchaser to the relevant German tax authorities if (contrary to the expectations of the parties hereto) the Purchaser is determined by the relevant German tax authorities to have a permanent establishment or other taxable presence located in the Federal Republic of Germany.

10. PAYMENTS

- 10.1 All payments required to be made by the Funding Seller or the Performance Guarantor pursuant to this Agreement shall be remitted in full (without set-off, counterclaim, deduction or withholding) to the accounts identified in the Master Receivables Purchase Agreement Side Letter or otherwise in accordance with the terms of this Agreement. Each party hereto shall be permitted to change any of its accounts or the details related to any of its accounts identified in the Master Receivables Purchase Agreement Side Letter or otherwise in accordance with the terms of this Agreement by notifying the other parties hereto in writing of its new account information. From time to time, at the direction of the Co-Agents or either of the Co-Agents acting individually, any payments required to be made to the Purchaser shall be made to the accounts of the Bank Purchasers ratably in proportion to their respective Commitments.
- 10.2 Unless explicitly stated otherwise herein, all payments required to be made pursuant to this Agreement shall be made in USD.
- 10.3 Notwithstanding anything to the contrary contained in, or implied by, this Agreement, the Funding Seller and the Purchaser (or the Servicer and the Bank Purchasing Agent on their behalf) intend to, and shall, net all payments from one party to another occurring on each Settlement Date so that only the party by whom the larger aggregate amount is payable shall pay, in USD and immediately available funds, the excess of the larger aggregate amount over the smaller aggregate amount to the other party.

11. TERM; TERMINATION

- 11.1 This Agreement, from and after the date hereof, shall amend, restate and replace the Master Receivables Purchase Agreement in its entirety and shall remain in full force and effect until the Final Termination Date.
- 11.2 Each of the following events or circumstances shall be considered to be a “**Funding Seller Termination Event**” under this Agreement:
 - (a) a Change of Control shall occur; or
 - (b) the Bank Purchasing Agent shall notify any Obligor that the Purchased Receivables have been assigned hereunder except as permitted by this Agreement, it being understood that the disclosure of this Agreement or the existence of this Agreement to the public generally shall not constitute such a notification; or
 - (c) the sale of the Purchased Receivables hereunder ceases to satisfy the requirements of IFRS or GAAP for off-balance sheet treatment, as determined in good faith by the Funding Seller’s accountants; provided that such cessation is not the result of any action or inaction by the Funding Seller or any other member of the T-Mobile Group; or
 - (d) (A) the Servicer or any Originator is not able to take a bad debt deduction for federal income tax purposes for Written-off Receivables or is unable to recover or receive a deduction, credit, or refund

with respect to state or local sales or other similar transactional taxes paid or collected and remitted to the appropriate Governmental Authority on Written-Off Receivables, in the aggregate in a 12-month period in excess of 50% of the total possible federal income tax bad debt deduction or 50% of the transactional taxes paid or collected and remitted to a Governmental Authority, as applicable, (B) the Funding Seller shall have used commercially reasonable efforts to mitigate such inability including, without limitation, by providing each of the Purchasing Entities with a written proposal to reasonably amend the definition herein of the term “Designated State” and which may be implemented with effect in 30 days and (C) the Bank Purchasing Agent shall not have agreed to such proposal within 10 days of its receipt; or

- (e) any payment of Increased Costs is demanded from the Funding Seller pursuant to Section 4.4.
- 11.3 If any Funding Seller Termination Event shall occur and be continuing, the Funding Seller may, by notice to each of the Purchasing Entities, declare the Facility Termination Date to have occurred (in which case the Facility Termination Date shall be deemed to have occurred).
- 11.4 Each of the following events or circumstances shall be considered to be a “**Termination Event**” under this Agreement; provided, however, that references to Deutsche Telekom in this Section 11.4 shall only be applicable after it shall have executed and delivered the DT Payment Guarantee:
- (a) the Funding Seller, the Servicer, any Originator, the Initial Purchaser, Deutsche Telekom or the Performance Guarantor shall fail to make any payment required under this Agreement or any other Transaction Document and any such failure shall remain unremedied for five (5) days; or
 - (b) a Bankruptcy Event shall occur with respect to the Funding Seller, the Servicer, the Performance Guarantor, the Initial Purchaser, any Originator or Deutsche Telekom; or
 - (c) the Funding Seller, the Servicer, the Performance Guarantor, the Initial Purchaser, any Originator or Deutsche Telekom shall fail, in any material manner, to perform or observe any other term, covenant or agreement contained in this Agreement or in any other Transaction Document on its part to be performed or observed and any such failure shall remain unremedied for ten (10) days after the earlier to occur of (i) the receipt of written notice thereof from any of the Purchasing Entities or (ii) actual knowledge thereof by the Funding Seller or the Servicer; or
 - (d) (i) the Performance Guarantor shall purport to revoke or terminate the Performance Guarantee, or the Performance Guarantee shall no longer be in effect; or the Performance Guarantor shall fail to perform, in a timely manner, any of its obligations hereunder or under the Performance Guarantee; or there shall have occurred any material breach of any of the representations and warranties, or any covenants or other agreements, made by the Performance Guarantor in this Agreement; or (ii) Deutsche Telekom shall purport to revoke or terminate the DT Payment Guarantee (if and as previously executed and delivered), or the DT Payment Guarantee (if and as previously executed and delivered) shall no longer be in effect; or Deutsche Telekom shall fail to perform, in a timely manner, any of its obligations under the DT Payment Guarantee (if and as previously executed and delivered); or there shall have occurred any material breach of any of the representations and warranties, or any covenants or other agreements, made by the Performance Guarantor in the DT Payment Guarantee (if and as previously executed and delivered); or
 - (e) any representation or warranty made or deemed made by the Funding Seller, the Servicer, the Performance Guarantor, the Initial Purchaser, any Originator or Deutsche Telekom (or any of their officers) pursuant to this Agreement or any other Transaction Document or any information or report delivered by the Funding Seller or the Servicer pursuant to this Agreement or any other Transaction

Document shall prove to have been incorrect or untrue in any material respect when made or deemed made or delivered and which, if capable of cure, continues to be incorrect in any material respect for a period of ten (10) days after the earlier to occur of (i) the receipt of written notice thereof from the Bank Purchasing Agent or any of the Bank Purchasers or (ii) actual knowledge thereof by the Funding Seller or the Servicer; or

- (f) the Funding Seller shall fail to pay any principal of or premium or interest on any of its Debt that is outstanding, or the Funding Seller, the Servicer, the Performance Guarantor, the Initial Purchaser, any Originator or Deutsche Telekom shall fail to pay any principal of or premium or interest on any of its Debt that is outstanding in a principal amount of at least \$100,000,000 in the aggregate, in each case when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or any Securitization Obligation of the Funding Seller, the Servicer, the Performance Guarantor, the Initial Purchaser, any Originator or Deutsche Telekom in a principal amount of at least \$100,000,000 in the aggregate shall be accelerated prior to its express maturity; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Debt or Securitization Obligation and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Debt or Securitization Obligation; or any such Debt or Securitization Obligation shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased, or an offer to repay, redeem, purchase or defease such Debt or Securitization Obligation shall be required to be made, in each case prior to the stated maturity thereof; or
- (g) it shall become unlawful under any applicable law for any of the Funding Seller, the Servicer, the Performance Guarantor, the Initial Purchaser, any Originator or Deutsche Telekom or any of the Purchasing Entities to perform any of their material obligations under this Agreement or any of the other Transaction Documents; or
- (h) the unsecured, long-term debt of the Performance Guarantor shall be rated below (i) B+ by S&P or (ii) B1 by Moody's or shall cease to be rated by either S&P or Moody's; or
- (i) Deutsche Telekom shall not have executed and delivered the DT Payment Guarantee (together with such certificates and corporate and enforceability opinions as the Bank Purchasers may reasonably request) within 30 days after a Change of Control, in which case a Termination Event shall be deemed to occur on the first Settlement Date that shall occur at least 30 days after such Change of Control; or
- (j) the three-month rolling average Aged Receivables Ratio on any Settlement Date exceeds 6.00%; or
- (k) the three-month rolling average Delinquency Ratio exceeds 4.50%; or
- (l) the three-month rolling average Write-Off Ratio on any Settlement Date exceeds 3.75% unless such breach (A) shall have been caused only by technical reasons (such as a change in information technology systems or procedures) and (B) shall be cured within 60 days; or
- (m) the three-month rolling average Dilution Ratio on any Settlement Date exceeds 18.00%; or
- (n) the three-month rolling average Write-Off Horizon for Written-off Receivables and Unpaid Repurchased Receivables on any Settlement Date is less than 80 days or greater than 155 days, unless, in either case, such breach (A) shall not have been willful, (B) shall have been caused only by technical

reasons (such as a change in information technology systems or procedures) and (C) shall be cured within 60 days; or

- (o) any purchase pursuant to this Agreement shall for any reason cease to create a valid and perfected ownership or security interest in each applicable Purchased Receivable free and clear of any Adverse Claim (other than any Adverse Claim arising under any Transaction Document); or
- (p) either of the Conveyancing Agreement or the Contribution Agreement shall no longer be in effect; or the Originators or the Initial Purchaser, as applicable, shall fail to perform, in a timely manner, any of its material obligations thereunder or there shall have occurred any material breach of any of the representations and warranties, or any covenants or other agreements, made thereunder by the Originators or the Initial Purchaser, as applicable; or
- (q) the Consolidated Equity Ratio shall at any time be less than 17.5%; or
- (r) the Consolidated Leverage Ratio shall at any time be greater than 500%; or
- (s) Prior to the KfW Termination Date (i) KfW's rating shall be less than Baa3 by Moody's or BBB- by S&P, (ii) either of the KfW Guarantees shall be terminated or shall otherwise cease to be in full force and effect, or (iii) KfW shall repudiate its obligations thereunder and such KfW Guarantee shall not have been replaced by another guarantee, letter of credit or cash deposit in form and substance reasonably satisfactory to the Bank Purchasing Agent; or
- (t) the Level 3 Maximum Amount shall at any time be less than 25% of the Level 3 Maximum Amount as of the Closing Date; or
- (u) on any Settlement Date, the ratio, expressed as a percentage, of:
 - (i) the aggregate Nominal Value of Purchased Receivables that have not been paid in full more than 90 days after their respective Due Dates but that are not Written-Off Receivables (including Receivables that have been transferred pursuant to Section 5.1(a) or 5.1(b)); to
 - (ii) the sum of (A) the Mandatory Repurchase Reserve for all Batches on such Settlement Date, (B) the product of the Discount Rate and the Settlement Date Receivables Balance, (C) the Level 3 Maximum Amount on such Settlement Date, (D) the Level 3A Maximum Amount on such Settlement Date, (E) the Level 4 Reserve Amount for such Settlement Date and (F) the Discount Ledger Balance for such Settlement Date;

is greater than 50%.

- 11.5 If any Termination Event shall occur and be continuing, (x) the Bank Purchasing Agent may, by notice to the Funding Seller, declare the Facility Termination Date to have occurred (in which case the Facility Termination Date shall be deemed to have occurred), provided that, automatically upon the occurrence of any event (without any requirement for the passage of time or the giving of notice) described in Section 11.4(b), the Facility Termination Date shall occur, and (y) without limiting any right under this Agreement to replace the Servicer, the Bank Collections Agent may designate another Person to succeed the then current Servicer as the Servicer. Upon declaration or automatic occurrence of the Facility Termination Date, the Bank Collections Agent shall have (a) the rights of the Funding Seller as buyer under the Contribution Agreement and (b) in addition to the rights and remedies that they may have under this Agreement, all other rights and remedies provided after default under the UCC of the appropriate jurisdiction or jurisdictions and under other applicable law, which rights and remedies shall be cumulative. Consistent with the intentions of the parties set forth in Section 2.10, without limiting in any way the rights of the Bank Purchasers hereunder, it is the intention of the parties that

any declaration of a Facility Termination Date hereunder shall not be deemed an acceleration of indebtedness for any purpose but shall, pursuant to the terms of Section 2.7(b), cause a payment to the Purchaser of amounts already owned by it (or its transferees) and subsequent payment by the Purchaser to the Funding Seller of any amount payable under this Agreement.

- 11.6 If the Facility Termination Date shall occur in connection with Section 11.5, the Bank Collections Agent may take (and the Funding Seller hereby irrevocably authorizes the Bank Collections Agent to take) any and all actions in the Funding Seller's name and/or on behalf of the Funding Seller that, in the determination of the Bank Collections Agent, shall be necessary or desirable in order to collect any amounts due under the Purchased Receivables and any of the Related Rights or to exercise or enforce any of the Related Rights.
- 11.7 Notwithstanding anything herein or any other Transaction Document to the contrary, (a) the occurrence of the Final Termination Date shall not discharge the Funding Seller, the Servicer, the Performance Guarantor or any other Person from any obligations incurred by it or them prior to such date and (b) the rights and remedies with respect to any breach of any representation and warranty made by the Funding Seller or the Performance Guarantor hereunder any Originator under the Conveyancing Agreement shall survive the Final Termination Date.
- 11.8 If the Facility Termination Date shall occur in connection with Section 11.5, then, on the Final Termination Date, the Purchaser shall pay to the Funding Seller an amount equal to the Discount Ledger Balance as of the last Settlement Date to occur on or prior to the Final Termination Date.
- 11.9 At any time that the aggregate Outstanding Balance of all Purchased Receivables is less than ten percent (10%) of the amount of the highest Funding Limit in effect hereunder from and after the Closing Date, the Funding Seller may, in its sole discretion, repurchase all, but not less than all, of the then outstanding Purchased Receivables at a price, in immediately available funds, equal to the Outstanding Balance of all such Purchased Receivables plus all fees and other amounts due to the Purchaser hereunder (the "**Clean-up Call**"). The Funding Seller shall deposit such amount in the Collection Account. The Purchaser shall re-assign the outstanding Purchased Receivables to the Funding Seller if the Funding Seller exercises its right to, and pays the purchase price of, the Clean-up Call.
- 11.10 In the event that the Servicer (in its sole and absolute discretion) has notified the Purchaser that it has determined that the transactions contemplated by this Agreement (or one of the other Transaction Documents) no longer needs to satisfy the requirements of IFRS for off-balance sheet treatment, then, on the Final Termination Date, the Purchaser shall pay to the Funding Seller an amount equal to the Discount Ledger Balance as of the last Settlement Date to occur on or prior to the Final Termination Date.

12. **CONFIDENTIALITY**

- 12.1 The parties shall treat as confidential this Agreement, the transactions contemplated hereunder and any and all business and trade secrets and other information received in connection with this Agreement or the performance thereof and information about a party's business or financial matters, technical information or any other proprietary information relating to a party or its Affiliates and their respective operations, businesses, technical know-how and financial affairs, that is obtained by the other party as a result of the working relationship between the parties, whether obtained prior to or after the date hereof (the "**Confidential Information**") during the term of this Agreement and a further period of two (2) years following its termination or expiration. Confidential Information shall include, without limitation, trade secrets, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, maps, blueprints, diagrams, flow charts and any other technical, financial, business or proprietary information of any kind or nature whatsoever. The parties shall not disclose any Confidential Information to anyone, except to any assignees, potential assignees, the Bank Purchasers, potential participants, or any of their respective directors, managers, executives,

employees, affiliates, auditors, lawyers, advisors, authorized agents and/or duly appointed representatives who have a specific and reasonable interest in knowing, viewing and using such Confidential Information and agree to be bound by the confidentiality provisions of this Section 12.

- 12.2 The confidentiality provisions specified in Section 12.1 above shall not apply to the disclosure of Confidential Information, which:
- (a) is publicly available or is made available to the broad public by means other than a breach of this Agreement; or
 - (b) has been made available by a third party, provided that neither the Bank Purchasing Agent nor the Funding Seller was aware that such third party was in breach of any duty of confidentiality; or
 - (c) was already in such party's possession or was independently developed by such party before the Confidential Information was received; or
 - (d) must be disclosed pursuant to applicable law, any court order or instruction of any duly authorized Governmental Authority; or
 - (e) is made publicly available or is disclosed subject to the prior written consent of the other parties with respect to the content, form and manner of its presentation and publication; or
 - (f) is required for purposes of recovering the assigned Receivables or Related Rights or otherwise exercising any of the rights and remedies of the Bank Purchasing Agent under the Transaction Documents.
- 12.3 Notwithstanding anything to the contrary stated herein other than in Section 12.2(f), the parties hereto agree that they will be bound by the additional confidentiality provisions contained in Annex 8 hereto as it relates to the T-Mobile Information.

13. NOTICES

All notices and all other correspondence shall be sent by post, courier, fax or e-mail to the address, fax number or e-mail account of the recipient as set forth in Annex 1 or to such other address, fax number or e-mail account the recipient has notified in writing. If sent by e-mail, the e-mail text (excluding attachment) shall also be transmitted by fax.

14. ASSIGNMENTS

- 14.1 None of the Funding Seller, the Purchaser, the Performance Guarantor or the Servicer may assign its rights or obligations hereunder or any interest herein without the prior written consent of the Bank Purchasing Agent.
- 14.2 The parties hereto acknowledge and agree that the Purchaser shall assign its rights hereunder to each of the Co-Agents (in their respective agency capacities provided for herein and in the Onward Receivables Purchase Agreement) for the benefit of the Bank Purchasers under the Onward Receivables Purchase Agreement. Neither the Funding Seller, the Servicer or any other member of the T-Mobile Group shall have any rights to direct the operation or control over the Purchaser.
- 14.3 The parties hereto hereby agree that each of the Purchasing Entities, each of the other Indemnified Parties, and, solely for purposes of Section 2.7 and Section 23, Wells Fargo, shall be an intended third-party beneficiary of this Agreement, entitled to enforce this Agreement against the Funding Seller, the Servicer and the Performance Guarantor as if each such Person were a party hereto. Except as provided in the immediately

preceding sentence, no person or entity is or shall be deemed to be a third-party beneficiary of this Agreement or of any of the duties and obligations of any party contained in this Agreement.

15. **AMENDMENTS**

- 15.1 No amendment or waiver of any provision of this Agreement and no consent to any departure by the Funding Seller, the Purchaser, the Performance Guarantor or the Servicer therefrom shall be effective unless in a writing signed by the Bank Purchasing Agent, and, in the case of any amendment, also signed by the Funding Seller, the Purchaser, the Servicer and the Performance Guarantor. No failure on the part of the Bank Purchasing Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

16. **OTHER COSTS**

In addition to the rights of indemnification granted under Section 9.1 hereof, the Funding Seller agrees to pay on demand all reasonable and documented costs and expenses in connection with the preparation, execution, delivery and administration (including periodic auditing of Purchased Receivables) of this Agreement, any asset purchase or Onward Receivables Purchase Agreement or similar agreement relating to the sale or transfer of the Purchased Receivables and the other documents and agreements to be delivered hereunder and thereunder, including, without limitation, the reasonable fees and expenses of counsel and with respect to advising the Bank Purchasers and their respective Affiliates and agents as to their rights and remedies under this Agreement, and all costs and expenses, if any (including fees and expenses of counsel), of the Bank Purchasers and their respective Affiliates and agents, in connection with the enforcement of this Agreement and the other documents and agreements to be delivered hereunder.

17. **SEVERABILITY**

Should a provision of this Agreement be or become invalid or unenforceable, either in whole or in part, this shall not affect the validity of the remaining provisions. The invalid or unenforceable provision shall be replaced by a valid provision which most closely reflects the legal and economic intent of the parties. The foregoing shall also apply to any omissions contained in this Agreement.

18. **MONEY LAUNDERING**

The Funding Seller warrants that it is acting on its own account with respect to all matters associated with this Agreement. The Funding Seller shall provide the Bank Purchasing Agent with all information and documents necessary to identify and clarify the beneficial owner within the meaning of the German Money Laundering Act (*Geldwäschegesetz*) and the Third EU Money Laundering Directive (Directive 2005/60/EC) and to clarify the PEP status ("politically exposed person"), and shall report any changes occurring in the course of the business relationship to the Bank Purchasing Agent without undue delay.

19. **PERFORMANCE GUARANTEE**

- 19.1 The Performance Guarantor (A) hereby irrevocably, absolutely and unconditionally guarantees to the Purchaser, the Bank Purchasing Agent and the Bank Purchasers and their respective assignees the prompt performance when due of all obligations of the Servicer, the Originators and the Initial Purchaser hereunder and under each of the other Transaction Documents (including, without limitation, payment in full when due, whether at stated maturity, by acceleration or otherwise, of all amounts owing by the Servicer, the Originators or the Initial Purchaser to the Funding Seller, the Purchaser and the Bank Purchasing Agent) strictly in accordance with the terms hereof and thereof; and (B) accordingly agrees that, whenever the Servicer, any

Originator or the Initial Purchaser shall fail to perform any such obligation when due hereunder or thereunder, the Performance Guarantor shall immediately perform, or cause to be performed, such obligation as if it were the principal obligor and regardless of the reason for such failure (such obligations being herein collectively referred to as the “**TMUS Guaranteed Obligations**”). For the avoidance of doubt, the Performance Guarantor shall have no obligation to guaranty (and does not guaranty) any obligations of the Funding Seller under the Transaction Documents. For the sake of clarity, it is expressly acknowledged that the TMUS Guaranteed Obligations do not include any act, inaction, obligation or liability of the Funding Seller to fully and punctually pay, perform or comply with any of the terms, covenants, conditions, agreements, undertakings and obligations on the part of the Funding Seller to be paid, performed or complied with by it under this Agreement, any other Transaction Document or any document entered into in connection with the foregoing.

- 19.2 The obligations of the Performance Guarantor under this Performance Guarantee will not be affected by:
- (a) any amendment (however fundamental) or replacement of this Agreement, the Conveyancing Agreement or any other document or security;
 - (b) any Bankruptcy Event with respect to the Funding Seller, the Servicer, any Originator or any other Person.
- 19.3 The obligations of the Performance Guarantor under this Performance Guarantee are absolute and unconditional, irrespective of the validity or enforceability of any other section of this Agreement or any Transaction Document, the value of any collateral provided to the Bank Purchasing Agent or the Bank Collections Agent or the release or exchange of any such collateral. The Performance Guarantor waives any right it may have of first requiring the Bank Purchasing Agent or the Bank Collections Agent to proceed against, or enforce any other rights or security or claim from, any person before claiming from it under this guarantee. This waiver applies irrespective of any non-mandatory law or any provision of this Agreement to the contrary. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the Performance Guarantor hereunder, which shall remain absolute and unconditional as described above:
- (a) at any time or from time to time, without notice to the Performance Guarantor, the time for any performance of or compliance with any of the obligations of the Servicer or an Originator under the Transaction Documents shall be waived;
 - (b) any of the acts mentioned in any of the provisions of this Agreement or any other Transaction Document shall be done or omitted;
 - (c) any of the TMUS Guaranteed Obligations shall be modified, supplemented or amended in any respect, or any right under this Agreement or any other Transaction Document shall be waived or any of the TMUS Guaranteed Obligations or any security therefore shall be released or exchanged in whole or in part or otherwise dealt with; or
 - (d) any lien or security interest granted to, or in favor of, either of the Co-Agents as security for the TMUS Guaranteed Obligations shall fail to be effective or perfected.

The Performance Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Bank Purchasing Agent exhaust any right, power or remedy or proceed against any Originator or the Servicer or against any other Person under any other agreement, or guarantee of, or security for, any of the TMUS Guaranteed Obligations.

- 19.4 The obligations of the Performance Guarantor under this Section 19 shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Originator or the Servicer under this Agreement or any other Transaction Document is rescinded or must otherwise be restored by any holder of any of the TMUS Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and the Performance Guarantor agrees that it will indemnify the Bank Purchasing Agent on demand for all reasonable costs and expenses (including, without limitation, fees of counsel) incurred by the Bank Purchasing Agent in connection with such rescission or restoration, including any such costs or expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.
- 19.5 The Performance Guarantor hereby waives all rights of subrogation or contribution, whether arising by contract or operation of law or otherwise by reason of any payment by it pursuant to the provisions of this Section 19.
- 19.6 The Performance Guarantor agrees that, as between the Performance Guarantor and any of the Purchasing Entities, the obligations of the Originators and the Servicer under this Agreement and each other Transaction Document may be declared to be forthwith due and payable as provided herein and therein (and shall be deemed to have become automatically due and payable as provided herein and therein) for the purposes of Section 19.1 hereof notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against any Originator or the Servicer and that, in the event of such declaration (or such obligations being deemed to have become automatically due and payable), such obligations (whether or not due and payable by any Originator or the Servicer, as applicable) shall forthwith become due and payable by the Performance Guarantor for purposes of Section 19.1.
- 19.7 The guarantee in this Section 19 is a continuing guarantee, and shall apply to all TMUS Guaranteed Obligations whenever arising.
- 19.8 Without limiting or being limited by the foregoing, the Performance Guarantor shall pay on demand to each Indemnified Party any and all amounts necessary to indemnify such Indemnified Party from and against any and all Indemnified Amounts relating to or resulting from either of the following:
- (a) any value added tax plus any interest and other ancillary Tax charges (A) applicable to the payment of the Servicer Fee, the supply of the services rendered by the Servicer or the sale of the Receivables and the Related Rights pursuant to this Agreement or the Onward Receivables Purchase Agreement or (B) arising as a result of a breach by the Funding Seller, the Servicer, the Performance Guarantor or any of their Affiliates of Section 7.1(l) (less any respective value added tax credits or deductions as are obtained by or credited to the Purchasing Entities, which credits or deductions shall be taken into account following the final and unchangeable determination thereof by the German tax authorities; whereby the Bank Purchaser shall take reasonable steps to receive eligible value added tax credits or deductions by filing respective returns); or
 - (b) any Taxes, other than Excluded Taxes, payable by the Purchaser to the relevant German tax authorities if (contrary to the expectations of the parties hereto) the Purchaser is determined by the relevant German tax authorities to have a permanent establishment or other taxable presence located in the Federal Republic of Germany.
- 19.9 UCC Filing Indemnity. The Performance Guarantor hereby agrees to indemnify each of the Purchasing Entities from and against any and all losses, liabilities and expenses (including reasonable attorney's fees) suffered by each such Purchasing Entity arising out of the avoidance (or "clawback") of the transfers by the January 2015 Joining Originator of Designated SunCom Receivables (or of any proceeds of such receivables) as a preference or fraudulent transfer, in the event of a bankruptcy, liquidation, conservatorship, receivership or similar proceeding, whether voluntary or involuntary, involving the January 2015 Joining Originator or its assets,

which avoidance (or “clawback”) is attributable to (A) the non-timely filing of financing statements with respect to such transfers by the January 2015 Joining Originator and/or (B) the fact that the Joinder and Second Amendment to the Conveyancing Agreement, dated as of the January 2015 Amendment Effective Date (which confirms and ratifies such transfers), was executed and delivered as of a date later than the date on which such transfers actually occurred.

20. TERMINATION OF KfW GUARANTEES

- 20.1 Each of the Purchasing Entities acknowledges that, on the date hereof, the Bank Purchasing Agent (acting on behalf of the Purchasing Entities) will deliver to KfW a notice in the form of Annex 2A designating the November 2018 Settlement Date as the KfW Termination Date, and irrevocably confirms its advance consent to the taking of such action by the Bank Purchasing Agent. The KfW Guarantees shall terminate on the KfW Termination Date.
- 20.2 Notwithstanding anything to the contrary stated herein, prior to the KfW Termination Date, the Funding Seller may terminate either of the KfW Guarantees in the event that the Funding Seller provides the Bank Purchasing Agent with a cash deposit, another guarantee or a letter of credit in form and substance reasonably satisfactory to the Bank Purchasing Agent.
- 20.3 The parties hereto shall cooperate with the Funding Seller to effectuate such termination.
- 20.4 The Funding Seller or the Performance Guarantor may provide the Bank Purchasing Agent with notice, at any time prior to the occurrence of a Termination Event, of its designation of a Settlement Date, earlier than the November 2018 Settlement Date, but not earlier than five (5) Business Days from the date of such notice, as the KfW Termination Date. Upon its receipt of such notice, the Bank Purchasing Agent (acting on behalf of the Purchasing Entities, each of which hereby irrevocably confirms its advance consent to the taking of such action by the Bank Purchasing Agent) shall, within two (2) Business Days of such notice, (a) deliver to KfW a notice of release in whole of the KfW Guarantees substantially in the form of Annex 2B, which notice shall state that the date designated by the Funding Seller or the Performance Guarantor shall be the “Guarantee Termination Date” (as such term is defined in the KfW Guarantee Facility Agreement), and (b) shall take such other steps reasonably required to terminate the KfW Guarantees and the KfW Guarantee Facility Agreement, including returning the certificates related to the KfW Guarantees to KfW. In connection with the foregoing, the Funding Seller and the Performance Guarantor shall be obligated to take all actions reasonably required to fully perform their obligations under, and to terminate, the KfW Guarantee Facility Agreement as of the Guarantee Termination Date (as such term is defined in the KfW Guarantee Facility Agreement).

21. PURCHASING ENTITIES’ UNDERTAKINGS RELATED TO GERMAN VAT

- 21.1 No Purchasing Entity nor any of its Affiliates shall exercise any option (if any) available under German law to have value added tax apply with respect to any supply, for German value added tax purposes, rendered in connection with the sale of the Receivables contemplated by the Transaction Documents, unless the recipient of such Taxes suffers no disadvantage. In addition to the foregoing, the Funding Seller, the Servicer and the Performance Guarantor believe that the servicing obligations of the Servicer in connection with this agreement rendered to a Bank Purchaser located in Germany are subject to German value added tax and that such value added tax should be fully recoverable as input value added tax by the respective Bank Purchaser.

22. BANKRUPTCY

- 22.1 Each party hereto hereby covenants and agrees that prior to the date which is one year and one day after the Final Termination Date, it will not institute against or join any other person in instituting against the Funding

Seller any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or any state of the United States or any other country.

23. LIMITED RECOURSE AGAINST WELLS FARGO

23.1 It is expressly understood and agreed by the parties to this Agreement that (a) this Agreement is executed and delivered by Wells Fargo, as trustee of Billing Gate One Trust, not in Wells Fargo's individual or personal capacity but solely in such under the trust agreement of Billing Gate One Trust, in the exercise of the powers and authority conferred and vested in it as trustee under such trust agreement, subject to the protections, indemnities and limitations from liability afforded to Wells Fargo as trustee thereunder; (b) in no event shall Wells Fargo, in its individual capacity have any liability for the representations, warranties, covenants, agreements or other obligations of the Purchaser or any other party hereto; (c) in no event shall Wells Fargo have any obligation to perform any of the obligations and covenants of the Purchaser or any other party to this Agreement; and (d) under no circumstances shall Wells Fargo be personally liable for the payment of any fees, costs, indebtedness or expenses of any kind whatsoever or be personally liable for the breach or failure of any obligation, representation, agreement, warranty or covenant whatsoever made or undertaken by the Purchaser or any other party hereunder.

24. CHOICE OF LAW AND JURISDICTION; WAIVER OF JURY TRIAL

24.1 THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES, EXCEPT TO THE EXTENT THAT THE PERFECTION OF THE RESPECTIVE INTERESTS OF THE CO-AGENTS AND THE PURCHASER IN THE PURCHASED RECEIVABLES AND THE RELATED RIGHTS ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

24.2 EACH PARTY HERETO HEREBY (A) IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK, NEW YORK, OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, (B) IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF THE ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE OR FEDERAL COURT, AND (C) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. NOTHING IN THIS SECTION SHALL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR AFFECT THE RIGHT OF ANY PARTY HERETO TO BRING ANY ACTION OR PROCEEDING AGAINST ANY OR ALL OF THE OTHER PARTIES HERETO OR ANY OF THEIR RESPECTIVE PROPERTIES IN THE COURTS OF ANY OTHER JURISDICTION.

24.3 EACH PARTY HERETO WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR RELATING TO THIS AGREEMENT OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR THAT MAY IN THE FUTURE BE DELIVERED IN CONNECTION THEREWITH OR ARISING FROM ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), ACTIONS OF ANY OF THE PARTIES HERETO OR ANY OTHER RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL HE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

25. COUNTERPARTS

This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument.

26. **EXECUTION**

This Agreement, to the extent no other form is required by law, may be concluded by an exchange of telefaxes or scanned signatures or any combination of scanned signatures and/or faxed signatures and/or original signatures (whereby in each case an exchange of signature pages suffices). For purposes of proof and confirmation only, each party may request that one or several copies of this Agreement shall be originally signed by the parties.

27. **ANTI-CORRUPTION; SANCTIONS**

27.1 Definitions. In this Article 27:

“**Anti-Corruption Laws**” means all United States laws, rules, and regulations applicable to the Funding Seller or its Subsidiaries or any T-Mobile Party or its Subsidiaries from time to time concerning or relating to bribery or corruption, including, without limitation, the Foreign Corrupt Practices Act of 1977, as amended, and any economic sanctions regulations administered and enforced by OFAC or the U.S. Department of State.

“**OFAC**” means the Office of Foreign Assets Control of the United States Department of Treasury.

“**Sanctioned Country**” means, at any time, a country or territory which is the subject or target of any Sanctions, including, without limitation, as of the November 2014 Amendment Effective Date, Cuba, Burma (Myanmar), Iran, North Korea, Sudan and Syria.

“**Sanctioned Person**” means, at any time, any Person currently the subject or the target of any Sanctions, including any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State.

“**Sanctions**” means economic, financial or other sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by OFAC or the U.S. Department of State.

“**T-Mobile Party**” means any member of the T-Mobile Group, other than the Funding Seller, that is a party to any of the Transaction Documents.

27.2 Representation of Performance Guarantor as to T-Mobile Parties. The Performance Guarantor hereby represents and warrants to each of the Purchasing Entities that, as of the November 2014 Amendment Effective Date and each Purchase Date thereafter:

- (a) policies and procedures have been implemented and maintained by or on behalf of each T-Mobile Party that are designed to achieve compliance by it and its Subsidiaries, directors, officers, and employees with Anti-Corruption Laws and applicable Sanctions, and each T-Mobile Party, its Subsidiaries and their respective officers and employees and, to the best knowledge of such T-Mobile Party, its Affiliates, officers, employees, and directors acting in any capacity in connection with or directly benefiting from the purchase facility established hereby, are in compliance with Anti-Corruption Laws and applicable Sanctions, in each case in all material respects;

- (b) no T-Mobile Party nor any of their respective Subsidiaries or, to the knowledge of such T-Mobile Party, any of its Affiliates, directors, officers, or employees, that will act in any capacity in connection with or directly benefit from the purchase facility established hereby, is a Sanctioned Person; and
 - (c) no T-Mobile Party nor any of their respective Subsidiaries is organized or resident in a Sanctioned Country.
- 27.3 Affirmative Covenant of Performance Guarantor as to T-Mobile Parties. The Performance Guarantor shall cause policies and procedures to be maintained and enforced by or on behalf of each T-Mobile Party that are designed in good faith and in a commercially reasonable manner to promote and achieve compliance, in such T-Mobile Party's reasonable judgment, by it and each of its Subsidiaries and their respective directors, officers, and employees with Anti-Corruption Laws and applicable Sanctions. The Performance Guarantor shall ensure that no proceeds of the sale of any Purchased Receivable by any T-Mobile Party are used in a manner that causes such T-Mobile Party to violate Anti-Corruption Laws or results in the violation of any Sanctions that are applicable to such T-Mobile Party.
- 27.4 Negative Covenant of Performance Guarantor as to T-Mobile Parties. The Performance Guarantor shall cause each of the T-Mobile Parties, their respective Subsidiaries and its and their respective directors, officers and employees not to use the proceeds of the sale of any Purchased Receivable (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, or (B) for the purpose of funding or financing any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, in each case to the extent that doing so would result in the violation of any Sanctions that are applicable to such T-Mobile Party.
- 27.5 Representation of Funding Seller. The Funding Seller hereby represents and warrants to each of the Purchasing Entities that, as of the November 2014 Amendment Effective Date and each Purchase Date thereafter:
- (a) policies and procedures have been implemented and maintained by the Funding Seller or on its behalf that are designed to achieve compliance by it and its Subsidiaries, directors, officers, and employees with Anti-Corruption Laws and applicable Sanctions, and the Funding Seller, its Subsidiaries and their respective officers and employees and, to the best knowledge of the Funding Seller, its Affiliates, officers, employees, and directors acting in any capacity in connection with or directly benefiting from the purchase facility established hereby, are in compliance with Anti-Corruption Laws and applicable Sanctions, in each case in all material respects;
 - (b) neither the Funding Seller nor any of its Subsidiaries or, to the knowledge of the Funding Seller, any of its Affiliates, directors, officers, or employees, that will act in any capacity in connection with or directly benefit from the purchase facility established hereby, is a Sanctioned Person; and
 - (c) neither the Funding Seller nor any of its Subsidiaries is organized or resident in a Sanctioned Country.
- 27.6 Affirmative Covenant of Funding Seller. Policies and procedures shall be maintained and enforced by or on behalf of the Funding Seller that are designed in good faith and in a commercially reasonable manner to promote and achieve compliance, in its reasonable judgment, by it and each of its Subsidiaries and their respective directors, officers, and employees with Anti-Corruption Laws and applicable Sanctions. No proceeds of the sale of any Purchased Receivable by the Funding Seller shall be used in a manner that causes it to violate Anti-Corruption Laws or results in the violation of any Sanctions that are applicable to it.
- 27.7 Negative Covenant of Funding Seller. The Funding Seller shall not use, and shall cause its Subsidiaries and its and their respective directors, officers and employees not to use, the proceeds of the sale of any Purchased

Receivable (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, or (B) for the purpose of funding or financing any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, in each case to the extent that doing so would result in the violation of any Sanctions that are applicable to the Funding Seller.

28. ACKNOWLEDGEMENT AND CONSENT TO BAIL-IN OF EEA FINANCIAL INSTITUTIONS

28.1 Definitions. In this Article 28:

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“**Bail-In Legislation**” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union (establishing a framework for the recovery and resolution of credit institutions and investment firms), the relevant implementing law for such EEA Member Country from time to time.

“**EEA Financial Institution**” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“**EEA Member Country**” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“**EEA Resolution Authority**” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“**Write-Down and Conversion Powers**” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country.

28.2 Acknowledgment and Consent. Notwithstanding anything to the contrary in this Agreement, any other Transaction Document or any other agreement, arrangement or understanding among any of the parties thereto, each party hereto acknowledges that any liability of any EEA Financial Institution arising under this Agreement or any Transaction Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be

issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Transaction Document; or

- (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

[Signature pages to follow]

SIGNATURE PAGES

The Funding Seller

T-MOBILE AIRTIME FUNDING LLC

By: /s/ Dirk Wehrse

Name: Dirk Wehrse

Title: Senior Vice President, Treasury & Treasurer

Third Amended and Restated Master Receivables Purchase Agreement

S-1

The Performance Guarantor

T-MOBILE US, INC.

By: /s/ Dirk Wehrse

Name: Dirk Wehrse

Title: Senior Vice President, Treasury & Treasurer

Third Amended and Restated Master Receivables Purchase Agreement

S-2

The Servicer

T-MOBILE PCS HOLDINGS LLC

By: /s/ Dirk Wehrse

Name: Dirk Wehrse

Title: Senior Vice President, Treasury & Treasurer

Third Amended and Restated Master Receivables Purchase Agreement

The Purchaser

BILLING GATE ONE LLC

By: Billing Gate One Trust, as Manager
By: Wells Fargo Delaware Trust Company, National Association,
solely as Trustee and not in its individual capacity

By: /s/ Sandra Battaglia
Name: Sandra Battaglia
Title: Vice President

Third Amended and Restated Master Receivables Purchase Agreement

S-4

The Bank Purchasing Agent

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE

By: /s/ Bjoern Molner

Name: Bjoern Molner

Title: SVP

By: /s/ Bjorn Reinecke

Name: Bjorn Reinecke

Title: Assistant Vice President

Third Amended and Restated Master Receivables Purchase Agreement

The Bank Collections Agent

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., DÜSSELDORF BRANCH

By: /s/ Masaru Abe

Name: Masaru Abe

Title: Managing Director

By: /s/ Taketoshi Obata

Name: Taketoshi Obata

Title: Managing Director

Third Amended and Restated Master Receivables Purchase Agreement

S-6

ACKNOWLEDGED AND AGREED:

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., DÜSSELDORF BRANCH, as a Bank Purchaser

By: /s/ Masaru Abe

Name: Masaru Abe

Title: Managing Director

By: /s/ Taketoshi Obata

Name: Taketoshi Obata

Title: Managing Director

Third Amended and Restated Master Receivables Purchase Agreement

S-7

ACKNOWLEDGED AND AGREED:

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE, as a Bank Purchaser

By: /s/ Bjoern Molner
Name: Bjoern Molner
Title: SVP

By: /s/ Bjorn Reinecke
Name: Bjorn Reinecke
Title: Assistant Vice President

Third Amended and Restated Master Receivables Purchase Agreement

ACKNOWLEDGED AND AGREED:

AUTOBAHN FUNDING COMPANY LLC, as a Bank Purchaser

By: /s/ Alexander Ploch
Name: Alexander Ploch
Title: Senior Vice President

By: /s/ Christian Haesslein
Name: Christian Haesslein
Title: Director

Third Amended and Restated Master Receivables Purchase Agreement

ACKNOWLEDGED AND AGREED, including without limitation as to Section 20.4:

KFW IPEX-BANK GMBH

By: /s/ Sebastian Eberie
Name: Sebastian Eberie
Title: Director

By: /s/ Markus Mostert
Name: Markus Mostert
Title: Director

Third Amended and Restated Master Receivables Purchase Agreement

S-10

ANNEX 1

ADDRESSES

Funding Seller:

Dirk Wehrse
Vice President, Treasury & Treasurer
T-Mobile Airtime Funding LLC
12920 SE 38th Street
Bellevue, WA 98006
Facsimile: (425) 383-4840

With a copy to:

T-Mobile Airtime Funding LLC
Attn: General Counsel
12920 SE 38th Street
Bellevue, WA 98006
Facsimile: (425) 383-4840

Purchaser:

Billing Gate One LLC
c/o Billing Gate One Trust, as Manager
c/o Wells Fargo Delaware Trust Company, N.A., as Trustee
919 N. Market Street, Suite 1600
Wilmington, Delaware 19801
Attn: Corporate Trust Administration
Fax: (302) 575-2006
Phone: (302) 575-2016
E-mail: Sandra.Battaglia@wellsfargo.com

With a copy to the Bank Purchasing Agent and the Bank Collections Agent.

Helaba (as the Bank Purchasing Agent and as a Bank Purchaser):

Landesbank Hessen-Thüringen Girozentrale
Neue Mainzer Straße 52-58
60311 Frankfurt am Main
Germany

Contact: Björn Mollner / Björn Reinecke
Tel: +49 (0)69 9132 – ext: 5208 / 3489
Fax: +49 (0)69 9132 4190
E-mail: bjoern.mollner@helaba.de, bjoern.reinecke@helaba.de

BTMU (as the Bank Collections Agent and as a Bank Purchaser):

The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Ropemaker Place
25 Ropemaker Street
London, EC2Y 9AN

Contact: Andrew Pierce; Andrew Montford; Brett Emms; Patrick Cogan
Tel: +44 20 7577 5221; +44 20 7577 5210; +44 20 7577 1613
E-mail: andrew.pierce@uk.mufg.jp; andrew.montford@uk.mufg.jp; brett.emms@uk.mufg.jp;
patrick.cogan@uk.mufg.jp

Autobahn (as the Conduit Purchaser and as a Bank Purchaser):

Autobahn Funding Company LLC
c/o DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, New York Branch
609 Fifth Avenue
New York, New York 10017

Contact: Christian Haesslein; Alexander Ploch
Tel: (212) 745-1668; (212) 745-1661
Fax: (212) 745-1651
E-mail: Christian.Haesslein@dzbank.de; Alexander.Ploch@dzbank.de

With a copy to:

DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt Am Main, New York Branch
609 Fifth Avenue
New York, New York 10017

Contact: Christian Haesslein; Alexander Ploch
Tel: (212) 745-1668; (212) 745-1661
Fax: (212) 745-1651
E-mail: Christian.Haesslein@dzbank.de; Alexander.Ploch@dzbank.de

ANNEX 2A

NOTICE OF RELEASE OF KfW GUARANTEES

February 5, 2018

To: KfW IPEX-Bank Gesellschaft mit beschränkter Haftung ("KfW")
Palmengartenstrasse 5-9
60325 Frankfurt am Main,
Germany

Re: November 2016 Amended and Restated Level 3 Guarantee; November 2016 Amended and Restated Level 3A Guarantee

Reference is made to that certain Master Receivables Purchase Agreement, dated as of February 26, 2014, by and among T-Mobile US, Inc., T-Mobile PCS Holdings LLC, T-Mobile Airtime Funding LLC, Billing Gate One LLC, Landesbank Hessen-Thüringen Girozentrale as Bank Purchasing Agent, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., Düsseldorf Branch as Bank Collections Agent (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"). **Each capitalized term that is used but not defined herein shall have the meaning prescribed by the Agreement.**

We hereby notify you, agree and confirm that, unless, pursuant to Section 20.4 of the Agreement, we notify you of an earlier date, November 13, 2018 (being the Settlement Date in November 2018) shall be the Guarantee Termination Date (as such term is defined in the KfW Guarantee Facility Agreement) and that, from and after such date, each of the KfW Guarantees shall be released in whole and KfW shall have no further obligations thereunder. For the avoidance of doubt, (i) after such date no further claim can be made by us or any of the Beneficiaries (as such term is defined in the KfW Guarantees) under any of the KfW Guarantees and (ii) this notice shall not constitute a release of KfW from any obligations based on a claim which is made by us and received by KfW under either of the KfW Guarantees prior to such Guarantee Termination Date (as such term is defined in the KfW Guarantee Facility Agreement).

This release of the KfW Guarantees is governed by the laws of the Federal Republic of Germany. KfW does not need to declare its acceptance of the release stipulated herein (in accordance with section 151 German Civil Code (*Bürgerliches Gesetzbuch*)).

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE, as Bank Purchasing Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

ANNEX 2B

FORM OF NOTICE OF RELEASE OF KfW GUARANTEES

[Date]

To: KfW IPEX-Bank Gesellschaft mit beschränkter Haftung ("KfW")

[ADDRESS OR EMAIL ADDRESS]

Re: November 2016 Amended and Restated Level 3 Guarantee; November 2016 Amended and Restated Level 3A Guarantee

Reference is made to that certain Master Receivables Purchase Agreement, dated as of February 26, 2014, by and among T-Mobile US, Inc., T-Mobile PCS Holdings LLC, T-Mobile Airtime Funding LLC, Billing Gate One LLC, Landesbank Hessen-Thüringen Girozentrale as Bank Purchasing Agent, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., Düsseldorf Branch as Bank Collections Agent (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"). **Each capitalized term that is used but not defined herein shall have the meaning prescribed by the Agreement.**

Pursuant to Section 20.4 of the Agreement, we hereby notify you, agree and confirm that [DATE] shall be the Guarantee Termination Date (as such term is defined in the KfW Guarantee Facility Agreement) and that, from and after such date, each of the KfW Guarantees shall be released in whole and KfW shall have no further obligations thereunder. For the avoidance of doubt, (i) after such date no further claim can be made by us or any of the Beneficiaries (as such term is defined in the KfW Guarantees) under any of the KfW Guarantees and (ii) this notice shall not constitute a release of KfW from any obligations based on a claim which is made by us and received by KfW under either of the KfW Guarantees prior to such Guarantee Termination Date (as such term is defined in the KfW Guarantee Facility Agreement).

This release of the KfW Guarantees is governed by the laws of the Federal Republic of Germany. KfW does not need to declare its acceptance of the release stipulated herein (in accordance with section 151 German Civil Code (*Bürgerliches Gesetzbuch*)).

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE, as Bank Purchasing Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

ANNEX 3

ELIGIBLE RECEIVABLES

- (a) The Contract underlying the Receivable is a standard telecommunications services agreement of the related Originator and is governed by the federal and/or state laws of the United States.
- (b) (i) The Outstanding Balance of such Receivable shall not cause the aggregate Outstanding Balance of all Purchased Receivables (not including Aged Receivables) due from the Obligor with respect to such Purchased Receivable to exceed \$50,000 (it being understood that the Servicer will make this determination monthly as of the end of each Collection Period) and (ii) such Receivable does not relate to Charges in excess of \$50,000 in the aggregate set forth on a related Invoice.
- (c) Such Receivable is non-interest bearing and the Nominal Value of such Receivable does not include any default interest or other penalties, fines, fees for late payment or any other breach of the related Contract.
- (d) The period from the Invoice Date to the Due Date with respect to such Receivable does not exceed 30 days.
- (e) The Obligor of such Receivable (i) is a natural person, or, if a corporation, governmental or other business organization, is organized under the laws of the United States or any political subdivision thereof; and (ii) is not an Affiliate of the Originators or the Funding Seller. The telephone number related to the Receivable relates to one of the Designated States.
- (f) The Receivable is denominated and payable in USD in the United States.
- (g) The Receivable is not overdue by more than 30 days or an Aged Receivable.
- (h) The Receivable arises pursuant to a Contract with respect to which the applicable Originator has performed all obligations in all material respects required to be performed by it thereunder in order to have such Receivable become due and payable, including delivery of a bill to the applicable Obligor.
- (i) The Receivable:
 - (i) is an "account" or "general intangible" within the meaning of Article 9 of the UCC;
 - (ii) is a right to payment of a monetary obligation for goods or services rendered or to be rendered to Obligor; and
 - (iii) is not evidenced or otherwise payable by a promissory note, a bill of exchange or other instrument.
- (j) The Receivable, together with the contract related thereto, does not contravene any laws applicable thereto (including laws relating to truth in lending, cost of credit disclosure, fair credit billing, equal credit opportunity, fair debt collection practices and privacy).
- (k) The Receivable was originated in accordance with and satisfies in all material respects all applicable requirements of the Credit and Collection Policies.
- (l) The terms of the underlying Contract with respect to the Receivable do not expressly permit the related Obligor to exercise any right of set-off with respect thereto.

- (m) The Receivable is not a Restricted Receivable.
- (n) The Receivable has been originated by an Originator and validly sold or contributed by such Originator to the Funding Seller with the result that such Funding Seller has good and marketable title thereto (together with the Collections and Related Rights related thereto), free and clear of all Adverse Claims.
- (o) The Receivable is in full force and effect and constitutes the legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms except as such enforcement against such Obligor may be limited by any applicable insolvency law or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law), in each case, under all applicable law, and is, not subject to any litigation, offset, counterclaim or other defense.
- (p) The Receivable was originated in the ordinary course of the applicable Originator's business and represents the purchase price of "subscriber / air time" services sold by such Originator.
- (q) The Receivable has not been compromised, altered, adjusted or modified for credit reasons nor is it subject to any downward adjustment for Taxes, rebates or other reasons (including by the extension of time for payment or the granting of any discounts, allowances or credits), in each case, other than as permitted or required by the Credit and Collection Policies.
- (r) The disclosure of information necessary to permit the Funding Seller or its assigns to enforce such Receivable against the related Obligor would not result in the breach of any law, agreement (including the underlying Contract), judgment or other instrument by which the related Originator or the Funding Seller is bound.
- (s) At the Closing Date, the Obligor with respect to the Receivable is not the Obligor with respect to any Overdue Receivable payment for which is more than 30 days past due.
- (t) If purchased, such Receivable does not relate to Charges which would cause the percentage of the Charges related to Purchased Receivables billed in the related Collection Period to all Obligors that are individuals to be less than 51%.
- (u) If purchased, such Receivable does not relate to Charges which would cause the percentage of the Charges related to Purchased Receivables billed in the related Collection Period to all Obligors that are commercial Obligors to exceed 25% or the Obligors that are governmental entities to exceed 5%.
- (v) If purchased, such Receivable does not relate to Charges which would cause the percentage of the Charges related to Purchased Receivables billed in the related Collection Period to all Obligors who are identified by the Funding Seller and the Bank Purchasing Agent as "subprime" (Obligors who are not considered part of the ABCLOW Credit Classes) to exceed 40% on more than two (2) consecutive Settlement Dates.
- (w) Such Receivable is not subject to any Adverse Claim (other than Adverse Claims arising pursuant to the Transaction Documents) or Subject to Defenses.
- (x) The Funding Seller is not aware of any claims or other facts or circumstances that could result in such Receivable, in whole or in part, becoming subject to any Adverse Claims (other than Adverse Claims arising pursuant to the Transaction Documents) or Subject to Defenses for more than two consecutive Settlement Dates.

- (y) The Funding Seller has all necessary rights in such Purchased Receivable required for the Funding Seller to sell and assign such Receivable to the Purchaser pursuant to this Agreement.
- (z) The related Originator shall have complied with all Requirements of Law in connection with the origination of such Receivable.
- (aa) The related Originator shall have complied in all material respects with the related Contract in connection with the origination of such Receivable.
- (bb) All sales, excise or other taxes with respect to such Receivable shall have been paid to the applicable taxing authority when due other than those being contested in good faith.
- (cc) If purchased, the Outstanding Balance of such Receivable would not cause the average of the Nominal Value of all Receivables purchased hereunder during the then-current Collection Period and the two immediately preceding Collection Periods to exceed the Maximum Sales Amount.
- (dd) If purchased, such Receivable does not relate to Charges which would cause the percentage of the Charges related to Purchased Receivables billed in the related Collection Period related to CCPC codes in any Designated State to exceed the maximum percentage specified below on more than two (2) consecutive Settlement Dates.

State	Maximum Percentage
MS	0.50%
ND	0.10%
SD	0.10%
VT	0.10%
AR	0.25%
IA	0.25%
KY	1.50%
NC	3.00%
WV	0.25%
WY	0.25%
ME	0.50%
TN	2.00%
DE	1.00%
ID	1.00%
LA	1.00%
NH	1.00%
SC	2.50%
WI	1.00%
AL	5.00%
CO	5.00%
CT	5.00%
DC	5.00%

HI	5.00%
IN	5.00%
KS	5.00%
MA	5.00%
MD	5.00%
MI	5.00%
MO	5.00%
NM	5.00%
NV	5.00%
OH	5.00%
OK	5.00%
OR	5.00%
RI	5.00%
UT	5.00%
VA	5.00%
MN	5.00%
PA	5.00%
AZ	5.00%
GA	10.00%
NJ	10.00%
WA	10.00%
IL	10.00%
FL	15.00%
NY	15.00%
TX	20.00%
CA	25.00%
AK	0.50%
MT	0.50%
NE	0.50%

- (ee) Such Receivable does not relate to Partner Branded Services, Flexpay or No Credit Family Plans, as each of such terms is used or defined in the books and records of the Originators.
- (ff) The Obligor of such Receivable is not a Sanctioned Person (as such term is defined in Article 27).
- (gg) The Invoice type shall be “J—Assurant jump premiums” or “B—Service”.
- (hh) Such Receivable at the time of its sale hereunder shall not be an EPS Receivable; it being agreed and understood that if, at any time, a Purchased Receivable shall become an EPS Receivable, such Purchased Receivable shall immediately cease to be, for all purposes hereunder and under the other Transaction Documents, an Eligible Receivable.

ANNEX 4
ORIGINATORS

Name	Jurisdiction of Organization	Address
------	------------------------------	---------

As of the Closing Date:

T-Mobile West LLC	Delaware	12920 SE 38 th Street Bellevue, Washington 98006
T-Mobile Central LLC	Delaware	12920 SE 38 th Street Bellevue, Washington 98006
T-Mobile Northeast LLC	Delaware	12920 SE 38 th Street Bellevue, Washington 98006
T-Mobile South LLC	Delaware	12920 SE 38 th Street Bellevue, Washington 98006

As of the November 2014 Amendment Effective Date:

Powertel/Memphis, Inc.	Delaware	12920 SE 38 th Street Bellevue, Washington 98006
Triton PCS Holdings Company L.L.C.	Delaware	12920 SE 38 th Street Bellevue, Washington 98006

As of the January 2015 Amendment Effective Date:

SunCom Wireless Operating Company, L.L.C.	Delaware	12920 SE 38 th Street Bellevue, Washington 98006
---	----------	--

ANNEX 5

CONDITIONS PRECEDENT TO EACH PURCHASE

Each purchase of Purchased Receivables shall be subject to the conditions precedent that:

(a) the Servicer shall have delivered to the Bank Purchasing Agent on or prior to such purchase, in form and substance reasonably satisfactory to the Bank Purchasing Agent, a completed Monthly Report containing information covering the most recently ended Collection Period; and

(b) on the date of such purchase the following statements shall be true (and acceptance of the proceeds of such purchase shall be deemed a representation and warranty by the Funding Seller that such statements are then true):

(i) the representations and warranties contained in Article 6 are true and correct in all material respects on and as of the date of such purchase as though made on and as of such date; and

(ii) no Termination Event has occurred or would be caused to occur by such purchase.

ANNEX 6

FORM OF MONTHLY REPORT

See attached.

A-6

ANNEX 7

SCOPE OF ACCOUNTANT'S REPORT

Scope of Services:

- Review whether the selected sample of Receivables meet the Eligibility Criteria as described in Annex 3 of the Master Receivables Purchase Agreement
- Review whether the selected sample of Receivables assigned by the Funding Seller are stated as being assigned to the Purchaser in the Funding Seller's accounts
- Review whether the payments for the selected sample of Purchased Receivables have been applied appropriately
- Select a sample of Monthly Reports and re-perform calculations contained therein

Procedures

- Sample selection: The adherence to the Eligibility Criteria shall be verified by means of a generally accepted procedure, with a sample size of Purchased Receivables that is mutually agreed upon by the Bank Purchasing Agent and the Servicer. We will use random selection applied through a random number generator as a generally accepted non-statistical sampling method to select the sample of Purchased Receivables.
- Review whether EPS Receivables are being properly identified and whether the related EPS Loss Amounts and repurchase prices for such Receivables under Sections 5.1(a) and 5.1(b) and the limitation in Section 3.2(b) of the Master Receivables Purchase Agreement are being properly calculated.
- Such other reasonable procedures that are agreed upon by the Bank Purchasing Agent and the Servicer

ANNEX 8

T-MOBILE INFORMATION DATA CONFIDENTIALITY PROVISIONS

1.CONFIDENTIALITY AND SECURITY. Notwithstanding anything to the contrary stated herein (including Section 12), the parties acknowledge and agree as follows:

1.1 Confidentiality. The parties acknowledge and agree that the Bank Purchasing Agent may be given access to T-Mobile Information under this Agreement. The Servicer shall mark such medium as containing T-Mobile Information. Until the Final Termination Date and for so long as the Bank Purchasing Agent has T-Mobile Information, the Bank Purchasing Agent shall: (a) use at least the same degree of care to prevent unauthorized use and disclosure of such T-Mobile Information as that party uses with respect to its own Confidential Information (but in no event less than a reasonable degree of care); and (b) use such T-Mobile Information only in the performance of its rights and obligations under this Agreement. Following the Final Termination Date, at the request of the Funding Seller, the Bank Purchasing Agent shall return, or at the Bank Purchasing Agent's option, destroy (and certify in writing such return or destruction) any and all T-Mobile Information received by it pursuant to this Agreement, provided that, notwithstanding the foregoing, the Bank Purchasing Agent may retain such copies of T-Mobile Information as it is required to retain to comply with its internal compliance policies or in accordance with applicable law. The Bank Purchasing Agent shall hold any such retained T-Mobile Information in accordance with the terms of this Agreement. This Section 1.1 shall survive termination of the Agreement. T-Mobile Information is Confidential Information of the T-Mobile Group under this Agreement; provided however that T-Mobile Information shall remain confidential and proprietary even if disclosed by a third party or in breach of the terms of this Agreement.

1.2 Handling of T-Mobile Information. Bank Purchasing Agent: (a) may collect, store, access, use, process, maintain and disclose T-Mobile Information only to fulfill its obligations and exercise its rights and remedies under the Agreement and for no other purpose; and (b) shall, without limiting any other obligations applicable to T-Mobile Information hereunder, treat all T-Mobile Information as Confidential Information of T-Mobile Group. For purposes of this Annex, the acts or omissions of Bank Purchasing Agent and any Person to whom it has disclosed T-Mobile Information are Bank Purchasing Agent's acts or omissions.

1.3 Security Safeguards. Bank Purchasing Agent is fully responsible for any authorized or unauthorized collection, storage, disclosure and use of, and access to, T-Mobile Information received by it pursuant to this Agreement. Bank Purchasing Agent shall not permit any collection, storage, disclosure or use of, or access to, T-Mobile Information that this Agreement does not expressly authorize. Bank Purchasing Agent shall implement and maintain a written information security program that contains administrative, technical, and physical safeguards ("Safeguards") appropriate to its business and the protection of T-Mobile Information received by it. Bank Purchasing Agent's information security program shall meet common industry practices for such Safeguards, including, without limitation, complying with all applicable laws governing the security and handling of T-Mobile Information by Bank Purchasing Agent. Such information security program shall include, without limitation: (a) adequate physical security of all premises in which T-Mobile Information will be processed and/or stored; (b) reasonable precautions taken with respect to the employment of, and access given to, Bank Purchasing Agent personnel, including, without limitation, background checks, training, disciplinary measures, and security clearances that assign specific access privileges to individuals; and (c) an appropriate network security program. Such network security program will include, without limitation: (i) appropriate access controls and data integrity controls; (ii) monitoring, testing and auditing of all controls; and (iii) appropriate corrective action and incident response plans.

1.4 Contractors and Subcontractors. Bank Purchasing Agent shall ensure that only approved contractors and subcontractors (including any subsidiary, parent, affiliate or partner) who have a need to know of the T-Mobile Information may access such information, and only if Bank Purchasing Agent requires such contractors and

subcontractors to comply with obligations with respect to T-Mobile Information. Bank Purchasing Agent must use at least the same effort, but in no event less than a reasonable amount of effort, to enforce obligations of such individuals with regard to T-Mobile Information as Bank Purchasing Agent uses for its own similar confidential information.

1.5 (Reserved)

1.6 Security Breaches.

(a) (Reserved)

(b) Bank Purchasing Agent shall, promptly after confirmation thereof, notify Funding Seller of any actual, probable or reasonably suspected breach of any safeguards or of any other actual, probable or reasonably suspected unauthorized access to, or acquisition, use, loss, destruction, compromise or disclosure of, any T-Mobile Information maintained on the Bank Purchasing Agent Systems (each, a “**Security Breach**”). In any notification to Funding Seller required under this Section 1, Bank Purchasing Agent shall designate a single individual employed by Bank Purchasing Agent who must be available to Funding Seller during regular business hours of the Pre-Approved Facility (defined below) as a contact regarding Bank Purchasing Agent’s obligations under this Section 1. Bank Purchasing Agent shall: (i) unless prohibited by applicable law, court order or similar legal process, provide reasonable assistance to the Funding Seller in investigating, remedying and taking any other reasonable action Funding Seller deems necessary regarding any Security Breach and any dispute, inquiry or claim that concerns the Security Breach; and (ii) shall provide Funding Seller with assurance reasonably satisfactory to Funding Seller that such Security Breach or potential Security Breach will not recur. Unless prohibited by an applicable law, court order or similar legal process, Bank Purchasing Agent shall also notify Funding Seller of any third-party legal process relating to any Security Breach, including, without limitation, any legal process initiated by any governmental entity (foreign or domestic).

1.7 Information Security Vendor Assessments, Annual Security Audits & Visitation and Inspection Rights.

(a) *Information Security Vendor Assessment (“ISVA”).* Funding Seller reserves the right to require Bank Purchasing Agent to complete T-Mobile Group’s ISVA process once per year. Funding Seller may request additional security controls or mitigations plans be implemented and maintained by Bank Purchasing Agent with respect to the T-Mobile Information based on results of an ISVA.

1.8 Access Limitations. Bank Purchasing Agent shall ensure that no persons who have access to T-Mobile Information provided or made accessible to Bank Purchasing Agent under this Agreement are listed on: (a) the Specially Designated Nationals and Blocked Persons list maintained by the U.S. Treasury, Office of Foreign Assets Control; (b) the Denied Persons or Denied Entities lists maintained by the U.S. Department of Commerce, Bureau of Industry and Security; (c) the Debarred Persons List maintained by the U.S. Department of State, Office of Defense Trade Controls; (d) any successors to the foregoing; or (e) any similar official public lists maintained by any agency of the U.S. government with which financial institutions operating in the United States are required to comply. Bank Purchasing Agent will ensure that all T-Mobile Information resides in the United States, unless approved in writing in advance by the Funding Seller. Bank Purchasing Agent shall securely store all T-Mobile Information separate from other information of Bank Purchasing Agent or Bank Purchasing Agent’s other customers. Bank Purchasing Agent must first obtain prior written approval from Funding Seller for any deviation from this requirement.

1.9 (Reserved)

1.10 Additional Obligations. Bank Purchasing Agent agrees as follows:

(a) Bank Purchasing Agent shall not store T-Mobile Information, or any other subscriber information, including, without limitation, call transactional data, call associated data, call identifying data, subscriber information and subscriber billing records (collectively, “**Subscriber Information**”) outside of the United States without Funding Seller’s prior written consent, which may be withheld for no reason, or any reason, in Funding Seller’s sole and absolute discretion. Bank Purchasing Agent is expressly permitted to access and store all Subscriber Information necessary to

fulfill its obligations and exercise its rights and remedies under this Agreement in Bank Purchasing Agent's New York Branch located in New York, New York, USA (a "**Pre-Approved Facility**") for the term of this Agreement.

(b) Bank Purchasing Agent shall provide Funding Seller with at least thirty (30) calendar days' prior written notice of its desire to store Subscriber Information in another location different from the Pre-Approved Facilities, including description of the communications and/or information, identification of the custodian, identification of the proposed location where the communications and/or information would be stored; and identification of the factors it considered in seeking to store the communications and/or information outside of the Pre-Approved Facilities.

(c) (Reserved)

(d) (Reserved)

(e) (Reserved)

(f) (Reserved)

(g) Bank Purchasing Agent shall not disclose Subscriber Information to any foreign government or entity without first, (a) satisfying all applicable U.S. federal, state and local legal requirements, including, if required, receiving appropriate authorization by a domestic U.S. court, or receiving prior written authorization from the U.S. Department of Justice, (b) to the extent not prohibited by law, rule, regulation or court order applicable to the Bank Purchasing Agent (i) notifying Funding Seller of the request for such information within five (5) calendar days of its receipt and (ii) reasonably cooperating with Funding Seller to object to and commence appropriate proceedings to protect the information;

1.11 T-Mobile Information and Bank Purchasing Agent Access.

(a) **T-Mobile Information.** Bank Purchasing Agent shall receive the following T-Mobile Information under this Agreement for the Purchased Receivables on a monthly basis :

(i) T-Mobile billing account number;

(ii) T-Mobile invoice ID number;

(iii) T-Mobile invoice due date;

(iv) T-Mobile invoice date;

(v) T-Mobile sold amount for the Purchased Receivables; and

(vi) T-Mobile Balance for the Purchased Receivables.

(b) **Access Protocol.** The T-Mobile Information provided to the Bank Purchasing Agent will be made available through a secured file transfer protocol ("**SFTP**") website on the T-Mobile network. Bank Purchasing Agent will be provided with authentication and login credentials by Funding Seller or its affiliates to access the SFTP website and securely obtain the T-Mobile Information. In addition, Funding Seller or its affiliates will provide Bank Purchasing Agent with an email notice monthly when new T-Mobile Information has been posted to the SFTP website and is available to be accessed by the Bank Purchasing Agent.

ANNEX 9

FORM OF DT PAYMENT GUARANTEE

- (A) We refer to that certain Master Receivables Purchase Agreement, dated as of February 26, 2014, by and among T-Mobile US, Inc. (“**TMUS**”), T-Mobile PCS Holdings LLC (“**PCS**” or the “**Servicer**”), T-Mobile Airtime Funding LLC (the “**Funding Seller**”), Billing Gate One LLC (“**Billing Gate One**”), and Landesbank Hessen-Thüringen Girozentrale (“**Helaba**”) in its capacity as “**Bank Purchasing Agent**” thereunder (as amended, restated, supplemented or otherwise modified from time to time, the “**Master Receivables Purchase Agreement**”); and that certain Onward Receivables Purchase Agreement, dated as of February 26, 2014, by and among Billing Gate One, the “**Bank Purchasers**” from time to time party thereto, and the Bank Purchasing Agent (as amended, restated, supplemented or otherwise modified from time to time, the “**Onward Receivables Purchase Agreement**”). The transactions contemplated by the Master Receivables Purchase Agreement, the Onward Receivables Purchase Agreement and the other Transaction Documents (as such term is defined in the Master Receivables Purchase Agreement) are collectively referred to herein as the “**Transaction.**” Each capitalized term that is used, but not defined herein, shall have the meaning prescribed by the Master Receivables Purchase Agreement and/or the Onward Receivables Purchase Agreement.
- (B) This guarantee (this “**Guarantee**”) is the “DT Payment Guarantee” (as such term is defined in the Master Receivables Purchase Agreement), and is being delivered to each of the Purchasing Entities in connection with Section 11.4(i) of the Master Receivables Purchase Agreement.

We, Deutsche Telekom AG, a corporation (*Aktiengesellschaft*) incorporated under the laws of Germany, registered in the commercial register kept at the local court of Bonn, Germany, under registration number HRB 6794, with its business address at Friedrich-Ebert Allee 10, 53113 Bonn (the “**Guarantor**”), hereby irrevocably issue this Guarantee in favor of each of the Purchasing Entities (A) as of the date hereof (which, as of the date hereof, include Billing Gate One LLC as the “Purchaser” under the Master Receivables Purchase Agreement, Helaba as the “Bank Purchasing Agent” and each of [*current Bank Purchasers*] as a “Bank Purchaser”) and (B) from time to time after the date hereof, under the terms and conditions set forth below:

1. Guarantee

1.1 The Guarantor:

- (a) hereby irrevocably, absolutely and unconditionally guarantees to each of the Purchasing Entities, severally and jointly, as a continuing obligation, the payment of any obligation owing by any member of the T-Mobile Group under the Transaction Documents, whether or not such obligation shall be owed directly or indirectly to any of the Purchasing Entities pursuant thereto (the “**Guaranteed Obligations**”), which obligations shall include, but not be limited to, the following:
- (i) all of the obligations of the Servicer related to the servicing of the Purchased Receivables, the Related Rights, Collections and other funds pursuant to the Transaction Documents;
 - (ii) all of the respective obligations of any member of the T-Mobile Group related to (1) the sale of Receivables and Related Rights, (2) the segregation and application of Collections and the repurchase of Receivables by the Funding Seller, (3) excess Dilutions and breaches of representations or warranties concerning the Receivables, and (4) the monthly settlement or other periodic settlement of transactions under the Transaction Documents contemplated by, among other sections of the Transaction Documents, Article 2 of the Master Receivables Purchase Agreement; and

(iii) without limiting the foregoing, the payment when due (from Collections or otherwise), in accordance with the terms of the Transaction Documents, of any amount, other than any amount attributable to an Excluded Amount (as such term is defined below), that may be payable by a member of the T-Mobile Group pursuant to the Transactions, including, without limitation, any and all of the Indemnified Amounts contemplated by Article 9 of the Master Receivables Purchase Agreement and any amount payable by the Performance Guarantor pursuant to Section 19 of the Master Receivables Purchase Agreement; and

(b) undertake to pay upon demand any amount owed by any member of the T-Mobile Group as a Guaranteed Obligation.

For purposes of this Guarantee, the term “**Excluded Amount**” shall mean, with respect to any Batch, and for each Settlement Date, the maximum amount of the portion of the Allocated Write-Off Amount for such Batch that is intended to be allocated to, and borne by, the Funding Seller on such Settlement Date pursuant to Section 5.3 of the Master Receivables Purchase Agreement; it being agreed and understood (for the avoidance of doubt) that, for each Batch and each Settlement Date, the “Excluded Amount” related thereto shall be its Maximum Batch Mandatory Repurchase Amount for such Settlement Date.

- 1.2 Each of the Purchasing Entities, acting severally, or one or more of the Purchasing Entities, acting jointly, from time to time, shall be entitled to make one or more demands for payment under this Guarantee. Each demand for payment must be signed by its or their legal representative(s) or authorized representative(s). It is agreed and understood that the Bank Purchasing Agent itself shall be entitled to make demands on behalf of one or more of the other Purchasing Entities. Any demand hereunder shall be made in writing (without the requirement that any demands or remedies be made or exercised, or any other steps be taken, previously against any member of the T-Mobile Group or any other Person). Any payment to be made by the Guarantor hereunder shall be made after the making of any such demand within three (3) days on which banks are open for general business in Düsseldorf, Germany, and Frankfurt am Main, Germany (each a “**Banking Day**”).
- 1.3 We have received a copy of each of the Transaction Documents and are aware of their entire contents. We are also aware that the provisions of such agreements are only binding upon the Purchasing Entities and certain of the members of the T-Mobile Group, whereas our rights and obligations are set out exhaustively in this Guarantee.
- 1.4 We shall not be entitled to any right to set-off or counterclaim whatsoever. All payments under this Guarantee shall be made free from any withholding or deduction.
- 1.5 This Guarantee shall apply with regard to the Transaction as amended or varied from time to time (which may be without our consent, except as may be expressly provided therein). We hereby authorize the parties to the Transaction Documents to agree to any such amendment or variation, the due performance of which and compliance with which by the members of the T-Mobile Group are likewise guaranteed hereunder. Our obligations and liabilities under this Guarantee shall not be discharged by any allowance of time or other indulgence whatsoever by any of the Purchasing Entities to any member of the T-Mobile Group, or by any variation or suspension of the obligations to be performed under the Transaction, or by any amendments to any of the Transaction Documents or to the constitution of any party to the Transaction, or by any Bankruptcy Event with respect to any party to the Transaction, or by any other matters, whether with or without our knowledge or consent.

1.6 Unless otherwise specified in a Purchasing Entity's written demand, all amounts payable hereunder by us shall be paid to: [*refer to relevant accounts in the Transaction Documents*].

2. Maximum Liability

The Guarantor's maximum liability pursuant to this Guarantee shall be limited to the amount of EUR [*the amount that shall equal 110% of the Funding Limit at the issuing date of the guarantee*], less any amount paid by the Guarantor pursuant to this Guarantee (the "Maximum Amount").

3. Validity Period

The validity period of this Guarantee shall commence on [*Date*]/[the date hereof] and shall end on the later date of (A) 2 years and 9 months after the Master Receivables Purchase Agreement shall have come into force and (B) the Final Termination Date under the Master Receivables Purchase Agreement (the "Expiry Date").

4. Assignment

4.1 This Guarantee shall be effective for the benefit of each of the Purchasing Entities and their respective successors, assignees, and any other company with which any of them may at any time amalgamate. We and our successors shall be bound by this Guarantee notwithstanding any change in our constitution or status or any of our successors.

4.2 We may not assign all or part of our rights or transfer or novate all or part of our obligations under this Guarantee to another party without the prior written consent of each of the Purchasing Entities.

5. Communications

5.1 Any notice required to be given by a party shall be sent to the other party's address or facsimile number given herein or such other address or facsimile number as may from time to time be notified for this purpose. The initial addresses and telefax numbers of the parties are:

The Purchasing Entities : [*Purchasing Entities*]

Fax Number : [•]

Address : [•]

Attention : [•]

The Guarantor : Deutsche Telekom AG

Fax Number : [•]

Address : [•]

Attention : [•]

5.2 Any such notice shall be deemed to have been served:

- (a) if delivered by hand, when left at the address required by this clause 4; or
- (b) if posted by prepaid ordinary mail or by prepaid registered letter, at the expiration of three (3) Banking Days after posting thereof; or

- (c) if sent by facsimile and received in readable form, upon the receipt by the sender of the transmission report indicating that the notice has been sent in full to the recipient's facsimile machine, or such other similar medium of receipt; or
- (d) if sent by courier, at the expiration of three (3) Banking Days after the package containing the same shall have been received by the relevant courier company.

6. Miscellaneous

- 6.1 The validity of the remaining provisions of this Guarantee shall not be affected if any particular provision or provisions of this Guarantee or any Transaction Document is or are properly declared illegal, unenforceable or contrary to law or public policy or if a gap in this Guarantee becomes evident and regardless of the value of any collateral provided to the beneficiaries hereof or the release or exchange of any such collateral. In the event that as a result of such declaration or gap any of the rights or obligations of a party are materially affected, the parties shall meet and negotiate in good faith in order to arrive at an amendment of this Guarantee that will as closely as possible reflect what the parties would have intended if they had considered the point at the time of conclusion of this Guarantee. If the parties after such consultations do not agree upon an appropriate amendment to this Guarantee, there shall be deemed to exist a dispute that may be referred to legal proceedings.
- 6.2 The Guarantor waives any right it may have of first requiring any of the beneficiaries hereunder to proceed against, or enforce any other rights or security or claim from, any person before claiming from it under this Guarantee. This waiver applies irrespective of any non-mandatory law or any provision of this Guarantee or any Transaction Document to the contrary.
- 6.3 Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the Guarantor hereunder, which shall remain absolute and unconditional as described above:
- (i) at any time or from time to time, without notice to the Guarantor, the time for any performance of or compliance with any of the obligations of any member of the T-Mobile Group under the Transaction Documents shall be waived;
 - (ii) any of the acts mentioned in any of the provisions of the Transaction Documents shall be done or omitted;
 - (iii) any of the Deutsche Telekom Guaranteed Obligations shall be modified, supplemented or amended in any respect, or any right under any Transaction Document shall be waived or any of the Deutsche Telekom Guaranteed Obligations or any security therefore shall be released or exchanged in whole or in part or otherwise dealt with; or
 - (iv) any lien or security interest granted to, or in favor of, any of the beneficiaries hereunder as security for the Deutsche Telekom Guaranteed Obligations shall fail to be effective or perfected.

The Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that any of the beneficiaries hereunder exhaust any right, power or remedy or proceed against any member of the T-Mobile Group or against any other Person under any other agreement, or guarantee of, or security for, any of the Deutsche Telekom Guaranteed Obligations.

- 6.4 The obligations of the Guarantor under this Guarantee shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any member of the T-Mobile Group under any Transaction

Document is rescinded or must otherwise be restored by any holder of any of the Deutsche Telekom Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and the Guarantor agrees that it will indemnify each of the beneficiaries hereunder on demand for all reasonable costs and expenses (including, without limitation, fees of counsel) incurred by it or them in connection with such rescission or restoration, including any such costs or expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

- 6.5 The Guarantor hereby waives its right to take recourse (*Rückgriffrecht*) against any member of the T-Mobile Group resulting from any demand under this Guarantee until the Guaranteed Obligations have been fully and finally discharged.
- 6.6 The Guarantor agrees that, as between the Guarantor and the beneficiaries hereunder, the obligations of any member of the T-Mobile Group under any Transaction Document may be declared to be forthwith due and payable as provided therein (and shall be deemed to have become automatically due and payable as provided therein) for the purposes hereof notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against such member of the T-Mobile Group and that, in the event of such declaration (or such obligations being deemed to have become automatically due and payable), such obligations (whether or not due and payable by any member of the T-Mobile Group, as applicable) shall forthwith become due and payable by the Guarantor hereunder.
- 6.7 This Guarantee is a continuing guarantee, and shall apply to all Deutsche Telekom Guaranteed Obligations whenever arising.
- 6.8 This Guarantee shall be governed by, and construed in accordance with the laws of, Germany. The courts of Frankfurt am Main, Germany, shall have non-exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Guarantee.

DEUTSCHE TELEKOM AG

Name:

Name:

Title:

Title:

For and on behalf of Deutsche Telekom AG

ANNEX 10
TEMPLATE FOR INVOICES ON SERVICER FEE TO BE ISSUED BY SERVICER SEPARATELY TO EACH BANK PURCHASER
PURSUANT TO SECTION 4.3(b)

See attached.

A-10-1

**ANNEX 11
LEVEL 4 RESERVE PERCENTAGES ON PRIOR SETTLEMENT DATES**

Period	End of Collection Period	Settlement Date	Level 4 Reserve Percentage in current month (t=0)	Applied rate for t=1 through t=3		
0	25-Feb-14	03-Mar-14	5.14%			
1	31-Mar-14	14-Apr-14	5.14%	5.14%		
2	30-Apr-14	12-May-14	5.14%	5.14%	5.14%	
3	31-May-14	12-Jun-14	5.14%	5.14%	5.14%	5.14%
4	30-Jun-14	14-Jul-14	5.83%	5.14%	5.14%	5.14%
5	31-Jul-14	12-Aug-14	5.83%	5.83%	5.14%	5.14%
6	31-Aug-14	12-Sep-14	5.83%	5.83%	5.83%	5.14%
7	30-Sep-14	14-Oct-14	4.90%	4.55%	4.55%	4.55%
8	31-Oct-14	12-Nov-14	4.90%	4.90%	4.55%	4.55%
9	30-Nov-14	12-Dec-14	4.24%	4.24%	4.24%	3.89%
10	31-Dec-14	12-Jan-15	4.24%	4.24%	4.24%	4.24%
11	31-Jan-15	12-Feb-15	4.24%	4.24%	4.24%	4.24%
12	28-Feb-15	12-Mar-15	4.24%	4.24%	4.24%	4.24%
13	31-Mar-15	13-Apr-15	4.24%	4.24%	4.24%	4.24%
14	30-Apr-15	12-May-15	4.24%	4.24%	4.24%	4.24%
15	31-May-15	12-Jun-15	4.39%	4.24%	4.24%	4.24%
16	30-Jun-15	13-Jul-15	4.39%	4.39%	4.24%	4.24%
17	31-Jul-15	12-Aug-15	4.39%	4.39%	4.39%	4.24%
18	31-Aug-15	14-Sep-15	4.99%	4.39%	4.39%	4.39%
19	30-Sep-15	13-Oct-15	4.99%	4.99%	4.39%	4.39%
20	31-Oct-15	12-Nov-15	3.75%	3.75%	3.75%	3.75%
21	30-Nov-15	14-Dec-15	3.75%	3.75%	3.75%	3.75%
22	31-Dec-15	12-Jan-16	3.75%	3.75%	3.75%	3.75%
23	31-Jan-16	12-Feb-16	2.91%	3.75%	3.75%	3.75%
24	29-Feb-16	14-Mar-16	2.91%	2.91%	3.75%	3.75%
25	31-Mar-16	12-Apr-16	2.91%	2.91%	2.91%	3.75%
26	30-Apr-16	12-May-16	2.91%	2.91%	2.91%	2.91%
27	31-May-16	13-Jun-16	2.91%	2.91%	2.91%	2.91%
28	30-Jun-16	12-Jul-16	2.91%	2.91%	2.91%	2.91%
29	31-Jul-16	12-Aug-16	2.91%	2.91%	2.91%	2.91%
30	31-Aug-16	12-Sep-16	2.91%	2.91%	2.91%	2.91%
31	30-Sep-16	12-Oct-16	3.16%	2.91%	2.91%	2.91%
32	31-Oct-16	12-Nov-16	3.16%	3.16%	2.91%	2.91%
33	30-Nov-16	12-Dec-16	3.43%	3.16%	3.16%	2.91%
34	31-Dec-16	12-Jan-17	3.43%	3.43%	3.16%	3.16%

35	31-Jan-17	13-Feb-17	3.43%	3.43%	3.43%	3.16%
36	28-Feb-17	13-Mar-17	3.43%	3.43%	3.43%	3.43%
37	31-Mar-17	12-Apr-17	3.18%	3.43%	3.43%	3.43%
38	30-Apr-17	12-May-17	3.18%	3.18%	3.43%	3.43%
39	31-May-17	12-Jun-17	3.14%	3.18%	3.18%	3.43%
40	30-Jun-17	12-Jul-17	3.14%	3.14%	3.18%	3.18%
41	31-Jul-17	14-Aug-17	3.14%	3.14%	3.14%	3.18%
42	31-Aug-17	12-Sep-17	3.14%	3.14%	3.14%	3.14%
43	30-Sep-17	12-Oct-17	3.14%	3.14%	3.14%	3.14%
44	31-Oct-17	13-Nov-17	3.14%	3.14%	3.14%	3.14%
45	30-Nov-17	12-Dec-17	3.14%	3.14%	3.14%	3.14%
46	31-Dec-17	12-Jan-18	3.52%	3.14%	3.14%	3.14%
47	31-Jan-18	12-Feb-18	3.52%	3.52%	3.14%	3.14%
48	28-Feb-18	12-Mar-18	3.52%	3.52%	3.52%	3.14%
49	31-Mar-18	12-Apr-18	3.57%	3.52%	3.52%	3.52%
50	30-April-18	14-May-18	3.57%	3.57%	3.52%	3.52%
51	31-May-18	12-June-18	3.57%	3.57%	3.57%	3.52%

A-11-2

[\(Back To Top\)](#)

Section 5: EX-10.48 (TMUS EXHIBIT 10.48)

EXHIBIT 10.48

FIRST AMENDMENT TO SECOND AMENDED AND RESTATED RECEIVABLES PURCHASE AND ADMINISTRATION AGREEMENT

THIS FIRST AMENDMENT TO SECOND AMENDED AND RESTATED RECEIVABLES PURCHASE AND ADMINISTRATION AGREEMENT, dated as of December 18, 2017 (this "Amendment"), is by and among T-MOBILE HANDSET FUNDING LLC (the "Transferor"), as transferor, T-MOBILE FINANCIAL LLC ("Finco"), individually and as servicer, T-MOBILE US, INC., as guarantor (the "Guarantor"), ROYAL BANK OF CANADA, as Administrative Agent (the "Administrative Agent"), and the various Funding Agents party to the RPAA referenced below.

RECITALS:

WHEREAS, the parties hereto have entered into the Second Amended and Restated Receivables Purchase and Administration Agreement, dated as of August 21, 2017 (as amended, supplemented or otherwise modified from time to time, the "RPAA"); and

WHEREAS, the parties hereto wish to amend the RPAA as set forth in this Amendment.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants hereinafter set forth and intending to be legally bound hereby, agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01 Capitalized Terms. Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings ascribed thereto in the RPAA.

ARTICLE 2

AMENDMENTS

Section 2.01 Amendments to the RPAA.

(a) Section 1.1 of the RPAA is hereby amended by amending and restating the definition of “Purchase Limit” to read as follows:

(i) “Purchase Limit” shall mean \$1,300,000,000, as such amount may be reduced from time to time pursuant to Section 2.17, Section 2.18 or Section 2.19(a) or increased from time to time pursuant to Section 2.19(b) or Section 2.19(c) or as agreed upon by the Transferor and the Funding Agents (other than a Funding Agent acting on behalf of a Reducing Ownership Group or a Funding Agent acting on behalf of a Defaulting Ownership Group); provided, however, that at any time on and after the Amortization Date, the “Purchase Limit” shall mean the outstanding Aggregate Net Investment at such time.

(b) Schedule I of the RPAA is hereby amended and restated as set forth in Schedule I hereto.

ARTICLE 3

EFFECTIVENESS; RATIFICATION

Section 3.01 Incremental Funding. Notwithstanding anything set forth in Section 2.2 of the RPAA (including but not limited to the requirement in Section 2.2(b)(i) to deliver a Funding Notice at least four (4) Combined Business Days' prior to such Incremental Funding), the Funding Agents acknowledge and agree that the Owners shall make an Incremental Funding on December 20, 2017 in the amounts set forth below:

- (a) Old Line Funding, LLC: \$47,666,666.67;
- (b) Landesbank Hessen-Thüringen Girozentrale: \$8,250,000.00;
- (c) Gotham Funding Corporation: \$29,583,333.33;
- (d) Starbird Funding Corporation: \$34,500,000.

Section 3.02 Conditions to Incremental Funding; Addition Date. The Transferor hereby certifies that:

- (a) the conditions set forth in Section 4.2 (other than subsection (a)) have been satisfied; and
- (b) the date hereof is also an Addition Date.

Section 3.03 Effectiveness. This Amendment shall become effective, and this Amendment thereafter shall be binding on the parties hereto and their respective successors and assigns, as of the date first set forth above upon the execution and delivery of counterparts by the parties hereto.

Section 3.04 Incorporation; Ratification.

(a) On and after the execution and delivery hereof, this Amendment shall be a part of the RPAA and each reference in the RPAA to "this Agreement" or "hereof", "hereunder" or words of like import, and each reference in any other Related Document to the RPAA shall mean and be a reference to such RPAA as previously amended, and as amended, modified and consented to hereby.

(b) Except as expressly provided herein, the RPAA shall remain in full force and effect and is hereby ratified and confirmed by the parties hereto.

(c) After giving effect to this Amendment, the Performance Guaranty previously executed and delivered by the Guarantor is and shall continue to be in full force and effect.

ARTICLE 4

MISCELLANEOUS

Section 4.01 Representations and Warranties.

(a) The Transferor hereby represents and warrants to the Administrative Agent and the Owners that its representations and warranties set forth in Section 3.1 of the RPAA are true and correct in all material respects as of the date hereof.

(b) Finco hereby represents and warrants to the Administrative Agent and the Owners that its representations and warranties set forth in Section 3.1 and Section 3.3 of the RPAA are true and correct in all material respects as of the date hereof.

(c) The Guarantor hereby represents and warrants to the Administrative Agent and the Owners that its representations and warranties set forth in Section 3.4 of the RPAA are true and correct in all material respects as of the date hereof.

Section 4.02 No Other Amendments; Status of RPAA and Related Documents. The amendments set forth herein are limited as specified and shall not be construed as an amendment to any other term or provision of the RPAA. Nothing herein shall obligate the Administrative Agent, any Conduit Purchaser, Committed Purchaser or Funding Agent to grant (or consent to) any future amendment or waiver of any kind under or in connection with the RPAA or entitle the Transferor to receive any such amendment or waiver under the RPAA. Except as otherwise expressly provided herein, this Amendment shall not constitute a waiver of any right, power or remedy of the Owners, the Funding Agents or the Administrative Agent set forth in the RPAA and Related Documents, and except as expressly provided herein, this Amendment shall have no effect on any term or condition of the RPAA or Related Documents.

Section 4.03 Governing Law; Submission to Jurisdiction. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED THEREIN, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, AND OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS. EACH OF THE PARTIES TO THIS AMENDMENT HEREBY AGREES TO THE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND ANY APPELLATE COURT HAVING JURISDICTION TO REVIEW THE JUDGMENTS THEREOF. EACH OF THE PARTIES HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER IN ANY OF THE AFOREMENTIONED COURTS.

Section 4.04 Counterparts. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Amendment by signing such counterpart.

[signatures on following page]

IN WITNESS WHEREOF, each of the parties hereto have caused a counterpart of this Amendment to be duly executed as of the date first above written.

T-MOBILE HANDSET FUNDING LLC

as Transferor

By: /s/ Dirk Wehrse

Name: Dirk Wehrse

Title: Senior Vice President, Treasury &
Treasurer

T-MOBILE FINANCIAL LLC

In its individual capacity and as Servicer

By: /s/ Dirk Wehrse

Name: Dirk Wehrse

Title: Assistant Treasurer

T-MOBILE US, INC.

as Guarantor

By: /s/ Dirk Wehrse

Name: Dirk Wehrse

Title: Senior Vice President, Treasury &
Treasurer

[Signature Page to First Amendment to 2nd A&R RPAA]

ROYAL BANK OF CANADA
as Administrative Agent

By: /s/ Thomas C. Dean
Name: Thomas C. Dean
Title: Authorized Signatory

By: /s/ Sofia Shields
Name: Sofia Shields
Title: Authorized Signatory

ROYAL BANK OF CANADA
as a Funding Agent

By: /s/ Thomas C. Dean
Name: Thomas C. Dean
Title: Authorized Signatory

By: /s/ Sofia Shields
Name: Sofia Shields
Title: Authorized Signatory

[Signature Page to First Amendment to 2nd A&R RPAA]

LANDESBANK HESSEN-THURINGEN
GIROZENTRALE,
as a Funding Agent

By: /s/ Björn Reinecke
Name: Björn Reinecke
Title: Assistant Vice President

By: /s/ Bjoern Mollner
Name: Bjoern Mollner
Title: SVP

[Signature Page to First Amendment to 2nd A&R RPAA]

THE BANK OF TOKYO-MITSUBISHI UFJ,
LTD.,
as a Funding Agent

By: /s/ Luna Mills
Name: Luna Mills
Title: Managing Director

[Signature Page to First Amendment to 2nd A&R RPA]

BNP PARIBAS,
as Funding Agent

By: /s/ Mary Dierdorff
Name: Mary Dierdorff
Title: Managing Director

By: /s/ Steve Parsons
Name: Steve Parsons
Title: Managing Director

[Signature Page to First Amendment to 2nd A&R RPAA]

**CONDUIT PURCHASERS, COMMITTED PURCHASERS, FUNDING AGENTS
AND RELATED INFORMATION**

Name of Conduit Purchaser	Name of Committed Purchaser(s)	Name of Funding Agent	Ownership Group	Address/Telecopy for Notices	Account for Funds Transfer	Ownership Group Purchase Limit	Ownership Group Percentage
Old Line Funding, LLC	Royal Bank of Canada	Royal Bank of Canada	Old Line Funding, LLC, as a Conduit Purchaser Royal Bank of Canada, as Committed Purchaser, Funding Agent and Conduit Support Provider	<p><u>If to the Conduit Purchaser:</u></p> <p>Old Line Funding , LLC c/o Global Securitization Services 68 South Service Road, Suite 120 Melville, NY 11747 Attention: Kevin Burns Tel. No.: (631) 587-4700 Facsimile No.: (212) 302-8767 Email:</p> <p><u>with a copy to:</u></p> <p>RBC Capital Markets Two Little Falls Center 2751 Centerville Road, Suite 212 Wilmington, DE 19808 Attention: Securitization Finance Tel. No.: (302) 892-5903 Facsimile No.: (302) 892-5900 Email:</p>	Old Line Funding, LLC Bank: Deutsche Bank Trust Company Americas ABA #: Acct #: Ref:	\$500,000,000	38.4616%

Name of Conduit Purchaser	Name of Committed Purchaser(s)	Name of Funding Agent	Ownership Group	Address/Telecopy for Notices	Account for Funds Transfer	Ownership Group Purchase Limit	Ownership Group Percentage
				<p><u>If to the Committed Purchaser, Funding Agent or Conduit Support Provider:</u></p> <p>Royal Bank of Canada Royal Bank Plaza, North Tower 200 Bay Street 2nd Floor Toronto Ontario M5J2W7 Attn: Securitization Finance Tel: (416) 842-3842 Email:</p> <p><u>with a copy to:</u></p> <p>Royal Bank of Canada Two Little Falls Center 2751 Centerville Road Suite 212 Wilmington, DE 19808 Tel. No.: (302) 892-5903 Email:</p>			
N/A	Landesbank Hessen-Thüringen Girozentrale	Landesbank Hessen-Thüringen Girozentrale	Landesbank Hessen-Thüringen Girozentrale, as Committed Purchaser and Funding Agent	Landesbank Hessen-Thüringen Girozentrale Neue Mainzer Straße 52-58 60311 Frankfurt am Main Germany Attn: Björn Mollner / Björn Reinecke Tel: +49 (0)69 9132 – ext: 5208 / 3489 Fax: +49 (0)69 9132 4190 Email:	Landesbank Hessen-Thüringen Girozentrale Bank: Citibank N.A., New York ABA #: Acct #: Ref:	\$200,000,000	15.3846%

Name of Conduit Purchaser	Name of Committed Purchaser(s)	Name of Funding Agent	Ownership Group	Address/Telecopy for Notices	Account for Funds Transfer	Ownership Group Purchase Limit	Ownership Group Percentage
Gotham Funding Corporation	The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	<p>Gotham Funding Corporation, as Conduit Purchaser</p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as Committed Purchaser, Funding Agent and Conduit Support Provider</p>	<p><u>If to the Conduit Purchaser:</u></p> <p>Gotham Funding Corporation c/o Global Securitization Services, LLC 68 South Service Road, Suite 120 Melville, NY 11747 Tel: (631) 930-7216 Fax: (212) 302-8767 Attn: David V. DeAngelis Email:</p> <p><u>with a copy to:</u></p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch 1221 Avenue of the Americas New York, NY 10020 Attn: Securitization Group Tel: (212) 782-6957 Fax: (212) 782-6448 Email:</p> <p><u>If to the Committed Purchaser, Funding Agent or Conduit Support Provider:</u></p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch 1221 Avenue of the Americas New York, NY 10020 Attn: Securitization Group Tel: (212) 782-6957 Fax: (212) 782-6448 Email:</p>	<p>Gotham Funding Corporation Bank: Bank of Tokyo-Mitsubishi UFJ, NY Branch ABA #: Acct #: Ref:</p>	\$300,000,000	23.0769%

Name of Conduit Purchaser	Name of Committed Purchaser(s)	Name of Funding Agent	Ownership Group	Address/Telecopy for Notices	Account for Funds Transfer	Ownership Group Purchase Limit	Ownership Group Percentage
Starbird Funding Corporation	BNP Paribas	BNP Paribas	Starbird Funding Corporation, as Conduit Purchaser BNP Paribas, as Committed Purchaser, Funding Agent and Conduit Support Provider	BNP Paribas 787 Seventh Avenue, New York, New York 10019 Attention: Rose Navarro Tel: 212-841-8122 With copies to:	BNP Paribas New York ABA#: Acct: Acct Name: FFC: Acct Ref:	\$300,000,000	23.0769%

-4-

[\(Back To Top\)](#)**Section 6: EX-10.69 (TMUS EXHIBIT 10.69)****EXHIBIT 10.69**

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT
FOR
BRAXTON CARTER**

This Amended and Restated Employment Agreement (this "Agreement"), is entered into by and between J. Braxton Carter (hereinafter, "you") and T-Mobile US, Inc. (the "Company"), effective as of December 20, 2017 (the "Effective Date"), and confirms our understanding and agreement about your role and certain compensation opportunities with the Company following the Effective Date. This Agreement amends and restates in its entirety that certain offer of employment letter between you and the Company, dated as of January 25, 2013 (the "Prior Agreement").

Term: Subject to the provisions for earlier termination set forth below, the term of this Agreement will commence on the Effective Date and continue until March 1, 2019 (the "Initial Term"), unless the term of this Agreement is mutually extended in writing by the parties hereto or the parties mutually agree in writing to extend the term of your employment on different terms and conditions (any such extension term, an "Extension Term" and, collectively with the Initial Term, the "Term"). Your employment remains "at will," meaning that it may be terminated by you or the Company, for any reason or for no reason whatsoever, with or without notice and with or without cause. The at-will nature of your employment relationship cannot be changed other than by a written agreement signed by you and a duly authorized Company officer. Notwithstanding the forgoing, you shall be eligible to receive the benefits described under "Severance" below upon qualifying terminations of your employment, as further described below.

Position; Principal Employment Responsibilities and Duties: During the Term, you will serve as the Executive Vice President and Chief Financial Officer of the Company, and shall have such duties and responsibilities as are commensurate with your position, provided, that the Company may, in its discretion, appoint a successor Chief Financial Officer during the Term for purposes of transitioning your role. If such successor commences employment with the Company as Chief Financial Officer during the Term, you shall cease at such time to serve as Chief Financial Officer but shall continue to be an employee and serve as Executive Vice President of the Company through the end of the Term. You agree to reasonably cooperate with the Company to facilitate and implement an effective and orderly transition of your duties and responsibilities to any successor Chief Financial Officer of the Company from and after the date on which such successor Chief Financial Officer is appointed at such time(s) as may be reasonably requested by the Board, the Company and/or the Company's Chief Executive Officer (collectively, the "Transition Duties"). During the Term, you will devote your full professional time, attention and energies to the business of the Company; provided, that, with the prior approval of the Company's Chief Executive Officer, which approval shall not be unreasonably withheld, conditioned or delayed and shall be given in a manner consistent with past practices for other Company Section 16 officers, and as long as doing so does not interfere with your full-time services to the Company, you may serve as a director or in other similar capacities for other entities that do not compete, directly or indirectly, with the Company or its affiliates.

Location: You will perform the services required by this Agreement at the Company's headquarters located at 12920 SE 38th St., Bellevue, WA 98006.

Salary: Your position with the Company will continue to be an exempt salaried position. During the Term, you will receive an annual base salary ("Base Salary") equal to eight hundred fifty thousand dollars (\$850,000) per year (pro-rated for any partial year), payable in accordance with the Company's standard payroll practices (but no less often than monthly). The Board of Directors of the Company (the "Board") or the Compensation Committee thereof (together with the Section 16 Subcommittee thereof, the "Committee") shall review your then-effective Base Salary at such time(s) as annual base salary reviews are conducted for similarly-situated executives of the Company and may increase, but not decrease, your then-effective Base Salary in its discretion (provided that (a) to the extent that increases are made during the Initial Term to the base salaries of the Company's Section 16 officers generally, you will receive an increase in your then-effective Base Salary effective as of the same general time(s) as such base salary increases are made with respect to the Company's Section 16 officers generally, and (b) any such increase in your then-effective Base Salary shall be no less favorable than the average percentage increases made to the then-effective base salaries of other Company Section 16 officers at such time(s)).

Special Awards: You will receive a one-time special cash bonus in an amount equal to two million five hundred thousand dollars (\$2,500,000) (the "Special Cash Bonus"), payable in a single lump-sum amount on or within fifteen (15) days after March 1, 2019, subject to and conditioned upon your continued employment with the Company through March 1, 2019 (except as otherwise set forth below under "Severance").

In addition to the Special Cash Bonus, on or within thirty (30) days following the Effective Date, the Company shall grant to you, under the Company's 2013 Omnibus Incentive Plan (as amended from time to time, the "Plan"), a one-time award of time-based restricted stock units ("RSUs") with respect to a number of shares of Company common stock determined by dividing (i) two million five hundred thousand dollars (\$2,500,000) by (ii) the average closing price of the Company's common stock over the thirty (30) calendar-day period ending five (5) business days prior to the grant date, rounded up to the nearest whole RSU (such RSUs, the "Special Equity Award"). The Special Equity Award will vest in full on March 1, 2019, subject to and conditioned upon your continued employment with the Company through such date (except as otherwise set forth below under "Severance"). The Special Equity Award will be subject to the terms and conditions of the Plan and an award agreement, which shall evidence the grant of the Special Equity Award. Such award agreement shall be in a form prescribed by the Company and consistent in all material respects with award agreements pursuant to which the Company grants time-based RSUs to Section 16 officers generally at the time your Special Equity Award is granted.

Short-Term Incentive: For each calendar year commencing during the Term, commencing with 2018, you will be granted an annual short-term incentive award (the "STI Award") targeted at one hundred fifty percent (150%) of your eligible base earnings during the applicable calendar year (determined in the same manner as eligible base earnings are determined for similarly-situated executives of the Company for such year). The Committee shall determine your target STI Award at such time(s) as it determines target short-term incentive awards for

similarly-situated executives of the Company and may increase, but not decrease, your then-effective target STI Award in its discretion (provided that (a) to the extent that increases are made during the Initial Term to the target short-term incentive awards of the Company's Section 16 officers generally, you will receive an increase in your then-effective target STI Award effective as of the same general time(s) as such target short-term incentive award increases are made with respect to the Company's Section 16 officers generally, and (b) any such increase in your then-effective target STI Award shall be no less favorable than the average percentage increases made to the then-effective target short-term incentive awards of other Company Section 16 officers at such time(s)). Your STI Award will be earned based on the achievement of Company performance goals, as determined by the Committee in its discretion. Payment of any earned STI Award shall be made after the Committee determines performance results for the applicable calendar year, and at the same time as annual short-term incentive awards are paid to other similarly-situated executives of the Company generally (but in no event later than March 15th of the calendar year following the calendar year to which such STI Award relates). Except as expressly provided under "Severance" below, you must remain continuously employed with the Company through the end of the calendar year with respect to which such STI Award is made. Each STI Award shall be subject to the terms and conditions of the Plan and an award agreement which shall evidence the grant of the STI Award. Each such award agreement shall be in a form prescribed by the Company and consistent in all material respects with award agreements pursuant to which the Company grants short-term incentive awards to Section 16 officers generally at the time the applicable STI Award is granted.

Long-Term Incentives:

For each calendar year commencing during the Term, commencing with 2018, you will be granted one or more long-term incentive or other equity award(s) (each, an "LTI Award") under the Plan on such terms as the Committee may determine (provided that such terms are materially consistent with the terms of long-term incentive awards granted to the Company's similarly-situated executives generally at such time) and at such time(s) as long-term awards are granted for such calendar year to the Company's similarly-situated executives generally. The annual, aggregate grant-date target value of your LTI Award(s) (the "**LTI Target Value**") shall be no less than two hundred fifty percent (250%) of your total cash compensation (*i.e.*, your Base Salary plus target STI Award) as in effect at the time of grant. The Committee shall determine your LTI Target Value at such time(s) as it determines target long-term awards for similarly-situated executives of the Company, and may increase, but not decrease, your then-effective LTI Target Value in its discretion (provided that (a) to the extent that increases are made during the Initial Term to target long-term incentive awards of the Company's Section 16 officers generally, you will receive an increase in your then-effective LTI Target Value effective as of the same general time(s) as such target long-term incentive award increases are made with respect to the Company's Section 16 officers generally, and (b) any such increase in your then-effective LTI Target Value shall be no less favorable than the average percentage increases made to the then-effective target long-term incentive awards of other Company Section 16 officers at such time(s)). Each LTI Award will be subject to the terms and conditions of the Plan and an award agreement, which shall evidence the grant of the LTI Award. Each such award agreement shall be in a form prescribed by the Company and consistent in all material respects with award agreements

pursuant to which the Company grants long-term incentive awards to Section 16 officers generally at the time the applicable LTI Award is granted.

Benefits: During the Term, you may participate in the employee benefit plans maintained by the Company from time to time for the benefit of its similarly-situated executives, to the same extent and on the same terms as apply to the Company's similarly-situated executives generally. You will be provided vacation and paid-time-off pursuant to the Company's policies for similarly-situated executives.

Termination: Subject to the Company's obligations under "Severance" below, the Company may terminate your employment at any time, for Cause (as defined on Attachment A) or without Cause, and you may resign your employment for Good Reason (as defined on Attachment A) or without Good Reason. In addition, the Company may terminate your employment at any time if you have become Disabled (as defined on Attachment A). Your employment with the Company will automatically terminate upon your death. The date that your employment terminates, for any reason whatsoever, is referred to herein as the "Termination Date."

Accrued Obligations: Upon your termination of employment with the Company for any reason (including due to your death or you becoming Disabled), you will be entitled to receive, within thirty (30) days following the Termination Date (or such earlier date as may be required by applicable law): (i) your accrued, unpaid Base Salary through the Termination Date; (ii) your accrued, unused paid-time-off through the Termination Date; and (iii) reimbursement of all business expenses incurred by you prior to the Termination Date. For the avoidance of doubt, if your employment is terminated by the Company for Cause or by you without Good Reason, you shall not be entitled to receive any payments and benefits other than those set forth in the preceding sentence.

Severance: If your employment is terminated by the Company without Cause (and other than due to your death or you becoming Disabled) or by you for Good Reason, in either case, during the Term, subject to the satisfaction of the requirements described in the paragraph immediately following subsection (g) below, you will receive the following payments and benefits from the Company:

(a) An amount equal to two (2) times the sum of (i) your then-current Base Salary plus (ii) your then-current target STI Award, payable in a single lump-sum amount within seventy-four (74) days following the Termination Date;

(b) A pro-rata STI Award for the calendar year in which the Termination Date occurs, based on the number of days in such calendar year through the Termination Date divided by 365 (or 366, as applicable) and based on actual performance results for such calendar year, payable no later than March 15th of the calendar year following the calendar year in which your employment terminates;

(c) If not previously paid, a pro-rata portion of your Special Cash Bonus, determined by multiplying the full amount of your Special Cash Bonus by a fraction, the numerator of which is the number of days elapsed between the Effective Date and the Termination Date and the denominator of which is the total number of days between the Effective Date and March 1, 2019,

payable in a single lump-sum amount within seventy-four (74) days following the Termination Date;

(d) If such termination occurs prior to March 1, 2019, your Special Equity Award will vest in full on the Termination Date;

(e) For any outstanding LTI Award that is not subject to any performance vesting condition as of the Termination Date (each, a "Time-Based Award"), upon your termination, you will vest in that number of shares or units (as applicable) subject to such Time-Based Award that would otherwise vest on the next scheduled vesting date to occur following such termination. Any portion of a Time-Based Award that is unvested as of the Termination Date (after taking into account the accelerated vesting in the preceding sentence) shall be immediately canceled as of the Termination Date;

(f) For any outstanding LTI Award that is subject to any performance vesting condition as of the Termination Date (each, a "Performance Award"), such Performance Award will remain outstanding through the conclusion of the applicable performance period and, subject to and conditioned upon the satisfaction of the applicable performance conditions, will vest based on the level of achievement of such performance conditions during the performance period, and the actual number of shares or units (as applicable) subject to such Performance Award that will become earned and vested upon or following the conclusion of the performance period (an "Earned Award") shall be equal to the product of (i) the total number of shares or units (as applicable) subject to the award that would, absent your termination, otherwise become earned and vested based on the level of achievement of the applicable performance conditions during such performance period and (ii) a fraction, the numerator of which is the number of days from the applicable grant date to the Termination Date and the denominator of which is the number of days from the grant date to the end of the performance period. Any Earned Award (or portion thereof) shall be payable following the performance period at the same time as such Performance Award would otherwise be payable to you under the applicable award agreement had your employment not terminated. Any portion of a Performance Award that does not become an Earned Award shall be immediately canceled as of the end of the applicable performance period; and

(g) During the period commencing on the Termination Date and ending on the earlier of the end of the twelfth (12th) full calendar month following the Termination Date or the date on which you become eligible for coverage under a subsequent employer's group medical and dental plans (in either case, the "COBRA Period"), subject to your valid election to continue healthcare coverage under Section 4980B of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder, the Company will continue to provide to you and your dependents coverage under its group medical and dental plans at the same levels in effect on the Termination Date and at the same proportional cost to you as if you had remained an employee of the Company throughout the COBRA Period; provided, however, that if (i) any plan pursuant to which such benefits are provided is not, or ceases prior to the expiration of the continuation coverage period to be, exempt from the application of Section 409A (as defined below) under Treasury Regulation Section 1.409A-1(a)(5), (ii) the Company is otherwise unable to continue to cover you or your dependents under its group health plans, or (iii) the Company cannot provide the benefit without

violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then, in any such case, an amount equal to the dollar value of the balance of the Company's subsidy shall thereafter be paid to you in substantially equal, then-currently-taxable monthly installments over the COBRA Period (or remaining portion thereof). In the event the Company-subsidized portion of the coverage cost paid on your or your dependents' behalf during the COBRA Period, as described above, would cause you to be taxable on reimbursements under the applicable plans by reason of the application of Section 105(h) of the Code (and the Company is not paying such amounts to you in then-currently taxable monthly installments as contemplated by the preceding sentence), such Company-subsidized portion of the coverage cost will be imputed as taxable income to you.

As a condition to your receipt of any severance payments and benefits described above, you must execute and deliver to the Company a release of all claims in a form determined solely by the Company, and such release must become fully effective (including, without limitation, the expiration of any revocation period), by no later than the latest payment date for the severance provided in subsection (a) above and, if the aggregate period during which you are entitled to consider and/or revoke the release spans two calendar years, no payments under this paragraph will be made prior to the beginning of the second such calendar year (and any payments otherwise payable prior thereto (if any) will instead be paid on the first regularly scheduled Company payroll date occurring in the latter such calendar year or, if later, on the first regularly scheduled Company payroll date following the effectiveness of the release).

For the avoidance of doubt, in the event that the Company has instituted or institutes any other severance program in which you are eligible to participate, you will first receive the amounts provided for hereunder, and any amounts that you are eligible to receive under any such program(s) will be offset by all amounts paid hereunder (but not reduced below zero). For example, and without limiting the foregoing, if you are eligible for a payment or benefit following a Change in Control (as defined in the Plan, or any successor plan) under the Executive Continuity Bonus Plan, such payment or benefit under the Executive Continuity Plan would be offset on a dollar-for-dollar basis by the severance payments and benefits described herein.

Death or Disability:

In the event that your employment terminates due to your death or because you become Disabled, you (or your estate or beneficiaries, as applicable) will receive the following payments and benefits from the Company:

- (a) Any STI Award for the last completed calendar year preceding the Termination Date that is unpaid as of the Termination Date, payable no later than March 15th of the year in which the Termination Date occurs;
- (b) A pro-rata STI Award for the calendar year in which the Termination Date occurs, based on the number of days in such calendar year through and including the Termination Date divided by 365 (or 366, as applicable) and at the greater of target or actual performance results for such calendar year, payable no later than March 15th of the calendar year following the calendar year in which your employment terminates;

(c) If not previously paid, a pro-rata portion of your Special Cash Bonus, determined by multiplying the full amount of your Special Cash Bonus by a fraction, the numerator of which is the number of days elapsed between the Effective Date and the Termination Date and the denominator of which is the total number of days between the Effective Date and March 1, 2019, payable in a single lump-sum amount within seventy-four (74) days following the Termination Date; and

(d) For any outstanding LTI Award granted under the Plan, vesting shall be determined under and in accordance with the terms of the Plan and applicable award agreement, which terms shall be no less favorable than those applicable to all other similarly-situated employees of the Company.

Indemnity:

You will be covered by the Company's indemnification provisions generally applicable to the Company's executive officers, on the same basis as for other Company executive officers. Without limiting the foregoing, you acknowledge and agree that, on October 11, 2017, you and the Company entered into an Indemnification and Advancement Agreement (the "Indemnification Agreement") which remains in full force and effect.

Restrictive Covenant and Confidentiality Agreement:

You and the Company acknowledge and agree that you and the Company previously entered into a Restrictive Covenant and Confidentiality Agreement (the "Restrictive Covenant Agreement") and that you and the Company remain bound by, and will comply with, the terms and conditions of the Restrictive Covenant Agreement. Notwithstanding any other provision of the Restrictive Covenant Agreement to the contrary, you understand that (i) nothing contained in the Restrictive Covenant Agreement will prohibit you from filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation; (ii) nothing in the Restrictive Covenant Agreement is intended to or will prevent you from communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to, any federal, state or local government regulator (including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice) for the purpose of reporting or investigating a suspected violation of law, or from providing such information to your attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding; and (iii) pursuant to 18 USC Section 1833(b), you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

Legal Fees:

The Company shall promptly reimburse your legal fees, not to exceed \$25,000 in the aggregate, incurred for legal services performed during 2017 (i) in connection with the drafting and negotiation of this Agreement and the related term sheet or (ii) in connection with your previously-contemplated retirement from the Company, in any case, upon the receipt from you of reasonable documentation of such fees (it being understood that the Company shall not require the delivery of documentation or information the

delivery of which could constitute a waiver of the attorney-client privilege between you and your attorney(s)).

- Section 409A:** The payments and benefits described in this Agreement are intended to comply with or be exempt from Section 409A of the Code (“Section 409A”). See Attachment B, which is hereby incorporated into this Agreement, for more details.
- Section 280G:** You acknowledge and agree that the payments and benefits described in this Agreement (in addition to any other payments and benefits payable to you by the Company or any affiliate thereof) may be subject to reduction as set forth on Attachment C, which is hereby incorporated into this Agreement.
- Withholding:** All compensation and other benefits to or on behalf of you pursuant to this Agreement shall be subject to such deductions and withholding as may be agreed to by you or required by applicable law, rule or regulation or Company policy.
- Successors:** This Agreement is personal to you and, without the prior written consent of the Company, shall not be assignable by you other than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.
- Dispute Resolution:** The exclusive venue for claims arising out of, or relating to, this Agreement, your employment with the Company and/or the termination of your employment with the Company shall be the state and federal courts of King County, Washington.
- Entire Agreement;
Miscellaneous:** This Agreement, along with the Indemnification Agreement, the Restrictive Covenant Agreement and your short-term incentive and long-term incentive award agreements, embody the entire agreement and understanding between the parties with respect to the subject matters hereof (including but not limited to your compensation and severance terms) and supersede all prior oral and written agreements and understandings between the Company and you with respect to the subject matters hereof, including the Prior Agreement. This Agreement can only be modified in a fully executed written agreement between you and a duly authorized Company officer. This Agreement may be executed by facsimile and in counterparts which, taken together, shall constitute one original. The exchange of copies of this Agreement and of signature pages by facsimile or email transmission of a “.pdf” transmission shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes. Signatures of the parties hereto transmitted by facsimile or email of a “.pdf” shall be deemed to be their original signatures for any purpose whatsoever. Subject to the last paragraph under “Severance” above, to the extent the provisions of this Agreement are inconsistent with the terms of any underlying compensation plan, program or policy of the Company, including without limitation any annual performance bonus plan or the Plan, the terms of this Agreement shall control. Notwithstanding the foregoing or anything herein to the contrary, to the extent that the Plan or any short-term incentive or long-term-incentive award agreement provides for more favorable treatment to you of your STI Award(s) and/or LTI Award(s) than the terms of this Agreement, the terms of the Plan or award agreement (as applicable) shall control. For the avoidance of doubt, this Agreement is not intended to deprive you of any right, entitlement or protection (*e.g.*,

indemnification and insurance), in any case, that is not inconsistent with this Agreement and that you may have under any other agreement, plan, or policy of the Company applicable to you that may provide more favorable treatment to you than this Agreement, nor is it intended to and shall not exclude you from eligibility to receive any employee benefits, including any employee benefits that provide for more favorable treatment to you than this Agreement (provided that such benefits would not result in you receiving a duplication of severance or any other benefits) that may in the future be broadly provided to similarly-situated executives. Similarly, for the avoidance of doubt, this Agreement is not intended to relieve you of obligations to the Company or requirements of the Company set forth in any other written agreement, plan, or policy of the Company applicable to you (including, without limitation, the Company's Executive Incentive Compensation Recoupment Policy as adopted October 30, 2014, as amended from time to time), unless such obligations or requirements are expressly contrary to a commitment in this Agreement. This Agreement shall be exclusively governed by and interpreted under the laws of the State of Washington.

Please confirm your acceptance of, and agreement to, the terms and conditions of this Agreement by signing and dating this Agreement in the space indicated below.

Sincerely,

T-MOBILE US, INC.

By: /s/ Elizabeth McAuliffe

Elizabeth McAuliffe

EVP, Human Resources

AGREED AND ACCEPTED:

/s/ J. Braxton Carter

J. Braxton Carter

December 20, 2017

ATTACHMENT A

1. “Cause” shall be defined as any one of the following: (i) your gross neglect or willful material breach of your principal employment responsibilities or duties or of the Company’s applicable codes of conduct and policies, (ii) a final judicial adjudication that you are guilty of any felony (other than a law, rule or regulation relating to a traffic violation or other similar offense that has no material, adverse effect on the Company), (iii) your breach of the Restrictive Covenant Agreement or any non-competition or confidentiality covenant between you and the Company, (iv) fraudulent conduct in the course of your employment with the Company as determined by a court of competent jurisdiction, or (v) your material breach of any other obligation which continues uncured for a period of thirty (30) days after notice thereof by the Company or any of its affiliates and which is demonstrably injurious to the Company or an affiliate thereof. For the purposes of clause (v) above, the term obligation refers to Company policies and directives and is not intended to refer to performance expectations such as goals set forth in bonus plans or performance evaluations.
2. For purposes of this Agreement, you shall be deemed to be “Disabled” on the earlier of: (1) the date on which it is medically determined by the Company in the exercise of its reasonable discretion (following review by its third party medical and other advisors as determined appropriate by the Company in its discretion) that you are not capable of performing the services contemplated by this Agreement and are not expected to be able to perform such services for an indefinite period or for a period in excess of one hundred twenty (120) days; or (2) if you fail because of illness or other incapacity, to render the services contemplated by this Agreement for a period of one hundred twenty (120) consecutive days or any series of shorter periods aggregating to one hundred fifty (150) days in any consecutive period of twelve (12) months, unless in either case under clauses (1) or (2) above, with reasonable accommodation you could continue to perform your duties under this Agreement and making these accommodations would not pose an undue burden on the Company as determined by the Board in the exercise of its reasonable discretion.
3. “Good Reason” shall mean the occurrence of any of the following without your consent, provided that (a) you notify the Company within not more than ninety (90) days after its initial occurrence, (b) the Company does not cure such occurrence within thirty (30) days after receipt of such notice (or waives in writing such cure period) and (c) your employment with the Company terminates within sixty (60) days after the end of the Company’s cure period: (i) a material reduction of your duties, title, authority or responsibilities, relative to your current duties, title, authority or responsibilities; (ii) a reduction of more than five percent (5%) in your then-effective total target direct compensation (which consists of your then-effective Base Salary, STI Award and LTI Award); (iii) a material reduction in the kind or level of qualified retirement and welfare employee benefits from the like-kind benefits to which you were entitled immediately prior to such reduction with the result that your overall benefits package is materially reduced without substantially equivalent action occurring to all other eligible similarly-situated executives generally; (iv) a change in reporting relationship such that you would report to anyone other than the Chief Executive Officer of the Company or the Board; or (v) relocation of your place of work to a location more than fifty (50) miles from Company’s current headquarters. Notwithstanding the foregoing, in no event shall the appointment or hiring of a new Chief Financial Officer or the related change in your title contemplated by this Agreement or the requirement that you engage in any Transition Duties, in each case, in accordance with the terms of this Agreement, constitute Good Reason.

ATTACHMENT B

Section 409A. It is intended that the payments and benefits under this Agreement comply with the provisions of Section 409A of the Code and the Treasury regulations relating thereto, or satisfy the requirements for an exemption to Section 409A of the Code, in each case to the extent applicable to this Agreement and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and be administered in a manner to be in compliance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, you shall not be considered to have terminated employment with the Company for purposes of this Agreement, and no payment shall be due to you under this Agreement that provides for payment in connection with your termination of employment, unless such termination constitutes your "separation from service" with the Company as such term is defined in Treasury Regulation Section 1.409A-1(h) and any successor provision thereto (a "Separation from Service"). Any payments that qualify for the "short-term deferral" exception from Section 409A of the Code as described in Treasury Regulation Section 1.409A-1(b)(4) will be paid under such exception. For purposes of Section 409A of the Code (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii) and the application of the short-term deferral exception), each payment under this Agreement will be treated as a separate payment. Notwithstanding anything to the contrary in this Agreement (whether under this Agreement or otherwise), to the extent delayed commencement of any portion of the payments to be made to you upon your Separation from Service is required to avoid a prohibited payment under Section 409A(a)(2)(B)(i) of the Code, such portion of the payments shall be delayed and paid on the first business day after the earlier of (i) the date that is six (6) months following such Separation from Service or (ii) your death. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts reimbursable to you under this Agreement shall be paid to you on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided to you) during any one year may not affect amounts reimbursable or provided in any subsequent year and may not be liquidated or exchanged for any other benefit.

ATTACHMENT C

Section 280G Best Pay. In the event any payment, benefit or distribution of any type to or for the benefit of you, whether paid or payable, provided or to be provided, or distributed or distributable pursuant to the terms of this Agreement or otherwise to you under this Agreement or otherwise constitutes a “parachute payment” under Section 280G of the Code, the amount payable to you shall be either (a) paid in full, or (b) paid after reduction by the smallest amount as would result in no portion thereof being subject to the excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax under Section 4999 of the Code, results in the receipt by you, on an after-tax basis, of the greater net value, notwithstanding that all or some portion of such payment amount may be taxable under Section 4999 of the Code. Unless the Company and you otherwise agree in writing, all determinations required to be made under this paragraph, including the manner and amount of any reduction in your payments hereunder, and the assumptions to be utilized in arriving at such determinations, shall be made in writing in good faith by the accounting firm serving as the Company’s independent public accounting firm immediately prior to the event giving rise to such payment (the “Accounting Firm”); provided, however, that no such reduction or elimination shall apply to any non-qualified deferred compensation amounts (within the meaning of Section 409A of the Code) to the extent such reduction or elimination would accelerate or defer the timing of such payment in manner that does not comply with Section 409A of the Code. For purposes of making the calculations required by this paragraph, the Accounting Firm may make reasonable assumptions and approximations concerning the application of Sections 280G and 4999 of the Code. The Company and you shall furnish to the Accounting Firm such information and documents as the Accounting Firm may reasonably request to make a determination under this paragraph. The Accounting Firm shall provide its written report to the Committee and you, which shall include information regarding methodology. The Company shall bear all costs the Accounting Firm may reasonably incur in connection with any calculations contemplated by this paragraph. You and the Company shall cooperate in case of a potential Change in Control (as defined in the Plan, or any successor plan thereto) to consider alternatives to mitigate any Section 280G exposure, although the Company cannot guaranty any such alternatives will be available or approved by the Company and neither you nor the Company shall be obligated to enter into them.

12

[\(Back To Top\)](#)

Section 7: EX-10.76 (TMUS EXHIBIT 10.76)

EXHIBIT 10.76

INDEMNIFICATION AND ADVANCEMENT AGREEMENT

THIS INDEMNIFICATION AND ADVANCEMENT AGREEMENT (the “Agreement”) is effective as of _____, 2017, by and among T-Mobile US, Inc., a Delaware corporation (the “Company”), and _____ (the “Indemnitee”). This Agreement supersedes and replaces any and all previous Agreements between the Company and Indemnitee covering the subject matter of this Agreement.

WHEREAS, the Indemnitee has been asked to serve or is currently serving on the Board of Directors (the “Board”) of the Company, as an officer of the Company, or as a director, officer, employee or agent of an Affiliate of the Company;

WHEREAS, competent and experienced persons are reluctant to serve publicly-held companies as directors and/or officers or in other fiduciary capacities at the request of such companies unless they are provided with adequate protection through liability insurance and adequate indemnification against risks of claims and actions against them arising out of such service;

WHEREAS, the Board has determined that the ability to attract and retain qualified persons to serve as directors and/or officers or in other fiduciary capacities at the request of the Company is in the best interests of the Company and its stockholders, and that the Company should act to assure such persons that there will be adequate protection through insurance and indemnification against risks of claims and actions against them arising out of their service to and activities on behalf of the Company or the Company’s Affiliates;

WHEREAS, Section 145 of the Delaware General Corporation Law (“Section 145”) empowers companies to indemnify, in accordance with the provisions of Section 145, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee or agent of a company, or is or was serving at the request of such company as a director, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, and to pay, in advance of the final disposition of any such action, suit or proceeding, the expenses (including attorneys’ fees) reasonably incurred by any person, in accordance with the provisions of Section 145;

WHEREAS, the Company has adopted provisions in its Fourth Amended and Restated Certificate of Incorporation (as amended and/or restated from time to time, the “Certificate”) addressing indemnification and advancement of expenses to its officers, directors and other Persons, and providing that such provisions shall not be exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any law, the Company’s bylaws, as amended and/or restated from time to time (the “Bylaws”), agreement, vote of stockholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified; and

WHEREAS, the Indemnitee is willing to serve or continue to serve on the Board, as an officer or employee of the Company, or as a director, manager, member, officer, employee or agent of an Affiliate of the Company on the condition that he or she be so indemnified under the Certificate and this Agreement.

NOW THEREFORE, in consideration of the premises and the covenants contained herein, the Company and the Indemnitee do hereby covenant and agree as follows:

Section 1. *Services by the Indemnitee.* The Indemnitee agrees to serve or continue to serve at the request of the Company as a director, officer and/or employee of the Company (including, without limitation, service on one or more committees of the Board) and/or as a director, manager, member, officer, employee or agent of an Affiliate of the Company. Notwithstanding the foregoing, the Indemnitee may at any time and for any reason resign from any such position (subject to any other contractual obligation or any obligation imposed by operation of law). This Agreement does not create any obligation on the Company to continue Indemnitee in such position and is not an employment contract between the Company (or any of its Affiliates) and Indemnitee.

Section 2. *Indemnification—General.* The Company shall indemnify, and advance Expenses to, the Indemnitee as provided in this Agreement and to the fullest extent permitted by applicable law (including, but not limited to, Section 145 and any amendments to or replacements of Section 145 adopted after the date of this Agreement that expand the Company's ability to indemnify or advance Expenses to Indemnitee). The rights of the Indemnitee provided under the preceding sentence shall include, but shall not be limited to or by, the rights set forth in the other Sections of this Agreement.

Section 3. *Proceedings Other Than Proceedings by or in the Right of the Company.* The Indemnitee shall be entitled to the rights of indemnification provided in this Section 3 if Indemnitee is, or is threatened to be made, a party to or participant in any threatened, pending or completed Proceeding, other than a Proceeding by or in the right of the Company. Pursuant to this Section 3, the Company shall indemnify the Indemnitee against Expenses, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, penalties, fines and amounts paid in settlement) (as and to the extent permitted hereunder) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal Proceeding, if Indemnitee had no reasonable cause to believe Indemnitee's conduct was unlawful.

Section 4. *Proceedings by or in the Right of the Company.* The Indemnitee shall be entitled to the rights of indemnification provided in this Section 4 if Indemnitee is, or is threatened to be made, a party to or participant in any threatened, pending or completed Proceeding brought

by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, the Company shall indemnify the Indemnitee against Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with the defense or the settlement of such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Company. Notwithstanding the foregoing, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which the Indemnitee shall have been finally adjudged to be liable to the Company or if applicable law prohibits such indemnification; provided, however, that if applicable law so permits and subject to Section 7, indemnification against Expenses shall nevertheless be made by the Company in such event if and to the extent that the Delaware Court of Chancery or the court in which such Proceeding shall have been brought or is pending, upon application by Indemnitee that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

Section 5. *Indemnification for Expenses of a Party Who is Wholly or Partly Successful.* To the extent that the Indemnitee is wholly successful, on the merits or otherwise, in any Proceeding, the Company shall indemnify the Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If the Indemnitee is not wholly successful in defense of any Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify the Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each such claim, issue or matter as to which the Indemnitee is successful, on the merits or otherwise. For purposes of this Section 5, and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, will be deemed to be a successful result as to such claim, issue or matter.

Section 6. *Indemnification for Expenses as a Witness.* Notwithstanding any provisions herein to the contrary, to the extent that the Indemnitee is a witness, deponent or interviewee, or is made or asked to respond to discovery requests, a subpoena, or otherwise provide documents or testimony in any Proceeding to which the Indemnitee is not a party, the Company shall indemnify the Indemnitee against all Expenses actually and reasonably incurred by or on behalf of the Indemnitee in connection therewith.

Section 7. *Partial Indemnification.* If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not for the total amount thereof, the Company will indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

Section 8. *Advancement of Expenses.* The Company will advance, to the extent not prohibited by law, the Expenses incurred by Indemnitee in connection with any Proceeding (or any part of any Proceeding) not initiated by Indemnitee or initiated by Indemnitee if (i) the Proceeding or part of any Proceeding is to enforce Indemnitee's rights for indemnification or advancement of Expenses, including a proceeding initiated pursuant to Section 11 or (ii) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation. The Company will advance the Expenses within thirty (30) days after the receipt by the Company of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Advances will be unsecured and interest free. The Company will make

advances without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. In accordance with Section 11, the Company will advance any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. Indemnitee undertakes to repay the amounts advanced (without interest) to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company; thus Indemnitee qualifies for advances upon the execution of this Agreement and delivery to the Company. No other form of undertaking is required other than the execution of this Agreement.

Section 9. *Procedure for Notification of Claim for Indemnification or Advancement*. Indemnitee will notify the Company in writing of any Proceeding with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof. Indemnitee will include in the written notification to the Company a description of the nature of the Proceeding and the facts underlying the Proceeding and provide such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of such Proceeding. Indemnitee's failure to notify the Company will not relieve the Company from any obligation it may have to Indemnitee under this Agreement, and any delay in so notifying the Company will not constitute a waiver by Indemnitee of any rights under this Agreement. The Secretary of the Company will, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification or advancement.

Section 10. *Determination of Entitlement to Indemnification*.

(a) Upon written request of the Indemnitee for indemnification, the entitlement of the Indemnitee to such requested indemnification shall be determined by one of the following methods:

- (i) by a majority vote of Disinterested Directors, whether or not such majority constitutes a quorum; or
- (ii) by a committee of Disinterested Directors designated by majority vote of Disinterested Directors, whether or not such majority constitutes a quorum of the Board; or
- (iii) if there are not Disinterested Directors or if the Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, or designated committee of the Board, with a copy to the Indemnitee, which Independent Counsel shall be selected by majority vote of the Company's directors at a meeting at which a quorum is present, or a majority vote of the Disinterested Directors, or committee of Disinterested Directors; or
- (iv) if so directed by the Board, by the Company's stockholders, by a majority vote of those in attendance at a meeting at which a quorum is present; or

(v) in the event that a Change of Control has occurred, upon written request of the Indemnitee, by Independent Counsel (selected by the Indemnitee) in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee.

(b) The party selecting Independent Counsel pursuant to subsection (a)(iii) or (v) of this Section 10 will provide written notice of the selection to the other party. The notified party may, within ten (10) days after receiving written notice of the selection of Independent Counsel, deliver to the selecting party a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 22 of this Agreement, and the objection will set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected will act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court of Chancery has determined that such objection is without merit. If, within thirty (30) days after the later of submission by Indemnitee of a written request for indemnification pursuant to Section 9 hereof and the final disposition of the Proceeding, Independent Counsel has not been selected or, if selected, any objection to has not been resolved, either the Company or Indemnitee may petition the Delaware Court of Chancery for the appointment as Independent Counsel of a person selected by such court or by such other person as such court designates. Upon the due commencement of any judicial proceeding pursuant to Section 11 of this Agreement, Independent Counsel will be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) The Company shall pay any and all reasonable fees and Expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 10 hereof. The Company shall pay all costs associated with its determination of the Indemnitee's eligibility for indemnification.

(d) The Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel or member of the Board shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement.

(e) If the Person empowered or selected under Section 10(b)(i), (ii), (iii) or (v) to determine whether the Indemnitee is entitled to indemnification shall not have made a determination within the latter of thirty (30) days after (i) receipt by the Company of the request therefor and (ii) the final disposition of the Proceeding for which Indemnitee requested Indemnification, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and the Indemnitee shall be entitled to such indemnification absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification. The 30-day period set forth above may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the Person making such

determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto. If the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 10(b)(iv) of this Agreement and if the stockholders shall not have made a determination (A) at an annual meeting of stockholders within seventy-five (75) days after the latter of (i) the receipt by the Company of the request for such determination and (ii) the final disposition of the Proceeding for which Indemnitee requested Indemnification or (B) at a special meeting of stockholders within seventy-five (75) days after the latter of such receipt by the Company of the request for such determination and the final disposition of the Proceeding for which Indemnitee requested Indemnification, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law hereof, be deemed to have been made and the Indemnitee shall be entitled to such indemnification absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or a prohibition of such indemnification under applicable law.

(f) In making a determination with respect to entitlement to indemnification hereunder, the Person or Persons making such determination shall presume (unless there is clear and convincing evidence to the contrary) that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion, by clear and convincing evidence. Neither the failure of the Company (including by its Board or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its Board or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(g) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

(h) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Company (or any of its Affiliates), including financial statements, or on information supplied to Indemnitee by the officers of the Company (or any of its Affiliates) in the course of their duties, or on the advice of legal counsel for the Company (or any of its Affiliates) or on information or records given or reports made to the Company (or any of its Affiliates) by an independent certified public accountant or by an appraiser or other expert selected with the reasonable care by the Company (or any of its Affiliates). The provisions of this Section 10(h) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(i) The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company (or any of its Affiliates) shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 11. *Remedies of the Indemnitee.*

(a) In the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 of this Agreement, (iii) payment of indemnification is not made pursuant to Sections 5 or 6 of this Agreement within 10 calendar days after receipt by the Company of a written request therefor, (iv) the determination of entitlement to indemnification is not made within the time periods provided in Section 10 of this Agreement, (v) the Company does not indemnify Indemnitee within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, the Indemnitee shall be entitled to an adjudication in Delaware Court of Chancery of Indemnitee's entitlement to such indemnification or advancement of Expenses.

(b) In the event that a determination is made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 11 shall be conducted in all respects as a *de novo* trial on the merits, and the Indemnitee shall not be prejudiced by reason of the Company's failure to make such indemnification payment, regardless of the Company's basis for refusing to make such payment. In any judicial proceeding commenced pursuant to this Section 11, the Company shall have the burden of proving that the Indemnitee is not entitled to indemnification or advance of Expenses as the case may be and will not introduce evidence of the determination made pursuant to Section 10 of this Agreement. If the Indemnitee commences a judicial proceeding pursuant to this Section 11, the Indemnitee shall not be required to reimburse the Company for any advances until a final determination is made with respect to the Indemnitee's entitlement to indemnification (as to which rights of appeal have been exhausted or lapsed).

(c) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 11 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all of the provisions of this Agreement.

(d) If a determination is made pursuant to Section 10 of this Agreement that Indemnitee is entitled to indemnification, the Company will be bound by such determination in any judicial proceeding commenced pursuant to this Section 11, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(e) It is the intent of the Company that, to the fullest extent permitted by law, the Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. The Company, to the fullest extent permitted by law, will (within ten (10) days after receipt by the Company of a written request therefor) advance to Indemnitee such Expenses which are incurred by Indemnitee in connection with any action concerning this Agreement, Indemnitee's right to indemnification or advancement of Expenses from the Company, or concerning any directors' and officers' liability insurance policies maintained by the Company, and will indemnify Indemnitee against any and all such Expenses unless the court determines that each of the Indemnitee's claims in such Proceeding were made in bad faith or were frivolous or are prohibited by law.

(f) Any judicial adjudication (as to which rights of appeal have been exhausted or lapsed) determined under this Section 11 shall be final and binding on the parties.

Section 12. Establishment of Trust.

(a) In the event of a Potential Change in Control or a Change in Control, the Company will, upon written request by Indemnitee, create a trust for the benefit of Indemnitee (the "Trust") and from time to time upon written request of Indemnitee will fund such Trust in an amount sufficient to satisfy the reasonably anticipated indemnification and advancement obligations of the Company to the Indemnitee in connection with any Proceeding for which Indemnitee has demanded indemnification and/or advancement prior to the Potential Change in Control or Change in Control (the "Funding Obligation"). The trustee of the Trust (the "Trustee") will be a bank or trust company or other individual or entity chosen by the Indemnitee and reasonably acceptable to the Company. Nothing in this Section 12 relieves the Company of any of its obligations under this Agreement.

(b) The amount or amounts to be deposited in the Trust pursuant to the Funding Obligation will be determined by mutual agreement of the Indemnitee and the Company or, if the Company and the Indemnitee are unable to reach such an agreement, by Independent Counsel selected in accordance with Section 10(b) of this Agreement. The terms of the Trust will provide that, except upon the consent of both the Indemnitee and the Company, upon a Change in Control: (i) the Trust may not be revoked, or the principal thereof invaded, without the written consent of the Indemnitee; (ii) the Trustee will advance, to the fullest extent permitted by applicable law, within two (2) business days of a request by the Indemnitee; (iii) the Company will continue to fund the Trust in accordance with the Funding Obligation; (iv) the Trustee will promptly pay to the Indemnitee all amounts for which the Indemnitee is entitled to indemnification pursuant to this Agreement or otherwise; and (v) all unexpended funds in such Trust revert to the Company upon mutual agreement by the Indemnitee and the Company or, if the Indemnitee and the Company are unable to reach such an agreement, by Independent Counsel selected in accordance with Section 10(b) of this Agreement, that the Indemnitee has been fully indemnified under the terms of this Agreement. New York law (without regard to its conflicts of laws rules) governs the Trust and the Trustee will consent to the exclusive jurisdiction of the Delaware Court of Chancery in accordance with Section 28 of this Agreement.

Section 13. *Exception to Right of Indemnification.* Notwithstanding any other provision of this Agreement, the Indemnitee shall not be entitled to indemnification or under this Agreement:

(a) for any amount for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision;

(b) with respect to any Proceeding, or any claim therein, brought or made by the Indemnitee against the Company, except for (i) any claim or Proceeding in respect of this Agreement and/or the Indemnitee's rights hereunder, (ii) any claim or Proceeding to establish or enforce a right to indemnification or advancement of Expenses under the Certificate, the Bylaws, the Stockholder's Agreement by and between Deutsche Telekom AG and the Company dated as of April 30, 2013, as many be amended or replaced (the "Stockholder's Agreement"), or under any statute or law, (iii) any claim or Proceeding approved by the Board, or (iv) any claims or Proceeding for which the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law;

(c) for the disgorgement of profits arising from the purchase or sale by the Indemnitee of securities of the Company in violation of Section 16(b) of the Exchange Act, or any similar successor statute; or

(d) for the Indemnitee's reimbursement to the Company of any bonus or other incentive-based or equity-based compensation previously received by the Indemnitee or payment of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform Act of 2010 or any compensation recoupment or "clawback" policy of the Company to which the Indemnitee is subject.

Section 14. *Contribution.*

(a) To the fullest extent permissible under applicable law, if, with respect to any Proceeding, the indemnification provided for in this Agreement is unavailable to the Indemnitee for any reason whatsoever, in lieu of indemnifying the Indemnitee, the Company shall contribute to the amount of Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein in such proportion as is appropriate to reflect the relative benefits received by the Indemnitee and the relative fault of the Indemnitee versus the other defendants or participants in connection with the action or inaction which resulted in such Expenses, judgments, penalties, fines and amounts paid in settlement, as well as any other relevant equitable considerations.

(b) The Company and the Indemnitee agree that it would not be just and equitable if contribution pursuant to this Section 14 were determined by pro rata or per capita allocation or by any other method of allocation which does not take into account the equitable considerations referred to in Section 14(a) above.

Section 15. *Officer and Director Liability Insurance.* The Company shall use all commercially reasonable efforts to obtain and maintain in effect during the entire period for which

the Company is obligated to indemnify the Indemnitee under this Agreement, one or more policies of insurance with reputable insurance companies to provide the directors and officers of the Company with coverage for losses from wrongful acts and omissions and to ensure the Company's performance of its indemnification obligations under this Agreement. In all such insurance policies, the Indemnitee shall be named as an insured in such a manner as to provide the Indemnitee with the same rights and benefits as are accorded to the most favorably insured of the Company's directors and officers. If, at the time of the receipt of a notice of a Proceeding pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that the Indemnitee is adequately covered by such insurance maintained by a subsidiary or other Affiliate of the Company.

(a) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees or agents of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise which the Indemnitee serves at the request of the Company, the Indemnitee shall be named as an insured under and shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for the most favorably insured director or officer under such policy or policies.

(b) The Company shall maintain the policies of insurance referred to in (a) and (b) above so long as the Indemnitee has Corporate Status and for six (6) years after the Indemnitee no longer has Corporate Status.

Section 16. *Settlement of Claims.* The Company shall not be liable to indemnify the Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected by the Indemnitee without the Company's written consent, which consent shall not be unreasonably withheld.

Section 17. *Duration of Agreement.* This Agreement shall be unaffected by the termination of the Corporate Status of the Indemnitee and shall continue for so long as the Indemnitee may have any liability or potential liability by virtue of Indemnitee's Corporate Status or may be asked to serve as a witness because of Indemnitee's Corporate Status, including, without limitation, the final termination of all pending Proceedings in respect of which the Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any Proceeding commenced by the Indemnitee pursuant to Section 11 of this Agreement relating thereto, whether or not he or she is acting or serving in such capacity at the time any liability or Expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

Section 18. *Enforcement.*

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director or officer of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate and the Bylaws and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 19. *Limitation of Liability.* Notwithstanding any other provision of this Agreement, neither party shall have any liability to the other for, and neither party shall be entitled to recover from the other, any consequential, special, punitive, multiple or exemplary damages as a result of a breach of this Agreement.

Section 20. *Subrogation.* In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 21. *Indemnification by Affiliates.* Except as otherwise provided by the Stockholder's Agreement, the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, fiduciary, employee or agent of any Affiliate will be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such Affiliate. The Company and Indemnitee intend that any such Affiliate (and its insurers) be the indemnitor of first resort with respect to indemnification and advancement of Expenses for any Proceeding related to or arising from Indemnitee's Corporate Status with such Affiliate. The Company's obligation to indemnify and advance Expenses to Indemnitee is secondary to the obligations the Affiliate or its insurers owe to Indemnitee. Indemnitee agrees to take all reasonably necessary and desirable action to obtain from an Affiliate indemnification and advancement of Expenses for any Proceeding related to or arising from Indemnitee's Corporate Status with such Affiliate.

Section 22. *Definitions.* For purposes of this Agreement:

(a) "Affiliate" means any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other entity for which Indemnitee is or was serving at the request of the Company as a director, officer, employee, or Agent.

(b) "Agent" means any person who is authorized by the Company to act for the Company, to include such person serving in such capacity as a director, officer, employee, fiduciary or other official of another corporation, partnership, limited liability company, joint

venture, trust or other enterprise at the request of, for the convenience of, or to represent the interests of the Company or an Affiliate.

(c) "Change of Control" means a change in control of the Company occurring after the date and year first above written (the "Effective Date") of a nature that would be required to be reported in response to Item 5.01 of Current Report on Form 8-K (or in response to any similar item on any similar schedule or form) promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change of Control shall be deemed to have occurred if after the Effective Date (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing thirty percent (30%) or more of the combined voting power of the Company's then outstanding securities without the prior approval of at least two-thirds of the members of the Board in office immediately prior to such person attaining such percentage, (ii) the Company is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the Board in office immediately prior to such transaction or event constitute less than a majority of the Board thereafter, or (iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board (including for this purpose any new director whose election or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board.

(d) "Corporate Status" describes the status of an individual who is or was an officer, director, employee, or Agent of the Company, or is or was serving at the request of the Company as an officer, director, manager, member, employee, administrator, agent or other fiduciary of an Affiliate of the Company.

(e) "Disinterested Directors" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification or advancement of expenses is sought by the Indemnitee.

(f) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(g) "Expenses" shall include all reasonable attorneys' fees, retainers, appellate fees and costs, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, arbitrator's fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating or being or preparing to be a witness in a Proceeding. Expenses also shall include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedes bond, or other appeal bond or its equivalent, and (ii) for purposes of Section 10(d) only, Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, by litigation or otherwise. The parties agree that for the purposes of any advancement of Expenses for which Indemnitee has made written demand to the Company in accordance with this Agreement, all Expenses included in such demand that are certified by

affidavit of Indemnitee's counsel as being reasonable shall be presumed conclusively to be reasonable. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(h) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent (i) the Company or the Indemnitee in any matter material to either such party, or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's rights under this Agreement.

(i) "Person" means a natural person, firm, partnership, joint venture, association, corporation, company, limited liability company, trust, business trust, estate or other entity.

(j) "Proceeding" includes any threatened, pending or completed action, suit, hearings, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other proceeding whether formal or informal, governmental or non-governmental, or of a civil, criminal, administrative or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness or otherwise by reason of Indemnitee's Corporate Status or by reason of any action taken by Indemnitee (or a failure to take action by Indemnitee) or of any action (or failure to act) on Indemnitee's part while acting pursuant to Indemnitee's Corporate Status, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement, or advancement of Expenses can be provided under this Agreement. If the Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, this shall be considered a Proceeding under this paragraph.

Section 23. *Non-Exclusivity.* The Indemnitee's rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of, and shall be without prejudice to, any other rights to which the Indemnitee may at any time be entitled under applicable law, the Certificate, the Bylaws, the Stockholder's Agreement, any agreement, a vote of stockholders, a resolution of directors or otherwise.

Section 24. *Remedies Not Exclusive.* No right or remedy herein conferred upon the Indemnitee is intended to be exclusive of any other right or remedy, and every other right or remedy shall be cumulative of and in addition to the rights and remedies given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy of the Indemnitee hereunder or otherwise shall not be deemed an election of remedies on the part of the Indemnitee and shall not prevent the concurrent assertion or employment of any other right or remedy by the Indemnitee.

Section 25. *Changes in Law.* In the event that a change in applicable law after the date of this Agreement, whether by statute, rule or judicial decision, expands or otherwise increases the right or ability of a Delaware corporation to indemnify a member of its board of directors or an

officer, the Indemnitee shall, by this Agreement, enjoy the greater benefits so afforded by such change. In the event that a change in applicable law after the date of this Agreement, whether by statute, rule or judicial decision, narrows or otherwise reduces the right or ability of a Delaware corporation to indemnify a member of its board of directors or an officer, such change shall have no effect on this Agreement or any of the Indemnitee's rights hereunder, except and only to the extent required by law.

Section 26. *Interpretation of Agreement*. The Company and the Indemnitee acknowledge and agree that it is their intention that this Agreement be interpreted and enforced so as to provide indemnification to the Indemnitee to the fullest extent now or hereafter permitted by law. Any ambiguity in the terms of this Agreement will be resolved in favor of Indemnitee and in a manner to provide the maximum indemnification and advancement of Expenses permitted by law. The Company and Indemnitee intend that this Agreement provide to the fullest extent permitted by law for indemnification in excess of that expressly provided, without limitation, by the Certificate, the Bylaws, or vote of the Company stockholders or disinterested directors.

Section 27. *Severability*. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; (b) such provision or provisions will be deemed reformed to the extent necessary to conform to applicable law and to give maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision or provisions held invalid, illegal or unenforceable.

Section 28. *Governing Law; Jurisdiction and Venue; Specific Performance*.

(a) The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

(b) ANY DISPUTE ARISING OUT OF THIS AGREEMENT SHALL BE FILED IN AND LITIGATED OR ARBITRATED SOLELY BEFORE THE DELAWARE COURT OF CHANCERY, AND EACH PARTY TO THIS AGREEMENT: (i) GENERALLY AND UNCONDITIONALLY ACCEPTS THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND ARBITRATORS AND VENUE THEREIN, AND WAIVES TO THE FULLEST EXTENT PROVIDED BY LAW ANY DEFENSE OR OBJECTION TO SUCH JURISDICTION AND VENUE BASED UPON THE DOCTRINE OF "FORUM NON CONVENIENS;" AND (ii) GENERALLY AND UNCONDITIONALLY CONSENTS TO SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING BY DELIVERY OF CERTIFIED OR REGISTERED MAILING OF THE SUMMONS AND COMPLAINT IN ACCORDANCE WITH THE NOTICE PROVISIONS OF THIS AGREEMENT. THE

FOREGOING CONSENT TO JURISDICTION SHALL NOT CONSTITUTE GENERAL CONSENT TO SERVICE OF PROCESS IN THE STATE FOR ANY PURPOSE EXCEPT AS PROVIDED ABOVE, AND SHALL NOT BE DEEMED TO CONFER RIGHTS ON ANY PERSON OTHER THAN THE PARTIES TO THIS AGREEMENT.

Section 29. *Notices.* All notices, requests, demands and other communications under this Agreement will be in writing and will be deemed to have been duly given if (a) delivered by hand to the other party, (b) sent by reputable overnight courier to the other party or (c) sent by facsimile transmission or electronic mail, with receipt of oral confirmation that such communication has been received:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee provides to the Company.

(b) If to the Company to:

General Counsel,
T-Mobile US, Inc.
12920 SE 38th St.,
Bellevue, WA 98006
Fax:
Email:

or to any other address as may have been furnished to Indemnitee by the Company.

Section 30. *Modification and Waiver.* No supplement, modification or amendment of this Agreement or any provision hereof shall limit or restrict in any way any right of the Indemnitee under this Agreement with respect to any action taken or omitted by the Indemnitee in Indemnitee's Corporate Status prior to such supplement, modification or amendment. No supplement, modification or amendment of this Agreement or any provision hereof shall be binding unless executed in writing by both of the Company and the Indemnitee. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 31. *Headings.* The headings of the Sections or paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 32. *Identical Counterparts.* This Agreement may be executed in one or more counterparts (whether by original, photocopy or facsimile signature), each of which shall for all purposes be deemed to be an original, but all of which together shall constitute one and the same Agreement. Only one such counterpart executed by the party against whom enforcement is sought must be produced to evidence the existence of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.

T-Mobile US, Inc.

Indemnitee

Signature

Signature

Name

Name

Address:

Title

Title

16

[\(Back To Top\)](#)

Section 8: EX-12.1 (TMUS EXHIBIT 12.1)

EXHIBIT 12.1

Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends

(in millions, except ratio)	Year Ended December 31,				
	2017	2016	2015	2014	2013
Earnings available for fixed charges:					
Income (loss) before income taxes and earnings from unconsolidated affiliates	\$ 3,161	\$ 2,331	\$ 990	\$ 461	\$ 94
Adjustments:					
Fixed charges	2,757	2,799	2,656	2,377	2,118
Amortization of capitalized interest	71	60	49	35	34
Capitalized interest	(136)	(142)	(230)	(81)	(5)
Earnings available for fixed charges	\$ 5,853	\$ 5,048	\$ 3,465	\$ 2,792	\$ 2,241
Fixed charges and combined fixed charges and preferred stock dividends:					
Interest expense including capitalized interest	\$ 1,807	\$ 1,871	\$ 1,726	\$ 1,433	\$ 1,229
Portion of rent expense representative of interest ⁽¹⁾	950	928	930	944	889
Fixed charges	\$ 2,757	\$ 2,799	\$ 2,656	\$ 2,377	\$ 2,118
Dividends on preferred stock (pre-tax)	72	88	73	—	—
Combined fixed charges and preferred stock dividends	\$ 2,829	\$ 2,887	\$ 2,729	\$ 2,377	\$ 2,118
Ratio of earnings to fixed charges	2.12	1.80	1.30	1.17	1.06
Ratio of earnings to combined fixed charges and preferred stock dividends	2.07	1.75	1.27	1.17	1.06

(1) The portion of total rental expense that represents a reasonable approximation of the interest factor is estimated to be 33%.

[\(Back To Top\)](#)

Section 9: EX-21.1 (TMUS EXHIBIT 21.1)

EXHIBIT 21.1

Subsidiaries of Registrant

The following is a list of subsidiaries of T-Mobile US, Inc. as of December 31, 2017, omitting subsidiaries which, considered in the aggregate, would not constitute a significant subsidiary:

Name	State of Incorporation
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IBSV LLC	Delaware
MetroPCSCalifornia, LLC	Delaware
MetroPCSFlorida, LLC	Delaware
MetroPCSGeorgia, LLC	Delaware
MetroPCSMassachusetts, LLC	Delaware
MetroPCSMichigan, LLC	Delaware
MetroPCSNetworks California, LLC	Delaware
MetroPCSNetworks Florida, LLC	Delaware
MetroPCSNevada, LLC	Delaware
MetroPCSNew York, LLC	Delaware
MetroPCSPennsylvania, LLC	Delaware
MetroPCSTexas, LLC	Delaware
MFP LeaseCo, LLC	Delaware
Powertel Memphis Licenses, Inc.	Delaware
Powertel/Memphis, Inc.	Delaware
SunCom Wireless Holdings, Inc.	Delaware
SunCom Wireless Investment Company LLC	Delaware
SunCom Wireless License Company, LLC	Delaware
SunCom Wireless Management Company, Inc.	Delaware
SunCom Wireless Operating Company, L.L.C.	Delaware
SunCom Wireless Property Company, L.L.C.	Delaware
SunCom Wireless, Inc.	Delaware
T-Mobile Airtime Funding LLC	Delaware
TMUS Assurance Corporation	Hawaii
T-Mobile Central LLC	Delaware
T-Mobile Financial LLC	Delaware
T-Mobile Handset Funding LLC	Delaware
T-Mobile Leasing LLC	Delaware
T-Mobile License LLC	Delaware
T-Mobile Northeast LLC	Delaware
T-Mobile PCS Holdings LLC	Delaware
T-Mobile Puerto Rico Holdings LLC	Delaware
T-Mobile Puerto Rico LLC	Delaware
T-Mobile Resources Corporation	Delaware
T-Mobile South LLC	Delaware
T-Mobile Subsidiary IV Corporation	Delaware
T-Mobile USA Tower LLC	Delaware
T-Mobile USA, Inc.	Delaware
T-Mobile West LLC	Delaware
T-Mobile West Tower LLC	Delaware
Triton PCS Finance Company, Inc.	Delaware
Triton PCS Holdings Company L.L.C.	Delaware
VoiceStream PCSI Iowa Corporation	Delaware

[\(Back To Top\)](#)

Section 10: EX-23.1 (TMUS EXHIBIT 23.1)

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S18 (Nos. 333-189095 and 333-202176) and in the Registration Statements on Form S-3 (Nos. 333-210920 and 333-210918) of T-Mobile US, Inc. of our report dated February 7, 2018 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Seattle, Washington
February 7, 2018

[\(Back To Top\)](#)

Section 11: EX-31.1 (TMUS EXHIBIT 31.1)

Certifications of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, John J. Legere, certify that:

1. I have reviewed this Annual Report on Form 10-K of T-Mobile US, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 7, 2018

/s/ John J. Legere

John J. Legere
President and Chief Executive Officer

[\(Back To Top\)](#)

Section 12: EX-31.2 (TMUS EXHIBIT 31.2)**Certifications of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, J. Braxton Carter, certify that:

1. I have reviewed this Annual Report on Form 10-K of T-Mobile US, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's

internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 7, 2018

/s/ J. Braxton Carter

J. Braxton Carter
Executive Vice President and Chief Financial Officer

[\(Back To Top\)](#)

Section 13: EX-32.1 (TMUS EXHIBIT 32.1)

EXHIBIT 32.1

Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of T-Mobile US, Inc. (the "Company"), on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission (the "Report"), John J. Legere, President and Chief Executive Officer of the Company, does hereby certify, pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350), that to his knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 7, 2018

/s/ John J. Legere

John J. Legere
President and Chief Executive Officer

[\(Back To Top\)](#)

Section 14: EX-32.2 (TMUS EXHIBIT 32.2)

EXHIBIT 32.2

Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of T-Mobile US, Inc. (the "Company"), on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission (the "Report"), J. Braxton Carter, Executive Vice President and Chief Financial Officer of the Company, does hereby certify, pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350), that to his knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 7, 2018

/s/ J. Braxton Carter

J. Braxton Carter
Executive Vice President and Chief Financial Officer

[\(Back To Top\)](#)