

All Markets

FLEXPAY Business Rules Recap - December 2009

FlexPay Commission Cash Flow for Payment Vendor Locations:

Dealer will retain \$25 at Activation; the remainder of the balance will be paid to Dealer as commission on Dealer's monthly commission statement in accordance with the commission table (minus the \$25 retained at the time of Activation)

Plans	FlexAC- 2yr (credit class M)	FlexMC- Month to Month
Payment from customer at POS (Point of Sale)	<ul style="list-style-type: none"> • First month MRC • Taxes & Other \$4.99 Control Charge if customer is not set-up on EasyPay	<ul style="list-style-type: none"> • First month MRC • Taxes & Other \$4.99 Control Charge if customer is not set-up on EasyPay
Commission	\$135	1x MRC
Subject to Chargeback	Yes-90 Days	Yes: MRC*(rate plan) > \$49.99 No: MRC*(rate plan) ≤ \$49.99

Please Note: \$25 FlexAC 2yr contract spiff ended 11/30/09

Business Rules:

FlexPay Activations must be processed by Dealer through WATSON and the vendor payment path must be used during the activation.

(a) Chargeback based on Monthly Recurring Charge of the rate plan selected by the subscriber.

*MRC does not include any feature or service charges.

(b) Unlimited Family Plan lines, are subject to full commission Chargeback regardless of the MRC.

(c) Deactivations that occur within the month of Activation are not eligible for any guaranteed commission amounts.

√ If Deactivation occurs within fourteen (14) days of Activation, the chargeback amount shall be the greater of any amounts reimbursed to the Subscriber by T-Mobile for the Subscriber's prorated charges during the Buyer's Remorse period, or the chargeback amount stated above. Thereafter, the chargeback amount shall be as stated above.

(d) All Compensation earned shall be charged back if the subscriber fails to make additional payment equal to or exceeding the first month's MRC within 90 days from Activation.

(e) If a FlexPay month-to-month Activation is eligible for Charge Back, the full commissioned amount would be charged back if the Subscriber deactivated.

(f) Flex Pay Add-a-Line and Features are commissioned at 1X MRC and are subject to chargeback rules

➔ FlexPay Activations (2 yr contracts) on Prime Credit Classes (A, B, C and L) shall be paid out & follow the same commission & chargeback guidelines as New Gross Subscribers. FlexPay Prime Credit Class (2yr contracts) are eligible for current Post Pay spiff offers. See separate doc. for current month spiff offering

Taxes: T-Mobile will remit to the proper taxing authorities the taxes applicable to the charges for service. Taxes due on handset or accessories shall continue to be the responsibility of Dealers.

Please note, If customer deactivates within the 14 day period, the prorated bill amount will be refunded directly by T-Mobile to the customer and you will be debited on your commission statement for that prorated amount.

T-Mobile Business Rules FlexPay

FlexPay Upgrades

NEW Aug 1, 2009 – System enhancements now available to upgrade FlexPayAC customers.

All standard Upgrade/Renewal eligibility rules apply.

FlexPay Upgrade/Renewal: FlexPay 2 year Contract (“M” Credit Class) qualify for payout when all eligibility and business rules met.

FlexPay Upgrade/Renewal Business Rules

- Customer has to upgrade on T-Mobile Handset directly sold to dealer by Choice.
- IMEI captured by the scanner has to:
 - Match T-Mobile’s database of T-Mobile distributed handsets directly to eligible Dealer.
 - Match records that IMEIs have been used on the T-Mobile network within renewal month + 7 days. If the handset is not used within the renewal month + 7 days, Dealer will not be eligible to receive payout.
 - Match IMEI that has been used on the T-Mobile network with renewing subscriber’s BAN.
 - Be included in renewal record and match what was entered into ICAM. If they do not match, the Upgrade/Renewal spiff will not be paid.
- Upgrades/renewals will be paid based on the contract length input in ICAM at the point of renewal.
- Changes to the contract term after the point of renewal will NOT be considered for payout.
- Handset upgrade/renewals must be processed through ICAM and the IMEI must be included in the record to be eligible for renewal spiff.
- The IMEI of the handset must match what was input into ICAM and what is found on the network used by the customer.

Overview of FlexPay Chargeback Terms and Conditions:

Chargeback Company’s Buyer’s Remorse period. T-Mobile shall offset and recoup from any compensation due all prorated Buyer’s Remorse amounts refunded to Subscribers for Deactivations occurring during the Buyer’s Remorse period.

Please note, If customer deactivates within the 14 day period, the prorated bill amount will be refunded directly by T-Mobile to the customer and you will be debited on your commission statement for that prorated amount.

Chargeback based on FlexPay Month-to-Month monthly recurring charge (“MRC”) An MRC at or below a single line \$49.99 rate plan and a Family Time \$99.98.

- √ To determine if a FamilyTime FlexPay month-to-month Activations shall be subject to Charge Back, divide the MRC of the FamilyTime rate plan selected by the Subscriber by two. If half of the MRC is less than \$49.99, the FamilyTime plan will not be subject to Charge Back.
- √ By way of example only: A subscriber activates a FlexPay month to month \$39.99 single line plan. With taxes and other charges, assume the total compensation for this Activation is \$52.87. Because the MRC of the rate plan is \$39.99, Dealer’s compensation shall not be subject to Charge Back (except during Subscriber Buyer’s Remorse period).

Chargeback for excessive High Subscriber Suspend – FlexPay Month-to-Month Activations that move to suspend status at an excessively high rate, as determined by T-Mobile in its sole discretion, shall be subject to Charge Back. Suspend status shall be defined as a subscriber who does not replenish their FlexPay service after the subscriber’s first month of service.

Did you Know?

1. The payment vendor (for ex. PreCash) will collect all except \$25 from your vendor payment account. The balance will be paid through commissions. The amount collected at point of sale will be posted in full on the subscriber’s T-Mobile account.
2. Dealers activating Prepay Equipment and/or Arbitrage handsets (IMEIS) on FlexPay plans shall be ineligible for the Compensation, and will be subject to chargeback of any monies collected at POS for MRCs on T-Mobile’s behalf.
3. FlexPay customers cannot activate Data Only Plans. Select a Voice Plan and add a data feature.

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