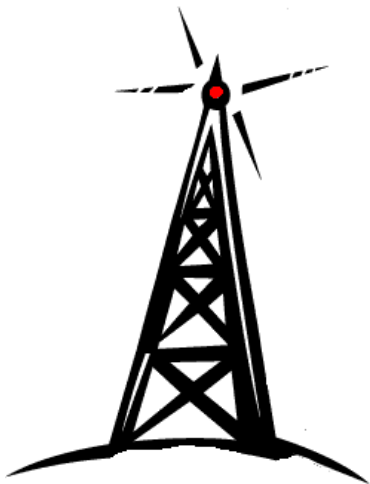




Together with NEXTEL

# 2GHz Relocation Workshop

## Soft / Ancillary Cost Budget Development



# Cautionary Statement

- This presentation includes “forward-looking statements” within the meaning of applicable securities laws. The statements in this presentation regarding the business outlook, expected performance, as well as other statements that are not historical facts, are forward-looking statements. The words “estimate,” “project,” “forecast,” “intend,” “expect,” “believe,” “target,” “providing guidance” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are estimates and projections reflecting management's judgment and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. With respect to these forward-looking statements, management has made assumptions regarding, among other things, customer and network usage, customer growth and retention, pricing, operating costs, the timing of various events and the economic environment.
- Future performance cannot be ensured. Actual results may differ materially from those in the forward-looking statements. Some factors that could cause actual results to differ include:
  - the uncertainties related to the benefits of our merger with Nextel including anticipated synergies and cost savings and timing thereof;
  - the uncertainties related to and the impact of the plans to spin-off of our local telecommunications business;
  - the effects of vigorous competition and the overall demand for Sprint Nextel's service offerings in the markets in which Sprint Nextel operates;
  - the costs and business risks associated with providing new services and entering new markets;
  - adverse changes in the ratings afforded Sprint Nextel's debt securities by credit ratings agencies;
  - the ability of Wireless to continue to grow and improve profitability;
  - the ability of Local and Long distance to achieve expected revenues;
  - the effects of mergers and consolidations in the telecommunications industry and unexpected announcements or developments from others in the telecommunications industry;
  - the uncertainties related to Sprint Nextel's investments in networks, systems, and other businesses;
  - the uncertainties related to the implementation of our business strategies;
  - the impact of new, emerging and competing technologies on our business;
  - unexpected results of litigation against us;
  - a significant adverse change in Motorola's ability or willingness to provide handsets and related equipment and software applications, or to develop new features for the iDEN network;
  - adverse network performance, including any performance issues resulting from the reconfiguration of the 800 megahertz band and the iDEN network which has been ordered by the Federal Communications Commission;
  - the costs of compliance with regulatory mandates, particularly requirements related to the FCC's Report and Order and deployment of enhanced 911 services;
  - the risk of equipment failure, natural disasters, terrorist acts, or other breaches of network or information technology security;
  - the inability of third parties to perform to our requirements under agreements related to our business operations;
  - one or more of the markets in which Sprint Nextel competes being impacted by changes in political or other factors such as monetary policy, legal and regulatory changes or other external factors over which Sprint Nextel has no control; and
  - other risks referenced from time to time in Sprint Nextel's filings with the Securities and Exchange Commission (SEC), including Sprint and Nextel's Form 10-K for the year ended December 31, 2004, as amended, and its quarterly reports on Form 10-Q for the subsequent quarterly periods.
- Sprint Nextel believes these forward-looking statements are reasonable; however, you should not place undue reliance on forward-looking statements, which are based on current expectations and speak only as of the date of this release. Sprint Nextel is not obligated to publicly release any revisions to forward-looking statements to reflect events after the date of this release. Sprint provides a detailed discussion of risk factors in periodic SEC filings, including its 2004 Form 10-K as amended, and you are encouraged to review these filings.

## AGENDA

- The Process
- Color-Coded Inventory
- Manufacturer Equipment Quotes
- Internal Labor Estimate
- External Labor Quotes
- Ancillary Hardware Quotes
- Consumables Estimates
- Templates
- Demo of Soft / Ancillary Cost Budget Tool

## THE PROCESS

- Licensee submits 2GHz inventory using online tool
- Licensee's 2GHz inventory is confirmed in field by 3<sup>rd</sup> party
- Sprint Nextel Regional Broadcast Engineer (BE) evaluates licensee's inventory hardware reports and assigns a color code to each piece of equipment, designated as one of the following:
  - 1) Eligible for complete replacement
  - 2) Eligible for upgrade
  - 3) Not eligible for replacement or upgrade ( typically hardware not modulation dependent )
- Licensee and Sprint Nextel review the "color coded inventory report" - arrive at a "**consensus**" of inventory accuracy and eligibility – **BE locks inventory**

# Color Coded Inventory - Example

Example 2: Verified Inventory Report from the Inventory Tool (below):

Portable Equipment				Verified	Comments
Notes System is an older tunable system which does not have channel filters. ((All data verified by validation report. - RJR 103105))				<input type="checkbox"/>	
Equipment Type	Make	Model	Serial Number	Verified	Comments
Transmitter	M/A-COM	MA85T2A	1080-8928	<input type="checkbox"/>	
Nextel Equipment ID:		KZZC3221054			
Approx. Purchase Date:					
Preferred Future Vendor:		MRC			
Bands:		2 GHz			
Current 2 GHz Modulation:		FM Analog			
2.5 GHz Capable:		No			
Power Output:		2			
Is it used on a Camera?		No			
Is it used on a Tripod?		No			
Power Supply Type:		AC			
Location Kept:		2000 Edmund Halley Drive			
Notes ((All data verified by validation report. - RJR 103105)) ((This unit has an associated PA210 power amplifier per validation report. - RJR 103105))					

Replace  
Upgrade  
Not Eligible  
BE Comments

**Equipment Inventory Locked**

**25 Business Days to Gather / Submit Quotes**

**1**

**25**

**Deal Package  
Assembled / Reviewed / Approved**

**Frequency Relocation Agreement phase begins**

# QUOTES / ESTIMATES

**Sprint  
Pays MFG.  
Directly**

**Sprint Reimburses Licensee for  
pre-determined eligible expenses**

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<u>2GHz Equipment</u>	<u>Internal Labor</u>	<u>External Labor</u>	<u>Ancillary Hardware</u>	<u>Consumable Hardware</u>
Clean / Final Hardware Quote	Licensee Forecasts - Tasks - Time - Costs	Integrator - ENG - Tower Legal Tax Engineering	More Than \$500 Per Item  Nycoil	Less Than \$500 Per Item  Connectors Tie Wraps

# MANUFACTURER EQUIPMENT QUOTES

## 2GHz Equipment

Clean /  
Final  
Hardware  
Quote

## For Eligible Replacement or Upgrade Equipment

- Indicated by color-coded inventory \*
- Provide your Manufacturer of choice a copy of the Licensee and the Sprint Nextel BE agreed Color Coded Inventory Report

\* Subject to Sprint approval to achieve comparable facilities.

# MANUFACTURER EQUIPMENT QUOTE

## 2GHz Equipment

Clean /  
Final  
Hardware  
Quote

- **Nextel ID ( found on color-coded inventory )**
- **Equip Model # or Part #**
- **Brief Description**
- **Nextel Secured Pricing\***
- **No Sales Tax or Freight Charges**

\* These items are part of Sprint Nextel manufacturer negotiated price lists—by indicating the quote is for 2GHz relocation project these should be automatically included.

## INTERNAL LABOR ESTIMATE

### Internal Labor

#### Licensee Forecasts

- Tasks
- Time
- Costs

- **Estimates for licensee's internal labor required to complete the 2GHz Relocation**
- **May Include**
  - Inventory gathering/verification
  - System / hardware installation
  - Meetings w/ Sprint, w/ Vendors and Manufacturers
  - Supervision of Tower / ENG Integrators
  - Travel & Expenses
  - Accounting & Finance tasks
  - Legal Counsel for contract review & FCC filings

# INTERNAL LABOR ESTIMATE

## Internal Labor

### Licensee Forecasts

- Tasks
- Time
- Costs

- Task Description
- Resource: Employee's 5-digit ID Code Performing Task
- Rate: Employees' Hourly Pay  
( unencumbered: Salary/2080, i.e. not fully loaded FTE costs )
- Hours Required By Employee to Complete Task

# INTERNAL LABOR ESTIMATE

## Internal Labor

### Licensee Forecasts

- Tasks
- Time
- Costs

## Process / Tools

- **Station Example** ( provided as a suggestion, numbers can be adjusted according to the needs of the individual Licensee. )
- **Prepare estimates on a best case scenario**
- **If there are questions, the SRM will evaluate or request justification**

## EXTERNAL LABOR QUOTES

### External Labor

Integrator  
- ENG  
- Tower  
Project  
Management  
Legal  
Tax  
Engineering/  
Consulting

- **ENG Integrator**
- **Tower / Systems Integrator**
- **Helicopter Integrator, If Applicable**
- **Outside Legal Advice – NDA / FRA**
- **Tax Advice**
- **Etc...**

## EXTERNAL LABOR QUOTES

### External Labor

Integrator

- ENG

- Tower

Project

Management

Legal

Tax

Engineering/  
Consulting

- **Resource Type** ( Attorney, Engineer, Tech, etc.)
- **Resource Cost / Hour**
- **Task Resource Performing**
- **Total Cost**
- **Travel & Expenses** (cost projection if required for specific receive site location / ENG vehicle separated out into airfare, lodging, meals, and mileage)

## EXTERNAL LABOR QUOTES

### External Labor

Integrator  
- ENG  
- Tower  
Project  
Management  
Legal  
Tax  
Engineering/  
Consulting

- Request quote from external 3<sup>rd</sup> party structured in required format
- Sprint has template examples available for ENG, System, and Aircraft Integration

## ANCILLARY HARDWARE QUOTES

### Ancillary Hardware

>\$500 Per  
Item

Any equipment or hardware estimated at more than \$500 and not part of the Sprint Manufacturer Direct Purchase payment

#### May include

Nycoil  
Aircraft mounting bracket  
Mix Minus Solutions  
Spectrum Monitor \*  
Filters

#### Request From

- Manufacturer
- Distributor
- Supply Warehouse
- Internet Online
- Catalog Page

\* If Receive Site qualifications met

## CONSUMABLES ESTIMATES

Consumable  
Hardware

Less Than  
\$500 Per  
Item

Connectors  
Tie Wraps

- **Hardware / Tools That Cost Less Than \$500**
- **Licensee Buys or Pulls From Existing Resources at Station To Complete Tasks**
  - ✓ **Connectors**
  - ✓ **Tie Wraps**
  - ✓ **Cable**
  - ✓ **Tools**
  - ✓ **Gaffers Tape etc.**

# Station Template - Internal Labor Expense



<b>A</b>		<b>Internal Labor Hours *</b>		<b>Expenses Must BE -- Reasonable / Documented / Verifiable</b>			
<b>Estimates must include</b>		a) Description of task i.e. Taking Inventory, meeting, PO Creation, etc.		b) Employees Name / Title			
( see <b>Broadcaster Instruction Guide (BIG) p. 12 and 13</b> for guidance and detailed requirements )		c) Hourly Rate ( not loaded )		d) # of hours			
				<b>Summary Forecasted Cost</b> (see detail on <u>Internal Labor Detail</u> worksheet)	<b>Number of Internal Employees Participating</b>	<b>Internal Cumulative Hours Forecasted</b>	<b>Actual Hours ( once project completed )</b>
Licensee Name							
		<b>A Meetings Attended</b> Sprint Nextel Meetings/ Licensee Internal Planning		\$ -		0	
		<b>Inventory Related</b>					
Address		<b>B Inventory Related Manual Inventory Self-Recording On Prem</b>		\$ -		0	
		<b>C Web Inventory Tool Input</b>		\$ -		0	
		<b>D 3rd Party Inventory Verification Time</b>		\$ -		0	
		<b>E Gathering Soft Cost Quotes</b>		\$ -		0	
<b>Station Count</b>	<b># of</b>	<b>F Gathering Clean/Final Hardware Quotes</b>		\$ -		0	
ENG Vehicles	0	<b>G Inventory Work - Other ( processing / recording new hardware)</b>		\$ -		0	
PA's	0	<b>H EIG / Tower Integration Work Done Internally - or Time</b>					
Portable Units	0	<b>I Assisting / Monitoring 3rd Party Tower Integrator at Site</b>		\$ -		0	
Fixed Links	0	<b>J Legal / Tax Work</b>		\$ -		0	
Central Rec. Sites	0	<b>K Regulatory / FCC Licence</b>		\$ -		0	
Misc. / Other	0	<b>L Finance / Accounting / Administrative</b>		\$ -		0	
Misc. / Other	0	<b>M Project Management</b>		\$ -		0	
Misc. / Other	0	<b>N Engineering / Technical Design</b>		\$ -		0	
<b>SPARES</b>		<b>O New Equipment Training</b>		\$ -		0	
PA's	0	<b>P Miscellaneous / Other explain</b>		\$ -		0	
Transmitters	0			<b>Travel cost (airfare , car rental, road tolls)</b>	\$ -		
Receivers	0			<b>Meals / Food (see daily per deim in BIG )</b>	\$ -		
				<b>Hotel / Lodging</b>	\$ -		
				<b>Vehicle Mileage Reimbursement</b>	\$ -	<b>at \$.405 per mi</b>	
<b>TOTAL</b>				\$ -			

"The information populated in this template, is suggested tasks and hours based on general information about an average size station. The Licensee is encouraged to add/change/modify in order to meet the particular station's specific needs."

# Forecasted Internal Labor Detail - Worksheet

					Cumulative Task / Work Labor Category \$\$\$ Expense								
<b>\$ 138.00</b>						\$ 30	\$ 12	\$ 24	\$ 6	\$ 30	\$ 36	\$ -	\$ -
Task Description Code KEY A thru O	Employee Unique 5 plus digit ID	Employee Title or Work Function	Location - Station Name	Labor Rate Per Hr.	Individual Labor Expense	# of hrs. A	# of hrs. B	# of hrs. C	# of hrs. D	# of hrs. E	# of hrs. F	# of hrs. G	# of hrs. H
A Sprint, Vendor, & SI Meetings	W123X3 or real name	Broadcast Engineer 3	W123	\$ 6.00	\$ 138.00	5	2	4	1	5	6		
B Inventory Documentation Collection	W123X3 or real name	Broadcast Engineer 2	W123	\$ 5.00	\$ -								
C Web Inventory Tool Input	W123X3 or real name	Broadcast Engineer 1	W123	\$ 4.00	\$ -								
D Escort 3rd Party Verification Vendors	W123X3 or real name	Technician 3	W123	\$ 3.00	\$ -								
E Gathering Soft Cost Quotes & Constructing Budget, Planning	W123X3 or real name	Technician 2	W123	\$ 2.00	\$ -								
F Gathering Clean & Final Hardware Quotes	W123X3 or real name	Technician 1	W123	\$ 1.00	\$ -								
G Inventory Work - Other (processing / recording new hardware)	W123X3 or real name	Manager 3	W123	\$ 9.00	\$ -								
H Labor for Site & ENG Integration (Installing or monitoring 3rd Party)	W123X3 or real name	Manager 2	W123	\$ 8.00	\$ -								
I Legal / Tax Work	W123X3 or real name	Manager 1	W123	\$ 7.00	\$ -								
J Regulatory / FCC Licence				\$ -	\$ -								
K Finance / Accounting / Administrative				\$ -	\$ -								
L Project Management				\$ -	\$ -								
M Engineering / Technical Design				\$ -	\$ -								
N New Equipment Training				\$ -	\$ -								
O Miscellaneous / Other explain				\$ -	\$ -								

"The information populated in this template, is suggested tasks and hours based on general information about an average size station. The Licensee is encouraged to add/change/modify in order to meet the particular station's specific needs."

# Station Template - External Labor Expense

<b>B External Labor Hours</b> ( types of External Labor activity covered same as "Internal Labor - except inventory "verification" by 3rd party paid by Nextel )					
<b>Quotes must include</b> →	<b>a)</b> Type of resource (PM / Eng / Admin / etc.) <b>b)</b> \$ per hour for each resource <b>c)</b> Description of work performed <b>d)</b> # of hours per site or vehicle <b>e)</b> Total \$ per truck / site <b>f)</b> Total for entire quote <b>g)</b> Travel and associate expenses				
NOTE: Must have Vendor Quotes / Invoices	see <b>Broadcast Instruction Guide p. 13 and 14</b> for detailed guidance and requirements		Forecasted Cost	Total Hours Per	Actual Cost
<b>Licensee Name</b>	<b>Meetings</b> - Licensee coordination		\$ -	0	
	<b>Inventory</b> - Recording for licensee		\$ -		
	<b>Integration - EIRG</b>		\$ -	0	
<b>Address</b>	<b>Tower Integration Work</b>		\$ -		
	<b>Legal / Tax Work</b>		\$ -	see vendor quote	
	<b>Regulatory / FCC Licence</b>		\$ -		
	<b>Admin. / Finance</b>		\$ -	see vendor quote	
	<b>Engineering / Technical</b>		\$ -	see vendor quote	
	<b>Miscellaneous</b> (explain in Notes section below)		\$ -	see vendor quote	
	<b>Miscellaneous #2</b> (explain in Notes section below)		\$ -	see vendor quote	
	<b>Miscellaneous #3</b> (explain in Notes section below)		\$ -	see vendor quote	
	<b>Miscellaneous #4</b> (explain in Notes section below)		\$ -	see vendor quote	
	<b>Miscellaneous #5</b> (explain in Notes section below)		\$ -	see vendor quote	
	<b>Miscellaneous #6</b> (explain in Notes section below)		\$ -	see vendor quote	
		<b>TOTAL</b>	\$ -		

- Requesting pricing quotes from Integrators and 3<sup>rd</sup> party providers

"The information populated in this template, is suggested tasks and hours based on general information about an average size station. The Licensee is encouraged to add/change/modify in order to meet the particular station's specific needs."

## Station Template - Rental Expense

<b>C</b>	<b>External Equipment Lease / Rental</b>		see <b>Broadcaster Instruction Guide p.10</b> for detailed guidance requirements			
<b>Quotes must include</b> →	a) Description of Equipment    b) Hourly / weekly rate    c) Duration of rental					
<small>NOTE: Must have Vendor Quotes / Invoices</small>		Number of Units Rented	Forecasted Cost	Total Hours Rented		Actual Cost
<b>Licensee Name</b>						
	<b>ENG Vehicle</b>		\$ -	0		
<b>Address</b>						
	<b>Helicopter</b>		\$ -	n/a		
	<b>Portable / Misc.</b>		\$ -	n/a		
		<b>TOTAL</b>	\$ -			
<b>Notes:</b>						

- Requesting rental quotes from available 2GHz Hardware providers





# Demo of Soft / Ancillary Cost Budget Tool

## Structure of Sprint Nextel Payments to Broadcasters

Broadcaster  
Direct Payments

*All receipts are  
required for  
reimbursement*



### Reimbursement Options

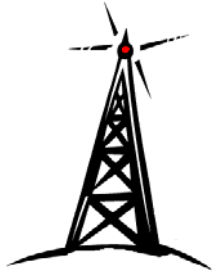
Initial Submission True-up

Monthly Submission

- 5<sup>th</sup> of month through 4<sup>th</sup> of following month cycle

Relocation Weekend

Final Payment at Contract Closing



**2GHz Relocation Workshop**  
**Soft / Ancillary Cost Budget Development**

**THANK YOU**