

the following (each condition to be applied only to the applicable AT&T Acquired Asset in respect of any early closing of the acquisition of such AT&T Acquired Asset), unless waived, in writing, by each of the parties at or prior to Closing:

(a) Any filings required to be made under the HSR Act shall have been made and any applicable waiting period under the HSR Act shall have expired or been terminated.

(b) The Consent of the FCC to each of the License transfers contemplated as part of the Swap Transaction shall have been obtained pursuant to a Final Order (as defined below), free of any conditions materially adverse to TeleCorp or AT&T, other than those applicable to the PCS or wireless communications services industry generally. For the purposes of this Agreement, "**Final Order**" means an action or decision that has been granted by the FCC as to which (i) no request for a stay or similar request is pending, no stay is in effect, the action or decision has not been vacated, reversed, set aside, annulled or suspended and any deadline for filing such request that may be designated by statute or regulation has passed, (ii) no petition for rehearing or reconsideration or application for review is pending and the time for the filing of any such petition or application has passed, (iii) the FCC does not have the action or decision under reconsideration on its own motion and the time within which it may effect such reconsideration has passed and (iv) no appeal is pending, including other administrative or judicial review, or in effect and any deadline for filing any such appeal that may be designated by statute or rule has passed.

(c) All Consents by any Governmental Authority (other than the Consents referred to in paragraphs (a) and (b) above) required to permit the consummation of the Transactions shall have been obtained, except where the failure to obtain such Consents would not be reasonably expected to have an AT&T Material Adverse Effect or a TeleCorp Material Adverse Effect or to materially adversely affect the Transactions or the ability of any of the parties to perform its obligations under this Agreement.

(d) No preliminary or permanent injunction or other order, decree or ruling issued by a Governmental Authority, nor any Law promulgated or enacted by any Governmental Authority, shall be in effect that would (i) impose material limitations on the ability of any party to consummate the Transactions or prohibit such consummation, or (ii) as a result of the Transactions, impair in any material respect the operations of TeleCorp or any of its Affiliates or AT&T or any of its Affiliates.

VI.2 Conditions to Obligations of TeleCorp. The obligation of the Designated TeleCorp Affiliates to consummate the Transactions contemplated to occur at the Closing (or at any earlier closing of the acquisition of any of the AT&T Acquired Assets) shall be further conditioned upon the satisfaction or fulfillment, at or prior to the Closing, of the following conditions (each condition to be applied only to the applicable AT&T Acquired

Asset in respect of any early closing of the acquisition of such AT&T Acquired Asset), unless waived, in writing, by TeleCorp:

(a) The representations and warranties of AT&T contained herein shall be true and correct, in each case when made and at and as of the Closing (other than representations and warranties made as of a specified date, which shall be true and correct as of such date) with the same force and effect as though made at and as of such time, except in each case to the extent that the failure of such representations and warranties to be true and correct in the aggregate does not have an AT&T Material Adverse Effect.

(b) AT&T and its Affiliates shall have performed in all material respects all agreements contained herein required to be performed by it at or before the Closing.

(c) AT&T shall have delivered, or caused to be delivered, (i) to TeleCorp the documents required pursuant to Section 2.2(b) and (ii) to the Intermediary the AT&T Assignments, the Cash Consideration, the Asset Payment and each of the other documents and instruments required pursuant to Section 2.2(a).

(d) TeleCorp shall have received any Consent of the lenders required pursuant to the terms of that certain Credit Agreement dated as of July 17, 1998 among TeleCorp and the lenders and agents party thereto, as amended.

(e) TeleCorp shall have acquired all right, title and interest in the assets of Indus pursuant to the Indus Purchase Agreement (or the assets permitted to be substituted therefor), free of any and all Liens held by AT&T or any of its Affiliates other than a right of first refusal should TeleCorp sell such assets.

VI.3 Conditions to the Obligations of AT&T. The obligation of AT&T to consummate the Transactions contemplated to occur at the Closing (or at any earlier closing of the acquisition of any of the AT&T Acquired Assets) shall be further conditioned upon the satisfaction or fulfillment, at or prior to the Closing, of the following conditions (each condition to be applied only to the applicable AT&T Acquired Asset in respect of any early closing of the acquisition of such AT&T Acquired Asset), unless waived, in writing, by AT&T:

(a) The representations and warranties of TeleCorp contained herein shall be true and correct, in each case when made and at and as of the Closing (other than representations and warranties made as of a specified date, which shall be true and correct as of such date) with the same force and effect as though made at and as of such time, except in each case to the extent that the failure of such representations and warranties to be true and correct in the aggregate does not have an TeleCorp Material Adverse Effect.

(b) Each of the TeleCorp Affiliates shall have performed in all material respects all agreements contained herein required to be performed by it at or before the Closing.

(c) TeleCorp shall have delivered, or caused to be delivered, (i) to AT&T the documents required pursuant to Section 2.2(d) and (ii) to Intermediary the TeleCorp Assignments, the Stock Consideration, if applicable, and other agreements and instruments required pursuant to Section 2.2(c).

ARTICLE VII

SURVIVAL AND INDEMNIFICATION

VII.1 **Survival.** The representations and warranties contained in Sections 4.1(a), (b), (d), (e) and (f), and Sections 5.1(a), (b), (d), (e) and (f) and Section 5.6(a) shall survive the Closing, without regard to any investigation made by any of the parties hereto, until the expiration of the applicable statute of limitations relating thereto), and the representations and warranties contained herein in Sections 4.9 shall survive the Closing until the expiration of the corresponding representations and warranties made by AT&T or any of its Affiliates in the Acquisition Agreements. The representations and warranties contained in Sections 4.8 and 5.12 shall not survive the Closing. All other representations and warranties made in this Agreement shall terminate on the second anniversary of the Closing Date. The right to indemnification pursuant to this Article VII in respect of a breach of a representation or warranty that survives the Closing shall expire upon the application of the applicable survival period (except to the extent written notice asserting a claim thereunder and describing such claim in reasonable detail shall have been given prior to such expiration to the party from whom such indemnification is sought). After the Closing, the sole and exclusive remedy of the parties for any breach or inaccuracy of any representation or warranty contained in this Agreement that survives the Closing or any other claim (whether or not alleging a breach of this Agreement) that arises out of the facts and circumstances constituting such breach or inaccuracy, shall be the indemnity provided in this Article VII.

VII.2 **Indemnification by AT&T.** AT&T shall indemnify and hold harmless TeleCorp and its Affiliates, and the shareholders, members, managers, officers, employees, agents and/or the legal representatives of any of them (each, a “**TeleCorp Indemnified Party**”), against all liabilities and expenses (collectively, “**Losses**”) incurred by any TeleCorp Indemnified Party (including, without limitation, amounts paid in satisfaction of judgments, in compromise, as fines and penalties, and as counsel fees and Losses incurred in connection with the investigation, defense, or disposition of any action, suit or other proceeding in which any TeleCorp Indemnified Party may be involved or with which any TeleCorp Indemnified Party may be threatened (whether arising out of or relating to matters asserted by third parties against a TeleCorp Indemnified Party or incurred or sustained by such party in the absence of a third-party claim)), that arise out of or result from (a) any representation or warranty of AT&T contained in this Agreement being untrue (other than Section 4.8), (b) any default by AT&T or any of its Affiliates in the performance of their respective obligations under this Agreement, (c) the ownership or operation of any of the AT&T Owned Assets and the conduct of AT&T’s business prior to the Closing Date or (d) the ownership or operation of any of the TeleCorp Assets

and the conduct of AT&T's business after the Closing Date, except to the extent (but only to the extent) that any such Losses arise out of or result from the gross negligence or willful misconduct of such TeleCorp Indemnified Party or its Affiliates, provided, however, that the aggregate liability of AT&T to indemnify TeleCorp Indemnified Parties against Losses arising out of or resulting from (x) any representation or warranty of AT&T contained in this Agreement being untrue (other than Section 4.8), or (y) any default by AT&T or any of its Affiliates in the performance of their respective obligations under this Agreement shall (except, in the case of clause (y), to the extent (but only to the extent) any such Losses arise out of or result from the gross negligence or willful misconduct of AT&T) be limited to \$100 Million Dollars.

VII.3 Indemnification by TeleCorp. TeleCorp shall indemnify and hold harmless AT&T and its Affiliates, and the shareholders, members, managers, officers, employees, agents and/or the legal representatives of any of them (each, an "**AT&T Indemnified Party**"), against all Losses incurred by any AT&T Indemnified Party (including, without limitation, amounts paid in satisfaction of judgments, in compromise, as fines and penalties, and as counsel fees and Losses incurred in connection with the investigation, defense, or disposition of any action, suit or other proceeding in which any AT&T Indemnified Party may be involved or with which any AT&T Indemnified Party may be threatened (whether arising out of or relating to matters asserted by third parties against an AT&T Indemnified Party or incurred or sustained by such party in the absence of a third party claim)) that arise out of or result from (a) any representation or warranty of TeleCorp contained in this Agreement (other than Section 5.12) being untrue (b) any default by TeleCorp or any of its Affiliates in the performance of their respective obligations under this Agreement, (c) the ownership or operation of any of the TeleCorp Assets and the conduct of TeleCorp's business prior to the Closing Date, (d) if the Closing occurs, the ownership or operation of the AT&T Acquired Assets prior to the Closing Date or the obligations and other provisions of the Acquisition Agreements, or (e) the ownership or operation of any of the AT&T Assets and the conduct of TeleCorp's business after the Closing Date, except to the extent (but only to the extent) that any such Losses arise out of or result from the gross negligence or willful misconduct of such AT&T Indemnified Party or its Affiliates; provided, however, that the aggregate liability of TeleCorp to indemnify AT&T Indemnified Parties against Losses arising out of or resulting from (x) any representation or warranty of TeleCorp contained in this Agreement (other than Section 5.12) being untrue, or (y) any default by TeleCorp or any of its Affiliates in the performance of their respective obligations under this Agreement shall (except, in the case of clause (y), to the extent (but only to the extent) any such Losses arise out of or result from the gross negligence or willful misconduct of TeleCorp) be limited to \$100 Million Dollars.

VII.4 Procedures.

(a) The terms of this Section 7.4 shall apply to any third-party claim (a "**Claim**") that may result in indemnification under the terms of Sections 7.2 or 7.3. The TeleCorp Indemnified Party or AT&T Indemnified Party (each, an "**Indemnified**

Party”), as the case may be, shall give prompt written notice of such Claim to the indemnifying party (the “**Indemnifying Party**”) under the applicable Section, which party may assume the defense thereof, provided, that any delay or failure to so notify the Indemnifying Party shall relieve the Indemnifying Party of its obligations hereunder only to the extent, if at all, that it is materially prejudiced by reason of such delay or failure. The Indemnified Party shall have the right to approve any counsel selected by the Indemnifying Party and to approve the terms of any proposed settlement, such approvals not to be unreasonably delayed or withheld (unless, in the case of approval of a proposed settlement, such settlement provides only, as to the Indemnified Party, the payment of money damages actually paid by the Indemnifying Party and a complete release of the Indemnified Party in respect of the claim in question). Notwithstanding any of the foregoing to the contrary, the provisions of this Article VII shall not be construed so as to provide for the indemnification of any Indemnified Party for any liability to the extent (but only to the extent) that such indemnification would be in violation of applicable Law or that such liability may not be waived, modified or limited under applicable Law, but shall be construed so as to effectuate the provisions of this Article VII to the fullest extent permitted by Law.

(b) If the Indemnifying Party undertakes the defense of any Claim, the Indemnifying Party will keep the Indemnified Party advised as to all material developments in connection with such Claim, including promptly furnishing the Indemnified Party with copies of all material documents filed or served in connection therewith.

(c) If the Indemnifying Party fails to assume the defense of any Claim within thirty (30) days after receiving written notice thereof, the Indemnified Party shall have the right, subject to the Indemnifying Party's right to assume the defense pursuant to the provisions of this Article VII, to undertake the defense, compromise or settlement of such Claim for the account of the Indemnifying Party. Unless and until the Indemnified Party assumes the defense of any Claim, the Indemnifying Party shall advance to the Indemnified Party any of its reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any such action or proceeding. Each Indemnified Party shall agree in writing prior to any such advance that, in the event he, she or it receives any such advance, such Indemnified Party shall reimburse the Indemnifying Party for such fees, costs and expenses to the extent that it shall be determined that he, she or it was not entitled to indemnification under this Article VII.

(d) In no event shall an Indemnifying Party be required to pay in connection with any Claim for more than one firm of counsel (and local counsel) for each of the following groups of Indemnified Parties: (i) AT&T, its Affiliates, and the shareholders, members, managers, officers, employees, agents and/or the legal representatives of any of them; and (ii) TeleCorp and its Affiliates, and the shareholders, members, managers, officers, employees, agents and/or the legal representatives of any of them.

VII.5 Tax costs and Tax benefits. The amount of any Losses for which indemnification is provided under any of Sections 7.2 or 7.3, shall be (i) increased to take account of any net Tax cost incurred by the indemnified party arising from the receipt of indemnity payments hereunder (grossed up for such increase) and (ii) reduced to take account of any net Tax benefit realized by the indemnified party arising from the incurrence or payment of any such Losses. In computing the amount of any such Tax cost or Tax benefit, the indemnified party shall be deemed to recognize all other items of income, gain, loss, deduction or credit before recognizing any item arising from the receipt of any indemnity payment hereunder or the incurrence or payment of any indemnified Losses. Any indemnification payment hereunder shall initially be made without regard to this Section and shall be increased or reduced to reflect any such net Tax cost (including gross-up) or net Tax benefit only after the indemnified party has actually realized such cost or benefit. For purposes of this Agreement, an indemnified party shall be deemed to have "actually realized" a net Tax cost or a net Tax benefit to the extent that, and at such time as, the amount of Taxes payable by such indemnified party is increased above or reduced below, as the case may be, the amount of Taxes that such indemnified party would be required to pay but for the receipt of the indemnity payment or the incurrence or payment of such Losses, as the case may be. The amount of any increase or reduction hereunder shall be adjusted to reflect any final determination (which shall include the execution of Form 870-AD or successor form) with respect to the indemnified party's liability for Taxes and payments between the parties to this Agreement to reflect such adjustment shall be made if necessary. Any indemnity payment under this Agreement shall be treated as an adjustment to the value of the asset upon which its underlying claim was based, unless a final determination (which shall include the execution of a Form 870-AD or successor form) with respect to the indemnified party or any of its Affiliates causes any such payment not to be treated as an adjustment to the value of the asset for United States Federal income Tax purposes.

ARTICLE VIII

TERMINATION

VIII.1 Termination. In addition to any other rights of termination set forth herein, this Agreement may be terminated, and the Transactions abandoned, without further obligation of any party, except as set forth herein, at any time prior to the Closing Date:

- (a) by mutual written consent of the parties;
- (b) by any party by written notice to the other parties, if the Closing of all the Swap Transactions shall not have occurred on or before December 31, 2000; provided, however, that if the Transactions shall not have been consummated solely due to the waiting period (or any extension thereof) or approvals under the HSR Act or approvals or consent of the FCC not having expired or been terminated or received, then such date shall be extended to March 31, 2001; and provided, further, that the party

electing to exercise such right is not otherwise in breach of its obligations under this Agreement; or

(c) by any party by written notice to the other party, if the consummation of the Transactions shall be prohibited by a final, nonappealable order, decree or injunction of a court of competent jurisdiction.

VIII.2 **Effect of Termination; Tax Responsibility.**

(a) Upon a termination of this Agreement, no party hereto shall have any liability or further obligation to any other party to this Agreement, except as set forth in paragraph (b) below, and except that nothing herein will relieve any party from liability for any breach by such party of this Agreement.

(b) Upon a termination of this Agreement pursuant to Section 8.1, all provisions of this Agreement shall terminate, except Section 1.4(b), Section 3.2 and this Section 8.2, and Articles VII, IX and X, except that nothing herein will relieve any party from liability for any breach of this Agreement. Upon such termination, Intermediary promptly shall return to TeleCorp all documents, instruments and other property delivered to Intermediary by or at the direction of TeleCorp pursuant to the provisions hereof, including, without limitation, the TeleCorp Assignments and the Stock Consideration, if any, and return to AT&T all documents, instruments and other property delivered to Intermediary by or at the direction of AT&T pursuant to the provisions hereof, including, without limitation, the AT&T Assignments, the Cash Consideration and the Asset Payment.

(c) Whether or not the Closing occurs, all costs and expenses incurred in connection with this Agreement and the Transactions shall be paid by the party incurring such expenses. Notwithstanding the foregoing, (i) TeleCorp shall pay or cause to be paid at the Closing or, if due prior to the Closing, shall reimburse AT&T at Closing for, or thereafter, promptly when due, all Transfer Taxes (including sales taxes, gross receipts taxes, stamp taxes, and other similar taxes) payable solely as a result of a transfer of assets pursuant to this Agreement, but excluding any federal, state, local or other jurisdictional income Taxes (or franchise, excise, gross receipts or other taxes that are generally imposed on a party on a periodic basis as a result of a party's status, presence, conduct of business, holding of assets, income, revenues, activities or other items) ("**Transfer Taxes**") relating to the transfer of the TeleCorp Assets; (ii) AT&T shall pay or cause to be paid at the Closing or, if due prior to the Closing, shall reimburse TeleCorp at Closing for, or thereafter, promptly when due, all transfer taxes (including sales taxes, gross receipts taxes, stamp taxes, and other similar taxes) payable solely as a result of a transfer of assets pursuant to this Agreement, but excluding any federal, state, local or other jurisdictional income Taxes (or franchise, excise, gross receipts or other Taxes that are generally imposed on a party on a periodic basis as a result of a party's status, presence, conduct of business, holding of assets, income, revenues, activities or other items) relating to the AT&T Owned Assets, (iii) in the case of any Taxable period that

includes (but does not begin on) the Closing Date (the "Tax Period") (x) real, personal and intangible property Taxes (collectively, "Property Taxes") of AT&T for the AT&T Owned Assets on the one hand, and the Property Taxes of TeleCorp for the TeleCorp Assets on the other hand, for the pre-Closing Tax period shall be equal to the amount of such Property Taxes for the entire Tax Period multiplied by a fraction, the numerator of which is the number of full days during the Tax Period that are in the pre-Closing Tax period and the denominator of which is the number of days in the Tax Period; and (y) the Taxes (other than Property Taxes, income Taxes and Transfer Taxes) of AT&T in respect of the AT&T Owned Assets, on the one hand, and TeleCorp in respect of the TeleCorp Assets on the other hand, for the pre-Closing Tax period shall be computed as if such Taxable period ended as of the opening of business on the Closing Date; and (iv) TeleCorp and AT&T shall each be responsible, with respect to their respective transferred assets, for preparing and filing all Federal, state, local and other Tax returns and conducting Tax audits that relate to operations or events affecting Tax periods ending prior to the Closing Date, including Tax returns the due date of which is after the Closing Date (or in the case of income Taxes, any Tax period).

(d) Notwithstanding any other provision of this Agreement:

(i) AT&T shall be responsible for, and shall hold the TeleCorp Indemnified Parties harmless from and against (A) any income Taxes imposed on AT&T or any of its Affiliates, (B) any Taxes (other than income Taxes) imposed on AT&T or any of its Affiliates, which Taxes are not related to nor imposed on or with respect to the AT&T Assets and (C) any Taxes (other than income Taxes and Transfer Taxes) imposed on or with respect to (x) the AT&T Owned Assets for any taxable period, or portion thereof, ending prior to the Closing Date or (y) with respect to the TeleCorp Assets for any taxable period, or portion thereof, beginning on the Closing Date (calculated, in the case of (x) and (y) for a Tax Period, as set forth above in Section 8.2(c));

(ii) TeleCorp shall be responsible for, and shall hold the AT&T Indemnified Parties harmless from and against (A) any income Taxes imposed on TeleCorp or any of its Affiliates, (B) any Taxes (other than income Taxes) imposed on TeleCorp or any of its Affiliates, which Taxes are not related to nor imposed on or with respect to the TeleCorp Assets and (C) any Taxes (other than income Taxes and Transfer Taxes) imposed on or with respect to (x) the TeleCorp Assets for any taxable period, or portion thereof, ending prior to the Closing Date or (y) with respect to the AT&T Owned Assets for any taxable period, or portion thereof, beginning on the Closing Date (calculated, in the case of (x) and (y) for a Tax Period, as set forth above in Section 8.2(c)); and

(iii) AT&T and TeleCorp, respectively, shall be entitled to control in all respects (and no other Person shall have any rights with respect to) any audit, examination or other Tax proceeding by or with a Governmental Authority with respect to any consolidated, combined or unitary Tax return or any other income

Tax Return of AT&T (or any of its Affiliates) or TeleCorp (or any of its Affiliates), respectively.

(e) In the case of an audit, examination or other Tax proceeding for a Tax Period by or with a Governmental Authority which may result in indemnification pursuant to Section 8.2(d)(i)(C) or 8.2(d)(ii)(C), the provisions of Section 7.4 shall apply, provided that the party with respect to which the claim by the Governmental Authority is greater shall, solely for purposes of this sentence, have the rights and obligations set forth in Section 7.4 of the "Indemnifying Party," and the other party shall, solely for purpose of the sentence, have the rights and obligations set forth in Section 7.4 of the "Indemnified Party," with respect to such proceeding.

(f) TeleCorp and AT&T shall each pay one-half of all fees required to be paid (i) under the HSR Act relating to the Transactions hereunder, and (ii) to the FCC in connection with the filing of the applications for transfer of the Licenses contemplated to be transferred in the Swap Transactions.

ARTICLE IX

DEFINITIONS

For purposes of this Agreement:

"ABC," "ABC Licenses" and "ABC Acquisition Agreement" have the meanings set forth in the recitals.

"Acquisition Agreements" has the meaning set forth in the recitals.

"Affiliate" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with that Person. For purposes of this definition, "control" (including the terms "controlling" and "controlled") means the power to direct or cause the direction of the management and policies of a Person, directly or indirectly, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise. Notwithstanding the foregoing, for purposes of this Agreement, neither TeleCorp and its Subsidiaries, on the one hand, nor AT&T and its Subsidiaries, on the other hand, shall be considered an Affiliate of the other.

"Agreement" has the meaning set forth in the preamble.

"Asset Payment" has the meaning set forth in the recitals.

"AT&T" has the meaning set forth in the preamble.

"AT&T Acquired Assets" has the meaning set forth in the recitals.

“**AT&T Acquisition Assignments**” has the meaning set forth in Section 2.2(a).

“**AT&T Assets**” has the meaning set forth in the recitals.

“**AT&T Assignments**” has the meaning set forth in Section 2.2(a).

“**AT&T Disclosure Schedule**” has the meaning set forth in Article IV.

“**AT&T Entities**” has the meaning set forth in the preamble.

“**AT&T Indemnified Party**” has the meaning set forth in Section 7.3.

“**AT&T License Assignments**” has the meaning set forth in Section 2.2(a).

“**AT&T Material Adverse Effect**” means any change, event or effect that is materially adverse to the business, assets (including intangible assets), financial condition or results of operations of the AT&T Assets, taken as a whole, excluding any adverse change in, or effect on, the financial condition or revenues of the AT&T Assets to the extent attributable to (i) general economic conditions in the United States and (ii) conditions affecting the wireless communications industry generally.

“**AT&T Owned Assets**” has the meaning set forth in the recitals.

“**AT&T Related Documents**” has the meaning set forth in Section 4.1(b).

“**Boston Business**” has the meaning set forth in the recitals.

“**Boston Employees**” has the meaning set forth in Section 3.7(a).

“**Boston Licenses**” has the meaning set forth in the recitals.

“**BTA**” means the unit of division (of which there are four hundred ninety-three (493)) for the United States of America, devised by Rand McNally based upon geography, population and other factors, which units form the basis for the auction by the FCC of a portion of the Licenses for PCS Systems for Basic Trading Areas, as defined by the FCC.

“**Business Day**” means any day other than a Saturday, Sunday or a legal holiday in New York, New York or any other day on which commercial banks in New York, New York are authorized by law or governmental decree to close.

“**Cash Consideration**” has the meaning set forth in recitals.

“**Closing**” has the meaning set forth in Section 2.1.

“**Closing Date**” has the meaning set forth in Section 2.1.

“**Code**” means the Internal Revenue Code of 1986, as amended, or any successor thereto.

“**Confidential Information**” means any and all information regarding the business, finances, operations, products, services and customers of the Person specified and its Affiliates, in written or oral form or in any other medium.

“**Consents**” means all consents and approvals of Governmental Authorities or other third parties necessary to authorize, approve or permit the parties hereto to consummate the Transactions and for TeleCorp to operate its business (including the AT&T Assets) after the Closing Date as currently contemplated.

“**Contract**” means any contract, mortgage, deed of trust, bond, indenture, lease, license, note, franchise, certificate, option, warrant, right or other instrument, document, obligation or agreement, whether written or oral.

“**Designated Transferee**” has the meaning set forth in Section 10.14.

“**DOJ**” has the meaning set forth in Section 3.1(d)(iii).

“**Environmental Laws**” means: the Comprehensive Response, Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act (42 U.S.C. § 9601 et seq.) (“CERCLA”) and/or the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.) (“RCRA”) and/or the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.) (“TSCA”) and/or the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136 et seq.) (“FIFRA”) and/or the Clean Air Act (42 U.S.C. § 7401 et seq.) (“CAA”) and/or the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.) (“FWPCA”) and/or the Safe Drinking Water Act (42 U.S.C. § 300f et seq.) (“SDWA”) and/or the Oil Pollution Act of 1990 (33 U.S.C. §§ 2701-2761) (“OPA”) and/or the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. §§ 11001-11050) (“EPCRA”) including any amendments or extensions thereof; and/or the Building Occupancy Code Administration, Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.) and Codes of the National Fire Protection Association; and all statutes, laws, regulations, rules, ordinances, codes, licenses, permits, guidelines, standards, orders, requirements, approvals and similar items of all governmental agencies, departments, commissions, boards and instrumentalities of the United States, any foreign country, or any state, or any political subdivision thereof relating to pollution and/or the protection of human health and/or the environment, including, without limitation, those relating to reporting, licensing, permitting, investigating, removing or remediating Materials of Environmental Concern.

“**Excluded Employees**” has the meaning set forth in Section 3.7(a).

“**FCC**” means the Federal Communications Commission or similar regulatory authority established in replacement thereof.

“**FCC Applications**” has the meaning set forth in Section 3.1(d)(i).

“**FCC Law**” means the Communications Act of 1934, as amended, including as amended by the Telecommunications Act of 1996, and the rules, regulations and policies promulgated thereunder.

“**Final Order**” has the meaning set forth in Section 6.1(b).

“**First Transfer Date**” has the meaning set forth in Section 1.4.

“**FTC**” has the meaning set forth in Section 3.1(d)(iii).

“**Governmental Authority**” means a Federal, state or local court, legislature, governmental agency, commission or regulatory or administrative authority or instrumentality.

“**Hired Employee**” has the meaning set forth in Section 3.7(f)(i).

“**HSR Act**” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

“**Indemnified Party**” and “**Indemnifying Party**” have the meanings set forth in Section 7.4.

“**Indus**” has the meaning set forth in the recitals.

“**Indus Purchase Agreement**” has the meaning set forth in the recitals.

“**Intellectual Property**” means any (a) trademarks, trade dress, trade names, service marks, logos and other similar proprietary rights, (b) domain names, (c) copyrights and (d) patents and patentable know-how, inventions and processes.

“**Intermediary**” has the meaning set forth in the recitals.

“**Intermediary Agreement**” has the meaning set forth in the recitals.

“**Iowa Licenses**” has the meanings set forth in the recitals.

“**Law**” means applicable common law and any statute, ordinance, code or other law, rule, permit, permit condition, regulation, order, decree, technical or other standard, requirement or procedure enacted, adopted, promulgated, applied or followed by any Governmental Authority.

“**Letter of Instruction**” has the meaning set forth in Section 2.2(e).

“License” means a license, permit, certificate of authority, waiver, approval, certificate of public convenience and necessity, registration or other authorization, consent or clearance to construct or operate a facility, including any emissions, discharges or releases therefrom, or to transact an activity or business, to construct a tower or to use an asset or process, in each case issued or granted by a Governmental Authority.

“Lien” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest, option, title defect, restriction, right of first refusal or right of others therein, or encumbrance of any nature whatsoever in respect of such asset.

“Losses” has the meaning set forth in Section 7.2.

“Materials of Environmental Concern” means any substance: (a) the presence of which requires investigation or remediation under any Environmental Law; or (b) which is defined as a “hazardous waste,” “hazardous substance,” “hazardous material,” toxic substance, pollutant or contaminant under any Environmental Law; or (c) which is identified under any Environmental Laws as toxic, explosive, corrosive, flammable, ignitable, reactive, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous and is or becomes restricted or regulated by any governmental, quasi-governmental or regulatory authority, agency, department, commission, board, agency or instrumentality of the United States, any foreign country, or any state, or any political subdivision thereof; or (d) without limitation, which includes or contains gasoline, diesel fuel or other petroleum hydrocarbons or byproducts.

“MTA” means the unit of division (of which there are fifty-one (51)) for the United States of America, devised by Rand McNally based upon geography, population and other factors, which units form the basis for the auction by the FCC of a portion of the Licenses for PCS Systems for Major Trading Areas, as defined by the FCC.

“New York Courts” has the meaning set forth in Section 10.5.

“PCS” means Personal Communications Services, which is the term to describe the services that may be provided as a result of obtaining the Licenses, the exchanges of which are contemplated hereby, under FCC Law.

“Permitted Liens” means (a) Liens for Taxes, assessments and governmental charges, in each case not yet due and payable, (b) zoning laws or ordinances or any similar Laws, (c) rights reserved to any Governmental Authority to regulate the affected property, (d) Liens described on Schedule 5.6 of the TeleCorp Disclosure Schedule, which liens do not individually or in the aggregate interfere with the right or ability of the applicable party to own, use enjoy or operate the applicable assets in the manner currently used or to convey good and marketable title or enforceable rights thereto, (e) as to leased property the interests of the lessors thereof, (f) FCC Liens, and (g) as to Real Property, any easements, rights-of-way, servitudes, conditions, covenants, restrictions and minor imperfections or irregularities in title, in each case, which are

reflected in the public records and which do not individually or in the aggregate interfere with the right or ability of the applicable party to own, use, enjoy or operate the Real Property in the manner currently used or to convey good, marketable and indefeasible fee simple title to the same; provided, that “Permitted Liens” will not include any Lien which could prevent or inhibit in any way (other than as permitted under clause (f)) the conduct of the business of the affected Party.

“**Person**” means an individual, corporation, partnership, limited liability company, association, joint stock company, Governmental Authority, business trust, unincorporated organization, or other legal entity.

“**Polycell**,” “**Polycell Licenses**” and “**Polycell Acquisition Agreement**” have the meanings set forth in the recitals.

“**Polycell Buyer**” has the meaning set forth in the recitals.

“**POPs**” mean the Paul Kagan Associates, Inc. estimate of the 1999 population of a geographic area.

“**Property Taxes**” has the meaning set forth in Section 8.2(c).

“**Qualified Intermediary**” means a “qualified intermediary” as defined in Regulations section 1.1031(k)-1(g)(4)(iii).

“**Regulations**” means the Treasury Department regulations (including temporary regulations) promulgated under the Code.

“**Replacement Assets**” has the meaning set forth in Section 1.4.

“**Representatives**” has the meaning set forth in Section 3.2(a).

“**Stock Consideration**” has the meaning set forth in the recitals.

“**Subsidiary**” shall mean, with respect to any Person, a corporation or other entity of which 50% or more of the voting power or the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

“**Swap Transactions**” has the meaning set forth in the recitals.

“**Tax**” or “**Taxes**” means any Federal, state, local or foreign tax, fee or other like assessment or charge of any kind, including any net income, alternative or add-on minimum tax, gross income, gross receipts, sales, use, ad valorem, value-added, transfer, franchise, profits, license, withholding on amounts paid to or by the taxpayer, payroll, employment, excise, severance, stamp, capital stock occupation, property, environmental or windfall tax, premium, custom, duty or other tax of any kind whatsoever, including any interest, penalty or addition thereto.

“**Tax Period**” has the meaning set forth in Section 8.2(c).

“**TeleCorp**” has the meaning set forth in the preamble.

“**TeleCorp Assets**” has the meaning set forth in the recitals.

“**TeleCorp Assigned Agreements**” has the meaning set forth in Section 5.9.

“**TeleCorp Assigned Leases**” means those leases included in the TeleCorp Assets.

“**TeleCorp Assignments**” has the meaning set forth in Section 2.2(c).

“**TeleCorp Books and Records**” means all engineering records, files, data, drawings, blueprints, schematics, reports, lists, plans and procedures and all other files of correspondence, lists, records and reports concerning the Boston Business, including subscribers and prospective subscribers of the Boston Business, dealings with Governmental Authorities with respect to the Boston Business, including all reports filed with respect to the Boston Business by or on behalf of TeleCorp or any Affiliate with the FCC, and including all documents, reports and records relating to any employee of the Business who has given consent to disclosure of such documents, reports and records or which may otherwise be transferred without violation of the Law.

“**TeleCorp Disclosure Schedule**” has the meaning set forth in Article V.

“**TeleCorp Entities**” has the meaning set forth in the preamble.

“**TeleCorp Excluded Assets**” means (i) bonds, letters of credit, surety instruments and other similar items; (ii) cash and cash equivalents, including cash relating to customer subscriber prepayments and deposits, and notes receivable; (iii) Intellectual Property held by TeleCorp or any of its Affiliates, other than AT&T; (iv) assets, rights or properties of TeleCorp or its Affiliates used or held for use other than principally in connection with the Boston Business, and (v) Claims, rights and interest in and to any refunds of taxes or fees of any nature, or other Claims against third parties, relating to the operation of the Boston Business prior to the Closing Date.

“**TeleCorp Indemnified Party**” has the meaning set forth in Section 7.2.

“**TeleCorp Material Adverse Effect**” means any change, event or effect that is materially adverse to the business, assets (including intangible assets), financial condition or results of operations of the TeleCorp Assets or the Boston Business, taken as a whole, excluding any adverse change in, or effect on, the financial condition or revenues of the TeleCorp Assets or the Boston Business to the extent attributable to (i) general economic conditions in the United States and (ii) conditions affecting the wireless communications industry generally.

“TeleCorp Real Property” means (i) any real property or facility presently or previously owned by TeleCorp or any of its predecessors in interest; (ii) any real property or facility presently or previously leased to TeleCorp (or any predecessor in interest) by any Person; (iii) any real property or facility presently or previously operated for TeleCorp or any of its predecessors in interest by any Person; (iv) any real property or facility presently or previously used or occupied by TeleCorp or any of its predecessors in interest; and/or (v) any real property or facility at which the products or equipment of TeleCorp or any of its predecessors in interest have been or are being installed or used, in any event that is or was used in connection with TeleCorp’s operation of a PCS business in the areas covered by, or which are otherwise included as part of the TeleCorp Assets.

“TeleCorp Related Documents” has the meaning set forth in Section 5.1(b).

“Transfer Taxes” has the meaning set forth in Section 8.2(c).

“Transactions” means the Swap Transactions and other transactions contemplated by this Agreement.

“Wisconsin Licenses” have the meanings set forth in the recitals.

When a reference is made in this Agreement to an Article or a Section, such reference shall be to an Article or a Section of this Agreement unless otherwise indicated. Unless the context otherwise requires, the terms defined hereunder shall have the meanings therein specified for all purposes of this Agreement, applicable to both the singular and plural forms of any of the terms defined herein. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” The use of a gender herein shall be deemed to include the neuter, masculine and feminine genders whenever necessary or appropriate. Whenever the word “herein” or “hereof” is used in this Agreement, it shall be deemed to refer to this Agreement and not to a particular Section of this Agreement unless expressly stated otherwise.

ARTICLE X

MISCELLANEOUS PROVISIONS

X.1 **Amendment and Modification**. This Agreement may be amended, modified or supplemented only by written agreement of each of the parties.

X.2 **Waiver of Compliance; Consents**. Any failure of any of the parties to comply with any obligation, covenant, agreement or condition herein may be waived by the party or parties entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel

with respect to, any subsequent or other failure. Whenever this Agreement requires permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirement for a waiver of compliance as set forth in this Section 10.2.

X.3 **Notices.** All notices or other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person against receipt, by facsimile transmission with confirmation of receipt, by overnight courier service, or by registered or certified mail (return receipt requested), postage prepaid, with an acknowledgment of receipt signed by the addressee or an authorized representative thereof, addressed as follows (or to such other address for a party as shall be specified by like notice; provided, that notice of a change of address shall be effective only upon receipt thereof):

If to AT&T at:

AT&T Corp.
295 North Maple Avenue
Basking Ridge, NJ 07920
Attention: Marilyn J. Wasser
Fax: (908) 221-6618

With a copy to:

Wachtell Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
Attention: Steve A. Rosenblum and Trevor S. Norwitz
Fax: (212) 403-2000

Friedman, Kaplan & Seiler
875 Third Avenue
New York, NY
Attention: Gary Friedman
Fax:

If to TeleCorp or its Affiliates, to TeleCorp at:

1010 North Glebe Road, Suite 800
Arlington, Virginia 22201
Attention: Thomas H. Sullivan
Facsimile: (703) 236-1376

With a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, P.C.
One Financial Center
Boston, MA 02111
Attention: Alicia M.V. Wyman
Facsimile: (617) 592-2241

Cadwalader, Wickersham & Taft
100 Maiden Lane
New York, NY 10038
Attention: Brian Hoffman
Fax: (212) 504-6666

X.4 **Parties in Interest; Assignment.** This Agreement is binding upon, and is solely for the benefit of (except to the extent set forth in Section 10.13) the parties hereto and their respective Affiliates, permitted successors, legal representatives and permitted assigns. Subject to Section 10.14, neither party may assign its rights and obligations hereunder without the prior written consent of the other party.

X.5 **Applicable Law.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAW PRINCIPLES THEREOF. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO SUBMIT TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND OF THE UNITED STATES OF AMERICA LOCATED IN THE STATE OF NEW YORK (THE "NEW YORK COURTS") FOR ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS, WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUCH LITIGATION IN THE NEW YORK COURTS AND AGREES NOT TO PLEAD OR CLAIM IN ANY NEW YORK COURT THAT SUCH LITIGATION BROUGHT THEREIN HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

X.6 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Facsimile signatures on this Agreement shall be deemed to be original signatures for all purposes.

X.7 **Interpretation.** The article and section headings contained in this Agreement are for convenience of reference only, are not part of the agreement of the parties and shall not affect in any way the meaning or interpretation of this Agreement.

X.8 **Entire Agreement.** This Agreement, including the Exhibits and Schedule hereto and the certificates and instruments delivered pursuant to the terms of this Agreement, embody the entire agreement and understanding of the parties hereto in respect of the Transactions. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to the Transactions.

X.9 **Publicity.** So long as this Agreement is in effect, the parties agree to consult with each other in issuing any press release or otherwise making any public statement with respect to the Transactions, and no party shall issue any press release or make any such public statement prior to such consultation, except as may be required by Law, including state and Federal securities Laws. No press release or other public statement by a party shall disclose any of the financial terms of the Transactions without the prior consent of the other party, except as may be required by Law. A breach of the provisions of this Section 10.9 by a party shall not give rise to any right to terminate this Agreement.

X.10 **Specific Performance.** The parties hereto agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any New York Courts.

X.11 **Remedies Cumulative.** All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

X.12 **Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. If any court determines that any covenant or any part of any covenant is invalid or unenforceable, such covenant shall be enforced to the extent permitted by such court, and all other covenants shall not thereby be affected and shall be given full effect, without regard to the invalid portions.

X.13 **Beneficiaries of Agreement.** The representations, warranties, covenants and agreements expressed in this Agreement are for the sole benefit of the parties hereto and the TeleCorp Indemnified Parties and AT&T Indemnified Parties, and are not intended to

benefit, and may not be relied upon or enforced by, any other party as a third party beneficiary or otherwise.

X.14 **Designated Transferee.** It is understood and agreed between the parties that TeleCorp or AT&T, respectively, may cause one or more of its direct or indirect Affiliates or wholly owned Subsidiaries (each a “**Designated Transferee**”) to acquire all or part of the AT&T Assets or TeleCorp Assets, respectively, hereunder; provided, that notwithstanding any such designation, TeleCorp and AT&T, respectively, shall remain fully liable for all of its obligations and those of the Designated Transferee hereunder; provided, further, that AT&T may cause its Designated Transferee to pay all or part of the Asset Payment or Cash Consideration payable hereunder.

X.15 **Access to Records.** From and after the Closing Date (i) AT&T shall furnish TeleCorp with reasonable access to AT&T's books and records that after the Closing are in the custody and control of AT&T and that relate solely to the AT&T Assets as TeleCorp may reasonably request in order to comply with their obligations under Law, and (ii) TeleCorp shall furnish AT&T with reasonable access to TeleCorp's books and records that after the Closing are in the custody and control of TeleCorp and that relate solely to the Boston Licenses and TeleCorp Assets as AT&T reasonably request in order to comply with its obligations under Law.

X.16 **Agency.** TeleCorp is hereby appointed agent of the Designated TeleCorp Affiliates for purposes of effecting the transactions contemplated hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

AT&T WIRELESS PCS, LLC

By:
Name:
Title:

TELECORP PCS, INC.

By:
Name:
Title:

TELECORP PCS, LLC

By:
Name:
Title:

TELECORP HOLDING CORP., INC.

By:
Name:
Title:

TELECORP COMMUNICATIONS, INC.

By:
Name:
Title:

TELECORP EQUIPMENT LEASING, L.P.

By:

Name:

Title:

TELECORP REALTY, LLC

By:

Name:

Title: