

OVERVIEW OF THE UNIVERSAL SERVICE FUND AND SAFELINK

Universal Service Fund and Lifeline:

The Universal Service Fund (USF) was created by the U.S. Federal Communications Commission (FCC) in 1997 to provide communities across America with affordable telecommunications services. The USF supports Lifeline Assistance, a program that provides discounts on telephone service to eligible low-income customers.

The Lifeline program is not funded from federal taxpayer dollars, but rather from contributions to the USF by telecommunications carriers based on those carriers interstate revenues. Those contributions are recovered from consumers of their services, including consumers of wireline and wireless services.

According to FCC data, only one-third of individuals eligible for Lifeline actually use the program to help pay for their telephone services.

More information on the Universal Service Fund and Lifeline can be found at www.usac.org.

TracFone Wireless and SafeLink Wireless:

TracFone Wireless, Inc., America's leading prepaid cell phone provider, launched SafeLink Wireless to provide Lifeline service, becoming the first pre-paid wireless company ever to do so.

Unlike most Lifeline programs, SafeLink is a free service, not just a discount on customers' monthly bills. SafeLink customers receive a free cell phone, up to 250 minutes of free airtime per month and three plans to choose from as well as a host of additional benefits including:

- No long-term contracts, no credit checks, no early termination penalties
- Long distance calling at no additional charge
- 911 calls free of charge; no minutes would be deducted
- For two plans unused minutes do not expire at the end of the month, and are "carried over" to the following month
- Text messaging and 411 calling at no additional charge
- The same features enjoyed by other consumers with cell phones, such as voice mail, caller ID, call waiting and text messaging

SafeLink is currently available in: Alabama, Connecticut, Washington DC, Delaware, Florida, Georgia, Illinois, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Puerto Rico, South Carolina, Tennessee, Texas, Virginia, West Virginia and Wisconsin.

More information on TracFone Wireless can be found at www.tracfone.com. More information on SafeLink Wireless can be found at www.safelink.com. Specific questions can be directed to Raquel Ortiz at (202) 263-2580 or rortiz@amplifypublicaffairs.net.