

## EXHIBIT C

### ESCROW AGREEMENT

This escrow agreement (the "Escrow Agreement"), dated November \_\_, 2008, by and among (a) defendant Sprint Nextel, (b) Class Counsel on behalf of the Settlement Class, and (c) \_\_\_\_\_ as escrow agent (the "Escrow Agent") is entered into in connection with the Stipulation and Agreement of Settlement dated December \_\_, 2008 ("Settlement Agreement"). All capitalized terms not otherwise defined herein shall have the same meaning as they have in the Settlement Agreement.

WHEREAS, the Parties, by and through their respective counsel, have entered into the Settlement Agreement wherein, subject to final approval of the United States District Court, District of New Jersey (the "Court") and other terms and conditions set forth therein, they agreed, *inter alia*, to the dismissal of the Action with prejudice and to the releases set forth in the Settlement Agreement in exchange for, *inter alia*, payment by Sprint Nextel of Fourteen Million Dollars (\$14,000,000) into the Common Fund.

WHEREAS, the parties hereto are entering into this Escrow Agreement in order to effectuate certain of the terms of the Settlement Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and considerations therein, the parties agree as follows:

**1. Deposit in Escrow**

Within ten (10) days of preliminary approval of the Settlement Agreement by the Court pursuant to and in accordance with the terms and conditions of the Settlement Agreement, Sprint Nextel will, wire the sum of \_\_\_\_\_ Million Dollars (\$\_,000,000) to the Escrow

Agent as an initial deposit to open the Escrow Account. Thereafter, Sprint Nextel, shall on \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_, wire the sums of \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_, respectively, to total \$14,000,000 (collectively, the “Escrow Amount”), to the Escrow Agent to complete the funding of the Escrow Account. Class Counsel, on behalf of the Settlement Class hereby confirms that the Escrow Amount satisfies Sprint Nextel’s entire obligation to place sums in the Escrow Account pursuant to the Settlement Agreement.

**2. Interest and Investments**

2.1 The Escrow Agent shall cause all funds in the Escrow Account to be invested in short term instruments backed by the full faith and credit of the United States government or fully insured by the United States government or an agency thereof, or any mutual fund whose holdings consist solely of securities of the United States government, and shall reinvest the proceeds of the instruments as they mature in similar instruments at their then current market rates. The Escrow Agent shall not invest any portion of the Escrow Account in any debt obligation having a maturity in excess of ninety (90) days.

2.2 The Escrow Agent may cause to be sold or present for redemption any investment described in Section 2.1 above whenever it shall be necessary in order to provide funds to meet any payment required pursuant to this Escrow Agreement. The Escrow Agent shall not be liable or responsible for any loss resulting from such sale or redemption.

2.3 All interest and other earnings received on the Escrow Account shall accrue to the benefit of the Escrow Account. Any losses in the Escrow Account shall be borne by the Escrow Account and shall not be recoverable from Sprint Nextel, which shall have no liability, obligation or responsibility of any kind in connection with the investment, disbursement, or other oversight of the Escrow Account.

### **3. Payment and Distribution**

Except as otherwise ordered by the Court, the Escrow Agent is directed to hold and distribute the property of the Escrow Account in the following manner:

3.1 *Payment of Attorneys' Fees.* Within three (3) days of the Escrow Agent's receipt from Class Counsel of written notice, showing a copy having been previously served upon Sprint Nextel's Counsel, that (1) the Court has entered the Final Approval Order in conformity with the terms of the Settlement Agreement, and (2) the Court has approved the Fee and Cost Application in conformity with the terms of the Settlement Agreement, the Escrow Agent shall pay from the Escrow Account the amounts ordered by the Court for attorneys' fees and costs, to the extent, in the manner, and to the persons described in the Court's order.

3.2 *Payment of Notice and Administration Costs.* Pursuant to written instructions from Class Counsel, with copies sent to Sprint Nextel's Counsel, the Escrow Agent shall periodically remit payments to the Settlement Administrator for notice and administration expenses.

3.3 *Payment of Incentive Awards.* Within fifteen (15) days of receiving notice from Class Counsel, with copy to Sprint Nextel's Counsel, that the Settlement Agreement has become Final within the meaning thereof, the Escrow Agent shall pay from the Escrow Account the incentive payments to the extent, in the manner, and to the persons described in the Court's order approving the payment of same.

3.4 *Settlement Payments and Allocation.* After the Settlement Agreement becomes Final, the balance of funds remaining in the Escrow Account, less the Holdback Amount, after the disbursement of the amounts referenced in Sections 3.1, 3.2 and 3.3 above,

shall be distributed in accordance with the instructions of the Settlement Administrator, as approved and/or modified by the Court and with any subsequent order of the Court concerning the distribution of the funds remaining in the Escrow Account, unless the instructions of the Settlement Administrator conflict with the covenants set forth herein, including in paragraph 3.5 below.

3.5 *Holdback Amount.* The sum of \$1,400,000 shall be earmarked and held in the Escrow Account following distribution of attorneys' fees but prior to distribution of Cash Benefit distributions to Claimants making Approved Claims pursuant to Article II, Categories I through III. The Holdback Amount shall be held for the exclusive purposes of funding Approved Claims by Claimants under Article II, Category IV of the Settlement Agreement. The Holdback Amount is not available to or subject distribution to the Settlement Administrator for any purpose other than the specific articulated purpose in the preceding sentence or in the event there are sums remaining from the Holdback Amount after all claims have been paid and the claim period has expired. Any remainder in the Common Fund following all distributions made pursuant to this paragraph of the Escrow Agreement shall be available for distribution in accordance with the rule set forth in Article II, "Distribution of the Common Fund," in the Settlement Agreement, regarding final distribution of any remaining balance in the Common Fund after all Cash Benefit Approved Claims have been paid.

#### **4. Termination of the Escrow Agreement**

4.1 If a Party elects to terminate the Settlement Agreement pursuant to the terms thereof, the Party shall serve a copy of the Termination Notice by facsimile and/or personal delivery upon the Escrow Agent and Settlement Administrator at the same time the Termination Notice is served on the Parties' counsel.

4.2 Upon receipt of the Termination Notice, the Escrow Agent shall immediately cease any disbursement or payment from the Escrow Account. Within ten (10) days of its receipt of the Termination Notice, the Escrow Agent shall provide an accounting of all disbursements or payments from the Escrow Account through the date of the Termination Notice, and of any unpaid expenses, costs, taxes or other liabilities of the Escrow Account that had accrued through the date of the Termination Notice.

4.3 Subject only to the expiration of any time deposit investment(s) not to exceed ninety days, the Escrow Agent shall return to Sprint Nextel within thirty (30) days of the Termination Notice all funds remaining in the Escrow Account including all interest and earnings thereon, less any unpaid expenses, costs, taxes and other liabilities of the Escrow Account that had accrued through the date of the Termination Notice.

## **5. Taxes & Regulations**

5.1 The parties to this Escrow Agreement agree to treat the Escrow Account as being at all times a “qualified settlement fund”(“QSF”) within the meaning of Treas. Reg. §§, 1.468B-1 through 1.468B-5, 26 C.F.R. §§ 1.468B-1 through 1.468B-5. The Escrow Agent shall be deemed the “administrator” for purposes of Treas. Reg. § 1.468B. The Escrow Agent shall timely take all steps necessary for qualifying the Escrow Account as a QSF within the meaning of the regulations. These obligations include, without limitation, the following:

a. Preparing and filing a “Regulation Section 1.468B-3 Statement” on behalf of Sprint Nextel;

b. Preparing and filing on behalf of the Escrow Account federal tax returns in accordance with Section 1.468B-2 of the regulations and other provisions of the Internal Revenue Code of 1986, as amended, and all necessary state, local and foreign tax returns;

c. Preparing and attaching to the Escrow Account's income tax return a "Regulation Section 1.468B-1 Relation Back Election" pursuant to Treasury Regulation Section 1.468B-1(j) for execution by the Escrow Agent and Sprint Nextel.

5.2 Notwithstanding any effort or failure of the Escrow Agent and the parties hereto to treat the Escrow Account as a QSF effective as of the date hereof, any additional tax liability (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Escrow Account, including any taxes or tax detriments that may be imposed on Sprint Nextel, shall be reimbursed from the Escrow Account upon Sprint Nextel's written request to the Escrow Agent. The Escrow Agent is authorized to withdraw from the Escrow Account (i) monies to pay all applicable federal and state taxes which the Escrow Account owes or is estimated to owe; (ii) any reimbursements payable to Sprint Nextel as described in this Section 5.2, and (iii) all expenses and costs incurred in connection with the operation and implementation of Section 5.

## **6. Miscellaneous**

6.1 The Escrow Agent shall provide to the Parties, within forty-five (45) days after the payment into the Escrow Amount into the Escrow Account, and monthly thereafter, a statement of receipts and disbursements, and property on hand pertaining to the Escrow Account.

6.2 The Escrow Agent's acceptance and administration of the Escrow Amount shall constitute submission to the jurisdiction of the Court for the purposes of carrying out this

Escrow Agreement and with respect to all disputes or claims relating to or arising out of the same and an agreement to comply with all directions of the Court.

6.3 This Escrow Agreement shall be governed by and interpreted according to substantive laws of the State of New Jersey, without reference to choice-of-law principles.

6.4 Copies of all notices and correspondence sent pursuant to this Escrow Agreement shall be served by fax (or such other method as all counsel listed below mutually agree) upon the Escrow Agent and the following:

Class Counsel:

James E. Cecchi, Esq.  
Carella Byrne Bain Gilfillan Cecchi Stewart & Olstein, PC  
5 Becker Farm Road  
Roseland, NJ 07068

Sprint Nextel's counsel:

Joseph A. Boyle, Esq.  
Kelley Drye & Warren, LLP  
200 Kimball Drive  
Parsippany, NJ 90071

6.5 The parties reserve the right to modify this Escrow Agreement upon written agreement of all parties other than the Escrow Agent, except any modification which shall affect the duties and responsibilities of the Escrow Agent may be made only upon agreement of all parties including the Escrow Agent.

6.6 All fees, expenses and costs incurred in connection with the creation and administration of the Escrow Account shall be reimbursed from the Escrow Account and shall be deemed costs of administrating the Settlement Agreement within the meaning thereof.

6.7 This Escrow Agreement may be executed in one or more counterparts, and transmitted among the parties hereto by facsimile transmission, and such counterparts and facsimile transmissions shall be valid and effective as if an original.

DATED: November \_\_\_\_, 2008

KELLEY DRYE & WARREN, LLP

By: \_\_\_\_\_

JOSEPH A. BOYLE

Attorneys for Sprint Nextel

DATED: November \_\_\_\_, 2008

CARELLA, BYRNE, BAIN, GILFILLAN,  
CECCHI, STEWART & OLSTEIN, PC

By: \_\_\_\_\_

JAMES E. CECCHI, ESQ.  
Attorneys for Settlement Class

DATED: November \_\_\_\_, 2008

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
For the Escrow Agent