

2. After three and a half years of hard-fought litigation, Plaintiffs, Class Counsel, and Sprint entered into the Agreement under which Sprint will (i) provide Prospective Relief in the form of revisions to Sprint's customer contracts and disclosures, (ii) provide Cash or Non-Cash Benefits ("Settlement Benefits") to the approximately 2.3 million members of the Fee Notice Sub-Class, and (iii) pay all attorneys' fees and incentive awards, as well as all expenses associated with Class Notice and Claims administration.

3. The Action involved sharply opposed positions on several fundamental legal and factual issues. Plaintiffs and Class Counsel maintain that the claims asserted in the Action are meritorious; that the Class would be certified and such certification would be sustained on appeal; that Plaintiffs would establish liability and recover damages if the Action proceeded to trial; and that the final judgment in favor of Plaintiffs and the Class would be affirmed on appeal. However, Plaintiffs' ultimate success in the litigation required them to prevail, in whole or in part, at *all* of these junctures. Conversely, Sprint's success at any one of these junctures could or would have spelled defeat for Plaintiffs. Thus, continued litigation posed significant risks and countless uncertainties, as well as the time, expense, and delays associated with trial and appellate proceedings, particularly in the context of complex class action litigation.

4. In light of the risks, uncertainties, and delays associated with continued litigation, the Settlement represents an outstanding achievement by providing immediate and future benefits to the Settlement Class and Sub-Class.

A. Background of the Litigation

5. This Action was brought on behalf of Sprint customers who alleged they were assessed Sprint Surcharges that were not properly disclosed and/or authorized by their wireless services agreements. According to Plaintiffs, these practices violated Sprint's contractual and good faith duties, were substantively and procedurally unconscionable, and resulted in unjust enrichment

to Sprint.

6. Sprint denied all of Plaintiffs' allegations of wrongdoing. Sprint argued that Plaintiffs failed to state a valid claim; that the voluntary payment doctrine precluded their claims; that a multi-state class could not be certified; that Plaintiffs should be forced to arbitrate their claims on a non-class basis; that its customer contract expressly authorizes the Surcharge practices at issue; and that it fully disclosed its practices to its customers.

B. Class Counsel's Investigation

7. Class Counsel devoted substantial time and expended significant resources researching and developing the legal claims at issue, before and after the litigation began. Class Counsel interviewed several potential plaintiffs and Sprint customers to gather information about Sprint's Surcharge practices and their impact upon customers. This information was essential to Class Counsel's ability to understand the nature of Sprint's conduct, the language of the contract documents at issue, and potential claims for relief and remedies.

C. Course of Proceedings

8. In April 2009, Plaintiff Eric Barkwell filed this case in Muscogee County Superior Court seeking monetary damages, restitution, and declaratory relief, and challenging Sprint's disclosure and assessment of Sprint Surcharges. Initially, Plaintiff's primary theory was that Sprint did not provide sufficient notice of Sprint Surcharges prior to locking its customers into long term agreements and that, after customers discovered they were liable for such Surcharges, they could not cancel their agreements without incurring a large Early Termination Fee ("ETF").

9. Sprint subsequently removed the case to this Court and filed its Answer. In this Answer, Sprint denied all wrongdoing and asserted 23 separate affirmative defenses, including the voluntary payment doctrine and that its disclosure of Sprint Surcharges is adequate and the

Surcharges are expressly allowed by its customer contracts.

10. We immediately served detailed written discovery requests on Sprint. Sprint responded to these discovery requests, producing a substantial amount of responsive documentation. Our review and understanding of this documentation, which consisted in large part of the disclosures Sprint provides its customers concerning Sprint Surcharges, as well as the plethora of contract documents purporting to authorize some Sprint Surcharges, was critical to our evaluation of Mr. Barkwell's claims and the likelihood of prevailing.

11. On September 16, 2009, Sprint filed a motion for judgment on the pleadings, attacking the sufficiency of Mr. Barkwell's allegations. We opposed and Sprint filed a reply. We also filed a motion to strike Sprint's reply, which Sprint opposed, and to which we replied.

12. While the motion for judgment on the pleadings was pending, Sprint continued its vigorous defense by filing a motion to deny class certification. Therein, Sprint contended that (i) many of the proposed class members had released their claims in prior class-wide settlements involving Sprint Surcharges, (ii) individualized factual issues would predominate, and (iii) because each customer's contract is governed by the law of the state where the agreement was entered, the laws of all 50 states would apply to a nationwide class, and variations in each state law would predominate. We opposed this motion, Sprint submitted a reply, and we, after obtaining Court permission, filed a surreply. Sprint also submitted a notice of supplemental authority in support of its motion and we responded thereto.

13. While these motions were pending, the parties were embroiled in significant discovery disagreements. Sprint moved the Court to stay discovery, contending the pending dispositive motions were purely legal in nature. We opposed this effort. Meanwhile, we contended Sprint did not produce all responsive documents, and after meet and confer efforts failed, filed a

motion to compel. Sprint opposed this motion and we replied.

14. On January 25, 2010, we moved the Court for leave to file an amended complaint. Such an amendment was necessary not only to add Plaintiff Gary Massey and various Defendant Sprint entities to the case, but to clarify the factual and class allegations based on information that had been uncovered during discovery and through our continued investigation. Sprint opposed this request and we replied.

15. By this time, we had served additional written discovery requests and Sprint had produced supplemental responses and information. We again questioned the completeness of Sprint's responses and, after meeting and conferring, filed a second motion to compel on February 15, 2010. Sprint opposed this motion and we replied.

16. On March 25, 2010, the Court issued an order granting Sprint's motion to stay further discovery and granting leave to Plaintiff to file a surreply brief in conjunction with Sprint's motion for judgment on the pleadings. See Text Order. We thereafter submitted the surreply.

17. On May 5, 2010, following a lengthy hearing, the Court granted Plaintiff's request to file an amended complaint and denied all other pending motions as moot.

18. On May 11, 2010, Plaintiffs Eric Barkwell and Gary Massey filed their First Amended Complaint. Therein, we greatly refined and reduced the scope of Plaintiffs' allegations to seek relief on behalf of two classes of current and former Sprint consumer customers: (i) those who paid Sprint Surcharges in an amount that was greater than specified in their customer agreements and (ii) those who paid Sprint Surcharges in an amount that exceeded Sprint's actual "costs associated with governmental programs."

19. On May 25, 2010, Sprint filed its Answer, denying Plaintiffs' allegations of wrongdoing and asserting 29 affirmative defenses, including the voluntary payment doctrine.

20. On July 21, 2010, Sprint filed a motion for summary judgment arguing primarily that the language of its wireless services agreements gave it complete discretion to change the amounts and/or nature of Sprint Surcharges. Sprint specifically argued that the agreements did not limit Sprint Surcharges to recoupment of only costs and fees associated with governmental programs. Sprint also claimed that the voluntary payment doctrine barred Plaintiffs from recovery. We opposed primarily on the ground that Sprint's interpretation of its customer agreements failed as a matter of law. We also argued that the voluntary payment doctrine defense was inapplicable for a variety of reasons, including that there was no evidence Plaintiffs actually paid the Surcharges in dispute. Sprint thereafter filed a reply brief. We, after obtaining Court permission, filed a surreply.

21. We also moved to strike the summary judgment motion as exceeding the scope of the Court's May 5, 2010 Order, a motion which Sprint opposed, and to which we replied. The parties also filed additional briefing as to the proper scope of the motion for summary judgment.

22. On December 6, 2010, the Court issued an Order denying Sprint's motion for summary judgment. The Order found that the 2007 version of the wireless services agreement terms and conditions mandated that Sprint Surcharges be tied to "government costs or costs of complying with government programs," but the 2008 version did not. The Court further noted that both versions allowed Sprint to change the amount of Sprint Surcharges *if* notice was provide to the customer. The Order ultimately found that there were triable issues of fact as to which version governed the Plaintiffs' claims.

23. Thereafter, discovery recommenced on the factual issues which remained live following the Court's Order, namely whether (i) the Sprint Surcharges imposed on customers while the 2007 agreement was in effect exceeded Sprint's "government costs or costs of

complying with government programs” and (ii) Sprint provided proper notice of Surcharge increases to its customers. We prepared written discovery requests directed to Sprint on these refined issues.

24. In early 2011, the parties agreed to commence class-wide settlement discussions. On February 16, 2011, the parties attended a full day of mediation with mediator Arthur Glaser of Henning Mediation. Progress was made as the framework of a deal was negotiated, however, no final agreement was ultimately reached. Nonetheless, the parties agreed to continue discussions, notified the Court of their progress, and requested a formal stay while negotiations continued. The Court granted this request and thereafter the parties continued to negotiate, exchanging emails and calls, and meeting in person.

25. In May 2011, the Supreme Court’s decision in AT&T Mobility LLC v. Concepcion, ___ U.S. ___, 131 S. Ct. 1740 (2011), was released. Sprint viewed this favorable decision on the enforceability of arbitration clauses as a means to extricate itself from the litigation and broke off settlement discussions, which had advanced substantially.

26. On June 9, 2011, Sprint moved to enforce the arbitration provision in its standard customer agreements. We opposed on the ground that Sprint had waived its right to pursue arbitration by actively participating in the litigation. Sprint thereafter submitted its reply and we filed a notice of subsequent authority. Pursuant to an earlier order of the Court, litigation was stayed while this motion was considered.

27. On January 12, 2012, this Court denied Sprint’s motion to compel arbitration on waiver grounds. Sprint thereafter appealed this decision to the Eleventh Circuit Court of Appeals and this Court stayed the case pending the outcome of the arbitration appeal.

28. In March 2012, Sprint filed its initial appellate brief in the Court of Appeals. The appeal was subsequently referred to mediation by R. William Roland of the Eleventh Circuit's Kinnard Mediation Center.

29. On April 17, 2012, the parties attended their first session of mediation with Mr. Roland. Discussions resumed where they left off in May 2011 prior to Sprint unsuccessfully moving to compel arbitration. The parties did not reach a final agreement at the conclusion of the session but agreed to keep working. Any agreement was to be conditioned on Sprint providing confirmatory discovery proving that the Surcharges it imposed on its customers were less than its government-related costs.

30. For the next several months, the parties exchanged many emails and calls. The parties continued to make progress although given the corporate structure of Sprint, and more specifically the number of individuals who needed to review and comment on the settlement, negotiations were slow going.

31. On October 2, 2012, the parties met again to finalize the terms of a Memorandum of Agreement ("MOA"). This meeting was successful and after a few more months of tinkering, on December 10, 2012, the parties executed the MOA evidencing an agreement in principle to settle this litigation on a class-wide basis.

32. On December 17, 2012, the Eleventh Circuit stayed proceedings in the appeal for a period of 120 days to allow the parties to finalize the open issues identified in the MOA, complete confirmatory discovery, execute a final settlement agreement, and obtain preliminary and final approval from this Court. The Eleventh Circuit thereafter granted several additional stays in order to facilitate the completion of these tasks.

33. During the stay periods, the parties kept in close contact and worked together to resolve the open issues. For example, the parties revised certain notice and disclosure language at issue in this lawsuit. In addition, a third party auditor was hired to conduct a thorough review of Sprint's records for confirmatory discovery purposes. The parties also performed additional work to finalize the settlement, including holding many conference calls and exchanging hundreds of drafts and emails in an effort to finalize the details of the Agreement and related documents.

34. On August 22, 2013, the parties moved to lift the stay so (i) a stipulated protective order governing confirmatory discovery could be entered and (ii) the parties could seek preliminary approval of the Settlement. On August 23, 2013, this Court lifted the stay and entered the stipulated protective order.

35. The audit report and additional confirmatory discovery requested by us was subsequently exchanged. On October 8, 2013, the parties executed the Agreement.

36. On October 9, 2013, we filed a motion for preliminary approval. On October 10, 2013, this Court entered an Order granting preliminary approval to the Settlement, certifying the Settlement Class, and scheduling a final approval hearing for April 10, 2014.

D. Settlement Recovery

37. The Settlement Class is an opt-out class under Rule 23(b)(3) of the Federal Rule of Civil Procedure. The Settlement Class is defined as:

All Persons in the United States or the U.S. territories, who are or were parties to an Individual Liabe Account with Sprint for wireless services between January 1, 2007, and the date of this Agreement and who were charged or were subject to Sprint Surcharges on any or all wireless lines of service. The Settlement Class does not include governmental or corporate accounts.

Agreement § I(LL).

38. Additionally, there is a Sub-Class, the “Fee Notice Sub-Class,” which is defined as “Persons holding Individual Liabile Accounts who were subject to Sprint Surcharges and who did not receive notice of Sprint Surcharge increases.” Sprint has identified the approximately 2.3 million members of this Sub-Class by account number and has developed lists by account number of the persons that make up this Sub-Class. For guidance and notice purposes, the Sub-Class members generally held one or more of the following Sprint accounts:

- Individual Liabile Accounts that were opened on or after November 11, 2007, and on or before December 31, 2007;
- Individual Liabile Accounts that were on suspension on November 11, 2007, but that were subsequently reinstated;
- Individual Liabile Accounts that were opened on or after October 5, 2008, and on or before December 31, 2008;
- Individual Liabile Accounts that were on suspension on October 5, 2008, but that were subsequently reinstated;
- Individual Liabile Accounts that were opened as new accounts in Sprint retail stores in 2009;
- Individual Liabile Accounts that were opened on or after November 8, 2009, and on or before December 31, 2009; or
- Individual Liabile Accounts that were on suspension on November 8, 2009, but that were subsequently reinstated.

Agreement § I(P).

39. In collaboration with us, Sprint has reviewed and revised its point of sale disclosures, invoice disclosures, wireless services agreement terms and conditions, website disclosures, and invoice notices to reflect the following:

- that Sprint Surcharges are not taxes or amounts Sprint is required to collect from its customers by law;
- that Sprint Surcharges are separated and clearly differentiated from Government Taxes and Fees that Sprint is required to collect from customers;

- that Sprint shall not refer to Sprint Surcharges set by Sprint as being taxes or amounts that Sprint is required by law to collect and remit to any government entity; and
- that when Sprint increases the amounts of Sprint Surcharges it will provide notice of any such change which will inform customers of the change, the effective date of the change, how to obtain additional information, and a reminder to consult their wireless services agreement.

Id. The revised notices and disclosures are set forth in Exhibit H to the Agreement.

40. This relief is important because it ensures that in the future customers will be fully informed not only of the true nature and amount of Sprint Surcharges, but of any changes thereto, as well as what the customers' rights are in response to such changes.

41. For example, if Sprint materially changes the nature of Sprint Surcharges, customers will now know to consult their contract to determine their rights in response.

42. Because of the revisions to the Prospective Relief, the Settlement Class Members are put in a position to take prompt action (without penalty) if Sprint materially modifies its Surcharges.

43. In addition to the foregoing relief, the 2.3 million members of the Fee Notice Sub-Class may file a Claim with the Claims Administrator to receive either a Cash Benefit or one of the Non-Cash Benefits. Agreement §§ I(P), II(B).

44. The Cash Benefit is (1) a \$1 account credit for a current customer or a former customer with an unpaid account due Sprint, or (2) a \$1 check, electronic transfer, or e-account credit to a former customer whose account is not past due. Id. at § II(B)(2).

45. The Non-Cash Benefits are: (1) a 30-minute long distance, domestic calling card; (2) a 30% discount on any accessory purchased at a Sprint-owned retail store, limited to one accessory; or (3) a waiver of the \$36 activation fee when activating a new line of service under Sprint's then-existing Terms & Conditions of Services. To be eligible for the waiver of the \$36

activation fee, the Claimant must be eligible under Sprint's activation and credit policies. Id. at ¶ II(B)(3).

46. Given that these customers were allegedly not given notice of minor Surcharge increases (i.e., \$0.24/month), the available relief represents a substantial portion, if not all, of the damages the Sub-Class could have hoped to win at trial.

47. Sprint has also agreed to pay any and all claims administration and notice costs, separate and apart from any monetary relief that is being paid to the Fee Notice Sub-Class. Agreement § V(B). To date, such costs are estimated to be \$583,000.

E. Class Release

48. In exchange for the benefits conferred by the Settlement, all Settlement Class Members who do not opt out will be deemed to have released Sprint from claims related to the subject matter of the Action. The detailed release language can be found in Section VII of the Agreement.

F. Settlement Notice

49. Class Counsel and Sprint retained Gilardi & Co., a leading class action notice expert, to serve as the Notice Administrator for the Settlement.

50. The Notice Program – Section III of the Agreement – was designed to provide the best notice practicable and is tailored to take advantage of the information Sprint has available about the Settlement Class Members. The Notice Program was reasonably calculated under the circumstances to apprise the Settlement Class of the pendency of the Action, the terms of the Settlement, Class Counsel's Fees and Cost Application and request for Incentive Awards for Plaintiffs, and their rights to opt-out of the Settlement Class or object to the Settlement. In our opinion, the Notices and Notice program constitute sufficient notice to all persons entitled to notice and satisfy all applicable requirements of law, including, but not limited to, Federal Rule of Civil

Procedure 23 and the constitutional requirement of due process.

51. On February 4, 2014, we were first notified by Sprint that former and/or current, non-active customers who are not members of the Fee Notice Sub-Class were not provided with Direct Mail Notice of the Settlement in accordance with the Court's Preliminary Approval Order. Id. at ¶¶ 7-8. Sprint contends Direct Mail Notice to this particular group of Settlement Class Members was not intentionally contemplated by the parties and is not necessary in this particular case. It is our understanding that Sprint plans to move the Court to amend the Direct Mail Notice requirement with respect to this particular subset of class members. We will comment on such motion soon after it is filed.

G. The Claims Process

52. Gilardi & Co. has also served as the Claims Administrator. Agreement § I(J). Fee Notice Sub-Class Members were given the option of completing the Claim Form online at the Settlement Website or submitting the Claim Form by mail. Claimants have until the Claims Deadline to file a Claim Form and to show sufficient proof that they are eligible under the Settlement Benefit Rules. Agreement § I(H).

53. If a Claim for Cash Benefits is accepted, there shall be no notice of acceptance required to be sent to the Claimant. Tender of the settlement benefit shall suffice for notice. On the other hand, if a Claim for Non-Cash Benefits is accepted, the Claims Administrator shall provide the Claimant with a letter or email containing a unique code and/or instructions that will enable the Claimant to obtain his or her Non-Cash Benefit if and when such settlement benefits are tendered, along with instructions for how and when to obtain the Settlement Benefit. Agreement § II(C)(9)-(11).

H. Settlement Termination

54. Either party may terminate the Settlement if the Settlement is rejected or materially modified by the Court or an appellate court. Agreement § V(D). Sprint also has the right to terminate the Settlement if the number of Settlement Class Members who timely opt out of the Settlement Class constitutes a significant percentage of the Settlement Class as agreed on by the parties in writing. Id. at § V(D)(b).

I. Service Awards, Attorneys' Fees, and Costs

55. Pursuant to the Agreement, we will seek and Sprint will not oppose Incentive Awards of \$5,000 per named Plaintiff. Agreement § V(D). If the Court approves them, the Incentive Awards will be paid by Sprint separately from the benefits being afforded to the Class and Sub-Class. Id. These awards will compensate Mr. Barkwell and Mr. Massey for their time and effort in the Action, and for the risk they undertook in prosecuting the Action against Sprint.

56. We request, and Sprint will not oppose, attorneys' fees and costs in the amount of \$500,000, which equals, at a maximum, 21.74% of the common fund we have obtained for the Sub-Class. Agreement § V(C). Such fees and expenses will not be deducted from Settlement Benefits available to the Sub-Class.

57. The parties negotiated and reached agreement regarding attorneys' fees and costs and Incentive Awards only after reaching agreement on all other material terms of the Settlement.

J. Considerations Supporting Settlement

1. The Settlement Is the Product of Good Faith, Informed, and Arm's-Length Negotiations

58. Settlement negotiations were informed by the experience of counsel for both sides in the litigation, certification, trial, and settlement of nationwide class actions. In particular, we

had the benefit of years of experience and a familiarity with the facts of this case as well as with other cases involving similar consumer contract claims.

59. As detailed above, we conducted a thorough investigation and analysis of Plaintiffs' claims and Sprint's defenses, and engaged in extensive discovery and confirmatory discovery. Our investigation and review of that extensive discovery enabled us to gain an understanding of the evidence related to central legal and factual issues in the case, and prepared them for well-informed settlement negotiations under the supervision of Mr. Glaser and Mr. Roland.

60. We have a thorough understanding of the practical and legal issues we would continue to face litigating these claims against Sprint.

61. Based on the foregoing, we were well-positioned to evaluate the strengths and weaknesses of Plaintiffs' claims, as well as the appropriate basis upon which to settle them.

2. The Settlement Will Avert Years of Highly Complex and Expensive Litigation

62. The Action involves many millions of Class Members. The claims and defenses are complex. Litigating them is difficult and time-consuming. Although this litigation has been pending for over four years, recovery by any means other than settlement would require additional years of litigation in this Court and appellate courts. In contrast, the Settlement provides immediate, meaningful benefits to millions of Class Members, all of whom are either current or former Sprint customers.

63. While we are confident in the strength of Plaintiffs' case, we are also pragmatic in our awareness of the issues and defenses raised by Sprint, and the risks inherent in continued litigation. Protracted litigation carries inherent risks and inevitable delay. Under the circumstances, we concluded that the Settlement outweighs the risks of continued litigation.

3. The Factual Record Is Sufficiently Developed to Enable Plaintiffs and Class Counsel to Make a Reasoned Judgment Concerning This Settlement

64. Extensive written discovery occurred in the Action. This discovery afforded us insight into the strengths and weaknesses of the contract and non-contract-based claims against Sprint. We initially used this information to refine and narrow the scope of Plaintiffs' claims. We also demanded and conducted detailed confirmatory discovery into Sprint's claim that the costs it expended on government associated programs actually exceeded the Surcharges it collected from customers during the relevant time frame. Such confirmatory discovery involved a study and analysis of Sprint's records and balance sheets by a reputable third party accounting firm.

65. Our review of this discovery positioned us to evaluate with confidence the strengths and weaknesses of Plaintiffs' claims, Sprint's defenses, and the prospects for success on issues of class certification, arbitration, summary judgment, and trial. Prior to settling, we developed ample information and performed analyses from which to assess the probability of success on the merits, the possible range of recovery, and the likely expense and duration of the litigation, all of which support Final Approval.

4. Plaintiffs Would Have Faced Significant Obstacles to Obtaining Relief

66. Protracted litigation involves risks, delay, and expenses; this case is no exception. While we are confident in the strength of Plaintiffs' and the putative classes' case, we are also pragmatic in our awareness of the various defenses available to Sprint and the risks inherent in continued litigation. While we firmly believe that Plaintiffs and the putative classes had a solid case against Sprint, we are mindful that Sprint advanced several significant defenses that we would have to overcome at various stages throughout the litigation. The Action involved a number of major risks, including the prospect of mandatory non-class arbitration, the voluntary payment doctrine, the possible exculpatory effect of the disclosures in Sprint's contracts, and the

difficulties associated with the laws of multiple states. Given all the circumstances and the prospect of continued litigation against Sprint, we concluded that the Settlement is more than reasonable.

5. The Settlement Amount Is Reasonable Given the Range of Possible Recovery

67. Confirmatory discovery revealed that Sprint may have charged its customers less in Surcharges than it paid in government-related costs. If proven at trial, Plaintiffs and this Class would have had no provable damages. In light of such facts, this Settlement provides excellent benefits to the Settlement Class. All Class Members will receive the Prospective Relief which ensures that they will be fully informed not only of the true nature and amount of Sprint Surcharges, but of any changes thereto, as well as what the customers' rights are in response to such changes.

68. The damages of the 2.3 million members of the Fee Notice Sub-Class (i.e., those who did not receive notice of \$0.24/monthly increases to Sprint Surcharges) may have also been limited. The Settlement Benefits, which provide the Sub-Class Members with the right to obtain a minimum of \$1.00 in Cash Benefits (i.e., the equivalent of four months worth of increases) and a maximum of \$36.00 in Non-Cash Benefits, are thus an extremely fair and reasonable recovery.

69. Moreover, Sprint's agreement to pay separately from any relief provided to the Class (i) Counsel's attorneys' fees, (ii) Incentive Awards to the named Plaintiffs and (iii) all expenses of the Notice Administrator and Settlement Administrator (to date, \$583,000) further enhance the Settlement.

6. The Opinions of Class Counsel, Plaintiffs, and Absent Class Members Strongly Favor Approval

70. Class Counsel believe this Settlement represents an excellent result in the face of extraordinary risks, and represents the best vehicle for the Settlement Class and Fee Notice Sub-Class to receive the relief to which they are entitled in a prompt and efficient manner.

71. The recovery achieved by this Settlement must be measured against the fact that any recovery by Plaintiffs and Settlement Class Members through continued litigation could only have been achieved if: (i) the Eleventh Circuit affirmed this Court's finding that Sprint had waived its arbitration rights; (ii) this Court certified a class and the Eleventh Circuit declined Sprint's inevitable rule 23(f) petition; (iii) Plaintiffs and the certified class established liability at trial; (iv) Plaintiffs and the certified class recovered damages at trial under our theory of the case; and (v) the final judgment was affirmed on appeal. The Settlement is an extremely fair and reasonable recovery for the Class in light of Sprint's defenses, and the challenging and unpredictable path of litigation Plaintiffs would have faced absent the Settlement.

72. Opposition to the Settlement has been *de minimis*. As of February 4, 2014, only 338 of the millions of Settlement Class Members had requested to be excluded from the Settlement Class. Moreover, as of February 4, 2014, only three Settlement Class Members had objected to the Settlement.

73. Based on these and other reasons, we are of the strong opinion that the Settlement is clearly deserving of Final Approval.

K. Incentive Awards

74. Pursuant to the Settlement, we request, and Sprint does not oppose, Incentive Awards of \$5,000 for each of the two named Plaintiffs. If the Court approves them, the Incentive Awards will be paid by Sprint, separate and apart from the Settlement Benefits being

provided to the Sub-Class. These awards will compensate the named Plaintiffs for their time and effort in the Action and for the risks they undertook in prosecuting the Action against Sprint.

75. Incentive awards compensate named plaintiffs for the services they provided and the risks they incurred during the course of the class action litigation. Courts have found incentive awards to be an efficient and productive way to encourage members of a class to become class representatives.

76. The factors for determining an incentive award include: (1) the actions the class representatives took to protect the interests of the class; (2) the degree to which the class benefited from those actions; and (3) the amount of time and effort the class representatives expended in pursuing the litigation.

77. The above factors, as applied to this case, demonstrate the reasonableness of Incentive Awards to Mr. Barkwell and Mr. Massey who served as class representatives. Among other things, each Plaintiff provided substantial assistance to Class Counsel by locating and forwarding responsive documents and information, including advertisements, monthly account statements, and account agreements, and by participating in conferences with us. In so doing, the Plaintiffs were integral to forming the theory of this Action. The Plaintiffs not only devoted time and effort to this long-running litigation, but the end result of their efforts was a substantial benefit to the Settlement Class. The Plaintiffs should be compensated for their service.

L. Attorneys' Fees and Expenses

78. Pursuant to the Settlement, we respectfully request this Court award us attorneys' fees and the reimbursement of our out-of-pocket expenses in the total amount of \$500,000. All of these expenses were reasonably and necessarily incurred for the benefit of the Settlement Class and are of the type that are reimbursable in this Circuit. Sprint does not oppose our request for reimbursement of reasonable fees and expenses. We negotiated and reached the agreement

regarding attorneys' fees and expenses only after reaching agreement on all other material terms of this Settlement.

79. The Court-approved Notices advised Settlement Class Members of our intention to make this fee and cost request for our efforts in the Action, as well as reimbursement of our expenses incurred and paid in connection with the Action.

1. The Claims Against Sprint Required Substantial Time and Labor

80. Prosecuting and settling the claims in the Action demanded considerable time and labor, making this fee request reasonable. Indeed, we spent a substantial number of hours investigating the claims of many potential plaintiffs against Sprint. We interviewed several Sprint customers and potential plaintiffs to gather information about Sprint's Surcharge practices and its effect on consumers. This information was essential to our ability to understand the nature of Sprint's practices, the language of the contracts at issue, and potential remedies.

81. We also expended significant resources researching and developing the legal theories and claims at issue.

82. Soon after the case was filed, we served written discovery requests on Sprint seeking relevant and probative documents and information. The process of developing, refining, and finalizing the multiple sets of written discovery requests at issue – with an eye toward class certification, summary judgment, and trial – required considerable effort.

83. Sprint asserted objections to these discovery requests as to many categories of relevant documents. The parties exchanged correspondence regarding discovery-related issues and held conferences to resolve the discovery issues between them. We did not hesitate to diligently seek Court relief once it was apparent the parties could not informally resolve their differences.

84. Sprint ultimately produced a substantial number of internal Sprint documents in discovery. We reviewed these documents in a timely fashion and relied upon them both in seeking an amendment to the complaint and gauging Plaintiffs' chances of prevailing.

85. We also devoted substantial resources to fending off the many motions filed by Sprint. Indeed, Sprint filed and vigorously pursued *four* separate potentially dispositive motions before Plaintiffs even had a realistic opportunity to move for class certification. We timely and successfully fended off these efforts.

86. Settlement negotiations consumed additional time and resources. The multiple settlement conferences which ultimately led to the Agreement required substantial preparation and follow-up work. Moreover, after the Agreement was reached, several months of detailed discussions followed concerning the specific terms of the Agreement and related documents.

87. All told, our steadfast and coordinated work paid great dividends for the Settlement Class. Each of the above-described efforts was essential to achieving the Settlement currently before the Court. Taken together, the time and resources we devoted to prosecuting and settling this Action readily justify the fee we are now seeking.

2. The Issues Involved Were Novel and Difficult, and Required the Exceptional Skill of a Talented Group of Attorneys

88. It is very difficult to successfully prosecute a nationwide class action against a huge corporation such as Sprint. The management of this effort presented challenges most law firms are simply not able to meet. Indeed, litigation of a case like this requires counsel highly trained in class action law and procedure as well as the specialized issues these cases present. Our team possesses these attributes.

89. The record before the Court shows that the Action involved a wide array of complex and novel challenges. We met every challenge, at every juncture.

90. In assessing the quality of representation by Class Counsel, the Court also should consider the quality of Sprint's counsel. Sprint was represented by extremely able and diligent attorneys, principally Wayne Phears, Andrew Trask, and R. Patrick Dover of McGuire Woods, LLP. Mr. Trask even literally "wrote the book" on class actions, as co-author of The Class Action Playbook, a 352-page tome on the class practice. Our opposing counsel were worthy, highly competent, and professional adversaries.

3. Class Counsel Achieved a Superb Result

91. The Settlement we achieved is excellent in light of the hurdles we faced. Rather than facing more years of costly and uncertain litigation, the Settlement Class Members will receive immediate benefits, be it in the form of the Prospective Relief, the Cash or Non-Cash Benefits, or both. Moreover, this relief will not be diminished by our fees, the requested Incentive Awards, or the expenses associated with the Notice Program and Settlement administration, as all such items have been and will continue to be borne separately by Sprint. Under the facts and circumstances, the Settlement represents an excellent result by any measure.

4. The Claims Presented Serious Risk

92. Prosecuting the Action was risky from the outset. It was questionable whether the bulk of the claims would be upheld against attack, and it was uncertain whether a large, multistate class would be certified and successfully withstand appellate review. Sprint mounted vigorous defenses to these claims, denying any and all liability. Several litigation risks existed; we limit our discussion here to three of the most serious risks.

93. First, Sprint invoked the arbitration clause in its standard account agreements. As we are well aware, having litigated the enforceability of arbitration clauses in many prior cases, invocation of an arbitration clause can quickly derail a putative class action. Here, Sprint did not immediately move to compel arbitration, but subsequently attempted to invoke that right, thereby

occasioning a significant delay to the progress of the case. While Plaintiffs successfully fended off this effort in this Court, there is no guarantee the Eleventh Circuit would have affirmed. Indeed, in several of Class Counsel's prior cases they have defeated arbitration motions at the District Court level, only to see those decisions reversed on appeal.

94. Next, Sprint asserted that certification of a nationwide class, consisting of current and former customers from all states should be denied for a variety of reasons. If these arguments were successful, this litigation would have effectively ground to a halt and this Settlement would not have been achieved.

95. Also of significant danger to Plaintiffs' claims was Sprint's assertion of the voluntary payment doctrine. If Sprint was ultimately successful in proving this defense, most of the Class would have potentially been left with little to no damages.

96. Each of these risks, by itself, could have impeded Plaintiffs' and the putative classes' successful prosecution of these claims at trial and on appeal. Together, they clearly demonstrate that Plaintiffs' claims against Sprint were far from a "slam dunk" and that, in light of all the circumstances, the Settlement achieves an excellent class-wide result.

5. Class Counsel Assumed Considerable Risk to Pursue this Action on a Pure Contingency Basis and Were Precluded From Other Employment as a Result

97. We prosecuted the Action entirely on a contingent fee basis. In undertaking to prosecute this complex action on that basis, we assumed a significant risk of nonpayment or underpayment. That risk favors awarding the requested attorneys' fees.

98. Public policy concerns – especially ensuring the continued availability of experienced and capable counsel to represent classes of injured plaintiffs whose individual claims would defy vindication – further justify the requested attorneys' fees.

99. The progress of the Action to date shows the inherent risk we assumed in taking these cases on a contingency fee basis. Despite our enormous and ongoing effort in litigating before this Court for more than four years, we remain completely uncompensated for the substantial time and expenses we have invested in the Action. Uncompensated expenditures of this magnitude can severely damage or even destroy law firms. There can be no dispute that the Action entailed substantial risk of nonpayment and resulting financial catastrophe for our practice.

100. The time we spent on the Action was time that we could not spend on other matters, and precluded us from accepting other representations. This factor thus strongly militates in favor of our requested fee.

6. The Requested Fee Comports with Fees Awarded in Similar Cases

101. The fee requested here matches the fee typically awarded in similar cases. As numerous decisions have recognized, a fee award of 21.74% of a common fund (17.86% if the fees are included within the common fund) is well within the range of a customary fee. The requested fee also falls within the range of awards made in cases brought in this Circuit.

7. Other Factors Also Favor Approving the Requested Fee

102. Other factors also support granting our fee request. As noted above, the time and expense demands on us were daunting (to say the least) and obviated our ability to work on many other matters. In particular, the small size of our firm, and the major commitment involved in accepting this representation, precluded our firms from working on other matters and accepting other representations. Moreover, our fee request is firmly rooted in “the economics involved in prosecuting a class action.” Without adequate compensation and financial reward, cases such as this simply could not be pursued.

8. Lodestar Cross-Check

103. Because our firm does a substantial amount of work for clients who pay us by the hour, we record and enter our time on all cases, including contingency cases, on a daily basis. Such billing records are stored on our firm's server and kept in the ordinary course of business.

104. Such records show that from the time we were originally contacted by Mr. Barkwell about this case in early April 2009, until February 7, 2014, in excess of 1,125 hours were actually spent by members of our firm on this matter.

105. Based on our history, we estimate that we will need to devote 150 hours to see this matter through conclusion at the District Court level. Sprint's recent disclosure of potential notice problems will likely increase the efforts needed. Moreover, if any appeals are filed, additional work will be necessary. Indeed, in a nationwide class settlement such as this, there are almost always one or two appeals filed by "professional" objectors who attempt to block the settlement for their own personal gain. Based on our experience, we estimate that we will need to spend an additional 100 hours if any such appeals are filed.

106. Based on our experience handling extremely similar cases, it is our opinion that the total amount of hours spent on this matter by our firm is reasonable and is actually quite low. The reason for the low amount of hours is due to our prior familiarity with contract-based consumer class action cases and arbitration-related cases. It is this expertise that has allowed numerous tasks, such as the preparation of the pleadings, legal research, the preparation of the requisite motions and briefing, and the finalization of the settlement to be done in a much shorter time than would ordinarily be required. Our firm's resume, which accurately summarizes our qualifications and experience on consumer class action cases is attached hereto as Exhibit 1.

107. Our current standard hourly rates, paid by numerous corporate and individual clients, are as follows:

- Partner E. Adam Webb \$410.00/hour
- Partner Matthew C. Klase \$330.00/hour
- Partner G. Franklin Lemond \$290.00/hour
- Associates \$145.00/hour
- Paralegals \$85.00/hour

108. Application of the above-referenced hours to our standard rates results in a lodestar in excess of \$500,000. If a reasonable multiplier of 2.5 were imposed, an award of fees and costs well more than double that being sought would be generated. Such a multiplier is well beneath the range of multipliers that have been approved in cases brought in this Circuit and elsewhere. As such, the requested fee readily comports with a lodestar cross-check.

I declare under penalty of perjury of the laws of Georgia and the United States that the foregoing is true and correct, and that I executed this Declaration in Atlanta, Georgia on February 7, 2014.

/s/ E. Adam Webb
E. Adam Webb

I declare under penalty of perjury of the laws of Georgia and the United States that the foregoing is true and correct, and that I executed this Declaration in Atlanta, Georgia on February 7, 2014.

/s/ Matthew C. Klase
Matthew C. Klase

Exhibit 1

WEBB, KLASE & LEMOND, LLC

ATTORNEYS AT LAW

1900 THE EXCHANGE, S.E. • SUITE 480 • ATLANTA, GEORGIA 30339

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FIRM RÉSUMÉ

Webb, Klase & Lemond, LLC is a law firm that concentrates its practice in the areas of complex litigation and civil rights litigation with a focus on wrongful deprivations by corporate and government entities. Our mission at WK&L is to provide unsurpassed legal services to our clients. To date, we have been successful in achieving this lofty goal due primarily to the dedication of our attorneys and staff. Our clients benefit because WK&L is not like most other law firms. First, we are narrowly focused on those areas where our expertise sets us apart. Second, our resourcefulness and creativity allow us to attack problems from new and different angles. Third, we are truly dedicated to providing great value to our clients.

Expertise and Focus. We do not accept all types of legal work. We will take on clients only if our core competencies will allow us to provide excellent representation and value. For example, we do not typically handle criminal cases, wills or trusts, family law, or real estate litigation. We maintain a narrow focus on those areas of law in which our lawyers possess a present expertise or, in rare cases, a total dedication to becoming the best. We do not over market our services, but rather, we maintain the discipline and focus to continue to practice in those areas where we can provide a competitive advantage to our clients.

Resourcefulness and Creativity. Lawyers, like all professionals, can become set in their ways. Litigators often utilize arguments from previous cases without reevaluating the case to ensure that such arguments are the best possible given the situation. At WK&L we are constantly reevaluating our litigation strategies to improve on our clients' opportunities for victory. We endeavor to tailor each legal brief or oral argument to provide the greatest opportunity of success. We are not content to perform merely competent legal services.

Value. The legal field is very competitive. We are aware that there are many brilliant and experienced attorneys practicing in Atlanta and around the country. The profession is often guilty, however, of running up unnecessary fees and expenses through inefficiency. At WK&L we have a relentless focus on providing value to clients. Our expertise in the fields in which we practice is the most important ingredient to providing value. Rarely do we need to "get up to speed" and "reinvent the wheel" at the inception of a case. Also, we do not over-staff our cases and do not bill our clients to support excessive overhead.

With attention to these ideals, Webb, Klase & Lemond has created tremendous representation and value for its clients. We will continue to do so in the years ahead.

PARTNER BIOGRAPHIES

- E. Adam Webb, B.A. *cum laude* Harvard University (1993); J.D. *cum laude* University of Georgia School of Law (1996). While in law school Mr. Webb was named an Editor of the *Georgia Law Review*. He was a member of the Mock Trial Board and was selected for the Order of Barristers, an honor bestowed on the school's most outstanding oral advocates. After graduation, Mr. Webb worked as a commercial litigator with one of the nation's foremost First Amendment law firms, Dow, Lohnes & Albertson, PLLC. He represented numerous media entities, including newspapers, television and radio stations, and outdoor advertising companies. Mr. Webb is now the managing partner at Webb, Klase & Lemond and works as a litigator in the state and federal courts of Georgia and numerous other states. He has been admitted to practice before all Georgia trial and appellate courts, the District Courts for the Middle and Northern Districts of Georgia, Northern District of Illinois, and Eastern District of Wisconsin, the Circuit Courts of Appeal for the Second, Fourth, Sixth, Seventh, Eighth, Ninth, and Eleventh Circuits, and the United States Supreme Court.

- Matthew C. Klase, B.A. *cum laude* Florida State University (1999); J.D. The Ohio State University College of Law (2002). While in law school, Mr. Klase was extremely active in the trial practice group, specifically working in conjunction with the Franklin County Public Defender's Office toward the defense of indigent individuals. After law school, Mr. Klase practiced for several years at Gordon & Rees, LLP, a large commercial litigation firm headquartered in San Francisco, California. He is a seasoned litigator who focuses his practice on rectifying corporate and government malfeasance. Mr. Klase is admitted to practice before all the Georgia and California state trial and appellate courts, the Federal District Courts of California and the Middle and Northern Districts of Georgia, and the Court of Appeals for the Ninth Circuit.

- G. Franklin Lemond, Jr., B.A. Furman University (1996); M.A. University of North Carolina at Charlotte (1998); J.D. Georgia State University College of Law (2004). While in law school, Mr. Lemond was selected to be a member of Georgia State's Moot Court team and received an Honors distinction in his Litigation Section. As a member of the Federalist Society, he was elected Vice President of the College of Law's chapter. Prior to becoming a lawyer, Mr. Lemond worked as a Law Librarian at one of Atlanta's most prominent law firms, Alston & Bird, LLP. Mr. Lemond has been admitted to practice before all Georgia trial and appellate courts, the District Courts for the Middle and Northern Districts of Georgia, and the Eleventh Circuit Court of Appeal.

NOTEWORTHY CASES

In re: Checking Account Overdraft Litigation (MDL – Southern District of Florida) – Currently serve on Plaintiffs’ Executive Committee. Co-team leader against Wachovia Bank, N.A. and PNC Bank, N.A., handling all aspects of litigation against these banks. Specialize in defending motions to compel arbitration. Favorable rulings on arbitration motions available at: Gordon v. Branch Banking & Trust, 666 F. Supp. 2d 1347 (N.D. Ga. 2009), aff’d, 2011 WL 1111718 (11th Cir. 2011); Buffington, et al. v. SunTrust Banks, Inc., et al., 734 F. Supp. 2d 1279 (S.D. Fla. 2010); Johnson v. KeyBank, N.A., 718 F. Supp. 2d 1352 (S.D. Fla. 2010); Dasher v. RBC Bank (USA), 2010 WL 3361127 (S.D. Fla. Aug. 23, 2010). Favorable ruling on motion to dismiss reported at 694 F. Supp. 2d 1302 (S.D. Fla. 2010); Powell-Perry v. Branch Banking & Trust, ___ F. Supp. 2d ___, 2011 WL 4454913 (N.D. Ga. Sept. 1, 2011). Assisted in the procurement of the following settlements, among others: (i) Bank of America – \$410 million; (ii) Chase – \$110 million; (iii) Citizens – \$127 million; (iv) U.S. Bank – \$55 million; (v) PNC Bank – \$90 million; (vi) TD Bank – \$62 million; (vii) Union Bank – \$35 million.

Dickerson v. Wachovia Bank, N.A. (Superior Court of Fulton County, Georgia) – Achieved confidential settlement in a putative class action challenging ATM practices after the court denied Wachovia’s motion to dismiss.

White v. Wachovia Bank, N.A. (Northern District of Georgia) – Achieved confidential settlement after overcoming a motion to dismiss in putative class action challenging practices related to overdraft charges. Reported decision at 563 F. Supp. 2d 1358 (N.D. Ga. 2008).

In re: Capital One Credit Card Interest Rate Litigation (MDL – Northern District of Georgia) – Serving as Liaison Counsel in case against Capital One for its improper increases to interest rates on customers’ credit card accounts, including existing balances.

Sprint Litigation (Middle District of Georgia) – Defeated summary judgment in potential class action lawsuit filed against Sprint over the propriety of its imposition of surcharges on customer accounts. Decision available at Barkwell v. Sprint, 2010 WL 5069912 (M.D. Ga. Dec. 6, 2010).

Swift Trucking Academy Litigation (Western District of Tennessee) – Defeated a motion to dismiss in a putative class action challenging the testing practices of a commercial truck driving school. Reported decision found at Broadnax v. Swift Transportation Co., 694 F. Supp. 2d 947 (W.D. Tenn. 2010). Obtained order certifying class of over 8,700 former Swift students. Reported decision found at Ham v. Swift Transportation Co., 275 F.R.D. 475 (W.D. Tenn. 2011). Currently serve as Co-Class Counsel.

Pounds v. Cobb EMC (Superior Court of Cobb County, Georgia) – Co-counsel in derivative action. Case was eventually resolved by settlement with total common benefit in excess of \$50,000,000, however, various issues are still being monitored by the courts.

City of Atlanta Watershed Management (Superior Court of Fulton County, Georgia) – Lead counsel on behalf of numerous City of Atlanta residents in putative class action against the City involving overbilling by its Department of Watershed Management. Obtained order enjoining

the City from terminating water service during billing disputes and overcame motion to dismiss filed by the City. Case recently settled for substantial injunctive relief, sweeping practice changes, and over \$400,000 in attorneys' fees.

Portfolio Recovery Associates Litigation (Middle District of Georgia) – Challenged practices by debt collection firm. Decision can be found at 2010 WL 2012149 (M.D. Ga. May 20, 2010). Case settled.

Cobb County Licensing Fee Litigation (Superior Court of Cobb County, Georgia) – Obtained class certification order for attorneys practicing in Cobb County who were assessed an occupation tax as a precondition of practicing law. Class-wide settlement reached with County and approved by Court.

Red Light Camera Litigation (Northern District of Georgia) – Obtained class certification of persons overcharged for automatic red light camera infractions. February 13, 2008 Order from Judge Orinda Evans, Case No. 1:06-cv-2313.

Cobb County Occupation Tax Litigation (Superior Court of Cobb County, Georgia) – Obtained class certification order for Cobb County businesses who were assessed occupation taxes in amounts greater than allowed by law.

Coffey v. Fayette County (Georgia Supreme Court) – Represented resident who was issued citations for displaying political signs in his front yard. Obtained three reversals from the Georgia Court of Appeals and Supreme Court. Decisions published at 610 S.E.2d 41 (Ga. 2005), 631 S.E.2d 703 (Ga. 2006), and 656 S.E.2d 262 (Ga. Ct. App. 2008). Case settled.

Tinsley Media, LLC v. Pickens County (United States Court of Appeals) – Obtained order reversing decision of district court and holding that sign ordinance was unconstitutional. Decision available at 2006 WL 2917561 (11th Cir. Oct. 12, 2006). Case settled.

KH Outdoor, LLC v. City of Trussville (United States Court of Appeals) – Invalidated unconstitutional ordinance and upheld damage and fee award. Decisions published at 458 F.3d 1261 and 465 F.3d 1256 (11th Cir. 2006).

The Lamar Company, LLC v. City of Marietta (Northern District of Georgia) – Obtained order invalidating an unconstitutional sign ordinance of the City of Marietta. Decision available at 538 F. Supp. 2d 1366 (N.D. Ga. 2008). Case settled.

KH Outdoor, LLC v. Fulton County (Superior Court of Fulton County, Georgia) – Obtained order that invalidated a local government's denial of several sign permit applications and directed the applied-for signs to be built, currently on appeal to Georgia Supreme Court.

Other Noteworthy Decisions: Roma Outdoor Creations, Inc. v. City of Cumming, 599 F. Supp. 2d 1332 (N.D. Ga. 2009); Honig v. Comcast of Ga. I, LLC, 537 F. Supp. 2d 1277 (N.D. Ga. 2008); Advantage Media, LLC v. City of Hopkins, 408 F. Supp. 2d 780 (D. Minn. 2006); Tanner Adver. Group, LLC v. Fayette County, 451 F.3d 777 (11th Cir. 2006) (*en banc*); Covenant

Media of Ill., LLC v. City of Des Plaines, 391 F. Supp. 2d 682, 689-94 (N.D. Ill. 2005); Covenant Media of Ill., LLC v. City of Des Plaines, 2005 WL 2277313 (N.D. Ill. Sept. 15, 2005); Lockridge v. Village of Alsip, 2005 WL 946880 (N.D. Ill. Apr. 18, 2005); Trinity Outdoor, LLC v. Oconee County, 2004 WL 5026733 (M.D. Ga. May 20, 2004); Prime Media, Inc. v. City of Franklin, 2004 WL 5026263 (M.D. Tenn. Nov. 8, 2004); Trinity Outdoor, LLC v. Oconee County, 2003 WL 25301942 (M.D. Ga. May 21, 2003); Horizon Outdoor, LLC v. City of Industry, 228 F. Supp. 2d 1113 (C.D. Cal. 2002); City of Roswell v. Eller Media Co., 275 Ga. 379 (2002).