

April 1, 2004

Ms. Janee Briesemeister
Director, www.EscapeCellHell.org
Consumers Union Southwest
1300 Guadalupe, Suite 100
Austin, Texas 78701

Dear Ms. Briesemeister:

We understand more than 8,000 complaint letters have been received at www.EscapeCellHell.org. With only six letters from TracFone customers – we presently have more than three million customers – we believe this is a testament to our strong focus on providing exemplarily customer service. In fact, www.planetfeedback.com, the nation's leading online customer service feedback and solution-monitoring provider, has ranked TracFone #1 in wireless customer service.

We wanted to take this opportunity to address the issues brought up in those six letters, in the event that others may have questions on these subjects as well.

Roaming – TracFone has a simple roaming policy. When you are outside of your local coverage area, the handset will deduct two units of airtime for every one minute of talk time. There are never any additional costs, such as taxes and fees. All TracFone handsets come with an airtime balance display on the handset and the user can see when the phone is on roam. Coverage maps are available online at www.tracfone.com for further clarification.

Rates – TracFone now offers rates as low as 10 cents per minute while some other prepaid carriers make you spend at least \$75 in a month to get a rate of 10 cents per minute. With TracFone, you can get 10 cents per minute rate immediately upon activation by purchasing the double minute prepaid plan, without having to keep track of what you're spending. There are also three other wireless plans to choose from:

- Choose the TracFone pay-as-you-go service and buy airtime cards as needed.
- Buy a one-year card that comes with 150 minutes and one year of service.
- Sign up for double-minute autopay, which automatically bills you the same price each month to keep your service active, gives you 30 minutes each month and allows you to receive double minutes whenever you buy airtime cards.

Cancellation Fees – TracFone always offers a 30-day money back guarantee and there's never an activation or deactivation fee. Most phones retail for under \$50. With TracFone, there are also no contracts, credit checks or monthly bills so you always have total control of your wireless costs.

Text Messaging Costs – One customer inquired about reducing the cost of our text messaging service. We constantly strive to keep our costs competitive and now offer FREE incoming text messages with our GSM handsets and also reduced the rate on outgoing messages for the GSM handsets only.

Activation – We apologize to those customers that experienced difficulty activating during the Christmas/New Years period. Due to the popularity of our prepaid wireless service, we had record-breaking activations during this time and our call volume was the highest in company history. We now have more than three million active subscribers making us the largest prepaid wireless service provider in the U.S.

Very truly yours,

FJ Pollak, President and CEO
TracFone Wireless, Inc.