SPRINT NEXTEL CORP
Form S-3
October 11, 2005

As filed with the Securities and Exchange Commission on October 11, 2005
Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Sprint Nextel Corporation
(Exact name of registrant as specified in its charter)

Kansas	**48-0457967**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

2001 Edmund Halley Drive
Reston, Virginia 20191
(703) 433-4000
(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)
Leonard J. Kennedy, Esq.
General Counsel
Sprint Nextel Corporation
2001 Edmund Halley Drive
Reston, Virginia 20191
(703) 433-4000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:
Lisa A. Stater, Esq.
Jones Day
1420 Peachtree Street, N.E.
Suite 800
Atlanta, Georgia 30309-3053
(404) 521-3939

Approximate date of commencement of proposed sale to the public: As soon as practicable following the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. o

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(2)
Guarantees of debt securities issued by US Unwired Inc.(1)	$360,000,000(2)	100%(2)	$360,000,000(2)	$42,372(2)

(1) This registration statement relates to the offer by Sprint Nextel Corporation to fully and unconditionally guarantee certain outstanding debt securities of US Unwired Inc. in return for the consent of the holders of the debt securities to amendments to the indentures under which the debt securities were issued.

(2) The registration fee has been calculated in accordance with Rule 457 of the Securities Act of 1933, as amended. For purposes of this calculation, the maximum aggregate offering price, which is estimated solely for the purpose of calculating the registration fee, is the aggregate book value of the US Unwired Inc. debt securities that would be amended and receive the guarantees registered hereby.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell or offer these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated October 11, 2005

Prospectus

SPRINT NEXTEL CORPORATION
Consent Solicitation and Offer to Guarantee
Series B First Priority Senior Secured Floating Rate Notes due 2010
($125,000,000 principal amount outstanding)
(CUSIP No. 90338R AF 1)
and
10% Series B Second Priority Senior Secured Notes due 2012
($235,000,000 principal amount outstanding)
(CUSIP No. 90338R AG 9)
of
US UNWIRED INC.
The consent solicitation will expire at 5:00 p.m.,
New York time, on , 2005, unless extended.

We are offering to fully and unconditionally guarantee the above notes of our indirect subsidiary, US Unwired Inc., in return for your consent to proposed amendments to the indentures under which the notes were issued. The guarantees will be issued if the holders of a majority in aggregate principal amount of each of the classes of the above notes consent to the proposed amendments. These proposed amendments would amend certain covenants contained in the indentures governing the above notes to provide us with the operational flexibility to integrate more effectively US Unwired s business with ours and substitute certain reports we file with the Securities and Exchange Commission, or SEC, for those of US Unwired. If we receive the required consents, and the guarantees are issued, our guarantees of your notes will rank equal to all of our other existing and future senior unsecured indebtedness.

For a discussion of factors you should consider before you decide whether to consent, see Risk Factors beginning on page 12.

The expiration date for the consent solicitation is 5:00 p.m., New York time, on , 2005 unless extended.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, nor have any of these organizations determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The solicitation agent for the consent solicitation is:

Bear, Stearns & Co. Inc.

The date of this prospectus is , 2005

REFERENCES TO ADDITIONAL INFORMATION

As used in this prospectus, we, us or our refers to Sprint Nextel Corporation (formerly known as Sprint Corporation), US Unwired refers to US Unwired Inc., our wholly owned subsidiary, and Nextel Communications or Nextel refers to Nextel Communications, Inc. prior to its merger with and into one of our wholly owned subsidiaries and, thereafter, to that subsidiary as the surviving corporation in that merger (which was renamed Nextel Communications, Inc.), in each case, together with such corporation s subsidiaries. This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. You may obtain documents that we filed with the SEC and incorporated by reference into this prospectus by requesting the documents, in writing or by telephone, from the SEC or from:

Sprint Nextel Corporation
2001 Edmund Halley Drive
Reston, Virginia 20191
Attention: Investor Relations
Telephone: (703) 433-4300

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PROSPECTUS SUMMARY

This summary highlights basic information about us, US Unwired, the consent solicitation and the guarantees, but does not contain all information important to you. You should read the more detailed information and consolidated financial statements and the related notes included in and incorporated by reference into this prospectus.

Overview

Sprint Nextel

2001 Edmund Halley Drive
Reston, Virginia 20191
(703) 433-4000

On August 12, 2005, Nextel Communications merged with one of our wholly owned subsidiaries. In connection with the merger, we changed our name from Sprint Corporation to Sprint Nextel Corporation. We offer a comprehensive range of wireless and wireline communications services to consumer, business and government customers. We are widely recognized for developing, engineering and deploying innovative technologies, including wireless networks offering mobile data services, instant national and international push-to-talk capabilities, and a global Tier 1 Internet backbone. In connection with the merger, we announced our intention to spin-off our local telecommunications business. We expect the spin-off to be completed in the first half of 2006.

US Unwired

901 Lakeshore Drive
Lake Charles, Louisiana 70601
(337) 436-9000

US Unwired is principally engaged in the ownership and operation of wireless communications. It is a personal communications services, or PCS, provider and has the exclusive right to provide wireless services under the Sprint® brand name within its service area. On August 12, 2005, we concluded our tender offer for and accepted for payment all of US Unwired s common stock validly tendered and, thereafter, completed the acquisition of US Unwired by merging one of our wholly owned subsidiaries with US Unwired.

Use of Proceeds

We will not receive any cash proceeds from the issuance of our guarantees.

The Consent Solicitation

The Notes	Series B First Priority Senior Secured Floating Rate Notes due 2010, or 2010 notes. 10% Series B Second Priority Senior Secured Notes due 2012, or 2012 notes.
The Consent Solicitation	We are soliciting consents from the holders of the 2010 notes and 2012 notes to the proposed amendments described below. See The Consent Solicitation. We will provide our guarantees if consents to the proposed amendments have been validly submitted and not withdrawn by holders of record of a majority in aggregate principal amount of each of the 2010 notes and 2012 notes, which together are referred to in this prospectus as the notes.

Record Date	October , 2005
Proposed Amendments	We are making the consent solicitation to amend certain covenants contained in the indentures governing the notes to provide us with the operational flexibility to integrate more effectively our and US Unwired s businesses and substitute our financial reports that we file with the SEC for those of US Unwired. The proposed amendments would, among other things: modify the definition of Asset Sale to exclude specifically any transfer or sale of assets from US Unwired to us or any of our direct or indirect subsidiaries; modify the affiliate transactions covenant to permit US Unwired and its restricted subsidiaries to engage in transactions with us or any of our other subsidiaries, so long as such transactions are on terms that are no less favorable to US Unwired and its restricted subsidiaries than those that would have been obtained in comparable transactions by US Unwired and its restricted subsidiaries with an unrelated person, without having to obtain: an independent fairness opinion; or except in transactions above a certain dollar threshold, the approval of US Unwired s board of directors; and permit US Unwired to provide our periodic reports and other information filed with the SEC to the holders of the notes, in lieu of separate reports and information relating only to US Unwired.
The Supplemental Indentures	The proposed amendments to the indentures would be set forth in supplemental indentures to be executed by US Unwired, its subsidiary guarantors and the trustee immediately following the expiration date, if the required consents have been obtained. If the proposed amendments become effective, each indenture, as amended, will apply to each holder of the corresponding notes, regardless of whether that holder delivered a consent to the proposed amendments.
Expiration Date; Waiver; Amendment; Termination	The consent solicitation will expire at 5:00 p.m., New York City time, on , , 2005, unless extended. We expressly reserve the right to waive or modify any term of, or terminate, the consent solicitation.
Required Consents	The proposed amendments to the indentures require the consent of the holders of a majority in aggregate principal amount of each of the 2010 notes and 2012 notes for the proposed amendments to either indenture to become operative. We may waive this requirement, however, for either the 2010 notes or 2012 notes, if we receive the required consents from the holders of only the 2010 notes or 2012 notes.
Revocation of Consents	A holder of notes may revoke a previously submitted consent at any time prior to the expiration date by following the procedures set forth herein.

Guarantees	We are offering to fully and unconditionally guarantee US Unwired s payment obligations under both the 2010 notes and the indenture governing the 2010 notes, or the 2010 indenture, and the 2012 notes and the indenture governing the 2012 notes, or the 2012 indenture, on a senior, unsecured basis, if the proposed amendments to the indentures become effective. If the guarantees are issued and US Unwired cannot make any payment on either the 2010 notes or 2012 notes, we would be required to make the payment instead.
Material United States Federal Income Tax Considerations	Although the issue is not free from doubt, we believe that a holder of notes should not recognize any income, gain or loss as a result of the implementation of the proposed amendments to the indentures governing the notes and the provision of our guarantees. See Material United States Federal Income Tax Considerations.
Solicitation Agent	The solicitation agent for the consent solicitation is Bear Stearns & Co. Inc.
Consent Agent	The consent agent for the consent solicitation is U.S. Bank National Association.
Information Agent	The information agent for the consent solicitation is Georgeson Shareholder Communications, Inc. Additional copies of this prospectus, the letter of consent and other related materials may be obtained from the information agent.
Risk Factors	You should read the Risk Factors section beginning on page 12 of this prospectus, as well as other cautionary statements included or incorporated by reference into this prospectus, to ensure that you understand the risks associated with the consent solicitation and the guarantees.

Selected Historical Financial Data of Sprint Nextel (formerly Sprint Corporation)

The following table sets forth our selected historical financial data. The following data as of and for each of the five years ended December 31, 2004 have been derived from our audited consolidated financial statements. The consolidated financial statements for the year ended December 31, 2004 were audited by KPMG LLP and the consolidated financial statements for each of the four years ended December 31, 2003 were audited by Ernst & Young LLP. The statement of operations data for the six months ended June 30, 2005 and 2004, and the balance sheet data as of June 30, 2005, have been derived from our unaudited consolidated financial statements. In the opinion of management, all adjustments (consisting only of normal recurring accruals) considered necessary for a fair presentation have been included. The following information should be read together with our consolidated financial statements and the notes related to those financial statements, which are incorporated by reference into this prospectus. The information set forth below is not necessarily indicative of the results of future operations.

	As of or for the Six Months Ended June 30,		As of or for the Years Ended December 31,				
	2005	**2004**	**2004**	**2003**	**2002**	**2001**	**2000**
	(In millions, except per share amounts and ratios)						
Statement of Operations Data:							
Net operating revenues	$ 14,049	$ 13,576	$ 27,428	$ 26,197	$ 26,679	$ 25,562	$ 23,166
Operating income (loss)(1)(2)	2,232	1,442	(303)	1,007	2,096	(910)	280
Income (loss) from continuing operations(1)(2)(3)	1,072	461	(1,012)	(292)	451	(1,599)	(788)
Net income (loss)(1)(2)(3)(4)(5)	1,072	461	(1,012)	1,290	610	(1,447)	41
Diluted earnings (loss) per common share from continuing operations(6)(7)	$ 0.71	$ 0.31	$ (0.71)	$ (0.21)	$ 0.32	$ (1.16)	$ (0.58)
Basic earnings (loss) per common share from continuing operations(6)(7)	$ 0.72	$ 0.32	$ (0.71)	$ (0.21)	$ 0.32	$ (1.16)	$ (0.58)
Diluted earnings (loss) per common share(6)(7)	$ 0.71	$ 0.31	$ (0.71)	$ 0.91	$ 0.43	$ (1.05)	$ 0.02
Basic earnings (loss) per common share(6)(7)	$ 0.72	$ 0.32	$ (0.71)	$ 0.91	$ 0.43	$ (1.05)	$ 0.02
Diluted weighted average common shares outstanding(6)(7)	1,496.5	1,437.3	1,433.4	1,415.3	1,403.8	1,381.7	1,364.1
Basic weighted average common shares outstanding(6)(7)	1,479.0	1,425.4	1,433.4	1,415.3	1,400.0	1,381.7	1,364.1
Dividends per common share	0.125	Note(8)	Note(8)	Note(8)	Note(8)	Note(8)	Note(8)
Balance Sheet Data:							
Total assets	$ 42,529		$ 41,321	$ 42,675	$ 45,113	$ 45,619	$ 42,943

Property, plant and equipment, net(1)	22,145	22,628	27,101	28,565	28,786	25,166
Total debt (including short-term and long-term borrowings, equity unit notes and redeemable preferred stock)	16,321	17,451	19,407	22,273	22,883	18,975
Stockholders equity	14,478	13,521	13,113	12,108	12,450	13,596

(1) During the six months ended June 30, 2005, we recorded net charges reducing operating income by $60 million and income from continuing operations by $37 million. These charges related to the impairment of various software applications, our organizational realignment initiatives and the termination of our web hosting service, as well as merger integration costs.

During the six months ended June 30, 2004, we recorded net charges reducing operating income by $112 million and income from continuing operations by $68 million. These charges related primarily to restructurings partially offset by recoveries of fully reserved MCI Communications Corporation (formerly WorldCom, Inc., or WorldCom) receivables.

In 2004, we recorded net charges reducing operating income by $3.7 billion to an operating loss and reducing income from continuing operations by $2.3 billion to an overall loss from continuing operations. The charges related primarily to the long distance network impairment and restructurings partially offset by recoveries of fully reserved MCI receivables. The impairment of our long distance network assets, which was determined in accordance with Statement of Financial Accounting Standards, or SFAS, No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*, resulted in a pre-tax, non-cash charge of $3.5 billion. This charge was the result of the analysis of long distance business trends and projections that considered current industry and competitive conditions, recent regulatory rulings, evolving technologies and our strategy to expand our position as a leader in the development and delivery of subscriber solutions requiring transparent wireless and wireline connectivity. This charge reduced the net book value of our long distance property, plant and equipment by about 60%, to $2.3 billion.

In 2003, we recorded net charges reducing operating income by $1.9 billion and reducing income from continuing operations by $1.2 billion resulting in an overall loss from continuing operations. The charges related primarily to restructurings, asset impairments, and executive separation agreements, offset by recoveries of fully reserved MCI receivables.

In 2002, we recorded charges reducing operating income by $402 million and reducing income from continuing operations by $253 million. The charges related primarily to restructurings, asset impairments and expected loss on MCI receivables.

In 2001, we recorded charges reducing operating income by $1.8 billion to an operating loss and increasing the loss from continuing operations by $1.2 billion. The charges related primarily to restructuring and asset impairments.

In 2000, we recorded charges reducing operating income by $425 million and increasing the loss from continuing operations by $273 million. The charges related to the terminated WorldCom merger and asset impairments.

(2) We adopted SFAS No. 142, *Goodwill and Other Intangibles*, on January 1, 2002. Accordingly, amortization of goodwill, spectrum licenses and trademarks ceased as of that date, because they are indefinite life intangibles.

(3) In 2004, we recorded charges of $72 million, net, for premiums paid on the early retirement of debt and the recognition of deferred debt costs. These charges increased loss from continuing operations by $44 million.

In 2003, we recorded charges of $36 million, net, for premiums paid on the early retirement of debt and for the settlement of a securities class action lawsuit relating to the failed merger with WorldCom. Additionally, we recorded a $49 million tax benefit for the recognition of certain income tax credits and adjustments for state tax apportionments. In total, these items reduced loss from continuing operations by $27 million.

In 2002, we recorded charges of $134 million related to a write-down of an investment due to declining market value offset by gains on the sales of subscriber contracts and our investment in Pegaso Telecomunicaciones, S.A. de C.V. Additionally, we recognized a tax benefit related to capital losses not previously recognizable of $292 million. In total, these items reduced loss from continuing operations by $143 million.

In 2001, we recorded charges of $48 million, which increased the loss from continuing operations by $81 million. These amounts primarily included a write-down of an equity investment offset by a curtailment gain on the

modification of certain retirement plan benefits and a gain on investment activities.

In 2000, we recorded charges of $68 million, which increased the loss from continuing operations by $74 million. The charges related primarily to write-downs of certain equity investments, offset by a gain from the sale of subscribers and network infrastructure to a PCS third party affiliate.

(4) In 2003, we recorded an after-tax gain of $1.3 billion associated with the sale of our directory publishing business. In 2000, we sold our interest in a joint venture, which provided international long distance telecommunications services.

(5) We adopted SFAS No. 143, *Accounting for Asset Retirement Obligations*, on January 1, 2003. The local telecommunications division historically accrued costs of removal in its depreciation reserves consistent with industry practice. These costs of removal do not meet the SFAS No. 143 definition of an asset retirement obligation. Accordingly, we recorded a credit of $420 million to remove the accumulated excess cost of removal resulting in a cumulative effect of change in accounting principle credit of $258 million, net of tax.

(6) All per share amounts have been restated, for all periods before 2004, to reflect the recombination of the FON common stock and PCS common stock as of the earliest period presented at an identical conversion ratio (0.50). The conversion ratio was also applied to dilutive PCS securities (mainly stock options, employees stock purchase plan shares, convertible preferred stock and restricted stock units) to determine diluted weighted average shares on a consolidated basis.

(7) As the effects of including the incremental shares associated with options, restricted stock units and employees stock purchase plan shares are antidilutive, both basic loss per share and diluted loss per share reflect the same calculation for the years ended December 31, 2004, 2003, 2001 and 2000.

(8) Before the recombination of the two tracking stocks, shares of PCS common stock did not receive dividends. For each of the five years ended December 31, 2004, shares of FON common stock (before the conversion of shares of PCS common stock) received dividends of $0.50 per share. In the 2004 first quarter, shares of FON common stock (before the conversion of shares of PCS common stock) received a dividend of $0.125 per share. In the second, third and fourth quarters of 2004, shares of FON common stock, which included shares resulting from the conversion of shares of PCS common stock, received quarterly dividends of $0.125 per share.

Selected Historical Financial Data of Nextel Communications

The following table sets forth selected historical financial data for Nextel Communications. The following data at and for each of the five years ended December 31, 2004 have been derived from Nextel Communications audited consolidated financial statements. The statement of operations data for the six months ended June 30, 2005 and 2004, and the balance sheet data as of June 30, 2005, have been derived from Nextel Communications unaudited consolidated financial statements. In the opinion of management, Nextel Communications unaudited condensed consolidated financial statements reflect all adjustments that are necessary for a fair presentation of the results for interim periods. All adjustments made were of a normal recurring nature, except as described in the notes included in Nextel Communications financial statements for the six months ended June 30, 2005. The following information should be read together with Nextel Communications consolidated financial statements and the notes related to those financial statements, which are included in this prospectus. See Index to Financial Statements. The information set forth below is not necessarily indicative of the results of future operations.

	For the Six Months Ended June 30,		For the Years Ended December 31,				
	2005	**2004**	**2004**	**2003**	**2002**	**2001**	**2000**
	(In millions, except per share amounts)						
Statement of Operations Data:							
Operating revenues	$ 7,427	$ 6,392	$ 13,368	$ 10,820	$ 8,721	$ 7,689	$ 5,714
Cost of revenues (exclusive of depreciation and amortization included below)	2,243	1,876	4,003	3,169	2,535	2,888	2,188
Selling, general and administrative	2,451	2,049	4,241	3,453	3,039	3,020	2,278
Restructuring and impairment charges					35	1,769	
Depreciation and amortization	1,026	896	1,841	1,694	1,595	1,746	1,265
Operating income (loss)	1,707	1,571	3,283	2,504	1,517	(1,734)	(17)
Interest expense, net	(225)	(294)	(565)	(802)	(990)	(1,196)	(849)
(Loss) gain on retirement of debt, net of debt conversion costs	(37)	(51)	(117)	(245)	354	469	(127)
Gain on deconsolidation of NII Holdings, Inc.					1,218		
Equity in earnings (losses) of unconsolidated affiliates, net	39	(2)	15	(58)	(309)	(95)	(152)
Other (expense) income, net	6	29	29	225	(39)	(223)	281
Income tax benefit (provision)	(361)	684	355	(113)	(391)	135	33
Net (loss) income	1,129	1,937	3,000	1,511	1,360	(2,644)	(831)
Gain (loss) on retirement of mandatorily redeemable preferred stock				(7)	485		
	(16)	(4)	(9)	(58)	(211)	(233)	(209)

Mandatorily redeemable preferred stock dividends and accretion							
Income (loss) available to common stockholders	$ 1,113	$ 1,933	$ 2,991	$ 1,446	$ 1,634	$ (2,877)	$ (1,040)
Earnings (loss) per common share							
Basic	$ 0.99	$ 1.74	$ 2.69	$ 1.38	$ 1.85	$ (3.70)	$ (1.38)
Diluted	$ 0.97	$ 1.67	$ 2.62	$ 1.34	$ 1.75	$ (3.70)	$ (1.38)
Weighted average number of common shares outstanding							
Basic	1,125	1,108	1,111	1,047	884	778	756
Diluted	1,143	1,168	1,152	1,089	966	778	756

	As of June 30, 2005	As of December 31, 2004	2003	2002	2001	2000
	(Unaudited)	(In millions)				
Balance Sheet Data:						
Total assets	$ 25,426	$ 22,744	$ 20,510	$ 21,477	$ 22,064	$ 22,686
Domestic long-term debt, capital lease and finance obligations, including current portion	$ 8,576	$ 8,549	$ 10,212	$ 12,550	$ 14,865	$ 12,212
Mandatorily redeemable preferred stock	$ 7	$ 108	$ 99	$ 1,015	$ 2,114	$ 1,881

Highlighted below are certain transactions and factors that may be significant to an understanding of Nextel Communications financial condition and comparability of results of operations.

NII Holdings. The information presented above that is derived from Nextel Communications consolidated financial statements includes the consolidated results of NII Holdings, Inc., or NII Holdings, through December 31, 2001. During 2001, NII Holdings recorded a non-cash pre-tax restructuring and impairment charge of $1,747 million in connection with its decision to discontinue funding one of its operating companies and the implementation of its revised business plan.

In November 2002, NII Holdings, which before that time had been Nextel Communications substantially wholly owned subsidiary, completed its reorganization under Chapter 11 of the U.S. Bankruptcy Code, having filed a voluntary petition for reorganization in May 2002 in the U.S. Bankruptcy Court for the District of Delaware after it and one of its subsidiaries defaulted on credit and vendor finance facilities. Before its bankruptcy filing, NII Holdings was accounted for as one of Nextel Communications consolidated subsidiaries. As a result of NII Holdings bankruptcy filing in May 2002, Nextel Communications began accounting for its investment in NII Holdings using the equity method. In accordance with the equity method of accounting, Nextel Communications did not recognize equity losses of NII Holdings after May 2002, as it had already recognized $1,408 million of losses in excess of its investment in NII Holdings through that date. NII Holdings net operating results through May 2002 have been presented as equity in losses of unconsolidated affiliates, as permitted under the accounting rules governing a mid-year change from consolidating a subsidiary to accounting for the investment using the equity method. However, the presentation of NII Holdings in the financial statements as a consolidated subsidiary in 2001 has not changed from prior presentation. The following table provides the operating revenues and net loss of NII Holdings included in Nextel Communications consolidated results for 2001 and prior periods, excluding the impact of intercompany eliminations:

	2001	2000
Operating revenues	$ 680	$ 330
Net loss	2,497	417

Upon NII Holdings emergence from bankruptcy in November 2002, Nextel Communications recognized a non-cash pre-tax gain on deconsolidation of NII Holdings in the amount of $1,218 million consisting primarily of the reversal of equity losses it had recorded in excess of its investment in NII Holdings, partially offset by charges recorded when it consolidated NII Holdings, including, among other items, $185 million of cumulative foreign currency translation losses. At the same time, Nextel Communications began accounting for its new ownership

interest in NII Holdings using the equity method, under which Nextel Communications recorded its proportionate share of NII Holdings results of operations. In November 2003, Nextel Communications sold 3.0 million shares of NII Holdings common stock, which generated $209 million in net proceeds and a gain of $184 million.

Operating Revenues and Cost of Revenues. Effective July 1, 2003, Nextel Communications adopted the provisions of Emerging Issues Task Force, or EITF, Issue No. 00-21, *Accounting for Revenue Arrangements with Multiple Deliverables.* EITF Issue No. 00-21 provides guidance on when and how an arrangement involving multiple deliverables should be divided into separate units of accounting. Accordingly, for all handset sale arrangements entered into beginning in the third quarter 2003, Nextel

Communications recognizes revenue and the related cost of revenue when title to the handset passes to the subscriber. Before July 1, 2003, in accordance with Staff Accounting Bulletin, or SAB, No. 101, *Revenue Recognition in Financial Statements*, Nextel Communications recognized revenue from handset sales and an equal amount of the related cost of revenue on a straight-line basis over the expected subscriber relationship period of 3.5 years, beginning when title to the handset passed to the subscriber. Therefore, the adoption of EITF Issue No. 00-21 resulted in increased handset revenues and cost of handset revenues in 2003 as compared to 2002.

Nextel Communications elected to apply the provisions of EITF Issue No. 00-21 to its existing subscriber arrangements. Accordingly, on July 1, 2003, Nextel Communications reduced its current assets and liabilities by about $563 million and its noncurrent assets and liabilities by about $783 million, representing substantially all of the revenues and costs associated with the original sale of handsets that were deferred under SAB No. 101. Additional information regarding Nextel Communications adoption of EITF Issue No. 00-21 can be found in note 1 to the consolidated financial statements included in this prospectus. See Index to Financial Statements.

Adoption of SFAS No. 142. Effective January 1, 2002, Nextel Communications adopted the provisions of SFAS No. 142, *Goodwill and Other Intangible Assets.* Under SFAS No. 142, Nextel Communications is no longer required to amortize goodwill and intangible assets with indefinite useful lives, which consist of Federal Communications Commission, or FCC, licenses. In the first quarter 2002, Nextel Communications incurred a one-time cumulative non-cash charge to the income tax provision of $335 million to increase the valuation allowance related to its net operating losses. This cumulative charge was required since Nextel Communications has significant deferred tax liabilities related to its FCC licenses that have a significantly lower tax basis than book basis. Additional information regarding the adoption of SFAS No. 142 can be found in note 5 to the consolidated financial statements included in this prospectus. See Index to Financial Statements.

Long-Term Debt, Preferred Stock and Finance Obligation. During the second quarter 2002 and continuing throughout 2003, 2004 and into 2005, Nextel Communications reduced its outstanding debt obligations through the redemption, purchase and retirement of some of its long-term debt and preferred stock. Nextel Communications used some of the proceeds from newly issued senior notes and a new term loan under the bank credit facility, together with its existing cash resources, to redeem and retire certain senior notes, then-existing term loans under the facility and preferred stock. These newly issued senior notes and the new term loan have lower interest rates and longer maturity periods than the notes and loans that were retired. Nextel Communications also issued shares of its class A common stock in exchange for some of its outstanding debt securities. Additional information can be found in note 6 to Nextel Communications consolidated financial statements included in this prospectus and note 3 to Nextel Communications condensed consolidated financial statements included in this prospectus. See Index to Financial Statements.

Income Tax Benefit (Provision). Nextel Communications maintains a valuation allowance that includes reserves against certain of its deferred tax asset amounts in instances where it determines that it is more likely than not that a tax benefit will not be realized. Nextel Communications valuation allowance has historically included reserves primarily for the tax benefit of net operating loss carryforwards, as well as for capital loss carryforwards, separate return net operating loss carryforwards and the tax benefit of stock option deductions relating to employee compensation. Before June 30, 2004, Nextel Communications had recorded a full reserve against the tax benefits relating to its net operating loss carryforwards because, at that time, Nextel Communications did not have a sufficient history of taxable income to conclude that it was more likely than not that it would be able to realize the tax benefits of the net operating loss carryforwards. Accordingly, Nextel Communications recorded in its income statement only a small provision for income taxes, as its net operating loss carryforwards resulting from losses generated in prior years offset virtually all of the taxes that Nextel Communications would have otherwise incurred.

During 2004, based on Nextel Communications cumulative operating results and an assessment of its expected future operations, Nextel Communications concluded that it was more likely than not that it

would be able to realize the tax benefits of its net operating loss carryforwards. Therefore, Nextel Communications decreased the valuation allowance attributable to its net operating loss carryforwards by $901 million as a credit to tax expense. Additionally, Nextel Communications decreased the valuation allowance attributable to the tax benefit of stock option deductions related to employee compensation and credited paid-in capital by $389 million. Also during 2004, Nextel Communications determined that it was more likely than not that it would utilize a portion of its capital loss carryforwards before their expiration. Accordingly, Nextel Communications decreased the valuation allowance primarily attributable to capital loss carryforwards by $212 million as a credit to tax expense. Additional information can be found in note 9 to Nextel Communications consolidated financial statements included in this prospectus. See Index to Financial Statements.

For the six months ended June 30, 2005, Nextel Communications determined that it was more likely than not that it would utilize a portion of its capital loss carryforwards before their expiration. Accordingly, Nextel Communications decreased the valuation allowance attributable to capital loss carryforwards by $203 million. Additional information can be found in note 4 to Nextel Communications condensed consolidated financial statements included in this prospectus. See Index to Financial Statements.

Other Income (Expense), Net. As discussed in note 3 to Nextel Communications consolidated financial statements, other income (expense), net in 2003 includes a $184 million gain on Nextel Communications sale of common stock of NII Holdings and a $39 million gain related to the redemption of the redeemable preferred stock that Nextel Communications held in Nextel Partners, which provides services under the Nextel brand name in certain areas of the U.S. Other income (expense), net in 2001 includes a $188 million other-than-temporary reduction in the fair value of NII Holdings investment in TELUS Mobility, Inc., or TELUS Mobility. Other income (expense), net in 2000 includes a $275 million gain realized when NII Holdings exchanged its stock in Clearnet Communications, Inc., or Clearnet, for stock in TELUS Mobility as a result of the acquisition of Clearnet by TELUS Mobility. See Index to Financial Statements.

Summary Unaudited Pro Forma Condensed Combined Financial Information

The following summary unaudited pro forma condensed combined financial information is designed to show how the merger of Sprint and Nextel might have affected historical financial statements if the merger had been completed at an earlier time. The following summary unaudited pro forma condensed combined financial information was prepared based on the historical financial results reported by Sprint and Nextel in their filings with the SEC. The following should be read in connection with the information under the caption Unaudited Pro Forma Condensed Combined Financial Statements and the Sprint and Nextel financial statements, which are incorporated by reference into or included in this prospectus.

The unaudited pro forma balance sheet assumes that the merger took place on June 30, 2005 and combines Sprint s June 30, 2005 condensed consolidated balance sheet with Nextel s June 30, 2005 condensed consolidated balance sheet. The unaudited pro forma statements of operations for the six months ended June 30, 2005 and for the year ended December 31, 2004 give effect to the merger as if it occurred on January 1, 2004.

The summary unaudited pro forma condensed combined financial information is presented for illustrative purposes only and is not necessarily indicative of the financial condition or results of operations of future periods or the financial condition or results of operations that actually would have been realized had the entities been a single entity during these periods.

	Sprint Nextel Pro Forma	
	As of or for the Six Months Ended June 30, 2005	For the Year Ended December 31, 2004
	(In millions, except per share amounts)	
Statement of Operations Data:		
Net revenue	$ 21,476	$ 40,796
Income (loss) from continuing operations	1,237	(1,282)
Diluted average number of shares of common stock outstanding(1)	2,944.5	2,857.4
Basic average number of shares of common stock outstanding(1)	2,904.4	2,857.4
Diluted income (loss) per share from continuing operations(1)	$ 0.42	$ (0.45)
Basic income (loss) per share from continuing operations(1)	$ 0.42	$ (0.45)
Balance Sheet Data:		
Cash and equivalents	$ 7,482	
Working capital	7,645	
Total assets	100,245	
Long term debt and capital lease obligations (net of current portion and including redeemable preferred stock)	24,349	
Total stockholders equity	50,795	

(1) As the effects of including the incremental shares associated with options, restricted stock units and employees stock purchase plan shares are anti-dilutive for the year ended December 31, 2004, they are not included in the weighted average shares outstanding, and both diluted and basic earnings per share reflect the same calculation.

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RISK FACTORS

You should carefully consider the risk factors discussed below, as well as other information included and incorporated by reference into this prospectus, in connection with participation in the consent solicitation.

Risk Factors Relating to the Proposed Amendments to the Indentures

The proposed amendments to the indentures would result in fewer restrictions on US Unwired s conduct than currently exist.

If the proposed amendments to the indentures become effective, the covenants in the amended indentures would generally impose fewer restrictions on US Unwired s conduct than the covenants currently in the indentures governing the notes. The proposed amendments would allow US Unwired to take actions that would otherwise have been restricted or conditioned, including certain transactions with affiliates, and with which you may not agree. See The Consent Solicitation Description of the Proposed Amendments and Annex A to this prospectus for more information about the differences between what actions are currently restricted by the covenants currently applicable to the notes and what actions would be restricted by the covenants following the effectiveness of the proposed amendments.

Holders of the notes may be adversely affected if we do not issue our guarantees because, in that case, holders will have a claim only against US Unwired or its subsidiary guarantors and not us.

US Unwired has a substantial amount of debt, including its obligations under the 2010 and 2012 notes, $364.2 million of which was outstanding as of June 30, 2005. The indentures governing the notes limit US Unwired s ability to, among other things, borrow more money, which limits US Unwired s ability to raise additional capital that may be necessary to pay its debts, including the notes. If we do not receive the required consents, in which case we would not issue the guarantees, and US Unwired is unable to satisfy its payment obligations on the notes, holders of the notes would have no direct claim against us for these payment obligations.

Risk Factors Relating to Sprint Nextel

We may not be able to successfully integrate the businesses of Nextel with ours and realize the anticipated benefits of the merger.

Significant management attention and resources are being devoted to integrating the Nextel® wireless network and other wireless technologies with ours, as well as the business practices, operations and support functions of the two companies. The challenges we are facing and/or may face in the future include the following:

- integrating our and Nextel s wireless networks, which operate on different technology platforms and use different spectrum bands, and developing wireless devices and other products and services that operate seamlessly on both technology platforms;
- developing and deploying next generation wireless technologies;
- combining diverse product and service offerings, subscriber plans and sales and marketing approaches;
- preserving subscriber, supplier and other important relationships and resolving conflicts arising as a result of the merger;
- consolidating and integrating duplicative facilities and operations, including back-office systems;
- addressing differences in business cultures, preserving employee morale and retaining key employees, while maintaining focus on providing consistent, high quality customer service and meeting our operational and financial goals; and

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adequately addressing business integration issues while also addressing the contemplated spin-off of our local telecommunications business.

The process of integrating Nextel s operations with ours could cause an interruption of, or loss of momentum in, our business and financial performance. The diversion of management s attention and any delays or difficulties encountered in connection with the integration of the two companies operations could have an adverse effect on our business, financial results, financial condition and/or stock price. We may also incur additional and unforeseen expenses. There can be no assurance that the expense savings and synergies that we anticipate from the merger will be realized fully or within our expected timeframe.

The completion of the contemplated spin-off of our local telecommunications business cannot be assured, and the specific assets and liabilities of the spun-off company have not yet been determined.

We intend to spin off the local telecommunications business as a separate entity to our stockholders since we believe that the contemplated spin-off will provide us with greater growth opportunities than other major U.S. telecommunications companies whose businesses include a substantial portion of wireline-based services. If the contemplated spin-off is not completed, we may have slower rates of growth than currently expected because the number of local access lines served and switched access minutes used have been declining and are projected to continue to decline in the future. These declines can be attributed in part to industry-wide trends, such as increased competition and product substitution, that are affecting the local telephone business. Moreover, our strategy of developing our higher growth wireless business may increasingly conflict with the strategy and interests of our local telecommunications business, particularly as customers are increasingly choosing between wireline and wireless services. Net operating revenues from the local telecommunications business fell from $6,130 million in 2003 to $6,021 million in 2004 and operating income from the local telecommunications business fell from $1,862 million to $1,766 million over the same period. Revenues and operating income have continued to decline in 2005.

There are significant operational and technical challenges that need to be addressed in order to successfully separate the assets and operations of the local telecommunications business from the rest of our business. The spin-off will also require the creation of a new publicly traded company with a capital structure appropriate for that company, the creation and staffing of operational and corporate functional groups and the creation of transition services arrangements between us and the spun-off company. The spin-off may result in additional and unforeseen expenses, and completion of the spin-off cannot be assured. Completion of the spin-off will be conditioned upon, among other things, receipt of required consents and approvals from various federal and state regulatory agencies, including state public utility or service commissions. These consents and approvals, if received, may impose conditions and limitations on the business and operations of the company resulting from the spin-off. These conditions and limitations could jeopardize or delay completion of the spin-off and could reduce the anticipated benefits of the merger and the spin-off.

The U.S. Treasury and the staff of the Joint Committee on Taxation have suggested certain changes to Section 355 of the Internal Revenue Code of 1986, as amended. It is unclear whether any legislation will be introduced to implement these proposals, and if so, whether any legislation will be enacted. After consultation with our tax advisors, we believe that even if legislation is enacted, it is unlikely that it would apply to the contemplated spin-off of the local telecommunications business. However, it is possible that any such legislation could prevent us from completing the contemplated spin-off on a tax-free basis, in which case the contemplated spin-off would not occur. We will not complete the spin-off unless we obtain satisfactory opinions from counsel regarding the tax-free qualification of the spin-off.

In addition, the company to be spun-off is expected to have total indebtedness of about $7.25 billion when the spin-off is completed. A portion of this debt is currently outstanding. The remainder will be issued to us and to one or more third parties. We will receive the new debt securities and the cash proceeds from the new third party borrowings in partial exchange for the assets contributed to the company to be spun-off. We will sell or exchange the debt securities issued to us and intend to use the proceeds from any such sale and the proceeds paid to us by the spun-off company to repay various

obligations. There can be no assurance of the final amount of indebtedness to be incurred by the spun-off company or the proceeds to be received by us.

We will be subject to restrictions on acquisitions involving our stock and other stock issuances and possibly other corporate opportunities in order to enable the contemplated spin-off of the local telecommunications business to qualify for tax-free treatment.

The contemplated spin-off of the local telecommunications business cannot qualify for tax-free treatment if 50% or more (by vote or value) of our stock or the stock of the spun-off entity is acquired or issued as part of a plan or series of related transactions that includes the contemplated spin-off. Because the Nextel merger generally is treated as involving the acquisition of 49.9% of our stock (and the spun-off entity) for purposes of this analysis, until the completion of the spin-off (and for some period thereafter), we will be subject to restrictions on certain acquisitions involving stock, stock issuances and possibly other corporate opportunities in order to enable the spin-off to qualify for tax-free treatment. At this time, it is not possible to determine how long these restrictions will apply. In addition, it is not possible to determine whether these limitations will have a material impact on us.

We may be required to purchase the outstanding shares of Nextel Partners common stock that we do not already own and assume Nextel Partners outstanding indebtedness. If we are not required to purchase the outstanding shares of Nextel Partners common stock, exclusivity and other provisions will remain in effect that could limit our ability to achieve synergies and fully integrate Nextel s operations.

Under the terms of the certificate of incorporation of Nextel Partners, during the 18 month period following completion of the merger, the holders of a majority of the Nextel Partners class A common stock can vote to require us to purchase all of the Nextel Partners class A shares for the appraised fair market value of those shares. Nextel Partners has called a special meeting of stockholders for October 24, 2005 to vote on whether to require us to purchase the Nextel Partners class A shares. Based on the closing stock market price on October 7, 2005, the aggregate market value of the outstanding Nextel Partners class A shares, which represent approximately 68.7% of the total outstanding shares of Nextel Partners, was approximately $4.65 billion. The appraised fair market value of the Nextel Partners class A shares, as determined in accordance with the Nextel Partners certificate of incorporation, that could be payable by us could be significantly higher or lower than that amount.

If we are not required to purchase the Nextel Partners class A shares, the agreements between Nextel Partners and Nextel contain exclusivity and other provisions that will remain in place. Continued compliance with those provisions may limit our ability to achieve synergies and fully integrate the operations of Nextel, which could have a negative impact on our results of operations. In addition, under the terms of these agreements, we may not transfer our interest in Nextel Partners to a third party before 2011.

We are subject to exclusivity provisions and other restrictions under our arrangements with the Sprint PCS Affiliates. Continued compliance with those restrictions may limit our ability to achieve synergies and fully integrate the operations of Nextel, and we could incur significant costs to resolve issues related to the merger under these arrangements. The manner in which these restrictions will be addressed is not currently known.

We historically supplemented our PCS wireless network through arrangements with third party network operators, which are referred to in this prospectus as Sprint PCS Affiliates. Their subscribers purchase services under the Sprint brand name that are provided on code division multiple access, or CDMA, networks built and operated at the Sprint PCS Affiliates own expense.

All of these arrangements restrict our and our affiliates ability to own, operate, build or manage wireless communication networks or to sell certain wireless services within specified geographic areas.

Continued compliance with those restrictions may limit our ability to achieve synergies and fully integrate the operations of Nextel, which could have a negative impact on our results of operations.

In case of a material breach of any of these arrangements that is not cured within a specified cure period, the affected Sprint PCS Affiliate can pursue the following mutually exclusive remedies: (1) the sale to us of the Sprint PCS Affiliate s operating assets at 80% or 88% (depending on the Sprint PCS Affiliate) of the appraised fair market value of the Sprint PCS Affiliate s wireless business in the affected territory, (2) for certain Sprint PCS Affiliates, the purchase from us of certain spectrum rights in its territory at a price equal to the greater of (a) our original spectrum costs plus microwave relocation costs and (b) 9% of the appraised fair market value of the Sprint PCS Affiliate s wireless business in the affected territory, or (3) the pursuit against us of a claim for damages or other appropriate relief. If it is determined that a material breach has occurred, and the affected Sprint PCS Affiliate elects to pursue either of the remedies described in (1) or (2) above, the Sprint PCS Affiliate s wireless business in the affected territory will be appraised at the fair market value using the appraisal process prescribed in the arrangement between us and the affected Sprint PCS Affiliate. The prescribed appraisal process is complex and will involve numerous judgments by the appraisers. Although we may from time to time engage in discussions with Sprint PCS Affiliates regarding these matters, there is no assurance that these arrangements can be renegotiated with them on favorable terms or that waivers of the restrictions under those arrangements can be obtained. The outcome of any possible claims, and the associated costs that could be incurred by us, cannot currently be determined but could represent a significant cost.

Failure to satisfy our capital requirements could cause us to delay or abandon our business growth plans. If we incur significant additional indebtedness, it could cause a decline in our credit rating and could limit our ability to raise additional capital.

We continue to have substantial indebtedness and we will continue to require additional capital to grow our businesses and satisfy other obligations, such as the potential obligation to purchase shares of Nextel Partners common stock. To the extent we do not generate sufficient cash flow from operations to fund these requirements, we may need to rely on additional financing to expand our businesses and meet our other obligations. In connection with the execution of our business strategies, we are continually evaluating acquisition opportunities, and we may elect to finance acquisitions by incurring additional indebtedness. Certain of our indentures and credit facilities contain covenants that restrict our ability to incur, assume or pre-pay indebtedness, sell assets or make investments. We may not be able to arrange additional financing to fund our requirements on terms acceptable to us. Our ability to arrange additional financing will depend on, among other factors, our financial performance, general economic conditions and prevailing market conditions. Many of these factors are beyond our control. Failure to obtain suitable financing could, among other things, result in the inability to continue to expand our businesses and meet competitive challenges. If we incur significant additional indebtedness, our credit rating could be adversely affected. As a result, our future borrowing costs would likely increase and our access to capital could be adversely affected.

Any failure to improve wireless subscriber service and continue to enhance the quality of our wireless networks and meet capacity requirements of our subscriber growth will likely impair our financial performance and adversely affect our results of operations.

We must continually improve our wireless subscriber service, even though our costs increase, or our subscribers may switch to other wireless providers.

In connection with our continuing enhancement of the quality of our wireless networks, we must:

- maintain and expand the capacity and coverage of our network;

- obtain additional spectrum in some or all of our markets, if and when necessary;

- secure sufficient transmitter and receiver sites and obtain zoning and construction approvals or permits at appropriate locations; and

obtain adequate quantities of system infrastructure equipment and handsets and related accessories to meet subscriber demand.

Network enhancements may not occur as scheduled or at the cost that we have estimated. Delays or failure to add network capacity, or increased costs of adding capacity, could limit our ability to satisfy our wireless subscribers while maintaining or increasing our revenues.

If our wireless operations do not continue to grow and improve profitability or if our long distance and local operations do not achieve expected revenues, we may not be able to make capital expenditures necessary to implement our plans for these businesses and our credit rating will likely be adversely affected.

If our wireless operations do not continue to grow and improve profitability, we may be unable to make the capital expenditures necessary to implement our business plan, meet our debt service requirements, or otherwise conduct our business in an effective manner. This would require us to divert cash from other uses, which may not be possible or may detract from operations in our other businesses. These events could limit our ability to increase revenues and net income or cause these amounts to decline.

Our long distance and local operations have experienced declining operating revenues. If these operations cannot achieve expected revenues, we may be unable to make the capital expenditures necessary to implement our business plans for these operations or otherwise conduct these businesses in an effective manner. This could inhibit our ability to maintain or increase our revenues.

If our wireless operations do not continue to grow and improve profitability, or if our long distance and local operations cannot achieve expected revenues, our credit rating will likely be adversely affected. If our credit rating is adversely affected, our future borrowing costs would likely increase and our access to capital could be adversely affected.

We face intense competition that may reduce our market share and harm our financial performance.

There is intense competition in the telecommunications industry. Regulatory initiatives allowing subscribers to switch service providers while retaining their telephone numbers have further fueled competition. At the same time, the traditional dividing lines between long distance, local, wireless, cable and Internet services are increasingly becoming blurred. We expect competition to intensify across all of our business segments as a result of the entrance of new competitors and the rapid development of new technologies, products, and services. We cannot predict which of many possible future technologies, products, or services will be important to maintain our competitive position or what expenditures will be required to develop and provide these technologies, products or services. Our ability to compete successfully will depend on marketing and sales and service delivery, and on our ability to anticipate and respond to various competitive factors affecting the industry, including new services that may be introduced, changes in consumer preferences, demographic trends, economic conditions, and discount pricing and other strategies by competitors. To the extent we do not keep pace with technological advances or fail to timely respond to changes in competitive factors in our industry, we could lose market share or experience a decline in revenue and net income. As a result of the financial strength and benefits of scale of some of our competitors, they may be able to offer services at lower prices than we can, thereby adversely affecting our revenues and growth.

Wireless Operations. Each of our markets, including each of the top 50 metropolitan markets, have several other wireless service providers. Competition may continue to increase to the extent that there are mergers or other combinations involving our competitors or licenses are transferred from smaller stand-alone operators to larger, more experienced and more financially stable wireless operators. These wireless operators may be able to offer subscribers network features or products not offered by us. Certain competitors may be able to offer coverage in areas not served by either of our wireless networks or may be able to offer roaming rates that are lower than those offered by us. The actions of our competitors could

negatively affect our subscriber churn, ability to attract new subscribers, average revenue per user and operating costs.

As the intensity of competition among wireless communications providers has increased, we and our competitors have decreased prices and increased service and product offerings, resulting in both declining average monthly revenue per subscriber in the wireless industry overall and in declining average revenue per minute of use, and we expect these trends will continue. Competition in pricing and service and product offerings may also adversely impact customer retention, which would adversely affect our results of operations. All of these developments may lead to greater choices for subscribers, possible consumer confusion, and increased customer churn.

One of the primary differentiating features of our Nextel service is the two-way walkie-talkie feature. A number of wireless equipment vendors, including Motorola Inc., or Motorola, which supplies equipment for our Nextel service, have begun to offer, or announced plans to offer, wireless equipment that is capable of providing walkie-talkie features that are designed to compete with our walkie-talkie feature. Several of our competitors have introduced, or have announced plans to introduce, these walkie-talkie features. If these competitors features are perceived to be or become, or if any such services introduced in the future are, comparable to our walkie-talkie feature, our competitive advantage in our Nextel service would be reduced, which in turn could adversely affect our business.

Wireline Operations. Our long distance operations compete with AT&T, MCI, Level 3, the following Regional Bell Operating Companies, or RBOCs: Verizon, BellSouth, SBC Communications and Qwest, and cable operators, as well as a host of smaller competitors, in the provision of these services. Some of these companies have built high-capacity, IP-based fiber-optic networks capable of supporting large amounts of voice and data traffic. These companies claim certain cost structure advantages which, among other factors, may position them well for the future. Increased competition and the significant increase in capacity resulting from new networks may drive already low prices down further. Both AT&T, which has agreed to be acquired by SBC Communications, and MCI, which has agreed to be acquired by Verizon, continue to be the two largest competitors in the domestic long distance communications market. We and other long distance carriers depend heavily on local access facilities obtained from RBOCs to serve our long distance customers. The proposed acquisitions of AT&T and MCI by two RBOCs, if approved, could give those carriers long distance operations cost and operational advantages with respect to these access facilities.

Our local telecommunications business operates principally in suburban and rural markets. As a result, competition in these markets is occurring more gradually than for the RBOCs. In urban areas where our local telecommunications business operates, there is substantial competition by competitive local exchange carriers, or CLECs, and there is increasing competition in less urban areas. Cable companies selling cable modems continue to provide competition for high-speed data services for residential customers and are beginning to offer voice telephone service using their cable facilities. E-mail and wireless services will continue to grow as an alternative to wireline services.

A high rate of subscriber churn would likely impair our financial performance.

A key element in the economic success of telecommunications carriers is the rate of subscriber churn. Our efforts to reduce churn may not be successful. A high rate of churn could impair our ability to increase the revenues of, or cause a deterioration in the operating margin of, our wireless operations or our operations as a whole.

Failure to complete development, testing and deployment of new technology could affect our ability to compete in the industry and the technology we use could place us at a competitive disadvantage.

On an ongoing basis, we develop, test and deploy various new technologies and support systems intended to help us compete in the industry by increasing revenues and/or reducing costs. Successful implementation of technology upgrades depends, in part, on the willingness of third parties to develop new applications in a timely manner. We may not successfully complete the development and rollout of new

technology in a timely manner, and any new technology and related services may not be widely accepted by our customers or may not be profitable, which would make it difficult or impossible to recover the investment in the development of the technology. New service offerings may also adversely affect the performance or reliability of our networks. Any resulting customer dissatisfaction could have an adverse effect on our results of operations and growth prospects.

We use CDMA 2000 technology as our wireless air interface standard for our PCS wireless network operations because we believe the technology is superior to the global system for mobile communications, or GSM, family of air interface technologies. CDMA 2000 PCS wireless network operations has a smaller market share of global wireless subscribers compared to GSM. As a result, we have a risk of higher costs for handsets and network infrastructure than competitors who use GSM. Similarly, because we are one of a limited number of wireless carriers that have deployed Motorola s integrated Digital Enhanced Network, or iDEN®, technology, we bear a substantially greater portion of the costs associated with the development of new equipment and features than would be the case if our Nextel network utilized a more widely adopted technology platform.

We have entered into outsourcing agreements related to certain business operations. Any difficulties experienced in these arrangements could result in additional expense, loss of customers and revenue, interruption of our services or a delay in the roll-out of new technology.

We have entered into outsourcing agreements for the development and maintenance of certain software systems necessary for the operation of our business. We have also entered into agreements with third parties to provide service support to direct wireless subscribers and outsourced many aspects of our customer care and billing functions to third parties. Finally, we have entered into an agreement whereby a third party will lease or operate a significant number of our communications towers, and we will sublease space on these towers. As a result, we must rely on third parties to execute our operational priorities and interface with our customers. In some cases, the policies of the United States, individual states and foreign countries could affect the provision of these services. If these third parties are unable to perform to our requirements, we would have to pursue alternative strategies to provide these services and that could result in delays, interruptions, additional expenses and loss of customers.

The reconfiguration process contemplated by the Report and Order of the FCC may adversely affect our business and operations, which could adversely affect our future growth and operating results.

As part of an ongoing FCC proceeding to eliminate interference with public safety operations in the 800 megahertz, or MHz, band, in August 2004 the FCC released a Report and Order, as supplemented, which provides for the exchange of a portion of our FCC licenses for other licenses, including 10 MHz of spectrum in the 1.9 gigahertz, or GHz, band. In order to accomplish the reconfiguration of the 800 MHz spectrum band of the Nextel network that is contemplated by the Report and Order, in most cases we will need to cease our use of a portion of the 800 MHz spectrum in a particular market before we are able to commence use of replacement 800 MHz spectrum in that market. To mitigate the temporary loss of the use of this spectrum, in many markets we will need to construct additional transmitter and receiver sites or acquire additional spectrum in the 800 MHz or 900 MHz bands. This spectrum may not be available to us on acceptable terms. In markets where we are unable to construct additional sites or acquire additional spectrum as needed, the decrease in capacity may adversely affect the performance of our Nextel network, require us to curtail subscriber additions in those markets until the capacity limitation can be corrected, or a combination of the two. Degradation in network performance in any market could result in subscriber churn in that market, the effect of which could be exacerbated if we are forced to curtail subscriber additions in that market. A resulting loss of a significant number of subscribers could adversely affect our results of operations. Because we are just beginning the reconfiguration process, we currently are not able to assess the potential impact that this process will have on our Nextel network capacity. In addition, the Report and Order gives the FCC the authority to suspend our use of the 1.9 GHz spectrum that we received under the Report and Order if we do not comply with our obligations under the Report and Order.

If any of our Sprint PCS Affiliates or Nextel Partners or our iDEN roaming affiliates experience financial or operational difficulties, we could be forced to incur additional expenses and/or lose customers, which could adversely affect our financial performance.

If any of the Sprint PCS Affiliates cease operations in all or part of their service area, we may incur roaming charges in areas where service was previously provided by the Sprint PCS Affiliates. We may also incur costs to meet FCC renewal requirements, as well as experience lower revenues. Failure to meet FCC renewal requirements could result in the loss of a PCS license or licenses, depending on the service area.

Nextel Partners operates a network compatible with our iDEN network in numerous mid-sized and tertiary markets in the United States. We offer cellular and walkie-talkie services on our iDEN network internationally in Canada, Latin America and Mexico through agreements with TELUS Mobility and NII Holdings. If Nextel Partners, NII Holdings or TELUS Mobility experiences financial or operational difficulties, the ability of our iDEN customers to roam on their respective networks may be impaired. In that event, our ability to attract and retain customers who want to access those networks may be adversely affected.

Significant changes in the industry could cause a decline in demand for our services.

The wireless telecommunications industry is experiencing significant technological change, including improvements in the capacity and quality of digital technology such as the move to third generation, or 3G, wireless technology and the deployment of unlicensed spectrum devices. This causes uncertainty about future subscriber demand for our wireless services and the prices that we will be able to charge for these services. The rapid change in technology may lead to the development of wireless telecommunications technologies or alternative services that exceed our levels of service or that consumers prefer over our services. If we are unable to meet future advances in competing technologies on a timely basis, or at an acceptable cost, we may not be able to compete effectively and could lose customers to our competitors.

The wireline industry is also experiencing significant technological change. Cable companies are providing telecommunications services to the home. Some carriers are providing local and long distance voice services over Internet Protocol, or VoIP, in the process avoiding access charges on long distance calls.

As a result of these changes, the future prospects of the wireless and wireline industry and the success of our services remain uncertain.

Government regulation could adversely affect our prospects and results of operations; the FCC and state regulatory commissions may adopt new regulations or take other actions that could adversely affect our business prospects or results of operations.

Wireless Operations. The licensing, construction, operation, sale and interconnection arrangements of wireless telecommunications systems are regulated by the FCC and, depending on the jurisdiction, state and local regulatory agencies. The Communications Act of 1934 preempts state and local regulation of market entry by, and the rates charged by, commercial mobile radio service, or CMRS, providers, except in limited circumstances. States may regulate such things as billing practices and consumer-related issues. California imposed, then suspended, rules designed to impose consumer protections. Several other states are considering similar initiatives. If imposed, these regulations could increase the costs of our wireless operations. The Federal Trade Commission also regulates how wireless services are marketed.

The FCC, together with the Federal Aviation Administration, or FAA, also regulates tower marking and lighting. In addition, tower construction is affected by federal, state and local statutes addressing zoning, environmental protection and historic preservation. The FCC recently adopted significant changes to its rules governing historic preservation review of projects, which make it more difficult to deploy antenna facilities. The FCC is also considering changes to its rules regarding environmental protection as related to tower construction, which, if adopted, could make it more difficult to deploy facilities. The FCC,

the FAA, or other governmental authorities having jurisdiction over our business could adopt regulations or take other actions that would adversely affect our business prospects or results of operations.

The FCC grants wireless licenses for terms of generally ten years that are subject to renewal and revocation. FCC rules require all wireless licensees to meet certain buildout requirements and substantially comply with applicable FCC rules and policies and the Communications Act of 1934 in order to retain their licenses. Failure to comply with FCC requirements in a given license area could result in revocation of the PCS license for that license area. There is no guarantee that our licenses will be renewed.

The FCC has initiated a number of proceedings to evaluate its rules and policies regarding spectrum licensing and usage. It is considering new harmful interference concepts that might permit unlicensed users to share licensed spectrum. These new uses could impact our utilization of our licensed spectrum.

CMRS providers must implement enhanced 911 capabilities in accordance with FCC rules. Failure to deploy 911 service consistent with FCC requirements could subject us to significant fines. We have notified the FCC that we may be unable to satisfy the requirement that 95% of our iDEN subscriber base have assisted global positioning system, or A-GPS, capable handsets by December 31, 2005. We have filed a request for a waiver with the FCC seeking an extension of the December 31, 2005 handset penetration deadline to December 31, 2007.

Failure by various regulatory bodies to make telephone numbers available in a timely fashion could result in our wireless operations not having enough local numbers to assign to new subscribers in certain markets. The FCC has adopted rules to promote the efficient use of numbering resources, including restrictions on the assignment of telephone numbers to carriers, including wireless carriers. The FCC has delegated to states the authority to assign, administer, and conserve telephone numbers. The FCC lifted its prohibition on area codes designated only for customers using a specific technology, such as an area code for only those using wireless technology, and now considers proposals submitted by state commissions seeking to implement this change on a case-by-case basis. Depending on the rules adopted by the states, the supply of available numbers could be adversely restricted. As a result, we may:

- be required to assign subscribers non-local telephone numbers, which may be a disincentive for potential subscribers to use our wireless service;

- incur significant costs to either acquire new numbers or reassign subscribers to new numbers; and

- be unable to enroll new subscribers at projected rates.

Wireline Operations. The FCC order adopted in December 2004 on unbundled network elements, or UNEs, will virtually eliminate the ability of our wireline operations to use the unbundled element platform to offer competing local services to small business and residential customers in areas outside the local telecommunications business franchise territories, and the FCC s pending reexamination of pricing guidelines for unbundled network elements could limit our future ability to use high-capacity loop and transport UNEs to offer competing local services to medium and large business customers.

The regulatory uncertainty surrounding VoIP and the apparent use of VoIP by some long distance carriers as a strategy to minimize access charges may adversely affect both our local telecommunications business access revenues and the competitive position of our long distance business to the extent it makes less use of VoIP than competitors. Adoption by the FCC of intercarrier compensation reform could reduce or eliminate other opportunities for access charge arbitrage, but could also reduce our local telecommunications business revenues unless the plan provides a mechanism to replace those revenues with revenues from other sources.

Depending upon its outcome, the FCC s recently instituted proceedings regarding regulation of special access rates could affect our local telecommunications business charges for that service in the future.

If Motorola is unable or unwilling to provide us with equipment and handsets, as well as anticipated handset and infrastructure improvements, our iDEN operations will be adversely affected.

Motorola is currently our sole source for most of the network equipment and all of the handsets we offer under the Nextel brand except BlackBerry® devices. Accordingly, we must rely on Motorola to develop handsets and equipment capable of supporting the features and services we plan to offer to our Nextel customers. Although our handset supply agreement with Motorola is structured to provide competitively priced handsets, the cost of our Nextel handsets may nonetheless be higher than analog handsets and digital handsets that do not incorporate a similar multi-function capability, which may make it more difficult or less profitable for us to attract customers. In addition, the higher cost of our Nextel handsets requires us to absorb part of the cost of offering handsets to new and existing customers. These increased costs and handset subsidy expenses may reduce our growth and profitability. In addition, our arrangements with Motorola, together with the fact that our existing Nextel customer base is utilizing iDEN technology, may delay or prevent us from employing new or different technologies that perform better or are available at a lower cost because of the additional economic costs and other impediments to change generally as well as those that arise under the Motorola agreements. A decision by Motorola to discontinue manufacturing, supporting or enhancing our iDEN-based infrastructure and handsets would have a material adverse effect on us. Further, because iDEN technology is not as widely adopted and currently has fewer subscribers on a worldwide basis than other wireless technologies, it is less likely that manufacturers other than Motorola will be willing to make the significant financial commitment required to license, develop and manufacture iDEN infrastructure equipment and handsets.

Concerns about health risks associated with wireless equipment may reduce the demand for our services.

Portable communications devices have been alleged to pose health risks, including cancer, due to radio frequency emissions from these devices. Purported class actions and other lawsuits have been filed against numerous wireless carriers, including us, seeking not only damages but also remedies that could increase our cost of doing business. We cannot be sure of the outcome of those cases or that our business and financial condition will not be adversely affected by litigation of this nature or public perception about health risks. The actual or perceived risk of mobile communications devices could adversely affect us through a reduction in subscribers, reduced network usage per subscriber or reduced financing available to the mobile communications industry. Further research and studies are ongoing, and we cannot be sure that additional studies will not demonstrate a link between radio frequency emissions and health concerns.

Our forward-looking statements are subject to a variety of factors that could cause actual results to differ materially from current beliefs.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: A number of the statements made in this prospectus are not historical or current facts, but deal with potential future circumstances and developments. They can be identified by the use of forward-looking words such as believes, expects, plans, intends, targets, may, will, would, could, should or anticipates or other comparable words, or by discussions of stra may involve risks and uncertainties. We caution you that these forward-looking statements are only predictions, which are subject to risks and uncertainties in addition to those outlined in the above Risk Factors section and elsewhere in this prospectus including, but not limited to:

- the uncertainties related to the benefits of the Nextel merger, including anticipated synergies and cost savings and the timing thereof;
- the uncertainties related to the contemplated spin-off of our local telecommunications business;
- the effects of vigorous competition and the overall demand for our service offerings in the markets in which we operate;
- the costs and business risks associated with providing new services;
- adverse changes in the ratings afforded our debt securities by ratings agencies;

the uncertainties related to our investments in networks, systems and other businesses;

the impact of new, emerging and competing technologies on our business;

the effects of mergers and consolidations in the telecommunications industry and unexpected announcements or developments from others in the telecommunications industry;

no significant adverse change in Motorola s ability or willingness to provide handsets and related equipment and software applications or to develop new technologies or features for our Nextel network;

our network performance, including any performance issues resulting from the reconfiguration of the 800 MHz band that is contemplated by the FCC s Report and Order;

future legislation or regulatory actions relating to our services, other wireless communications services or telecommunications generally;

the costs of compliance with regulatory mandates, particularly requirements related to the FCC s Report and Order and deployment of A-GPS capable handsets on our iDEN network;

the risk of equipment failure, natural disasters, terrorist acts, or other breaches of network or information technology security;

the risk that third parties are unable to perform to our requirements under agreements related to our business operations; and

other risks referenced from time to time in our filings with the SEC.

RATIOS OF COMBINED EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

	For the Six Months Ended June 30,		For the Years Ended December 31,				
	2005	**2004**	**2004**	**2003**	**2002**	**2001**	**2000**
Sprint Nextel(1)	3.14	1.84	(a)	(b)	1.21	(c)	(d)

(1) For purposes of calculating the ratio,
(i) earnings include:
income (loss) from continuing operations before taxes, plus

equity in the net losses of less-than-50% owned entities, less

capitalized interest; and
(ii) fixed charges include:
interest on all debt of continuing operations;

amortization of debt issuance costs; and

the interest component of operating rents.
For purposes of calculating the ratio of earnings to combined fixed charges and preferred stock dividends, preferred stock dividends include the amount of pre-tax earnings required to pay the dividends on outstanding preferred stock.

The ratio of earnings to combined fixed charges and preferred stock dividends is calculated as follows:

(earnings + fixed charges)

(fixed charges) + (pretax earnings required to cover preferred stock dividends)

Pretax earnings required to cover preferred stock dividends are calculated as follows:

preferred stock dividends, as adjusted for the tax benefits related to unallocated shares

1 - (Sprint s effective income tax rate)

(a) Earnings, as adjusted, were inadequate to cover fixed charges and preferred stock dividends by $1.6 billion in 2004.

(b) Earnings, as adjusted, were inadequate to cover fixed charges and preferred stock dividends by $491 million in 2003.

(c) Earnings, as adjusted, were inadequate to cover fixed charges and preferred stock dividends by $2.3 billion in 2001.

(d)

Earnings, as adjusted, were inadequate to cover fixed charges and preferred stock dividends by $910 million in 2000.

USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of our guarantees.

THE CONSENT SOLICITATION

Introduction

We are seeking valid and unrevoked consents of registered holders of a majority in aggregate principal amount of each of the 2010 notes and 2012 notes outstanding at the close of business on , 2005, the record date for determining the holders of the notes entitled to deliver consents in connection with this consent solicitation. As of the record date, the principal amount of the 2010 notes outstanding was $125,000,000 and the principal amount of the 2012 notes outstanding was $235,000,000.

If holders of a majority in aggregate principal amount of each of the 2010 notes and 2012 notes consent to the proposed amendments, we will become a guarantor of the notes and will fully and unconditionally guarantee the due and punctual payment of the principal of, and any accrued but unpaid interest in respect of, the notes when and as the same shall become due and payable. Obligations under our guarantees with respect to the 2010 notes and 2012 notes will be senior and unsecured, and will rank equal in right of payment with all of our existing and future senior, unsecured debt. On June 30, 2005, we had approximately $21,137 million of senior, unsecured debt (excluding the guarantees relating to the 2010 notes and 2012 notes) outstanding on a pro forma basis giving effect to the completion of the Nextel merger.

Description of the Proposed Amendments

We are soliciting the consents of the holders of the notes to the proposed amendments with respect to the 2010 indenture and 2012 indenture. The proposed amendments would be set forth in a supplemental indenture to each indenture. If the proposed amendments become operative, each indenture, as amended, would apply to holders of the corresponding notes.

The proposed amendments are being presented as one proposal for the 2010 notes and 2012 notes and each related indenture. Consequently, the delivery of a consent by a holder is the delivery of a consent to all of the proposed amendments to the applicable indenture, and a consent purporting to consent to only some of the proposed amendments will not be valid. Furthermore, we are requiring the consent of the holders of a majority in aggregate principal amount of each of the 2010 notes and 2012 notes for the proposed amendments to either indenture to become operative. We may waive this requirement, however, for either the 2010 notes or 2012 notes, if we receive the required consents from the holders of only the 2010 notes or 2012 notes. The supplemental indentures will become effective upon execution by US Unwired, its subsidiary guarantors and the trustee. **If the supplemental indentures are executed and the proposed amendments become operative, holders of notes will be bound by the applicable supplemental indentures, even if they have not consented to the proposed amendments.** Until the proposed amendments become operative, however, each indenture, without giving effect to the proposed amendments, will remain in effect.

The following is a summary of the key provisions of the proposed amendments to the indentures. Please see Annex A to this prospectus for a complete description of the text of the proposed amendments to the indentures. The following summary is qualified by reference to the description of the terms of the notes, as amended by the proposed amendments to the indentures, in Description of the Amended Securities and the full provisions of the indentures and the forms of supplemental indentures to the indentures, which have been filed as exhibits to the registration statement of which this prospectus forms a part. The following summary of the proposed amendments is presented in the order the relevant provisions appear in the indentures and not necessarily in the order of importance.

Amendment to Asset Sale Definition to Permit Certain Transfers of Assets to Us or Our Other Subsidiaries

Subject to certain exceptions, the indentures prohibit US Unwired and its restricted subsidiaries from selling or transferring assets unless they receive fair market value in return and at least 75% of the consideration received is in the form of cash or cash equivalents. In addition, the cash proceeds from each such asset sale are required to be applied to repay certain indebtedness or to acquire assets that are used or useful in US Unwired s business. We would benefit from the flexibility to use US Unwired s assets in combination with our other assets where they can be most beneficial to our business as a whole. In order to create that flexibility, we are proposing amendments to each of the indentures that would revise the definition of Asset Sale to exclude specifically any transaction or series of related transactions involving the sale or other transfer of assets by US Unwired or its restricted subsidiaries to us or any of our other direct or indirect subsidiaries. Such sales or transfers would be subject to the proposed amended affiliate transactions covenant described below under Amendment to Affiliate Transactions Covenant to Permit Certain Transactions with Our Other Subsidiaries. The proposed amendment to the definition of Asset Sale would not amend any of the collateral documents related to the indentures, and, therefore, your rights under those documents would not be affected.

Amendment to Reporting Covenant

The indentures require US Unwired to provide to the holders of the notes and to file with the SEC:

- all quarterly and annual financial information that would be required to be contained in a Form 10-Q and Form 10-K filed with the SEC, including a Management s Discussion and Analysis of Financial Condition and Results of Operations and, with respect to the annual information only, a report on the annual financial statements by US Unwired s certified independent accountants; and

- all current reports that would be required to be filed with the SEC on Form 8-K, regardless of whether US Unwired is required by the rules and regulations of the SEC to file such reports.

In an effort to eliminate the expense associated with continuing to produce and provide to holders of the notes separate financial reports for US Unwired and file such reports with the SEC, we are seeking consents to amend each of the indentures to permit US Unwired to provide the financial reports of a parent guarantor of the notes (without including any condensed consolidated financial information related to US Unwired), in lieu of separate reports relating only to US Unwired. As a result, if the proposed amendments become effective, following the issuance of our guarantees of the notes, we, as a parent guarantor of the notes, would be permitted to provide to the holders of the notes our financial reports filed with the SEC (without including the condensed consolidating footnote contemplated by Rule 3-10 of Regulation S-X) instead of the reports of US Unwired.

Amendment to Affiliate Transactions Covenant to Permit Certain Transactions with Us or Our Other Subsidiaries

The Limitation on Transactions with Affiliates covenant in each of the indentures prohibits US Unwired and its restricted subsidiaries from engaging in any transaction with, or for the benefit of, any affiliate (other than US Unwired or any of its restricted subsidiaries) unless:

- such transaction is on terms not less favorable to US Unwired or the relevant restricted subsidiary than those that would have been obtained in a comparable transaction with an unrelated person;

- if such transaction exceeds $2,500,000, US Unwired delivers to the trustee a determination by its board of directors set forth in a board resolution and an officer s certificate certifying that such transaction complies with the bullet point above and has been approved by a majority of the disinterested members of the board of directors of US Unwired; and

if such transaction exceeds $10,000,000, US Unwired delivers to the trustee an opinion as to the fairness to US Unwired or its restricted subsidiary of the financial terms of such transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

We want to integrate US Unwired s business with ours and have US Unwired and its restricted subsidiaries engage freely in transactions with us or any of our other subsidiaries, so long as such transactions are on terms that are no less favorable to US Unwired and its restricted subsidiaries than those that would have been obtained in comparable transactions by US Unwired and its restricted subsidiaries with an unrelated person, without the necessity of having US Unwired s board of directors or a majority of the board s disinterested directors approve such transactions and/or obtaining an independent fairness opinion if such transactions exceed the applicable dollar thresholds. In an effort to create that flexibility, we are proposing amendments to each of the indentures that would (i) remove the third bullet point above (the requirement of obtaining an independent fairness opinion if such transaction exceeds $10,000,000) and (ii) with respect to the second bullet point above, increase the dollar threshold from $2,500,000 to $10,000,000 and modify the requirement of obtaining approval by a majority of the disinterested members of the board of directors of US Unwired to instead require approval by the board of directors of US Unwired.

As a result, US Unwired would be permitted to engage in transactions with affiliates if such transactions are on terms not less favorable to US Unwired or its restricted subsidiaries than those that would have been obtained in a comparable transaction with an unrelated person, and, to the extent they involve aggregate consideration in excess of $10,000,000, such transactions have been approved by the board of directors of US Unwired, which need not include disinterested directors.

Revision of Certain Definitions and Other Text

In connection with the proposed amendments described above, certain defined terms contained in the indentures would be amended or deleted, and new defined terms would be added to the indentures. Please see Annex A to this prospectus and the forms of supplemental indentures for a more complete description of such amendments. In addition, we reserve the right to make certain technical changes to the indentures pursuant to the provisions thereof and to include such changes in the applicable supplemental indenture. Any such technical changes shall not affect the substantive rights of the holders of the notes, other than as described above.

The proposed amendments would also delete or amend or be deemed to have deleted or amended any provisions in the notes corresponding to the provisions in each of the indentures that are deleted or amended by virtue of the proposed amendments.

Expiration Date; Extension; Waiver; Amendment; Termination

The consent solicitation will expire at 5:00 p.m., New York City time, on , , 2005, unless we extend the consent solicitation. If we extend the consent solicitation, the expiration date will be the latest time and date to which the consent solicitation is extended. We expressly reserve the right to extend the consent solicitation from time to time or for such period or periods as we may determine in our discretion by giving oral (to be confirmed in writing) or written notice of such extension to the consent agent and by making a public announcement by press release to the Dow Jones News Service at or prior to 9:00 a.m., New York City time, on the next business day following the previously scheduled expiration date. During any extension of the consent solicitation, all consents validly executed and delivered to the consent agent will remain effective unless validly revoked prior to such extended expiration date.

We expressly reserve the right, in our discretion, at any time to amend any of the terms of the consent solicitation. If the terms of the consent solicitation are amended prior to the expiration date in a manner that constitutes a material change, we will promptly give oral (to be confirmed in writing) or written notice of such amendment to the consent agent and disseminate a prospectus supplement in a

manner reasonably designed to give holders of the notes notice of the change on a timely basis. We expressly reserve the right, in our discretion, to waive any condition of the consent solicitation.

We expressly reserve the right, in our discretion, to terminate the consent solicitation for any reason. Any such termination will be followed promptly by public announcement thereof. In the event we terminate the consent solicitation, we will give prompt notice thereof to the consent agent and the consents previously executed and delivered pursuant to the consent solicitation will be of no further force and effect. See Revocation of Consents.

Procedures for Delivering Consents

In order to consent to the proposed amendments, a holder of notes must execute and deliver to the consent agent a copy of the accompanying letter of consent, or cause a letter of consent to be delivered to the consent agent on the holder s behalf, before the expiration date in accordance with the procedures described below.

In accordance with the indentures governing the notes, only registered holders of the notes as of 5:00 p.m., New York City time, on the record date may execute and deliver to the consent agent a letter of consent. We expect that The Depository Trust Company, or DTC, will authorize its participants, which include banks, brokers and other financial institutions, to execute letters of consent with respect to the notes they hold through DTC as if the participants were the registered holders of those notes. Accordingly, for purposes of the consent solicitation, when we use the term registered holders, we include banks, brokers and other financial institutions that are participants of DTC.

If you are a beneficial owner of notes held through a bank, broker or other financial institution, in order to consent to the proposed amendments, you must arrange for the bank, broker or other financial institution that is the registered holder to either (1) execute a letter of consent and deliver it either to the consent agent on your behalf or to you for forwarding to the consent agent before the expiration date or (2) forward a duly executed proxy from the registered holder authorizing you to execute and deliver a letter of consent with respect to the notes on behalf of the registered holder. In the case of clause (2) of the preceding sentence, you must deliver an executed letter of consent, together with the proxy, to the consent agent before the expiration date. Beneficial owners of notes are urged to contact the bank, broker or other financial institution through which they hold their notes to obtain a valid proxy or to direct that a letter of consent be executed and delivered in respect of their notes.

Giving a consent by submitting a letter of consent will not affect a holder s right to sell or transfer the notes. All consents received from the holder of record on the record date and not revoked by that holder before the expiration date will be effective notwithstanding any transfer of those notes after the record date.

Registered holders of notes as of the record date who wish to consent should mail, hand deliver or send by overnight courier or facsimile a properly completed and executed letter of consent to the consent agent at the address or facsimile number set forth under Solicitation, Consent and Information Agents, in accordance with the instructions set forth in this prospectus and the letter of consent. Letters of consent should be delivered to the consent agent, not to us or US Unwired. However, we reserve the right to accept any letter of consent received by us or US Unwired.

All letters of consent that are properly completed, executed and delivered to the consent agent, and not revoked before the expiration date, will be given effect in accordance with the terms of those letters of consent. Registered holders who desire to consent to the proposed amendments should complete, sign and date the letter of consent and mail, deliver or send by overnight courier or facsimile (confirmed by the expiration date by physical delivery) the signed letter of consent to the consent agent at the address or facsimile number set forth under Solicitation, Consent and Information Agents, all in accordance with the instructions contained in this prospectus and the letter of consent.

Letters of consent delivered by the registered holders of notes as of the record date must be executed in exactly the same manner as those registered holders names appear on the certificates representing the

notes or on the position listings of DTC, as applicable. If notes to which a letter of consent relate are registered in the names of two or more holders, all of those holders must sign the letter of consent. If a letter of consent is signed by a trustee, partner, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, that person must so indicate when signing, and proper evidence of that person s authority to so act must be submitted with the letter of consent. In addition, if a letter of consent relates to less than the total principal amount of notes registered in the name of a holder or relates to only the 2010 notes or 2012 notes, the registered holder must list the series of notes and the certificate numbers and principal amount of notes registered in the name of that holder to which the letter of consent relates. If no series or aggregate principal amount of notes as to which a consent is delivered is specified, the holder will be deemed to have consented with respect to all notes of such holder. If notes are registered in different names, separate letters of consent must be signed and delivered with respect to each registered note. If a letter of consent is executed by a person other than the registered holder, it must be accompanied by a proxy executed by the registered holder.

In connection with the consent solicitation, we will pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of the prospectus, the letter of consent and related documents to the beneficial owners of the notes and in handling or forwarding deliveries of consents by their customers.

All questions as to the form of all documents and the validity (including time of receipt) regarding the consent procedures will be determined by us, in our discretion, which determination will be final and binding. We also reserve the right to waive any defects or irregularities as to deliveries of consents.

Revocation of Consents

A consent may be revoked at any time prior to the expiration date. Any holder who has delivered a consent, or who succeeds to ownership of notes in respect of which a consent has previously been delivered, may validly revoke such consent prior to the expiration date by delivering a written notice of revocation in accordance with the following procedures. All properly completed and executed letters of consent that are received by the consent agent will be counted as consents with respect to the proposed amendments, unless the consent agent receives a written notice of revocation prior to the expiration date.

In order to be valid, a notice of revocation of consent must contain the name of the person who delivered the consent and the description of the notes to which it relates, the certificate numbers of such notes and the aggregate principal amount represented by such notes. The revocation of consent must be signed by the holder thereof in the same manner as the original signature on the letter of consent (including any required signature guarantees) or be accompanied by evidence satisfactory to us and the consent agent that the person revoking the consent has the legal authority to revoke such consent on behalf of the holder. If the letter of consent was executed by a person other than the registered holder of the notes, the notice of revocation of consent must be accompanied by a valid proxy signed by such registered holder and authorizing the revocation of the registered holder s consent. To be effective, a revocation of consent must be received prior to the expiration date by the consent agent, at the address set forth below. A purported notice of revocation that lacks any of the required information or is sent to an improper address will not validly revoke a consent previously given.

Solicitation, Consent and Information Agents

We have retained Bear Stearns & Co. Inc. to act as the solicitation agent for the consent solicitation. We have agreed to pay the solicitation agent customary fees and reimburse it for its reasonable out-of-

pocket expenses. Questions may be directed to the solicitation agent at the following address and telephone numbers:

Global Liability Management Group
383 Madison Avenue, 8th Floor
New York, New York 10179
(877) 696-BEAR (toll-free)
(877) 696-2327

We have retained U.S. Bank National Association to act as the consent agent for the consent solicitation. We have agreed to pay the consent agent customary fees and reimburse it for its reasonable out-of-pocket expenses. All executed letters of consent and notices of revocation should, and questions relating to the procedures for consenting to the proposed amendments and requests for assistance may, be directed to the consent agent at the following address and telephone and facsimile numbers:

Corporate Trust Services
60 Livingston Avenue
St. Paul, Minnesota 55107
Attn: Specialized Finance
(800) 934-6802
By Facsimile: (651) 495-8158, Attn: Specialized Finance

We have appointed Georgeson Shareholder Communications, Inc. to act as the information agent with respect to the consent solicitation. We will pay the information agent customary fees for its services and reimburse it for its reasonable out-of-pocket expenses. We have also agreed to indemnify the information agent for certain liabilities. Requests for additional copies of this prospectus or the letter of consent may be directed to the information agent at the following address and telephone numbers:

17 State Street
New York, New York 10004
(877) 278-4751
Banks/ Brokers (212) 440-9800

Fees and Expenses

The total amount of funds required to pay all fees and expenses in connection with the consent solicitation is expected to be approximately $600,000. We expect to obtain these funds from available cash.

DESCRIPTION OF OUR GUARANTEES

The following is a summary of our proposed guarantees of the notes. The following summary is qualified by reference to the full provisions of the forms of the guarantees, which have been filed as exhibits to the registration statement of which this prospectus forms a part.

If the proposed amendments to the indentures are approved, contemporaneously with the execution of the supplemental indentures, we will issue guarantees of the full and punctual payment when due, whether at maturity, by acceleration, redemption or otherwise, of the principal of and interest on the notes, and all other monetary obligations of US Unwired under the indentures, insofar as such monetary obligations relate to the notes. We will execute a guarantee in favor of the holders of the 2010 notes, and we will also execute a guarantee in favor of the holders of the 2012 notes. It will not be necessary for new certificates to be issued evidencing the notes to reflect the benefit of the guarantees, and no separate certificates will be issued to evidence the guarantees. Regardless of the outcome of the consent solicitation, the notes will continue to be guaranteed by substantially the same subsidiaries of US Unwired that currently guarantee the notes under the terms of the indentures.

Our guarantees with respect to the 2010 notes and 2012 notes will be:

- senior, unsecured obligations, equal in right of payment with all of our existing and future senior, unsecured debt;
- effectively junior to our obligations secured by liens, to the extent of the value of the assets securing those obligations; and
- senior in right of payment to our subordinated debt, if any.

Our guarantees will not make us or any of our subsidiaries subject to the covenants contained in the indentures and will not otherwise contain any restrictions on our operations.

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of the material U.S. federal income tax consequences of the consent solicitation to holders of the notes. It is not a complete analysis of all the potential tax considerations relating to the consent solicitation. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended, or the Code, U.S. Department of the Treasury, or Treasury, regulations promulgated under the Code, and currently effective administrative rulings and judicial decisions, all relating to the U.S. federal income tax treatment. These authorities may be changed, perhaps with retroactive effect, so as to result in U.S. federal income tax consequences different from those described below. We have not sought any ruling from the Internal Revenue Service, or IRS, with respect to the statements made herein, and we cannot assure you that the IRS will not take a position contrary to such statements or that such contrary position taken by the IRS would not be sustained by a reviewing court.

This summary assumes that the notes are held as capital assets. This summary does not address the tax considerations arising under the laws of any foreign, state or local jurisdiction. In addition, this discussion does not address all tax considerations that may be applicable to the holders particular circumstances or to holders that may be subject to special tax rules, such as, for example:

- holders subject to the alternative minimum tax;
- banks, insurance companies, or other financial institutions;
- tax-exempt organizations;
- dealers in securities or commodities;
- expatriates;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- holders whose functional currency is not the U.S. dollar;
- persons that hold notes as part of a hedge, straddle, or conversion transaction;
- persons deemed to sell notes under the constructive sale provisions of the Code; or
- partnerships or other pass-through entities.

If a partnership holds notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding notes is urged to consult his or her tax advisor regarding the tax consequences of the consent solicitation.

General

Although the issue is not free from doubt, we believe that a holder of notes should not recognize any income, gain or loss as a result of the implementation of the proposed amendments to the indentures

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governing the notes and the provision of our guarantees, and such holder should continue to have the same tax basis and holding period with respect to the notes as it had before the consent solicitation.

Tax Consequences of the Proposed Amendments and Our Guarantees of the Notes

Generally, the modification of the terms of a debt instrument is treated, for federal income tax purposes, as a deemed exchange of an old debt instrument for a new debt instrument if such modification is significant as specially determined for federal income tax purposes. For these purposes, a modification of the terms of a debt instrument is significant if, based on all the facts and circumstances, the legal rights or obligations that are altered and the degree to which they are altered are economically significant. Although the matter is not free from doubt, we believe that the adoption of the proposed amendments, in and of itself, should not constitute a significant modification of the terms of the notes for federal income tax purposes. Upon adoption of the proposed amendments, we will also guarantee US Unwired s payment obligations with respect to the notes. The Treasury regulations provide that the addition of a co-obligor on a debt instrument is a significant modification if the addition of the co-obligor results in a change in payment expectations. The Treasury regulations further provide that a change in payment expectations occurs if, as a result of a transaction, there is substantial enhancement of the obligor s capacity to meet the payment obligations under a debt instrument and that capacity was primarily speculative prior to the modification and is adequate after the modification. It is possible that our guarantees of US Unwired s obligations under the notes could constitute a significant modification of the notes for federal income tax purposes.

If our guarantees are treated as a significant modification of the notes for federal income tax purposes, a holder will be treated as having exchanged its old notes for new notes for federal income tax purposes. Even so, the holder will not be subject to taxation if the notes, as originally issued and as amended, constitute securities for federal income tax purposes. In such event, the deemed exchange would be treated as a tax-free recapitalization for federal income tax purposes. There is no precise definition of what constitutes a security under federal income tax law. The determination of whether a debt instrument is a security for federal income tax purposes requires an overall evaluation of the nature of the debt instrument, including the extent of a holder s proprietary interest in the issuer and risk and the original term of the debt instrument. A debt instrument with a term of five years or less generally does not qualify as a security, and a debt instrument with a term of ten years or more generally does qualify as a security. Whether a debt instrument with a term between five and ten years qualifies as a security is unclear. The 2010 notes and 2012 notes have original maturities of six and eight years, respectively. Although the matter is not free from doubt, given the maturities and the other terms of the notes, we intend to take the position that the notes should constitute securities for federal income tax purposes. In such event, a holder would not recognize any income, gain or loss as a result of our guarantees and the holder s holding period for the notes and tax basis in the notes would not be affected.

If, on the other hand, our guarantees were treated as a material modification of the notes resulting in a deemed exchange, but the deemed exchange was not treated as a recapitalization for federal income tax purposes (e.g., because the notes were not deemed securities for federal income tax purposes), a holder would recognize gain or loss in an amount equal to the difference, if any, between the amount realized by the holder in the deemed exchange and the holder s adjusted tax basis in the notes deemed to be exchanged. In addition, the holder s holding period in the new notes that are deemed to be received would begin on the day after the deemed exchange and the holder s tax basis in the new notes would be equal to the amount realized by such holder in the deemed exchange.

ALL HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE SPECIFIC FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE CONSENT SOLICITATION TO THEIR PARTICULAR CIRCUMSTANCES.

DESCRIPTION OF THE AMENDED SECURITIES

The following description is of the notes and the indentures, as amended by the proposed amendments, and references to the notes and indentures in this section are references to the same, as amended by the proposed amendments pursuant to the applicable supplemental indentures. The following description is qualified by reference to the full provisions of the indentures, and the forms of supplemental indentures, which are exhibits to the registration statement of which this prospectus forms a part.

The following description also contains a summary of the material provisions of the Collateral Documents and the Intercreditor Agreement, but the description does not restate those agreements in their entirety. We urge you to read the indentures, the Collateral Documents and the Intercreditor Agreement in their entirety because they, and not this description, define your rights as a holder of the notes. Copies of certain of the Collateral Documents and the Intercreditor Agreement may be obtained from the information agent. See The Consent Solicitation Solicitation, Consent and Information Agents.

You can find the definitions of certain terms used in this description under Certain Definitions. Certain terms used in this description but not defined below under Certain Definitions or elsewhere in this prospectus have the meanings assigned to them in the indentures. In this description, the term Subsidiary excludes IWO Holdings, Inc. and its Subsidiaries, and the term Guarantee excludes our proposed guarantees. The registered holder of a note will be treated as the owner of that note for all purposes. Only registered holders have rights under the indentures.

US Unwired has issued $125,000,000 aggregate principal amount of its Series B First Priority Senior Secured Floating Rate Notes due 2010 under the indenture, as amended or supplemented from time to time, dated June 16, 2004, among US Unwired, the guarantors named therein, and U.S. Bank National Association, as trustee, and $235,000,000 aggregate principal amount of its 10% Series B Second Priority Senior Secured Notes due 2012 under the indenture, as amended or supplemented from time to time, dated June 16, 2004, among US Unwired, the guarantors named therein, and U.S. Bank National Association, as trustee.

Where we refer to the notes, we are referring to the 2010 notes and the 2012 notes, collectively, and where we refer to the indentures we are referring to the 2010 indenture and the 2012 indenture, together. All references to the trustee shall mean the trustee under the 2010 indenture (if with respect to the 2010 indenture or the 2010 notes) or the trustee under the 2012 indenture (if with respect to the 2012 indenture or the 2012 notes) or both trustees, together, as the context suggests. The terms of the notes include those stated in the indentures and those made part of the indentures by reference to the Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the indentures, as each is amended by the proposed amendments (to be set forth in supplemental indentures) which will become operative upon execution of the supplemental indentures by US Unwired, its subsidiary guarantors and the trustee.

Brief Description of the Notes and the Guarantees

2010 Notes

The 2010 notes will continue to be:

- senior secured obligations of US Unwired;
- secured by security interests (First Priority Liens) in the Collateral on a first priority basis, equal and ratable with any other First Lien Obligations;
- unconditionally guaranteed on a senior secured basis by (i) all of US Unwired s direct and indirect Subsidiaries that currently guarantee them and (ii) all of US Unwired s future Restricted Subsidiaries that are Domestic Subsidiaries;

equal in right of payment with all existing and future Pari Passu Indebtedness of US Unwired (including the 2012 notes) and any other First Lien Obligations; and

senior in right of payment to all existing and future Indebtedness of US Unwired that expressly provides for its subordination to the 2010 notes.

2012 Notes

The 2012 notes will continue to be:

senior secured obligations of US Unwired;

secured by security interests (Second Priority Liens) in the Collateral on a second priority basis, subject to the first priority security interests securing US Unwired s obligations under any First Lien Obligations (including in respect of the 2010 notes);

unconditionally guaranteed on a senior secured basis by (i) all of US Unwired s direct and indirect Subsidiaries that currently guarantee them and (ii) all of US Unwired s future Restricted Subsidiaries that are Domestic Subsidiaries;

equal in right of payment with all existing and future Pari Passu Indebtedness of US Unwired and any First Lien Obligations (including the 2010 notes); and

senior in right of payment to all existing and future Indebtedness of US Unwired that expressly provides for its subordination to the 2012 notes.

The Guarantees

The notes will continue to be guaranteed by each of the Subsidiary Guarantors and those Subsidiary Guarantees will not be affected by the execution of the supplemental indentures. See The Subsidiary Guarantees below for more information regarding the Subsidiary Guarantees. Upon execution of the supplemental indentures for each of the 2010 notes and 2012 notes, we will also guarantee the notes. See the section entitled Description of Our Guarantees in this prospectus for more information regarding our guarantees of the notes.

In the future, subject to the limitations set forth in the indentures, US Unwired and its Restricted Subsidiaries may incur additional Indebtedness that may be entitled to the benefits of the First Priority Liens created in the Collateral pursuant to the Collateral Documents. If such additional First Priority Lien Indebtedness is incurred, it would be secured equally and ratably with the 2010 notes, the Subsidiary Guarantees with respect to the 2010 notes and the 2010 Note Obligations, and senior to the 2012 notes, the Subsidiary Guarantees with respect to the 2012 notes and the 2012 Note Obligations. In the event that holders of First Lien Obligations exercise their rights with respect to the Collateral, those Holders (including Holders of the 2010 notes) would be entitled to be repaid in full from the proceeds from the sale of the Collateral before those proceeds would be available for distribution to Holders of the 2012 notes. As a result, there may not be sufficient assets remaining to pay amounts due on any or all of the 2012 notes unless all First Lien Obligations are paid in full. Holders of the notes will be entitled to be repaid in full from the proceeds from the sale of Collateral before any amounts would be available for distribution to unsecured creditors. Under the indentures, US Unwired and its Subsidiaries will be able to Incur additional secured debt in the future.

The assets of any Subsidiary that does not guarantee the notes will not constitute collateral and will be subject to the prior claims of all creditors of that Subsidiary, including trade creditors. Under the indentures, US Unwired is permitted to designate certain of its Subsidiaries as Unrestricted Subsidiaries. US Unwired s Unrestricted Subsidiaries are not subject to the restrictive covenants in the indentures and do not guarantee the notes. In the event of a bankruptcy, administrative receivership, composition, insolvency, liquidation or reorganization of any of the non-guarantor Subsidiaries, such Subsidiaries will pay the holders of their liabilities, including trade payables, before any of their assets would become available to pay creditors of US Unwired and its Restricted Subsidiaries (including Holders of the notes).

Principal, Maturity and Interest

The indentures provide for the issuance of additional notes, subject to compliance with applicable law and with the covenants contained in the indentures, including without limitation the covenants described in this section under Certain Covenants; provided, however, that: (i) the aggregate amount of any additional 2010 notes that may be issued or incurred shall be limited to those issued on the Issue Date and those issued or incurred under clause (2) of the second paragraph of Certain Covenants Limitation on Consolidated Indebtedness, and (ii) the aggregate amount of additional 2012 notes that may be issued or incurred shall be limited to those issued on the Issue Date, those issued or incurred under clause (2) of the second paragraph of Certain Covenants Limitation on Consolidated Indebtedness, and such additional 2012 notes as may be issued from time to time pursuant to the first paragraph of Certain Covenants Limitation on Consolidated Indebtedness, subject to the Liens permitted under clause (4) of the definition of Permitted Liens set forth below. The 2010 notes as amended by the proposed amendments and any additional 2010 notes subsequently issued would be treated as a single class for all purposes under the 2010 indenture, and the 2012 notes as amended by the proposed amendments and any additional 2012 notes subsequently issued would be treated as a single class for all purposes under the 2012 indenture. All additional 2010 notes subsequently issued would benefit from the First Priority Liens to the same extent as the 2010 notes originally issued. All additional 2012 notes subsequently issued would benefit from the Second Priority Liens to the same extent as the 2012 notes originally issued. US Unwired would issue additional notes in denominations of $1,000 and integral multiples of $1,000.

2010 Notes

The 2010 notes will mature on June 15, 2010.

The 2010 notes bear interest at a rate per annum, reset quarterly, equal to LIBOR plus 4.25%, as determined by the calculation agent (the Calculation Agent), which currently is the trustee.

Set forth below is a summary of certain of the defined terms used in the 2010 indenture relating to the calculation of interest on the 2010 notes.

Determination Date, with respect to an Interest Period, will be the second London Banking Day preceding the first day of the Interest Period.

Interest Period means the period commencing on and including an interest payment date and ending on and including the day immediately preceding the next succeeding interest payment date.

LIBOR, with respect to an Interest Period, will be the rate (expressed as a percentage per annum) for deposits in United States dollars for three-month periods beginning on the first day of such Interest Period that appears on Telerate Page 3750 as of 11:00 a.m., London time, on the Determination Date. If Telerate Page 3750 does not include such a rate or is unavailable on a Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the London interbank market, as selected by the Calculation Agent, to provide such bank s offered quotation (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such Determination Date, to prime banks in the London interbank market for deposits in a Representative Amount in United States dollars for a three-month period beginning on the first day of such Interest Period. If at least two such offered quotations are so provided, LIBOR for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in New York City, as selected by the Calculation Agent, to provide such bank s rate (expressed as a percentage per annum), as of approximately 11:00 a.m., New York City time, on such Determination Date, for loans in a Representative Amount in United States dollars to leading European banks for a three-month period beginning on the first day of such Interest Period. If at least two such rates are so provided, LIBOR for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided, then LIBOR for the Interest Period will be LIBOR in effect with respect to the immediately preceding Interest Period.

London Banking Day is any day in which dealings in United States dollars are transacted or, with respect to any future date, are expected to be transacted in the London interbank market.

Representative Amount means a principal amount of not less than U.S. $1,000,000 for a single transaction in the relevant market at the relevant time.

Telerate Page 3750 means the display designated as Page 3750 on the Moneyline Telerate service (or such other page as may replace Page 3750 on that service).

The amount of interest for each day that the 2010 notes are outstanding (the Daily Interest Amount) is calculated by dividing the interest rate in effect for such day by 360 and multiplying the result by the principal amount of the 2010 notes. The amount of interest to be paid on the 2010 notes for each Interest Period is calculated by adding the Daily Interest Amounts for each day in the Interest Period.

All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point being rounded upwards (e.g., 9.876545% (or 0.09876545) being rounded to 9.87655% (or 0.0987655)) and all dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upwards).

The interest rate on the 2010 notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application.

The Calculation Agent will, upon the request of the Holder of any 2010 note, provide the interest rate then in effect with respect to the 2010 notes. All calculations made by the Calculation Agent in the absence of manifest error will be conclusive for all purposes and binding on US Unwired, the Guarantors and the Holders of the 2010 notes.

Interest on the 2010 notes is payable quarterly in arrears (to the Holders of record of the 2010 notes on the March 1, June 1, September 1 or December 1 immediately preceding the applicable interest payment date) on each March 15, June 15, September 15 and December 15 of each year. Interest on the 2010 notes accrues from the most recent date to which interest has been paid or, if no interest has been paid, from or including the Issue Date.

2012 Notes

The 2012 notes will mature on June 15, 2012.

Interest on the 2012 notes accrues at a fixed rate of 10% per annum and is payable semi-annually in arrears on each June 15 and December 15 to the Holders of record on the June 1 or December 1 immediately preceding the applicable interest payment date.

Interest on the 2012 notes accrues from the Issue Date or, if interest has already been paid, from the date it was most recently paid. Interest is computed on the basis of a 360-day year of twelve 30-day months.

Method of Receiving Payment on the Notes

If a Holder has given wire transfer instructions to US Unwired, US Unwired will pay all principal, interest or premium, if any, on that Holder s notes in accordance with those instructions. All other payments on notes will be made at the office or agency of the paying agent and registrar within the City and State of New York unless US Unwired elects to make interest payments by check mailed to the Holders at their address set forth in the security register.

Paying Agent and Registrar for the Notes

The trustee is acting as paying agent and registrar. US Unwired may change the paying agent or registrar with respect to either the 2010 notes or the 2012 notes without prior notice to the Holders of the notes, and US Unwired or any of its Subsidiaries may act as paying agent or registrar.

All moneys paid by US Unwired to a paying agent for the payment of principal, interest or premium, if any, on any notes which remain unclaimed for two years after such principal, interest or premium have become due and payable may be repaid to US Unwired, and thereafter the Holder of such notes may look only to US Unwired for payment of them.

Transfer and Exchange

A Holder may transfer or exchange notes in accordance with the terms of the applicable indenture. The registrar and the trustee may require a Holder to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes and fees required by law in connection with such transfer. US Unwired is not required to transfer or exchange any note selected for redemption. Also, US Unwired is not required to transfer or exchange any note (1) for a period of 15 days before a selection of notes to be redeemed or (2) tendered and not withdrawn in connection with an Offer to Purchase or an Asset Sale Offer.

The Subsidiary Guarantees

All obligations of US Unwired under the indentures with respect to the notes will continue to be guaranteed by:

(1) all of US Unwired s Subsidiaries that currently guarantee them; and

(2) all of US Unwired s future Restricted Subsidiaries that are Domestic Subsidiaries.

The Subsidiary Guarantees with respect to the 2010 notes will continue to be:

- the joint and several obligations of each Guarantor;
- secured, on a first priority basis, by security interests in the Collateral owned by the Subsidiary Guarantors;
- effectively junior to Capital Lease Obligations and obligations secured by certain other Permitted Liens, to the extent of the value of the assets securing those obligations;
- senior in right of payment to all future subordinated Indebtedness of such Guarantor, if any; and
- equal in right of payment with all existing and future Pari Passu Indebtedness of such Guarantor.

The Subsidiary Guarantees with respect to the 2012 notes will continue to be:

- the joint and several obligations of each Guarantor;
- secured, on a second priority basis, by security interests in the Collateral owned by the Subsidiary Guarantors;
- effectively junior to that Guarantor s Subsidiary Guarantee of all First Lien Obligations, which will be secured on a first priority basis by security interests in the Collateral owned by such Guarantor, and to Capital Lease Obligations and obligations secured by certain other Permitted Liens, to the extent of the value of the assets securing those obligations;
- senior in right of payment to all future subordinated Indebtedness of such Guarantor, if any; and
- equal in right of payment with all existing and future Pari Passu Indebtedness of such Guarantor.

A Guarantor may not sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person), another Person, other than US Unwired or another Guarantor, unless, immediately after giving effect to such transaction, no Default or Event of Default has occurred and is continuing and either:

(a) such Guarantor is the surviving Person or the Person acquiring the property in any such sale or disposition or the Person formed by any such consolidation or merger assumes all the obligations of that Guarantor under the indentures, its Subsidiary Guarantee in respect of the 2010 notes and the

2012 notes and the Collateral Documents pursuant to a supplemental indenture and appropriate Collateral Documents; or

(b) the Net Proceeds of such sale or other disposition are applied in accordance with Asset Sale provisions of the indentures.

The Subsidiary Guarantee of a Guarantor will be released:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Guarantor (including by way of merger, consolidation or otherwise) by US Unwired or a Subsidiary of US Unwired, if the sale or other disposition complies with the Asset Sale provisions of the indentures;

(2) in connection with any sale or other disposition of all of the Capital Stock of a Guarantor by US Unwired or a Subsidiary of US Unwired, if the sale or other disposition complies with the Asset Sale provisions of the indentures;

(3) if the Collateral Agent, at the instruction of the holders of the First Lien Obligations, exercises any remedies in respect of the Capital Stock of such Guarantor;

(4) if US Unwired designates that Guarantor to be an Unrestricted Subsidiary in accordance with the applicable provisions of the indentures (unless any Collateral is then owned by such Guarantor); or

(5) upon legal defeasance of the notes as provided below under Defeasance.

Security for the Notes

Except as noted below, the notes, the Subsidiary Guarantees and the Note Obligations will continue to be secured by Liens granted to the Collateral Agent on substantially all of the tangible and intangible personal property, real property and fixtures of US Unwired and the Guarantors, whether now owned or hereafter acquired (collectively, the Collateral), subject to certain Permitted Liens and except as otherwise provided below. Such Liens securing the 2010 notes, the Subsidiary Guarantees with respect to the 2010 notes, and the 2010 Note Obligations will continue to be secured by First Priority Liens on the Collateral. Such Liens securing the 2012 notes, the Subsidiary Guarantees with respect to the 2012 notes, and the 2012 Note Obligations will continue to be secured by Second Priority Liens on the Collateral.

The Collateral includes, without limitation:

(1) all of the Capital Stock of each Restricted Subsidiary that is a Domestic Subsidiary;

(2) FCC Licenses, to the extent permitted by applicable law and to the extent not requiring FCC approval in order to grant a security interest therein;

(3) all deposit accounts, security accounts, accounts receivable, inventory, investment property (other than Capital Stock of the Subsidiaries of US Unwired described in clause (1) above), intercompany notes, general intangibles, equipment, instruments, contract rights, chattel paper, promissory notes and leases (except, with respect to leases, to the extent perfection cannot be effected through filings under the Uniform Commercial Code);

(4) all fixtures, except to the extent perfection cannot be effected through filings under the Uniform Commercial Code;

(5) real property described below under Additional Collateral; Acquisition of Assets or Property, and the headquarters building of US Unwired in Lake Charles, Louisiana;

(6) patents, trademarks, copyrights and other intellectual property; and

(7) all proceeds of, and all other amounts arising from, the collection, sale, lease, exchange, assignment, licensing or other disposition or realization upon the Collateral described in clauses (1) through (6) above.

In addition, the Collateral Agent will be named as a loss payee in all of the insurance policies of US Unwired and the Guarantors that cover assets that constitute Collateral.

The Collateral does not include (collectively, the Excluded Property): (a) any chattel paper, promissory note, lease, contract, general intangible, license, property right or agreement (collectively, a Contract) to which US Unwired or any Guarantor is a party (i) to the extent that the grant of a security interest therein by US Unwired or such Guarantor will constitute or result in the abandonment, invalidation or unenforceability of any material right, title or interest of US Unwired or such Guarantor under such Contract, (ii) to the extent that the terms of such Contract prohibit the creation by US Unwired or such Guarantor of a security interest therein or (iii) to the extent that any Requirement of Law applicable thereto prohibits the creation of a security interest therein (other than, in the case of clauses (i), (ii) and (iii), to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code); (b) any Excluded Real Property; (c) any Capital Stock of a Subsidiary other than that described in clause (1) above; (d) any vehicles (whether owned or leased); (e) rights with respect to lawsuits filed against us and our Affiliates; or (f) any assets that are subject to Liens permitted under clauses (1), (6), (7), (8) and (21) of the definition of Permitted Liens (but only to the extent the agreements relating to such Liens prohibit the creation of Liens in favor of the Collateral Agent on such property or assets); provided that any proceeds, substitutions or replacements of any Excluded Property shall not themselves be Excluded Property (unless such proceeds, substitutions or replacements would constitute property described in clauses (a) through (f) above).

On the Issue Date, US Unwired and the Guarantors entered into the Collateral Documents, which provide for a grant of a security interest in the Collateral in favor of the Collateral Agent for the benefit of the Holders of the 2010 notes on a first priority basis and for the benefit of the Holders of the 2012 notes on a second priority basis. The security interests with respect to the 2010 notes secure on a first priority basis, equally and ratably with any other First Lien Obligations, the payment and performance when due of the 2010 notes, the Subsidiary Guarantees with respect to the 2010 notes, and the 2010 Note Obligations under the terms of the 2010 indenture, the 2010 notes, the Subsidiary Guarantees and the Collateral Documents. The security interests with respect to the 2012 notes secure on a second priority basis, junior to the First Lien Obligations, the payment and performance when due of the 2012 notes, the Subsidiary Guarantees with respect to the 2012 notes, and the 2012 Note Obligations under the terms of the 2012 indenture, the 2012 notes, the Subsidiary Guarantees and the Collateral Documents.

US Unwired will, and will cause each of the Guarantors to, do or cause to be done all acts and things which may be required, or which the trustee from time to time may reasonably request, to assure and confirm that the Collateral Agent holds, for the benefit of the Holders of the notes, duly created, enforceable and perfected Liens upon the Collateral as contemplated by the indentures, the Intercreditor Agreement and the Collateral Documents.

The Liens in favor of the Collateral Agent under the Collateral Documents will be released in whole:

(1) upon payment in full of the principal of, and accrued and unpaid interest and premium, if any, and Liquidated Damages, if any, on the notes and payment in full of all other Note Obligations with respect to the notes that are due and payable at or prior to the time such principal, accrued and unpaid interest and premium are paid; or

(2) upon a defeasance of the notes in accordance with the provisions described below under Defeasance.

The Liens in favor of the Collateral Agent under the Collateral Documents will be released with respect to any asset constituting Collateral if:

(1) the asset has been sold or otherwise disposed of by US Unwired or a Guarantor to a Person other than US Unwired or a Guarantor in a transaction permitted by the indentures, at the time of such sale or disposition;

(2) the asset is owned or has been acquired by a Subsidiary that has been released from its Subsidiary Guarantee in accordance with the terms of the indentures (including by virtue of a Guarantor becoming an Unrestricted Subsidiary); or

(3) the Collateral Agent exercises any remedies in respect to such asset, including any sale or other disposition thereof.

US Unwired, subject to compliance by US Unwired and its Restricted Subsidiaries with the Limitation on Consolidated Indebtedness covenant, has the ability to issue: (i) additional 2010 notes having identical terms and conditions to the 2010 notes, and other First Lien Obligations, subject to compliance with clause (2) of the second paragraph under Certain Covenants Limitation on Consolidated Indebtedness; and (ii) additional 2012 notes having identical terms and conditions as the 2012 notes, subject to the limitation set forth in clause (4) of the definition of Permitted Liens, all of which may be secured by the Collateral; provided, however, that not less than 75% of the net cash proceeds from any such issuance of additional notes shall be invested in additional assets, which shall become Collateral for the notes.

Additional Collateral; Acquisition of Assets or Property

Concurrently with:

(i) the acquisition (including, without limitation, through the designation, acquisition or creation of a new Restricted Subsidiary) by US Unwired or any Guarantor of any assets or property (including fixtures, but excluding all other real property) having a fair market value (as determined in good faith by the Board of Directors of US Unwired) in excess of $1.0 million individually or $2.5 million in a series of one or more related transactions;

(ii) the acquisition (including, without limitation, through the specification, acquisition or creation of a new Restricted Subsidiary) by US Unwired or any Guarantor of any fee interest in any individual or contiguous parcels of owned real property (other than fixtures) having a fair market value (as determined in good faith by the Board of Directors of US Unwired) in excess of $2.5 million individually or in a series of one or more related transactions;

(iii) the acquisition of any FCC License by US Unwired or any Guarantor; or

(iv) the inclusion by US Unwired or any Guarantor of any other assets or property in collateral securing any First Lien Obligations;

US Unwired shall, or shall cause the applicable Guarantor to, as promptly as practicable, subject to obtaining the consents contemplated by the next succeeding paragraph:

(1) execute and deliver to the Collateral Agent such Collateral Documents and take such other actions as shall be necessary or (in the opinion of the Collateral Agent) desirable to create, perfect and protect a Lien in favor of the Collateral Agent on such assets or property (to the extent permitted by applicable law, in the case of FCC Licenses and to the extent otherwise required to be perfected in accordance with the terms of the Collateral Documents);

(2) in the case of real property, deliver to the Collateral Agent title and extended coverage insurance covering such real property in an amount at least equal to the purchase price of such real property, with local fixture filings being made in respect of fixtures associated with such real property; and

(3) promptly deliver to the Collateral Agent such opinions of counsel, if any, as the Collateral Agent may reasonably require with respect to the foregoing (including opinions as to enforceability and perfection of security interests).

Also, if the granting of a security interest in such property requires the consent of a third party, US Unwired will use commercially reasonable efforts (and in any event not involving the payment of money in excess of $^{1}/2$ of 1% of

the estimated fair market value of the property as determined in good faith

by the chief financial officer of US Unwired) to obtain such consent as promptly as practicable with respect to the Lien for the benefit of the Collateral Agent.

Perfection and Non-Perfection of Security in Collateral

The security interests created by the Collateral Documents with respect to deposit accounts and security accounts have not been and will not be perfected. As a result the notes will not have the benefit of a perfected security interest in US Unwired s cash, Cash Equivalents and other marketable securities or investments. In addition, the notes do not have a perfected security interest in fixtures and certain other personal property to the extent perfection cannot be effected through filings under the Uniform Commercial Code. To the extent that any Collateral is not perfected, the Collateral Agent s rights will be equal to the rights of the general unsecured creditors of US Unwired and the Guarantors in the event of a bankruptcy. Outside of bankruptcy, the security interests of certain lien holders, such as judgment creditors and any creditors who obtain a perfected security interest in any items of Collateral in which the Collateral Agent s security interest is unperfected, would take priority over the Collateral Agent s interests in the Collateral. Accordingly, there can be no assurance that the assets in which the Collateral Agent s security interest is unperfected will be available upon the occurrence of an Event of Default or a Default under the other secured obligations to satisfy the obligations under the notes. In addition, certain assets may be subject to existing Permitted Liens that would take priority over any liens granted in such assets under the Collateral Documents.

Intercreditor Agreement

On the Issue Date, US Unwired, the Guarantors, the Collateral Agent, the trustee for the 2010 notes (the 2010 Notes Trustee) and the trustee for the 2012 notes (the 2012 Notes Trustee) entered into an Intercreditor Agreement. Pursuant to the terms of the Intercreditor Agreement, the 2012 Notes Trustee agreed, on behalf of the Holders of the 2012 notes, that the security interests created pursuant to the Collateral Documents, insofar as securing the 2012 notes, the Subsidiary Guarantees in respect of the 2012 notes and the 2012 Note Obligations, are junior in priority, operation and effect to the security interests created pursuant to the Collateral Documents, insofar as securing the First Lien Obligations (including the 2010 notes, the Subsidiary Guarantees in respect of the 2010 notes and the 2010 Note Obligations), notwithstanding any provisions of applicable law to the contrary, or the fact that the security interests in respect of the First Lien Obligations are subordinated, voided, avoided, invalidated or lapsed. The Holders of the 2012 notes and the 2012 Notes Trustee agree not to contest the security interests securing any First Lien Obligations. All proceeds of Collateral received by the Collateral Agent or the 2012 Notes Trustee at any time during a First Lien Obligation Period will be required to be applied to the First Lien Obligations until such Obligations are paid in full. At any other time, the Collateral Agent will distribute all cash proceeds (after payment of the costs of enforcement and collateral administration) of the Collateral received by it under the Collateral Documents to the 2012 Notes Trustee for the ratable benefit of the Holders of the 2012 notes (and any other Indebtedness permitted to be Incurred under the Indentures secured by a Second Priority Lien).

In the event that, after the Issue Date, US Unwired and the Guarantors designate any additional Indebtedness (including under any Credit Agreement) as First Lien Obligations under the Intercreditor Agreement, holders of such Indebtedness (or a trustee or agent on their behalf including, in the case of the Credit Agreement, the Credit Agreement Agent) will become a party to the Intercreditor Agreement and, together with the Lenders, shall be entitled to the benefits of the Intercreditor Agreement and the First Priority Liens created under the Collateral Documents in favor of the Collateral Agent. The aggregate amount of First Lien Obligations (including any thereof under the Credit Agreement), together with the aggregate amount of 2010 notes (including additional 2010 notes), that may be issued or incurred shall be limited to those issued on the Issue Date and those issued or incurred under clause (2) or (7) of the second paragraph under Certain Covenants Limitation on Consolidated Indebtedness. The Collateral Documents will provide that, as among the holders of the First Lien Obligations, any instructions to be given to the Collateral Agent by such holders shall be given by a majority of the holders

of the First Lien Obligations (other than the holders of Hedging Obligations), voting as a single class. In the event that the holders of Indebtedness under the Credit Agreement entitled to the benefit of the First Priority Lien shall exceed in aggregate principal amount the 2010 notes, then the holders of such Indebtedness under the Credit Agreement will be able to control all actions taken by the Collateral Agent.

Pursuant to the terms of the Intercreditor Agreement, during a First Lien Obligation Period, the holders of the First Lien Obligations will have the exclusive right to determine the circumstances, order, time and method by which all Liens on the Collateral will be enforced. The 2012 Notes Trustee will not be permitted to enforce the Second Priority Liens during a First Lien Obligation Period even if an Event of Default (or insolvency proceeding) has occurred and is continuing and the 2012 notes have been accelerated. As a result, during a First Lien Obligation Period, none of the 2012 Notes Trustee nor the Holders of the 2012 notes will be able to force a sale of the Collateral or otherwise exercise remedies normally available to secured creditors without the concurrence of the holders of the First Lien Obligations. In addition, the 2012 Notes Trustee and the Holders of the 2012 notes will be prohibited from hindering the exercise of remedies available to the holders of First Lien Obligations.

The holders of First Lien Obligations may take actions with respect to the Collateral (including the release of the Collateral and the manner of realization) without the consent of the Holders of the 2012 notes or the 2012 Notes Trustee and modify the Collateral Documents without the consent of the Holders of the 2012 notes or the 2012 Notes Trustee, to, among other things, secure additional extensions of credit and add additional secured parties, so long as such modifications do not expressly violate the provisions of the 2012 indenture.

The Intercreditor Agreement also prohibits US Unwired and its Subsidiaries from granting Liens in favor of the 2012 notes, the Subsidiary Guarantees in respect of the 2012 notes or the 2012 Note Obligations except in favor of the Collateral Agent pursuant to the Collateral Documents. In addition, during any First Lien Obligation Period, neither the 2012 Notes Trustee nor the Holders of the 2012 notes will have any right to approve any amendment, waiver or consent under any Collateral Documents (other than the release of Collateral that would have the effect of removing assets subject to the Second Priority Lien without concurrently releasing the First Priority Lien on such assets, in each case, subject to certain exceptions).

During the pendency of a bankruptcy case during any First Lien Obligation Period, the Intercreditor Agreement will prohibit the 2012 Notes Trustee and the Holders of the 2012 notes from filing any pleadings or motions in respect of the Collateral, taking any position at any hearing in respect of the Collateral, seeking relief from the automatic stay in respect of the Collateral or otherwise taking any action in respect of the Collateral, other than to file proofs of claim. During the pendency of a bankruptcy case during any First Lien Obligation Period, the Intercreditor Agreement will also prohibit the 2012 Notes Trustee and the Holders of the 2012 notes from objecting to debtor-in-possession financing approved by the holders of First Lien Obligations, including any provisions contained in such debtor-in-possession financing that provide Liens that are prior to the Second Priority Liens or the use by any lender under any such debtor-in-possession financing of cash collateral, so long as such Liens are permitted to be incurred under the 2012 indenture. Further, during the pendency of a bankruptcy case during any First Lien Obligations Period, the Intercreditor Agreement will also prohibit the 2012 Notes Trustee and the Holders of the 2012 notes from objecting to any request by the holders of the First Lien Obligations for adequate protection, or to the release of Collateral sold in connection with a Section 363 of the Bankruptcy Code sale approved by the holders of the First Lien Obligations and from objecting to a plan or reorganization or disclosure statement related thereto under certain circumstances.

Bankruptcy Limitations

In addition to the limitations described above under Intercreditor Agreement, you should be aware that the right and ability of the Collateral Agent to repossess and dispose of the Collateral upon the occurrence of an Event of Default is likely to be significantly impaired by title 11 of the United States Code (the Bankruptcy Code) if a bankruptcy proceeding were to be commenced by or against US

Unwired or a Guarantor prior to the Collateral Agent having repossessed and disposed of the Collateral. Under the Bankruptcy Code, a secured creditor such as the Collateral Agent may be prohibited from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from such debtor, without bankruptcy court approval. Moreover, the Bankruptcy Code permits the debtor, subject to bankruptcy court approval, to continue to retain and to use collateral (and the proceeds, products, rents or profits of such collateral) even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given adequate protection. The meaning of the term adequate protection may vary according to circumstances, but it is intended, in general, to protect the value of the secured creditor s interest in the collateral and may include, if approved by the court, cash payments or the granting of additional security for any diminution in the value of the collateral as a result of the stay of repossession or the disposition or any use of the collateral by the debtor during the pendency of the bankruptcy case. The bankruptcy court has broad discretionary powers in all these matters, including the valuation of collateral. In addition, because the enforcement of the Lien of the Collateral Agent in cash, deposit accounts and cash equivalents may be limited in a bankruptcy proceeding, the Holders of the notes will only have limited consent rights with respect to the use of those funds by US Unwired or any of its Subsidiaries during the pendency of the proceeding if the court finds that the holders are receiving adequate protection. In view of these considerations, it is impossible to predict how long payments under the notes could be delayed following commencement of a bankruptcy case, whether or when the Collateral Agent could repossess or dispose of the Collateral or whether or to what extent Holders of the notes would be compensated for any delay in payment or loss of value of the Collateral. Further, the Holders of the notes may receive in exchange for their claims a recovery that could be substantially less than the amount of their claims (potentially even nothing) and any such recovery could be in the form of cash, new debt instruments or some other security.

Additional Indebtedness Secured by Second Priority Liens