



iPhone 3G S Pricing and Upgrading

AT&T, like most U.S. carriers, offers a variety of phones that we sell below our actual cost when customers agree to sign service agreements. In general, the more a customer spends with us, the quicker they become eligible for a price break on a new device. For example, iPhone customers who spend more than \$99 a month per line with us generally are eligible for an upgrade between 12 and 18 months into their contract.

There are three purchase options available for iPhone 3G S and iPhone 3G.

New and Qualified Customers

“New and qualified” iPhone 3G S and iPhone 3G pricing is available to all new AT&T customers and existing AT&T customers who have fulfilled their previous agreement and sign a new 2-year service agreement.

We’re now pleased to offer our iPhone 3G customers who are upgrade eligible in July, August or September 2009 our best upgrade pricing, beginning Thursday, June 18.

If you’re one of the many customers who will benefit from this change, please note that our upgrade eligibility website will reflect this change on Thursday, June 18. We invite you to come to our stores beginning Friday during normal store hours, although please be aware that we may have limited supplies of iPhone 3G S. You may also preorder online on June 18 at www.att.com/iPhone, and your iPhone 3G S will arrive in 7 – 14 days.

Early Upgrade

For existing AT&T customers who have not yet fulfilled their existing agreement, AT&T offers a special program exclusively for iPhone 3G S and iPhone 3G: early upgrade pricing. This gives customers who do not yet qualify for a upgrade—likely because they received a subsidized device within the last year or two—the opportunity to upgrade at a special price that’s still below AT&T’s actual cost.

No Commitment

Customers who wish to purchase an iPhone 3G S or iPhone 3G without signing a new 2-year agreement may do so at the no commitment price.

	iPhone 3G S		iPhone 3G	
New and Qualified Customers	\$199 (16GB)	\$299 (32GB)	\$99 (8GB)	\$149 (16GB)
Early Upgrade	\$399 (16GB)	\$499 (32GB)	\$299 (8GB)	\$349 (16GB)
No Commitment	\$599 (16GB)	\$699 (32GB)	\$499 (8GB)	\$549 (16GB)

How do I know if I’m eligible for an upgrade?

Customers can check their eligibility at www.att.com/iPhone or by visiting any of our company-owned retail stores. If you’re not currently eligible, we’ll give you the date you may qualify. You also can call *NEW# (*639#) from your AT&T handset and receive a text with information about your upgrade eligibility.

What if I benefit from this change – but have already preordered?

If you’ve preordered from one of our stores, when you pick up your device on or after June 19, we will be able to adjust your account, if you qualify. If you preordered online, once you receive your device at home (or other designated address), AT&T will send you an e-mail and issue you a credit, if you qualify.

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If you pre-ordered an iPhone 3G S through Apple's online store, your upgrade eligibility will be reassessed based on AT&T's new upgrade policy for iPhone 3G owners. If you are eligible for the lower price, Apple will issue you a credit for the difference as applicable.

If I qualify for this change, can I come at Friday at 7 a.m. when your stores open early for customers who preordered?

No. You can come during regular store hours on June 19, though we will have limited supplies on-hand. We encourage all customers to preorder online at www.att.com/iPhone for the most certainty and convenience.

Does this change only apply to iPhone 3G customers who spend \$99 or more per month?

In most cases, yes. iPhone customers who spend more than \$99 a month per line with us generally are eligible for an upgrade between 12 and 18 months. In general, the more a customer spends with us, the less time they have to wait to get another new device.

What about customers who bought in July, August or September 2008 but don't spend over \$99 a month?

We value the business of all our customers. The majority of iPhone 3G customers received a significant discount on their device in return for a two-year service commitment during which time we recoup the device subsidy. Getting a new subsidized device is based on several factors including monthly recurring charges and having an account in good financial standing. In general, the more you spend with us, the less time you have to wait to get another device. This is a very fair system. That said, we do offer early upgrade pricing only for iPhone for those customers who don't want to wait.

How can I purchase an early upgrade?

You can do this online at www.att.com/iPhone, or you can visit a local company-owned AT&T store and one of our representatives can help you.