

August 8, 2013

Iridium Pre-Paid Vouchers Minutes Expiry Plan Frequently Asked Questions (FAQs)

Overview

In September 2002, as part of the rate changes to some of its pre-paid voucher offerings, Iridium modified its policy pertaining to the **extension** of minutes balances for existing and future pre-paid customers. The primary change is that Iridium will expire minutes whose age is greater than three years beginning on December 17, 2013. After December 17, 2013, minute balances will be adjusted using a first-in, first-out methodology so that all minutes greater than three years old will expire. For any customer who has purchased a 3,000 minute or 5,000 minute voucher within the past four years as of December 17, 2013 and going forward, a four year extension limit will apply. Any customer whose has an ongoing balance of minutes that are less than three years old are unaffected by this plan.

Details

What is the plan?

Effective December 17, 2013, Iridium will expire minutes greater than three years old. On December 17, 2013, minutes purchased since December 17, 2010 will not be impacted. Minutes less than three years old can be retained by purchasing add-time vouchers and additional vouchers to extend the validity period of those minutes up to a maximum of three years. Under this policy, the minutes balance can only be extended for a maximum expiry of three years. For those customers who have purchased a 3,000 minute or 5,000 minute voucher within the past four years, a four-year extension limit will apply.

Who does this effect?

Iridium has performed an extensive analysis of its pre-paid customer base and determined that only a small part of our customer base have had pre-paid account balances of greater than three years. The remaining has been with Iridium for less than three years and will see no changes to their balances in December 2013.



When will my minutes begin expiring?

No minutes will expire before December 17, 2013. Users will have from September 2012 until December 17th, 2013 to use all of their minutes greater than three years old. Starting on December 17, 2013, expiry for minutes older than 3 years old will begin to take effect.

If, as of December 17, 2013, I've been a customer for less than 3 years, what will happen to my minutes balance?

On December 17, 2013, absolutely nothing will happen to your balance. After that, Iridium will expire those minutes greater than three years old, if applicable, on a monthly basis. Everything purchased from December 17th 2010 through December 17th 2013 will be preserved. Going forward, only those unused minutes greater than three years old will expire.

If as of December 17, 2013, I've been a customer for more than 3 years, what will happen to my minutes balance?

For customers with a minutes balance greater than three years as of December 17, 2013, Iridium will only expire the balance of unused minutes that is greater than three years old. The number of minutes that are less than three years old will be preserved. Iridium is following a policy of first-in, first-out for expiry so the oldest minutes in a voucher stack expire and only those unused minutes that are older than three years old will expire.

How will the minutes to be expired be calculated?

On December 17, 2013, Iridium will consider only those vouchers that have been purchased more than three years ago. The total number of minutes purchased greater than three years of the account will first be calculated.

If the total prepaid minutes consumption is greater than the number of minutes purchased greater than three years ago, no minutes will be expired as the consumption will have already consumed those voucher minutes greater than three years.

If the total prepaid minutes consumption is less than the number of minutes purchased greater than three years ago, the difference between the total purchased minutes and the total consumed minutes will be expired.



For those customers who have purchased a 3,000 minute or 5,000 minute voucher within the previous four years, a four-year expiry will be applicable, but the same methodology as described above will apply.

Is this a one-time event?

No. Iridium's policy has changed and the usage of minutes can only be extended for a maximum of three years.

How often will expiry be applied?

Iridium will expire minutes on a daily basis commencing in December 2013. Every day, Iridium will assess customer expiry balances and follow the same procedure as described above.

How have customers been informed of the balance of minutes that will expire?

In February, 2013, an automated system was put in place allowing customers to hear the number of minutes that will expire on the first expiry date (December 17, 2013) by calling or texting 2888 on their Iridium handset. After December 17, 2013, users will hear the balance of minutes that will expire within the next six months, if applicable, when they call or text to 2888 on their Iridium handset.

In addition, Iridium recognizes that most customers will have had some type of communication with their dealer between September 2012 and December 2013 either through the purchase of additional minutes, additional time, or through an additional voucher purchase. Throughout this time, we have encouraged Iridium Service Providers and dealers to reach out to users to notify them of this change as well as take the opportunity to inform their customers when users renew their vouchers.

What's the difference between expiry for the voucher and expiry for the minutes?

When a customer purchases a pre-paid voucher, it contains an expiry for the minutes that have been purchased. For example, Iridium's 500 minute pre-paid voucher has a 12-month expiry. If a customer does not renew their voucher the minutes and the account will expire at the end of the 12-month expiry. Effective December 17, 2013, Iridium is implementing a maximum time for the **extension** of minutes of three years. Extensions with new e-vouchers, adding time, or adding minutes will continue to be supported on impacted accounts depending upon e-voucher type. However, note that any unused minutes older than 3 years on December 17, 2013 will be removed from the account regardless of recharges that have been made on the account. For customers who have purchased a 3,000 or 5,000 minute voucher within the past four years, a maximum time for extension of four years will apply.



How is the maximum time extension period affected?

Maximum expiry is still 24 months. Customers can still only purchase an extension, either through e-voucher or add-times, up to a maximum of 24 months of account expiry.

