

SPRINT NEXTEL CORP
Form DEF 14A
March 28, 2011

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14a-12

SPRINT NEXTEL CORPORATION
(Name of Registrant as Specified In Its Charter)

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- No fee required.
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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND PROXY STATEMENT
MAY 10, 2011**

We will hold the annual meeting of shareholders of Sprint Nextel Corporation on Tuesday, May 10, 2011 at 10:00 a.m. Central time at The Ritz Charles, Overland Park, 9000 W. 137th Street, Overland Park, Kansas 66221 (913-685-2600).

The purpose of the annual meeting is to consider and take action on the following:

1. Election of ten directors named herein for a one-year term;
2. Ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2011;
3. Approval, by a non-binding advisory vote, of our executive compensation;
4. Recommend, by a non-binding advisory vote, the frequency of advisory votes on our executive compensation;
5. Vote on three shareholder proposals, if presented at the meeting; and
6. Any other business that properly comes before the meeting and any adjournment or postponement of the meeting.

We are taking advantage of Securities and Exchange Commission rules that allow us to furnish proxy materials to you via the Internet. Unless you have already requested to receive a printed set of proxy materials, you will receive a Notice Regarding the Availability of Proxy Material, or Notice. The Notice contains instructions on how to access proxy materials and vote your shares via the Internet or, if you prefer, to request a printed set of proxy materials at no additional cost to you. We believe that this approach provides a convenient way for you to access your proxy materials and vote your shares, while lowering our printing and delivery costs and reducing the environmental impact associated with our annual meeting.

Shareholders of record as of March 11, 2011 can vote at the annual meeting. On or about March 28, 2011, we mailed the Notice or, for shareholders who have already requested to receive a printed set of proxy materials, this proxy statement, the accompanying proxy card and the annual report on Form 10-K for the year ended December 31, 2010. Please vote before the annual meeting in one of the following ways:

1. *By Internet* You can vote over the Internet at www.proxyvote.com by entering the control number found on your Notice or proxy card;
2. *By Telephone* You can vote by telephone by calling 1-800-690-6903 and entering the control number found on your Notice or proxy card; or
3. *By Mail* If you received your proxy materials by mail, you can vote by signing, dating and mailing the proxy card in the pre-paid enclosed envelope.

Your vote is very important. Please vote before the meeting using one of the methods above to ensure that your vote will be counted. Your proxy may be revoked at any time before the vote at the annual meeting by following the procedures outlined in the accompanying proxy statement.

By order of the Board of Directors,

James H. Hance, Jr.
Chairman of the Board of Directors

Overland Park, Kansas
March 28, 2011

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General Information about Proxies and Voting

Date, Time and Place

These proxy materials are delivered in connection with the solicitation by our board of directors of proxies to be voted at our annual meeting of shareholders, which will be held at The Ritz Charles, Overland Park, 9000 W. 137th Street, Overland Park, Kansas 66221 at 10:00 a.m. Central time on Tuesday, May 10, 2011. On or about March 28, 2011, we mailed to our shareholders entitled to vote at the meeting the Notice or, for shareholders who have already requested to receive printed materials, this proxy statement, the accompanying proxy card and the annual report on Form 10-K for the year ended December 31, 2010. Our principal executive offices are located at 6200 Sprint Parkway, Overland Park, Kansas 66251.

Purpose of the Annual Meeting

At the annual meeting, shareholders will be asked to:

elect the ten directors named herein to serve for a term of one year (Item 1 on the proxy card);

ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2011 (Item 2 on the proxy card);

approve, by a non-binding advisory vote, our executive compensation (Item 3 on the proxy card);

recommend, by a non-binding advisory vote, the frequency of advisory votes on our executive compensation (Item 4 on the proxy card);

vote on a shareholder proposal concerning political contributions, if presented at the meeting (Item 5 on the proxy card);

vote on a shareholder proposal concerning the retention of equity awards, if presented at the meeting (Item 6 on the proxy card);

vote on a shareholder proposal requesting change to a voting requirement, if presented at the meeting (Item 7 on the proxy card); and

take action on any other business that properly comes before the meeting and any adjournment or postponement of the meeting.

Record Date; Shareholders Entitled to Vote

The close of business on March 11, 2011 has been fixed as the record date for the determination of shareholders entitled to notice of, and to vote at, the 2011 annual meeting or any adjournments or postponements of the 2011 annual meeting.

As of the record date, the following shares were outstanding and entitled to vote:

Designation	Outstanding	Votes per Share
Series 1 common stock	2,990,404,477	1

A complete list of shareholders entitled to vote at the 2011 annual meeting will be available for examination by any shareholder at 6200 Sprint Parkway, Overland Park, Kansas 66251 for purposes pertaining to the 2011 annual meeting during normal business hours for a period of ten days before the annual meeting and at the time and place of the annual meeting.

Street Name and Broker Non-Votes

You are a record holder if you hold our shares directly in your name through our transfer agent, Computershare Trust Company, N.A. as a shareholder of record. If you hold our shares through a broker, bank,

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financial institution, trust or other nominee, then you are a holder of our shares in street name. If you hold your shares in street name, you must instruct the broker or other nominee about how to vote your shares.

A broker non-vote occurs when a shareholder holding in street name fails to provide voting instructions to his or her broker or other nominee. Under the rules of the New York Stock Exchange, or NYSE, if you do not provide such instructions, the firm that holds your shares will have discretionary authority to vote your shares with respect to routine matters. Of the seven items to be considered at our annual meeting, only the appointment of KPMG (Item 2) is considered routine. Those non-routine items for which a shareholder's broker or other nominee does not have discretion to vote are treated as broker non-votes.

Important: Under current NYSE rules, your broker can no longer vote your shares for the election of directors without your instructions. ***If you do not provide voting instructions to your broker, your shares will not be voted or counted towards any of the items other than Item 2 (Appointment of KPMG).*** It is, therefore, particularly important that you instruct your brokers how you wish to vote your shares.

Quorum

In order to carry on the business of the meeting, we must have a quorum. A quorum requires the presence, in person or by proxy, of the holders of a majority of the votes entitled to be cast at the meeting. We count abstentions and broker non-votes as present and entitled to vote for purposes of determining a quorum.

Votes Required

Required Vote to Elect the Directors (Proposal 1; Item 1 on the Proxy Card)

Each of the ten nominees for director will be elected as a director if the votes cast for each such nominee exceed the number of votes against that nominee, assuming that there is a quorum represented at the annual meeting. A summary of our majority voting standard appears on page 24 under Board Committees and Director Meetings The Nominating and Corporate Governance Committee Majority Voting.

Required Vote to Ratify the Appointment of KPMG as our Independent Registered Public Accounting Firm (Proposal 2; Item 2 on the Proxy Card)

The affirmative vote of a majority of votes cast in person or by proxy by holders of our shares entitled to vote on the matter is required to ratify the appointment of KPMG as our independent registered public accounting firm for 2011.

Required Vote to Approve the Non-Binding Advisory Vote on our Executive Compensation (Proposal 3; Item 3 on the Proxy Card)

The affirmative vote of a majority of votes cast in person or by proxy by holders of our shares entitled to vote on the matter will constitute the shareholders' non-binding approval with respect to our executive compensation programs. The board will review the voting results and take them into consideration when making future decisions regarding executive compensation, but the results will not be binding on us.

Required Vote to Recommend, by a Non-Binding Advisory Vote, for the Frequency of Advisory Votes on our Executive Compensation (Proposal 4; Item 4 on the Proxy Card)

This proposal allows shareholders to indicate their preference for whether the advisory vote on executive compensation in Item 3 above should be held every one, two or three years, or to abstain from the vote. The frequency

option that receives the highest number of votes cast will be considered the preferred frequency. The board will review the voting results and take them into consideration when making future decisions regarding the frequency of the advisory vote on executive compensation, but the results will not be binding on us.

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Required Vote to Approve the Shareholder Proposals (Proposals 5, 6, and 7; Items 5, 6, and 7 on the Proxy Card)

The affirmative vote of a majority of votes cast in person or by proxy by holders of our shares entitled to vote on the matter is required to approve the shareholder proposals, if presented at the annual meeting.

Treatment of Abstentions, Not Voting and Incomplete Proxies

Abstentions will have no effect on the vote for Proposals 1 or 4, but it will have the same effect as a vote against Proposals 2, 3 and 5 through 7. Broker non-votes for non-routine proposals (Proposals 1 and 3 through 7) will also have no effect on the vote for the proposals. If a proxy does not specify how to vote, the stock represented by that proxy will be considered to be voted in favor of Proposals 1, 2 and 3, voted Every Year on Proposal 4, and voted against Proposals 5 through 7. Unless a shareholder checks the box on the proxy card or provides instructions to withhold discretionary authority, the proxies may use their discretion to vote on other matters introduced at the 2011 annual meeting.

Voting of Proxies

Giving a proxy means that you authorize the persons named in the proxy card to vote your shares at the 2011 annual meeting in the manner directed. You may vote by proxy or in person at the meeting. To vote by proxy, you may use one of the following methods if you are a record holder:

By Internet You can vote over the Internet at www.proxyvote.com by entering the control number found on your Notice or proxy card;

By Telephone You can vote by telephone by calling 1-800-690-6903 and entering the control number found on your Notice or proxy card; or

By Mail If you received your proxy materials by mail, you can vote by signing, dating and mailing the proxy card in the pre-paid enclosed envelope.

We request that you vote as soon as possible. When the proxy is properly submitted, the shares of stock represented by the proxy will be voted at the 2011 annual meeting in accordance with the instructions contained in the proxy.

If your shares are held in street name by a broker or other nominee, you should review the voting form used by that firm to determine whether you may provide voting instructions to the broker or other nominee by telephone or the Internet.

Your vote is important. Accordingly, you should vote via the Internet or by telephone; sign, date and return the enclosed proxy card if you received it by mail; or provide instructions to your broker or other nominee whether or not you plan to attend the annual meeting in person.

Revocability of Proxies and Changes to a Shareholder's Vote

You have the power to revoke your proxy or change your vote at any time before the proxy is voted at the annual meeting. You can revoke your proxy or change your vote in one of four ways:

by sending a signed notice of revocation to our corporate secretary to revoke your proxy;

by sending to our corporate secretary a completed proxy card bearing a later date than your original proxy indicating the change in your vote;

by logging on to *www.proxyvote.com* in the same manner you would to submit your proxy electronically or calling 1-800-690-6903, and, in each case, following the instructions to revoke or change your vote; or

by attending the annual meeting and voting in person, which will automatically cancel any proxy previously given. But attendance alone will not revoke any proxy that you have given previously.

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If you choose any of the first three methods, you must take the described action no later than the beginning of the 2011 annual meeting. Once voting on a particular matter is completed at the annual meeting, you will not be able to revoke your proxy or change your vote. If your shares are held in street name by a broker or other nominee, you must contact that institution to change your vote.

Solicitation of Proxies

This solicitation is made on behalf of our board of directors, and we will pay the cost and expenses of printing and mailing this proxy statement and soliciting and obtaining the proxies, including the cost of reimbursing brokers, banks and other financial institutions for forwarding proxy materials to their customers. Proxies may be solicited, without extra compensation, by our officers and employees by mail, telephone, email, personal interviews or other methods of communication. We have engaged the firm of Georgeson Shareholder Communications, Inc. to assist us in the distribution and solicitation of proxies and will pay Georgeson a fee of \$9,000 plus out-of-pocket expenses for its services.

Voting by Our Employees Participating in the Sprint Nextel 401(k) Plan

If you are an employee of Sprint Nextel who has a right to vote shares acquired through your participation in our 401(k) plan, you are entitled to instruct the trustee, Fidelity Management Trust Company, how to vote the shares allocated to your account. The trustee will vote those shares as you instruct. You will receive voting information for any shares held in your 401(k) plan account, as well as any other shares registered in your own name.

If you do not instruct the trustee how to vote your shares, the 401(k) plan provides for the trustee to vote those shares in the same proportion as the shares for which it receives instructions from all other participants. To allow sufficient time for the trustee to vote, your voting instructions must be received by the trustee by May 5, 2011.

Delivery of Proxy Materials to Households Where Two or More Shareholders Reside

Rules of the Securities and Exchange Commission, or the SEC, allow us to deliver multiple Notices in a single envelope or a single copy of an annual report and proxy statement to any household where two or more shareholders reside if we believe the shareholders are members of the same family. This rule benefits shareholders by reducing the volume of duplicate information they receive at their households. It also benefits us by reducing our printing and mailing costs and reducing the environmental impact associated with our annual meeting.

We mailed Notices in a single envelope, or a single set of proxy materials, as applicable, to each household this year unless the shareholders in these households provided instructions to the contrary in response to a notice previously mailed to them. However, for shareholders who previously requested a printed set of the proxy materials, we mailed each shareholder in a single household a separate proxy card or voting instruction form. If you prefer to receive your own copy of the proxy materials for this or future annual meetings and you are a record holder, you may request a duplicate set by writing to Sprint Nextel Shareholder Relations, 6200 Sprint Parkway, Mailstop KSOPHF0302-3B424, Overland Park, Kansas 66251, by email at shareholder.relations@sprint.com or by calling 913-794-1091, and we will promptly furnish such materials. If a broker or other nominee holds your shares, you may instruct your broker to send duplicate mailings by following the instructions on your voting instruction form or by contacting your broker.

If you share a household address with another shareholder, and you receive duplicate mailings of the proxy materials this year, you may request that your household receive a single set of proxy materials in the future. If you are a record holder, please contact Sprint Nextel Shareholder Relations using one of the contact methods described above. If a broker or other nominee holds your shares, you should follow the instructions on your voting instruction form or

contact your broker.

If you hold some shares as a record holder or through our 401(k) plan, and other shares in the name of a broker or other nominee, we must send you proxy materials for each account. To avoid receiving

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duplicate sets of proxy materials, you may consolidate accounts or consent to electronic delivery as described in the following section.

Electronic Delivery of the Proxy Materials

We are able to distribute the annual report and proxy statement to shareholders in a fast and efficient manner via the Internet. This reduces the amount of paper delivered to a shareholder's address, eliminates the cost of sending these documents by mail and reduces the environmental impact associated with our annual meeting. You may elect to view all future annual reports and proxy statements on the Internet instead of receiving them by mail. Alternatively, you may elect to receive all future annual reports and proxy statements by mail instead of viewing them via the Internet. To make an election, please log on to www.proxyvote.com and enter your control number.

If you have enrolled for electronic delivery, you will receive an email notice of shareholder meetings. The email will provide links to our annual report and our proxy statement. These documents are in PDF format so you will need Adobe Acrobat® Reader to view these documents online, which you can download for free by visiting www.adobe.com. The email will also provide a link to a voting web site and a control number to use to vote via the Internet.

Confidential Voting Policy

Your votes are kept confidential from our directors, officers and employees, subject to certain specific and limited exceptions. One exception occurs if you write opinions or comments on your proxy card. In that case, a copy of the proxy card is sent to us.

Attending the Meeting

Shareholders, their guests and persons holding proxies from shareholders may attend the annual meeting. Seating, however, is limited and will be available on a first-come, first-served basis. If you plan to attend the meeting, you are required to bring proof of ownership to the meeting. For instance, a brokerage account statement showing that you owned our shares on March 11, 2011 is acceptable proof.

Conference Call and Audio Webcast

Shareholders may listen live by phone or audio webcast to our annual meeting. The dial-in numbers for the conference call will be posted at www.sprint.com/investors/shareholders/annualmeeting before the meeting. Lines are limited and will be available on a first-come, first-served basis. Shareholders may access the audio webcast of our annual meeting at the same web address. This is an audio-only webcast with no video or other materials. Shareholders will not have an opportunity to ask questions via the phone or audio webcast.

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The following table provides information about the only known beneficial owners of five percent or more of our common stock.

For purposes of the table below, beneficial ownership is determined based on Rule 13d-3 of the Securities Exchange Act of 1934, which states that a beneficial owner is any person who directly or indirectly has or shares voting and/or investment or dispositive power.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class(1)
FMR LLC 82 Devonshire Street Boston, Massachusetts 02109	265,166,251 shares(2)	8.87
BlackRock, Inc. 40 East 52nd Street New York, New York 10022	248,414,481 shares(3)	8.31
Dodge & Cox 555 California Street, 40th Floor San Francisco, CA 94104	223,701,668 shares(4)	7.48
The Bank of New York Mellon Corporation One Wall Street, 31st Floor New York, New York 10286	191,284,035 shares(5)	6.40

(1) The ownership percentages set forth in this column are based on our outstanding shares on March 11, 2011 and assumes that each of these shareholders continued to own the number of shares reflected in the table above on March 11, 2011.

(2) According to a Schedule 13G/A filed with the SEC on February 14, 2011, Edward C. Johnson 3d and FMR LLC, through its control of Fidelity Management & Research Company, and the funds each has sole power to dispose of 257,633,088 shares. FMR LLC is the beneficial owner of, and has sole voting power with respect to 7,066,389 shares and sole dispositive power with respect to all of the shares.

(3) According to a Schedule 13G/A filed with the SEC on February 8, 2011, by BlackRock, Inc. BlackRock, Inc. is the beneficial owner of, and has sole voting power and sole dispositive power with respect to all of the shares.

(4) According to a Schedule 13G/A filed with the SEC on February 10, 2011, Dodge & Cox has sole voting power with respect to 212,710,068 shares, and sole dispositive power with respect to all of the shares.

(5) According to a Schedule 13G/A filed with the SEC on February 4, 2011, by The Bank of New York Mellon Corporation and certain direct and indirect subsidiaries. According to the Schedule 13G/A, The Bank of New York Mellon Corporation is the beneficial owner of, and has sole voting power with respect to 173,791,405 shares, and sole dispositive power with respect to 190,154,263 shares.

Table of Contents**Security Ownership of Directors and Executive Officers**

The following table states the number of shares of our voting common stock beneficially owned as of March 11, 2011 by each director, named executive officer and all directors and executive officers as a group. Except as otherwise indicated, each individual named has sole investment and voting power with respect to the shares owned.

Name of Beneficial Owner	Shares Owned	Shares Covered by	Shares	Percentage of Common Stock
		Exercisable Options and RSUs to be Delivered(1)	Represented by RSUs(2)	
Robert R. Bennett	62,574	24,213	0	*
Gordon M. Bethune	51,092	24,213	0	*
Robert H. Brust	13,719	911,943	415,512	*
Keith O. Cowan	650,694	1,221,005	376,675	*
Steven L. Elfman	430,884	1,100,623	468,902	*
Larry C. Glasscock	67,523	24,213	0	*
James H. Hance, Jr.	72,032	24,213	0	*
Daniel R. Hesse	1,791,571	5,491,313	1,796,025	*
V. Janet Hill	52,705	118,358	0	*
Frank Ianna	32,371	24,213	0	*
Robert L. Johnson	223,093	283,688	200,966	*
Sven-Christer Nilsson	20,233	24,213	0	*
William R. Nuti	29,727	24,213	0	*
Rodney O Neal	37,226	24,213	0	*
Directors and Executive Officers as a group (20 persons)	3,884,521	10,212,363	4,168,414	*

* Indicates ownership of less than 1%.

- (1) Represents shares that may be acquired upon the exercise of stock options exercisable, and shares of stock that underlie restricted stock units to be delivered, on or within 60 days after March 11, 2011 under our equity-based incentive plans.
- (2) Represents unvested restricted stock units, or RSUs, with respect to which we will issue the underlying shares of our common stock after the units vest. There are no voting rights with respect to these RSUs. These amounts do not include any RSUs covered by footnote 1.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and executive officers, and persons who own more than 10% of a registered class of our equity securities, to file with the SEC and the NYSE initial reports of beneficial ownership and reports of changes in beneficial ownership of our shares and other equity securities. These

people are required by the SEC regulations to furnish us with copies of all Section 16(a) reports they file, and we make these reports available at www.sprint.com/investors/sec.

To our knowledge, based solely on a review of the copies of these reports furnished to us and written representations that no other reports were required, during 2010 all Section 16(a) filing requirements applicable to our directors, executive officers and beneficial owners of more than 10% of our equity securities were met, with the exception of Charles R. Wunsch, our general counsel, who amended his Form 3 to report 2,048 shares held at the time he became an executive officer that were inadvertently unreported in the original filing due to an administrative oversight.

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**Proposal 1. Election of Directors
(Item 1 on Proxy Card)**

We currently have ten seats on our board. Each of the ten nominees, if elected, will serve one year until the 2012 annual meeting and until a successor has been elected and qualified. The persons named in the accompanying proxy will vote for the election of the nominees named below unless a shareholder directs otherwise. Each nominee has consented to be named and to continue to serve if elected. If any of the nominees becomes unavailable for election for any reason, the proxies will be voted for the other nominees and for any substitutes.

The board believes that it is necessary for each of our directors to possess qualities, attributes and skills that contribute to a diversity of views and perspectives among the directors and enhance the overall effectiveness of our board. As described on pages 23-24 under Board Committees and Director Meetings The Nominating and Corporate Governance Committee Director Nomination Process, the Nominating and Corporate Governance Committee, which we refer to as the Nominating Committee, considers all factors it deems relevant when evaluating prospective candidates or current board members for nomination to our board, all within the context of an assessment of the needs of our board at that point in time.

All our directors bring to our board significant executive leadership experience derived from their service as executives and, in most cases chief executive officers, of large corporations. They also all bring extensive board experience and a diversity of views and perspectives derived from their individual experiences working in a broad range of industries and occupations. The process undertaken by the Nominating Committee in recommending qualified director candidates is described in more detail below on pages 23-24 under Board Committees and Director Meetings The Nominating and Corporate Governance Committee Director Nomination Process. Certain individual experiences, qualifications and skills of our directors that contribute to our board's effectiveness as a whole are described in the following paragraphs.

Nominees for Director

Robert R. Bennett, age 52. Principal of Hilltop Investments, LLC, a private investment company. Mr. Bennett served as President of Discovery Holding Company from March 2005 until September 2008, when the company merged with Discovery Communications, Inc. creating a new public company. Mr. Bennett also served as President and CEO of Liberty Media Corporation from April 1997 until August 2005 and continued as President until March 2006. He was with Liberty Media from its inception, serving as its principal financial officer and in various other capacities. Prior to his tenure at Liberty Media, Mr. Bennett worked with Tele-Communications, Inc. and the Bank of New York. Mr. Bennett has served as one of our directors since October 2006. In addition, Mr. Bennett currently serves as a director of Discovery Communications, Inc., Demand Media, Inc., and Liberty Media Corporation and has previously served as a director of Discovery Holding Company. Mr. Bennett has extensive knowledge of the capital markets and other financial and operational issues from his experiences as a principal financial officer and president and chief executive officer of Liberty Media, which allows him to provide an invaluable perspective to our board's discussions on financial and operational matters.

Gordon M. Bethune, age 69. Retired Chairman and Chief Executive Officer of Continental Airlines, Inc., an international commercial airline company. He served as Chief Executive Officer of

Continental Airlines from 1994 and as Chairman and Chief Executive Officer from 1996 until December 30, 2004. Mr. Bethune has served as one of our directors since March 2004. In addition, he currently serves as a director at Honeywell International Inc. and Prudential Financial, Inc. and has previously served as a director of Willis Group Holdings, Limited. Mr. Bethune has extensive experience serving as a chief executive officer and director of large international corporations, which provides our board a perspective of someone familiar with all facets of an international enterprise.