



To Our Customers and Vendors

To our customers, UTStarcom appreciates your business, and the trust you place in our products and services. To our vendors, UTStarcom also equally appreciates the excellent services and products you provide us. We thank all of our customers and vendors for conducting business in accordance with our Principles of Business Conduct and Ethics.

Every business decision must demonstrate the highest standards of ethical business conduct and must fully comply with all laws and regulations. This commitment is unwavering and extends to our customers and vendors.

Any work done for UTStarcom must be performed in full compliance with all applicable laws and regulations (e.g., environmental, safety, antitrust, or employment), and in accordance with the highest standards of ethical business conduct.

Employees of UTStarcom and our customers and vendors are expected to conduct themselves in a professional manner, and to treat others with respect, fairness and dignity. UTStarcom does not tolerate harassment or discrimination.

Additional information on our compliance and ethics commitment is available in the Corporate Governance Section of the UTStarcom website, which is posted on the UTStarcom website at <http://investorrelations.utstar.com/governance/index.cfm>.

If you have questions or concerns about compliance or ethics issues while working with or for our company, please discuss them with your UTStarcom liaison or business contact. You may also access our confidential hotline with questions on compliance or ethics issues or to report illegal or unethical activities. The hotline may be accessed in 3 ways:

- Sending a secure message through UTStarcom's Hotline Website at <http://www.openboard.info/utsi/index.cfm>;
 - Sending an e-mail through UTStarcom's Hotline Website at <http://www.openboard.info/utsi/index.cfm>;
- or
- Calling 866-233-4111 (or if outside the United States, 1-402-571-9221), and leaving a voicemail message, which will be electronically altered to ensure the confidentiality of your identity.

Thank you for being our partner in the commitment to legal compliance and business ethics.

Peter Blackmore
Chairman, President and Chief Executive Officer