

**D'AMATO DECLARATION
EXHIBIT I
FILED UNDER SEAL**

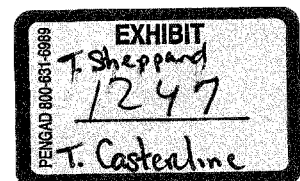
ADVANCE PRICING AGREEMENT

Between

SAMSUNG ELECTRONICS AMERICA, INC.

and

THE INTERNAL REVENUE SERVICE



ADVANCE PRICING AGREEMENT

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PARTIES

The Parties to this Advance Pricing Agreement (“APA”) are the Internal Revenue Service (“IRS”) and Samsung Electronics America, Inc. (“SEA”), EIN 13-2951153.

RECITALS

SEA is the common parent of an affiliated group filing U.S. consolidated tax returns (collectively, “Taxpayer”). SEA’s principal place of business is 105 Challenger Road, Ridgefield Park, NJ 07660. SEA is a wholly-owned U.S. subsidiary of Samsung Electronics Co., Ltd. (“SEC”), a Korean corporation. Samsung Telecommunications America, L.P., EIN 94-1672743, was a Delaware limited partnership that was: (i) indirectly wholly owned by SEA, (ii) treated as a corporation for U.S. federal income tax purposes, and (iii) included in SEA’s U.S. consolidated tax return from January 1, 2004 through June 30, 2004. Samsung Telecommunications America, L.P. elected to be treated as a disregarded entity on July 1, 2004 and its financial results flowed into SEA’s U.S. tax return from July 1, 2004 through December 30, 2006. On December 31, 2006, Samsung Telecommunications America, L.P. was: (i) converted to a limited liability company that is a disregarded entity for U.S. federal income tax purposes; (ii) became directly owned by SEA; and (iii) was renamed Samsung Telecommunications America, LLC. Samsung Telecommunications America, L.P. and Samsung Telecommunications America, LLC, EIN 65-0304041, are both referred to as “STA” throughout this APA. STA’s principal place of business is 1301 E. Lookout Drive, Richardson, TX 75082.

STA (i) purchases finished telecommunications and related products (most of which are wireless phones) from SEC for distribution in the U.S.; and (ii) performs research and development (“R&D”) for SEC. SEC develops, designs, manufactures, markets and sells, *inter alia*, the finished telecommunications and related products.

This APA contains the Parties' agreement on the best method for determining arm's-length prices of the Covered Transactions under I.R.C. section 482, the Treasury Regulations thereunder, and any applicable tax treaties.

AGREEMENT

The Parties agree as follows:

1. *Covered Transactions.* This APA applies to the Covered Transactions, as defined in Appendix A.
2. *Transfer Pricing Method.* Appendix A sets forth the Transfer Pricing Method (TPM) for the Covered Transactions.
3. *Term.* This APA applies to Taxpayer's taxable years ending December 31, 2004 through December 31, 2009 (APA Term).
4. *Operation.*
 - a. Revenue Procedure 2006-9 governs the interpretation, legal effect, and administration of this APA.
 - b. Nonfactual oral and written representations, within the meaning of sections 10.04 and 10.05 of Revenue Procedure 2006-9 (including any proposals to use particular TPMs), made in conjunction with the APA Request constitute statements made in compromise negotiations within the meaning of Rule 408 of the Federal Rules of Evidence.
5. *Compliance.*
 - a. Taxpayer must report its taxable income in an amount that is consistent with Appendix A and all other requirements of this APA on its timely filed U.S. Return. However, if Taxpayer's timely filed U.S. Return for any taxable year covered by this APA (APA Year) is filed prior to, or no later than 60 days after, the effective date of this APA, then Taxpayer must report its taxable income for that APA Year in an amount that is consistent with Appendix A and all other requirements of this APA either on the original U.S. Return or on an amended U.S. Return filed no later than 120 days after the effective date of this APA, or through such other means as may be specified herein.
 - b. This APA addresses the arm's-length nature of prices charged or received in the aggregate between Taxpayer and Foreign Participant with respect to the Covered Transactions. Except as explicitly provided, this APA does not address and does not bind the IRS with respect to prices charged or received, or the relative amounts of income or loss realized, by particular legal entities that are members of U.S. Group or that are members of Foreign Group.

c. For each APA Year, if Taxpayer complies with the terms and conditions of this APA, then the IRS will not make or propose any allocation or adjustment under I.R.C. section 482 to the amounts charged in the aggregate between Taxpayer and Foreign Participant with respect to the Covered Transactions.

d. If Taxpayer does not comply with the terms and conditions of this APA, then the IRS may:

- i. enforce the terms and conditions of this APA and make or propose allocations or adjustments under I.R.C. section 482 consistent with this APA;
- ii. cancel or revoke this APA under section 11.06 of Revenue Procedure 2006-9; or
- iii. revise this APA, if the Parties agree.

e. Taxpayer must file one Annual Report (an original and four copies) for all APA Years by December 15, 2010 in accordance with Appendix C and section 11.01 of Revenue Procedure 2006-9. (If any date falls on a weekend or holiday, the Annual Report shall be due on the next date that is not a weekend or holiday.) The IRS may request additional information reasonably necessary to clarify or complete the Annual Report. Taxpayer will provide such requested information within 30 days. Additional time may be allowed for good cause.

f. The IRS will determine whether Taxpayer has complied with this APA based on Taxpayer's U.S. Returns, Financial Statements, and other APA Records, for the APA Term and any other year necessary to verify compliance. For Taxpayer to comply with this APA, an independent certified public accountant must render an opinion that Taxpayer's Financial Statements present fairly, in all material respects, Taxpayer's financial position under U.S. GAAP.

g. In accordance with section 11.04 of Revenue Procedure 2006-9, Taxpayer will (1) maintain its APA Records, and (2) make them available to the IRS in connection with an examination under section 11.03. Compliance with this subparagraph constitutes compliance with the record-maintenance provisions of I.R.C. sections 6038A and 6038C for the Covered Transactions for any taxable year during the APA Term.

h. The True Taxable Income within the meaning of Treasury Regulations sections 1.482-1(a)(1) and (i)(9) of a member of an affiliated group filing a U.S. consolidated return will be determined under the I.R.C. section 1502 Treasury Regulations.

6. *Critical Assumptions.* This APA's critical assumptions, within the meaning of Revenue Procedure 2006-9, section 4.05, appear in Appendix B. If any critical assumption has not been met, then Revenue Procedure 2006-9, section 11.06, governs.

7. *Disclosure.* This APA, and any background information related to this APA or the APA Request, are: (1) considered “return information” under I.R.C. section 6103(b)(2)(C); and (2) not subject to public inspection as a “written determination” under I.R.C. section 6110(b)(1). Section 521(b) of Pub. L. 106-170 provides that the Secretary of the Treasury must prepare a report for public disclosure that includes certain specifically designated information concerning all APAs, including this APA, in a form that does not reveal taxpayers’ identities, trade secrets, and proprietary or confidential business or financial information.

8. *Disputes.* If a dispute arises concerning the interpretation of this APA, the Parties will seek a resolution by the IRS Associate Chief Counsel (International) to the extent reasonably practicable, before seeking alternative remedies.

9. *Materiality.* In this APA the terms “material” and “materially” will be interpreted consistently with the definition of “material facts” in Revenue Procedure 2006-9, section 11.06(4).

10. *Section Captions.* This APA’s section captions, which appear in *italics*, are for convenience and reference only. The captions do not affect in any way the interpretation or application of this APA.

11. *Terms and Definitions.* Unless otherwise specified, terms in the plural include the singular and vice versa. Appendix D contains definitions for capitalized terms not elsewhere defined in this APA.

12. *Entire Agreement and Severability.* This APA is the complete statement of the Parties’ agreement. The Parties will sever, delete, or reform any invalid or unenforceable provision in this APA to approximate the Parties’ intent as nearly as possible.

13. *Successor in Interest.* This APA binds, and inures to the benefit of, any successor in interest to Taxpayer.

14. *Notice.* Any notices required by this APA or Revenue Procedure 2006-9 must be in writing. Taxpayer will send notices to the IRS at the address and in the manner set forth in Revenue Procedure 2006-9, section 4.11. The IRS will send notices to:

Samsung Electronics America, Inc. Attn: Young Sung Min, Treasurer 105 Challenger Rd. Ridgefield Park, NJ 07660 (201) 229-7009

15. *Effective Date and Counterparts.* This APA is effective starting on the date, or later date of the dates, upon which all Parties execute this APA. The Parties may execute this APA in counterparts, with each counterpart constituting an original.

WITNESS,

The Parties have executed this APA on the dates below.

SAMSUNG ELECTRONICS AMERICA, INC.

By: Young Sung Min
Young Sung Min
Treasurer

Date: Nov. 9, 2009

SAMSUNG TELECOMMUNICATIONS AMERICA, LLC

By: Joseph (Joon-Kyo) Cheong
Joseph (Joon-Kyo) Cheong
Chief Financial Officer

Date: Nov. 3, 2009

IRS

By: Craig A. Shafer
Craig A. Shafer
Director, Advance Pricing Agreement Program

Date: 11/16, 2009

APPENDIX A

COVERED TRANSACTIONS AND TRANSFER PRICING METHOD (TPM)

1. Covered Transactions.

This APA covers the following:

- A. STA's purchase of tangible goods from SEC for distribution in the U.S. ("Distribution"); and
- B. STA's performance of Research and Development for SEC ("R&D Services").

STA's tangible goods purchased from SEC under 1.A above are products purchased by STA from SEC, with title passing from SEC to STA, regardless of whether the products are physically manufactured in Korea. The APA does not cover STA's purchases of tangible goods from SEC's manufacturing affiliates in China.

2. TPM.

A. Distribution

For the APA Years ending December 31, 2004 through 2007, the Tested Party is STA. The TPM is the comparable profits method (CPM). The profit level indicator (PLI) is a Berry Ratio. The Tested Party's Berry Ratio is defined as follows for any APA Year: the Tested Party's gross profit divided by its operating expenses (as those terms are defined in Treasury Regulations sections 1.482-5(d)(2) and (3)) for that APA Year. The IRS will not make any transfer pricing adjustments on the Tested Party's actual results from Distribution for the APA Years ending December 31, 2004 through December 31, 2007.

For the APA Years ending December 31, 2008 and 2009, the Tested Party is STA. The TPM is the CPM. The PLIs are a Berry ratio and an operating margin. The Tested Party's Operating Margin is defined as the sum of the Tested Party's operating profit from Distribution for the APA Years ending December 31, 2008 and December 31, 2009, divided by the sum of the Tested Party's sales revenue (as those terms are defined in Treasury Regulations section 1.482-5(d)(1) and (4)) relating to Distribution for the APA Years ending December 31, 2008 and December 31, 2009. The Tested Party's Two-Year Berry Ratio is defined as the sum of the Tested Party's gross profit from the Distribution for the APA Years ending December 31, 2008 and December 31, 2009, divided by the Tested Party's operating expenses (as those terms are defined in Treasury Regulations sections 1.482-5(d)(2) and (3)) for the APA Years ending December 31, 2008 and December 31, 2009. The Arm's Length Range is the Berry Ratio range

which falls within an Operating Margin range of 0.6% and 2.5% for the APA Years ending December 31, 2008 and December 31, 2009.

B. R&D Services

The Tested Party is STA. The TPM is the CPM. The PLI is a Cost Plus Markup method. The Arm's Length Cost Plus Markup is 5%. The Tested Party's Six-Year Weighted Average Cost Plus Markup is defined as follows: the sum of the Tested Party's operating profit (as defined in Treasury Regulations section 1.482-5(d)(4)) from the R&D Services for the APA Years ending December 31, 2004 through December 31, 2009 divided by the sum of the Tested Party's total costs relating to the R&D Services for the APA Years ending December 31, 2004 through December 31, 2009. Total costs are: (i) cost of goods sold (within the meaning of Treasury Regulations section 1.482-5(d)(2)) plus (ii) operating expenses (as defined in Treasury Regulations section 1.482-5(d)(3)).

3. Application of TPM.

A. Distribution

There will be no adjustment for APA Years ending December 31, 2004 through December 31, 2007 relating to Distribution.

At the end of the APA Term, if the results of Taxpayer's actual Distribution transactions for the APA Years ending December 31, 2008 and December 31, 2009 produce a Two-Year Berry Ratio for the Tested Party within the Arm's Length Range, then the amounts reported on Taxpayer's U.S. Return must clearly reflect such results.

At the end of the APA Term, if the results of Taxpayer's actual Distribution transactions for the APA Years ending December 31, 2008 and December 31, 2009 produce a Two-Year Berry Ratio for the Tested Party outside of the Arm's Length Range, then amounts reported on Taxpayer's U.S. Return for the APA Year ending December 31, 2009 must clearly reflect an adjustment that brings the Tested Party's Two-Year Berry Ratio to the nearest edge of the Arm's Length Range. For this purpose, the Tested Party's Two-Year Berry Ratio will be determined from the Tested Party's income statement relating to Distribution that is segmented as follows: for the APA Year ending December 31, 2008, the Tested Party's revenue, cost of goods sold and selling, general and administrative costs relating to Distribution will be reduced by the percentage of the Tested Party's purchases from SEC's manufacturing affiliates in China over the Tested Party's total purchases in that year.

B. R&D Services

At the end of the APA Term, if the results of Taxpayer's actual transactions produce a Six-Year Weighted Average Cost Plus Markup for the Tested Party equal to the Arm's Length Cost Plus Markup, then the amounts reported on Taxpayer's U.S. Return must clearly reflect such results.

At the end of the APA Term, if the results of Taxpayer's actual transactions produce a Six-Year Weighted Average Cost Plus Markup for the Tested Party not equal to the Arm's Length Cost Plus Markup, then amounts reported on Taxpayer's U.S. Return for the APA Year ending December 31, 2009 must clearly reflect an adjustment that brings the Tested Party's Six-Year Weighted Average Cost Plus Markup equal to the Arm's Length Cost Plus Markup.

For purposes of this Appendix A, the "results of Taxpayer's actual transactions" means the results reflected in Taxpayer's and Tested Party's books and records as computed under U.S. GAAP, with the following adjustments:

- (a) The fair value of stock-based compensation as disclosed in the Tested Party's audited financial statements shall be treated as an operating expense; and
- (b) To the extent that the results in any prior APA Year are relevant (for example, to compute a multi-year average), such results shall be adjusted to reflect the amount of any adjustment made for that prior APA Year under this Appendix A.

4. APA Revenue Procedure Treatment

If Taxpayer makes a primary adjustment under the terms of this Appendix A, Taxpayer may elect APA Revenue Procedure Treatment in accordance with section 11.02(3) of Revenue Procedure 2006-9.

APPENDIX B

CRITICAL ASSUMPTIONS

This APA's critical assumptions are:

1. The business activities, functions performed, risks assumed, assets employed, and financial and tax accounting methods and classifications of Taxpayer in relation to the Covered Transactions will remain materially the same as described or used in Taxpayer's APA Request. A mere change in business results will not be a material change.

2. Taxpayer has filed a request for change in accounting methods on August 27, 2008 with the IRS. Taxpayer has represented that the request only impacts tax accounting. The Parties agree that to the extent that this change in accounting method does not impact Taxpayer's Financial Statements during the APA Terms, any change in method of accounting pursuant to the August 27, 2008 request will not be considered a breach of the terms of this APA for purposes of Taxpayer's compliance with the APA, unless a change in accounting method results in a change in the Two-Year Berry Ratio or the Six-Year Weighted Average Cost Plus Markup for the Tested Party from those computed before the change in accounting method.

APPENDIX C

APA RECORDS AND ANNUAL REPORT

APA RECORDS

The APA Records will consist of:

1. All documents listed below for inclusion in the Annual Report, as well as all documents, notes, work papers, records, or other writings that support the information provided in such documents.
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ANNUAL REPORT

The Annual Report will include two copies of a properly completed APA Annual Report Summary in the form of Appendix E to this APA, one copy of the form bound with, and one copy bound separately from, the rest of the Annual Report. In addition, the Annual Report will include a table of contents and the information and exhibits identified below, organized as follows.

1. Statements that fully identify, describe, analyze, and explain:
 - a. All material differences between the U.S. Group's business operations (including functions, risks assumed, markets, contractual terms, economic conditions, property, services, and assets employed) during the APA Year from the business operations described in the APA Request. If there have been no material differences, the Annual Report will include a statement to that effect.
 - b. All material differences between the U.S. Group's accounting methods and classifications, and methods of estimation used during the APA Year, from those described or used in the APA Request. If any such change was made to conform to changes in U.S. GAAP (or other relevant accounting standards), Taxpayer will specifically identify such change. If there has been no material change in accounting methods and classifications or methods of estimation, the Annual Report will include a statement to that effect.
 - c. Any change to the Taxpayer notice information in section 14 of this APA.

d. Any failure to meet any critical assumption. If there has been no failure, the Annual Report will include a statement to that effect.

e. Any change to any entity classification for federal income tax purposes (including any change that causes an entity to be disregarded for federal income tax purposes) of any Worldwide Group member that is a party to the Covered Transactions or is otherwise relevant to the TPM.

f. The amount, reason for, and financial analysis of any compensating adjustments under paragraph 4 of Appendix A and Revenue Procedure 2006-9, section 11.02(3), for the APA Year, including but not limited to:

- i. the amounts paid or received by each affected entity;
- ii. the character (such as capital, ordinary, income, expense) and country source of the funds transferred, and the specific affected line item(s) of any affected U.S. Return; and
- iii. the date(s) and means by which the payments are or will be made.

g. The amounts, description, reason for, and financial analysis of any book-tax difference relevant to the TPM for the APA Year, as reflected on Schedule M-1 or Schedule M-3 of the U.S. Return for the APA Year.

2. The Financial Statements, and any necessary account detail to show compliance with the TPM, with a copy of the independent certified public accountant's opinion required by paragraph 5(f) of this APA.

3. A financial analysis that reflects Taxpayer's TPM calculations for the APA Year. The calculations must reconcile with and reference the Financial Statements in sufficient account detail to allow the IRS to determine whether Taxpayer has complied with the TPM.

4. An organizational chart for the Worldwide Group, revised annually to reflect all ownership or structural changes of entities that are parties to the Covered Transactions or are otherwise relevant to the TPM.

5. A copy of the APA.

APPENDIX D
DEFINITIONS

The following definitions control for all purposes of this APA. The definitions appear alphabetically below:

Term	Definition
Annual Report	A report within the meaning of Revenue Procedure 2006-9, section 11.01.
APA	This Advance Pricing Agreement, which is an "advance pricing agreement" within the meaning of Revenue Procedure 2006-9, section 2.04.
APA Records	The records specified in Appendix C.
APA Request	Taxpayer's request for this APA dated February 1, 2005, including any amendments or supplemental or additional information thereto.
Covered Transactions	This term is defined in Appendix A.
Financial Statements	Financial statements prepared in accordance with U.S. GAAP and stated in U.S. dollars.
Foreign Group	Worldwide Group members that are not U.S. persons.
Foreign Participant	Samsung Electronics Co., Ltd.
I.R.C.	The Internal Revenue Code of 1986, 26 U.S.C., as amended.
Pub. L. 106-170	The Ticket to Work and Work Incentives Improvement Act of 1999.
Revenue Procedure 2006-9	Rev. Proc. 2006-9, 2006-2 I.R.B. 278.
Transfer Pricing Method (TPM)	A transfer pricing method within the meaning of Treasury Regulations section 1.482-1(b) and Revenue Procedure 2006-9, section 2.04.
U.S. GAAP	U.S. generally-accepted accounting principles.
U.S. Group	Worldwide Group members that are U.S. persons.

Term	Definition
U.S. Return	For each taxable year, the "returns with respect to income taxes under subtitle A" that Taxpayer must "make" in accordance with I.R.C. section 6012.
Worldwide Group	Taxpayer and all organizations, trades, businesses, entities, or branches (whether or not incorporated, organized in the United States, or affiliated) owned or controlled directly or indirectly by the same interests.

APPENDIX E

APA ANNUAL REPORT SUMMARY FORM

The APA Annual Report Summary on the next page is a required APA Record. The APA Team Leader has supplied some of the information requested on the form. Taxpayer is to supply the remaining information requested by the form and submit the form as part of its Annual Report.

APA Annual Report SUMMARY	Department of the Treasury--Internal Revenue Service Office of Associate Chief Counsel (International) Advance Pricing Agreement Program	APA no. 110262-05 Team Leader: Nancy Kim Economist: Russell Kwiat Intl Examiner: Jessica Weiss CA Analyst: Robert Cabell
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APA Information	Taxpayer Name: Samsung Electronics, America, Inc. Taxpayer EIN: 13-2951153 NAICS: 423690 APA Term: Taxable years ending 12/31/04 to 12/31/09 Original APA <input checked="" type="checkbox"/> Renewal APA <input type="checkbox"/> Annual Report due dates: For all APA Years, on December 15, 2010. Principal foreign country involved in covered transactions: Korea Type of APA: <input type="checkbox"/> unilateral <input checked="" type="checkbox"/> bilateral with Korea Tested party is <input checked="" type="checkbox"/> US <input type="checkbox"/> foreign <input type="checkbox"/> both Approximate dollar volume of covered transactions (on an annual basis) involving tangible goods and services: <input type="checkbox"/> N/A <input type="checkbox"/> <\$50 million <input type="checkbox"/> \$50-100 million <input type="checkbox"/> \$100-250 million <input type="checkbox"/> \$250-500 million <input checked="" type="checkbox"/> >\$500 million APA tests on (check all that apply): <input type="checkbox"/> annual basis <input checked="" type="checkbox"/> multi-year basis <input checked="" type="checkbox"/> term basis APA provides (check all that apply) a: <input checked="" type="checkbox"/> range <input checked="" type="checkbox"/> point <input type="checkbox"/> floor only <input type="checkbox"/> ceiling only <input type="checkbox"/> other _____ APA provides for adjustment (check all that apply) to: <input checked="" type="checkbox"/> nearest edge <input type="checkbox"/> median <input checked="" type="checkbox"/> other point
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APA Annual Report Information (to be completed by the Taxpayer)	APA date executed: _____, 200__ This APA Annual Report Summary is for APA Year(s) ending in 200__ and was filed on _____, 200__ Check here <input type="checkbox"/> if Annual Report was filed after original due date but in accordance with extension. Has this APA been amended or changed? <input type="checkbox"/> yes <input type="checkbox"/> no Effective Date: _____ Has Taxpayer complied with all APA terms and conditions? <input type="checkbox"/> yes <input type="checkbox"/> no Were all the critical assumptions met? <input type="checkbox"/> yes <input type="checkbox"/> no Has a Primary Compensating Adjustment been made in any APA Year covered by this Annual Report? <input type="checkbox"/> yes <input type="checkbox"/> no If yes, which year(s): 200__ Have any necessary Secondary Compensating Adjustments been made? <input type="checkbox"/> yes <input type="checkbox"/> no Did Taxpayer elect APA Revenue Procedure treatment? <input type="checkbox"/> yes <input type="checkbox"/> no Any change to the entity classification of a party to the APA? <input type="checkbox"/> yes <input type="checkbox"/> no Taxpayer notice information contained in the APA remains unchanged? <input type="checkbox"/> yes <input type="checkbox"/> no Taxpayer's current US principal place of business: (City, State) _____
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APA Annual Report Checklist of Key Contents (to be completed by the Taxpayer)	Financial analysis reflecting TPM calculations <input type="checkbox"/> yes <input type="checkbox"/> no Financial statements showing compliance with TPM(s) <input type="checkbox"/> yes <input type="checkbox"/> no Schedule M-1 or M-3 book-tax differences <input type="checkbox"/> yes <input type="checkbox"/> no Current organizational chart of relevant portion of world-wide group <input type="checkbox"/> yes <input type="checkbox"/> no Attach copy of APA <input type="checkbox"/> yes <input type="checkbox"/> no Other APA records and documents included: <i>[The information required in the following section should be tailored to the particular case]</i> _____ <input type="checkbox"/> yes <input type="checkbox"/> no _____ <input type="checkbox"/> yes <input type="checkbox"/> no _____ <input type="checkbox"/> yes <input type="checkbox"/> no _____ <input type="checkbox"/> yes <input type="checkbox"/> no _____ <input type="checkbox"/> yes <input type="checkbox"/> no
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Contact Information	<table border="1" style="width: 100%;"> <tr> <th style="width: 33%;">Authorized Representative</th> <th style="width: 33%;">Phone Number</th> <th style="width: 33%;">Affiliation and Address</th> </tr> <tr> <td style="height: 40px;"></td> <td></td> <td></td> </tr> </table>	Authorized Representative	Phone Number	Affiliation and Address			
Authorized Representative	Phone Number	Affiliation and Address					