

Certain Federal Income Tax Considerations

The following is a summary of certain Federal income tax considerations relating to the receipt of the cash distribution (the "Distribution") made by the Company on shares of Company common stock ("Openwave Shares") held by shareholders who are citizens or residents of the United States. This summary is based upon existing Federal income tax law, which is subject to differing interpretations or change, possibly with retroactive effect. This summary does not discuss all aspects of Federal income taxation which may be important to particular investors in light of their individual investment circumstances, and does not address the tax consequences to investors subject to special tax rules (e.g., financial institutions, insurance companies, broker-dealers, non-U.S. investors, corporations, partnerships and their partners, and tax-exempt organizations), holders of Openwave Shares who received such shares pursuant to the exercise of an option or other compensatory arrangement, investors that hold Openwave Shares as part of a straddle, hedge, conversion, constructive sale, or other integrated transaction for Federal income tax purposes, or investors that have a functional currency other than the U.S. dollar, all of whom may be subject to tax rules that differ significantly from those summarized below. In addition, this summary does not discuss any non-U.S., state, or local tax considerations. This summary is written for investors that hold their Openwave Shares as "capital assets" (generally, property held for investment) under the Internal Revenue Code. Holders of Openwave Shares are urged to consult their tax advisors regarding the Federal, state, local, and non-U.S. income and other tax considerations relating to the Distribution.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS OF OPENWAVE SHARES ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS WRITING IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS OF OPENWAVE SHARES FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) OF THE TRANSACTION OR MATTERS REFERRED TO HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The Distribution will be includible in the ordinary income of the holder of Openwave Shares, subject to tax as a "dividend," to the extent of the Company's current and accumulated earnings and profits, as determined under Federal income tax principles for the taxable year ending on June 30, 2007. The Company believes, however, that it will not have any current or accumulated earnings and profits for the taxable period ending on June 30, 2007. Accordingly, the Distribution is anticipated to be characterized as a payment that is not subject to tax as a "dividend" for Federal income tax purposes and the discussion below is premised upon such characterization.

The Distribution received by a holder of Openwave Shares should be treated, for Federal income tax purposes, first as a tax-free return of the holder's investment in such shares to the extent of the holder's tax basis in the shares and, thereafter, as capital gain which gain will be long-term if the holder has held such shares for more than one-year on the date of the receipt of the Distribution.