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March 20, 2007

Ryan M. Malone  
202-508-4669  
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REC'D MAR 21 2007

**BY FEDERAL EXPRESS**

Karen Sampson Jones  
United States Department of Justice  
Antitrust Division  
Richard B. Russell Building  
75 Spring Street, S.W.  
Suite 1176  
Atlanta, GA 30303

Re: E-Rate Southeast Investigation (N.D. Ga.)

Dear Karen:

Enclosed are two fully executed original copies of the non-prosecution agreement. We will keep the third original copy for our files. Please let me know if you have any questions.

Very truly yours,

Ryan M. Malone

Enclosures

cc: William L. Fiedler, Esq.  
Joan McPhee, Esq.



**U.S. Department of Justice**  
United States Attorney  
Northern District of Georgia

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*Suite 600 Richard Russell Building Telephone (404)581-6000*  
*75 Spring Street, S.W. Fax (404)581-6181*  
*Atlanta, Georgia 30303*

March 14, 2007

Joan McPhee, Esquire  
Ropes & Gray LLP  
One International Place  
Boston, MA 02110-2624

Re: Non-Prosecution Agreement

Dear Joan:

On the understandings specified below, the United States Attorney's Office for the Northern District of Georgia ("this Office") and the Antitrust Division of the United States Department of Justice ("Antitrust Division") will not criminally prosecute your client, NetVersant-Atlanta, Inc. and its parent company, NetVersant Solutions, Inc. (collectively referred to as "NetVersant"), for any crimes related to NetVersant's participation in fraudulent and anticompetitive conduct involving the federal E-Rate program in Atlanta and/or dealings with Atlanta Public Schools ("APS") regarding the E-Rate program (except for criminal tax or securities violations or any crime of violence, as to which this Office and the Antitrust Division do not make any agreement). This Agreement covers the current and former directors, officers, and employees of NetVersant (with the exception of former NetVersant-Atlanta, Inc. President [REDACTED]) who admit their knowledge of, or participation in, and fully and truthfully cooperate with this Office and the Antitrust Division in investigation and prosecuting fraudulent and anticompetitive conduct involving the E-Rate program in Atlanta and/or dealings with APS regarding the E-Rate program, and they shall not be prosecuted for any act or offense committed during their period of employment at NetVersant prior to the date of this letter.

If NetVersant fully complies with the understandings specified in this Agreement, no testimony or other information given by current and former directors, officers, and employees of NetVersant (or any other information directly or indirectly derived therefrom) will be used against the company in any criminal tax or securities prosecution. This Agreement does not provide any protection against prosecution for any crimes except as set forth in this Agreement.

NetVersant agrees to provide full, continuing, and complete cooperation to this Office and the Antitrust Division in connection with the conduct described above in Paragraph One, including, but not limited to (a) providing a full exposition of all facts known to NetVersant; (b) providing

promptly, and without requirement of subpoena, all documents or other items in its possession, custody, or control, wherever located, requested by this Office and the Antitrust Division, to the extent not already produced; © using its best efforts to secure the ongoing, full and truthful cooperation of current and former directors, officers and employees of NetVersant, and encouraging such persons voluntarily to provide this Office and the Antitrust Division with any information they may have relevant to the fraudulent and anticompetitive conduct; (d) facilitating the ability of current and former directors, officers, and employees to appear for interviews or provide testimony at the times and places designated by this Office and the Antitrust Division; (e) using its best efforts to ensure that the current and former directors, officers, and employees who provide information to this Office and the Antitrust Division respond completely, candidly, and truthfully to all questions asked in interviews, grand jury appearances, and at trial; (f) using its best efforts to ensure that current and former directors, officers, and employees who provide information to this Office and the Antitrust Division make no attempt to falsely protect or implicate any person or entity; (g) bringing to the attention of this Office and the Antitrust Division all crimes which NetVersant has committed, and all administrative, civil or criminal proceedings, investigations, or prosecutions in which the company has been or is a subject, target, party, or witness; and (h) committing no crimes whatsoever. Moreover, any assistance NetVersant may provide to federal criminal investigators shall be pursuant to the specific instructions and control of this Office, the Antitrust Division, and designated investigators.

This Agreement is subject to NetVersant's full, continuing, and complete cooperation. Such full and truthful cooperation shall include, but not be limited to: (a) producing all documents and records, including personal documents and records, and other materials requested by this Office and the Antitrust Division; (b) making all current and former directors, officers, and employees of NetVersant available for interviews upon the request of this Office and the Antitrust Division; © responding fully and truthfully to all inquiries of this Office and the Antitrust Division, without falsely implicating any person or intentionally withholding any information; (d) otherwise voluntarily providing this Office and the Antitrust Division with any materials or information, not requested in (a) - © of this paragraph, that he or she may have relevant to the fraudulent and anticompetitive conduct involving the federal E-Rate program; and (e) when called upon to do so by this Office and the Antitrust Division, testifying in trial and grand jury or other proceedings in the United States, fully, truthfully and under oath, subject to the penalties of perjury (18 U.S.C. § 1621), making false statements or declarations in grand jury or court proceedings (18 U.S.C. § 1623), contempt (18 U.S.C. §§ 401-402) and obstruction of justice (18 U.S.C. § 1503), in connection with the fraudulent and anticompetitive activity being reported.

It is understood that, if it is determined by this Office and the Antitrust Division, in their discretion, that NetVersant (or anyone acting on behalf of NetVersant) has committed any crimes subsequent to the date of signing this Agreement, or that NetVersant has given deliberately false, incomplete, or misleading testimony or information, or that NetVersant has otherwise violated any provision of this Agreement, NetVersant shall thereafter be subject to prosecution for any federal criminal violation, which, with respect to providing false, incomplete, or misleading information, would include, but not be limited to, prosecution for making false statements, obstructing justice,

committing perjury, and/or making false declarations (e.g., 18 U.S.C. §§ 1001, 1503, 1621, 1623) and any other relevant statute. Any prosecution for any offense that is not time-barred by the applicable statute of limitations as of March 1, 2006 may be commenced against NetVersant, notwithstanding the expiration of the statute of limitations between March 1, 2006 and the commencement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred as of March 1, 2006.

It is understood that, if it is determined by this Office and the Antitrust Division, in their discretion, that NetVersant (or anyone acting on behalf of NetVersant) has committed any crimes subsequent to the date of signing of this Agreement, or that NetVersant has given deliberately false, incomplete, or misleading testimony or information, or that NetVersant has otherwise violated any provision of this Agreement, (a) all statements made by NetVersant to this Office, the Antitrust Division, or other designated law enforcement agents, and any testimony given before a grand jury or other tribunal, whether prior to or subsequent to the signing of this Agreement, and any evidence derived from such statements or testimony shall be admissible in evidence in any criminal proceeding brought against NetVersant; and (b) NetVersant shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, or any other federal rule that such statements or any leads therefrom should be suppressed. It is the intent of this Agreement to waive all rights in the foregoing respects.

NetVersant shall make all reasonable efforts, to the satisfaction of the Antitrust Division, to pay restitution to any person or entity injured as result of its participation in fraudulent and anticompetitive conduct involving the federal E-Rate program. The amount of NetVersant's restitution payment shall be \$850,000 and will be paid by NetVersant according to the following schedule to victims as directed by the Antitrust Division:

1. \$100,000 by March 31, 2007.
2. \$50,000 due each quarter, starting on June 30, 2007, and continuing until paid in full (December 31, 2010).

Payment of this amount will be full satisfaction of the restitution owed.

In the event that NetVersant defaults on any term of this Agreement and this Agreement is declared void by this Office and the Antitrust Division, any current or former director, officer, or employee of NetVersant who has provided, or is continuing to provide, full, continuing, and complete cooperation, as determined by this Office and the Antitrust Division, will not be prosecuted for their participation in fraudulent and anticompetitive conduct involving the federal E-Rate program in Atlanta and/or dealings with Atlanta Public Schools ("APS") regarding the E-Rate program that occurred during their employment with NetVersant and precedes the date of signing of this Agreement.

This agreement does not bind any federal, state, or local prosecuting authority other than the United States Attorney's Office for the Northern District of Georgia and the Antitrust Division. This Office and the Antitrust Division will, however, bring NetVersant's cooperation to the attention of other prosecuting offices, if requested by NetVersant.

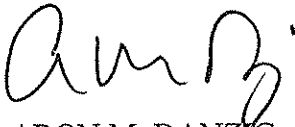
No promises, agreements or conditions have been entered into other than those set forth in this agreement, and none will be entered into unless memorialized in writing and signed by all parties. This agreement supersedes any prior promises, agreements or conditions between the parties.

Sincerely,

ATLANTA FIELD OFFICE  
ANTITRUST DIVISION  
DEPARTMENT OF JUSTICE


  
KAREN SAMPSON JONES

SALLY QUILLIAN YATES  
ACTING UNITED STATES ATTORNEY

  
AARON M. DANZIG  
ASSISTANT U.S. ATTORNEY

cc: Glenn D. Baker, Assistant U.S. Attorney

Agreed and Consented to:

  
\_\_\_\_\_  
William L. Fiedler  
Secretary and General Counsel  
NetVersant Solutions, Inc.  
NetVersant-Atlanta, Inc

3-19-07  
Date

Approved:

  
\_\_\_\_\_  
Joan McPhee  
Counsel for NetVersant

3/20/07  
Date