

Exhibit 1-3

**AMENDMENT AND SUPPLEMENT
TO OEM LICENSE AGREEMENT**

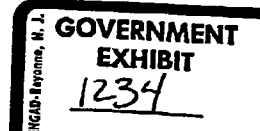
This is a second amendment (this "Amendment") to that certain OEM License Agreement (Netscape Reference BEL 9603230) dated as of March 23, 1996 (the "License Agreement") by and between Netscape Communications Corporation, a Delaware corporation ("Netscape") and Bell Atlantic Internet Solutions, Inc., a Delaware corporation ("Company"). This Amendment is dated as of November 1, 1996.

- A. Netscape has proprietary or remarketing rights to certain computer related products and services.
- B. Company provides certain Internet access and related services (the "Internet Services") and, in connection therewith, markets and distributes certain computer-related services and products.
- C. The parties entered into the License Agreement, whereby, among other things, Netscape granted Company certain license rights in certain software products.
- D. The parties now desire to amend and supplement the License Agreement to reduce certain license prices to Company, to modify certain minimum commitments and to add certain rights and obligations for both parties.

In consideration of the mutual covenants and conditions contained herein, the parties agree to the following terms and conditions:

1. RELATIONSHIP TO LICENSE AGREEMENT

- 1.1 Incorporation. This Amendment is an extension of and addition to the License Agreement and shall be deemed to be a part thereof. This Amendment and the License Agreement are each to be considered incorporated into each other. Without limiting the foregoing, the Netscape Client Products are licensed to Company on the terms of the License Agreement, as modified by this Amendment.
- 1.2 Relationship of Terms. It is the primary intention of this Amendment to accomplish two things: (i) to provide prices, license, marketing, distribution and support terms which are more favorable to Company during the Amendment Term for those products and services set forth in this Amendment; and (ii) to supplement the License Agreement during the Amendment Term to add certain rights and obligations of the parties with respect to the IAS and to require Company to market Netscape products in certain ways, as described in Section 15.1. In no event do the parties intend for Company to be provided with rights less advantageous to Company as to matters covered by the License Agreement. Accordingly, if there is any conflict between the terms of this Amendment and the terms of the License Agreement as to any material term or terms, including price, licensing, support



and maintenance terms, such term or terms that are more favorable to Company, as determined by Company, shall control. Without limiting the foregoing, any provision of the License Agreement that provides for price protections or favored shall remain in full force and effect and shall control in the event of any conflict with the provisions of this Amendment. In addition, any provision of the License Agreement that would permit the termination of any minimum commitment under the License Agreement (including the provisions of the last sentence of Section 4.5 of the License Agreement) shall apply to the termination of the Minimum Commitment hereunder.

- 1.3 Netscape Client Products. Without limiting the provisions of Section 1.2 or any other provision of this Amendment or the License Agreement, the Netscape Client Products, as defined herein, shall each be deemed a Netscape Product (and Client Product) for all purposes of the License Agreement.
- 1.4 No Further Modification. Except as set forth herein, the License Agreement shall remain in full force and effect, without modification.

2. DEFINITIONS

For purposes of this Amendment, the following terms shall have the following meanings:

- 2.1 Amended Agreement. "Amended Agreement" means the License Agreement as amended by the Amendment.
- 2.2 Amendment Term. "Amendment Term" means the Initial Term and the Renewal Term, if any.
- 2.3 Authorized Affiliate. "Authorized Affiliate" means each entity that controls Company directly or indirectly (including without limitation Bell Atlantic Corporation and any entity under the control of Company's ultimate parent entity, together with any other entity deemed a "Licensee Affiliate of Company" under the License Agreement.
- 2.4 Concurrent Renewal Condition. The "Concurrent Renewal Condition" shall be deemed to have been met if Company and at least two (2) of the Other Companies have paid the \$500,000 Fee Amount under their respective Company Amendments and have not terminated their Company Amendment prior to its Renewal Term. If Company or any Other Company merges with any Other Company or Company, such merged companies shall be considered two (2) companies for purpose of this Section, as if such merger had not occurred.
- 2.5 Contract Principals. For Netscape, the "Contract Principal" shall be Todd Rulon-Miller, Senior Vice President, Sales and Support. For Company, the "Contract Principal" shall be Robert E. Beran. The Contract Principal may only be changed

by a party with the approval of the other party, which may not unreasonably be withheld. Any replacement Contract Principal must be a senior executive of the applicable party with authority to settle any disputes hereunder.

- 2.6 Dial-Up Kit. "Dial-Up Kit" means the version of the Navigator for Internet service providers such as Company, as Updated or renamed from time to time. Dial-Up Kit is currently known as Netscape Navigator, Dial-Up Kit.
- 2.7 Dial-Up Trial. "Dial-Up Trial" means the version of the Navigator available for downloading from Netscape's website, as Updated or renamed from time to time. Dial-Up Trial is currently known as Netscape Navigator, Dial-Up Trial.
- 2.8 Dial-Up Versions. "Dial-Up Versions" means, collectively, Personal Edition, PE Gold, Dial-Up Kit and Dial-Up Trial.
- 2.9 Excess 800-line Costs. "Excess 800-line Costs" means the actual cost to Netscape of 800 access for each individual or entity that creates an account with Company solely to the extent such cost exceeds the actual cost to Netscape of thirteen (13) minutes of 800 access. Despite the foregoing, Excess 800 line Cost may not be calculated at a rate greater than Eleven Cents (\$.11) per minute).
- 2.10 First Page. "First Page" means the first page on the IAS presented to a potential subscriber asking such subscriber to select an ISP and/or ISP Category and on which the name of any ISP appears.
- 2.11 \$500,000 Fee Amount. "\$500,000 Fee Amount" means the payment by Company to Netscape of an aggregate of at least \$500,000 during the Initial Term under the Amended Agreement in any combination of fees and other costs, including without limitation, (i) Initial Fees, (ii) advertising fees, (iii) Subscription Fees, (iv) IAS bounties, (v) fees for Services (including professional services and technical support) to the extent in excess of the Support Credit for the Initial Term, and (vi) any credits to be applied hereunder as set forth in Section 6. Company has no obligation to pay the \$500,000 Fee Amount and such amount need only be paid as one of the conditions for the IAS Position Terms to apply during the Renewal Term. The \$500,000 Amount will not include amounts paid for taxes, such as sales or excise taxes.
- 2.12 Franchise Territory. "Franchise Territory" shall mean those states of the United States where Company's telecommunication parent or affiliate provides local telephone service as of the date of this Amendment, as specified on Attachment 2.12. The definition of Franchise Territory shall include the current Franchise Territory of NYNEX Corp. upon completion of the contemplated merger between NYNEX Corp. and Bell Atlantic Corporation.
- 2.13 IAS Position Terms. "IAS Position Terms" shall mean those provisions of Sections 9.3.1 and 9.3.2 that describe Company's positioning on the IAS and the

provisions of Section 9.4.

- 2.14 Internet Account Server or IAS. "Internet Account Server" or "IAS" means the Netscape service or arrangement (including related hardware and software) that will give end users who have acquired (through retail outlets, OEMs, electronic downloads, and other sources) Dial-Up Versions that have been configured to have a choice of ISP, the ability to select from a list of ISPs based on the area code and/or area code and exchange of the subscriber or other means (and all updates, modifications or successors to such service or arrangement).
- 2.15 ISP. "ISP" means anyone (individual or entity) who offers access to the Internet by any means whatsoever, whether as a direct seller (first, second or other tier), reseller or otherwise, including those who provide network services, online information or content in conjunction with access, such as America Online, and those who provide merely access.
- 2.16 LAN. "LAN" means the version of the Navigator for end users with access to a LAN, as Updated or renamed from time to time. LAN is currently known as Netscape Navigator, LAN version
- 2.17 LAN Gold. "LAN Gold" is the premium version of LAN, as Updated or renamed from time to time. LAN Gold is currently known as Netscape Navigator Gold, LAN version.
- 2.18 Netscape Client Products. "Netscape Client Products" means, collectively, Dial-Up Kit, LAN and LAN Gold.
- 2.19 Other Agreements. "Other Agreements" means those amended license agreements entered into between the Other Companies and Netscape substantially concurrently herewith (not including amendments thereto unless Company otherwise agrees to include such amendments within the definition of Other Agreements).
- 2.20 Other Companies. "Other Companies" means, collectively Ameritech Interactive Services, Inc., BellSouth.net. Inc., Pacific Bell Internet Services, Inc., and Southwestern Bell Internet Services, Inc.
- 2.21 Personal Edition. "Personal Edition" is the standard retail version of the Navigator, as Updated or renamed from time to time. Personal Edition is currently known as Netscape Navigator, Personal Edition.
- 2.22 PE Gold. "PE Gold" is the premium version of Personal Edition, as Updated or renamed from time to time. PE Gold is currently known as Netscape Navigator, Gold Personal Edition.
- 2.23 Qualified Subscriber. "Qualified Subscriber" means an end-user of Company's Internet Access services for four (4) consecutive months of service. The term

Qualified Subscriber replaces the term "Registered User" in the License Agreement.

- 2.24 Updates. "Updates" shall have the meaning set forth in the License Agreement, but shall also include successor products to any product which replace a product but have similar (albeit upgraded) functionality. Major Updates and Minor Updates shall have the respective meanings set forth in the License Agreement, except for the change in the definition of Updates provided herein.

All other terms defined in the License Agreement shall have the same meaning in this Amendment.

3. **TERM**

- 3.1 Initial Term. The initial term of this Amendment commences on the date of this Amendment and will expire December 31, 1997 (the "Initial Term").
- 3.2 Renewal Term. Company will have the right, at its option, to renew the term of this Amendment for one additional year (the "Renewal Term"). Company shall be deemed to have renewed the term for the Renewal Term unless it provides written notice to Netscape at least thirty (30) days prior to the end of the Initial Term that Company does not intend to renew this Amendment for the Renewal Term.
- 3.3 Terms of Renewal Term. Except as provided herein, the Renewal Term will be on all of the same terms as the Initial Term. However, if either (a) the \$500,000 Fee Amount is not paid by Company or (b) the Concurrent Renewal Condition is not met, then the IAS Position Terms will not apply during the Renewal Term (although all other terms will apply) unless mutually agreed to by Company and Netscape.
- 3.4 Terms Upon Expiration. Upon expiration of the Amendment Term, the terms of this Amendment shall expire (except as expressly set forth herein) and the License Agreement shall continue without modification by the terms of this Amendment on a prospective basis only. Despite the foregoing, as set forth in Section 4.5 of this Amendment, the Existing Minimums are hereby terminated in their entirety, and as set forth in Section 16 of this Amendment, the provisions of Section 16 shall continue to apply after the Amendment Term.

4. **PRICING AND PAYMENT.**

4.1 Initial Fees.

- 4.1.1 Initial Fees. Despite the terms of the License Agreement, during the Amendment Term, the per copy prices for each license of Netscape Client Products shall be those prices listed on Attachment 4.1.1 (the "Initial Fees").

- 4.1.2 When Payable. Initial Fees shall be payable with respect to (i) LAN and LAN Gold upon distribution by Company or its Affiliates and (ii) Dial-Up Kits upon expiration of the four (4) month period qualifying a subscriber as a Qualified Subscriber .
- 4.1.3 Reductions. The per copy Initial Fee for new licenses of Dial Up Kits will be reduced by Fifty Cents (\$.50) per copy for each One Hundred Thousand Dollars (\$100,000) of advertising purchased by Company or its Authorized Affiliates during the applicable term (i.e., the Initial Term or the Renewal Term) to a minimum cost of zero (\$0.00) per copy. By way of example, if Company or its Authorized Affiliates purchase Two Hundred Thousand Dollars (\$200,000) in advertising during the Initial Term, then the per copy price for the Dial-Up Kit during the Initial Term shall be One Dollar and Fifty Cents (\$1.50). The forgoing reduction does not apply to LAN or LAN Professional versions.
- 4.1.4 Cap. The maximum amount payable in Initial Fees for Dial Up Kits during each applicable term (i.e., the Initial Term or the Renewal Term) shall not exceed Five Hundred Thousand Dollars (\$500,000) (in each applicable term) reduced \$1.00 for every \$1.00 in advertising purchased by the Company or its Authorized Affiliates during such applicable term. By way of example, if Company or its Authorized Affiliates purchase Two Hundred Thousand Dollars (\$200,000) in advertising during the Initial Term, then in addition to the per copy discounts specified in Section 4.1.3, the maximum amount payable by Company during the Initial Term for any combination of Dial Up Kits will be Three Hundred Thousand Dollars (\$300,000) and the cost for any additional Dial Up Kits once such Three Hundred Thousand Dollar (\$300,000) amount has been reached shall be zero (\$0.00). The forgoing maximum does not apply to LAN or LAN Gold versions. As indicated above, a separate cap of Five Hundred Thousand Dollars (\$500,000) shall apply during the Renewal Term, if any.
- 4.1.5 Updates. The per copy Initial Fees for the Dial Up Kit includes one year of all Major and Minor Updates, which one (1) year period commences as to any Qualified Subscriber at the beginning of the four (4) month period when the determination of status as a Qualified Subscriber commences. The per copy Initial Fees for LAN and LAN Gold does not include any Major or Minor Updates, which must be purchased through Subscription Fees, as provided in Section 4.2 below.
- 4.1.6 Transferred Customer. If a customer obtains any Dial-Up Version from any source other than Company (e.g., retail, download, or OEM bundle) and is or becomes a Qualified Subscriber of Company, whether or not through the IAS (a "Transferred Customer"), Company will not be required to pay any Initial Fee for the Dial-Up Kit provided to such Transferred

Customer even if Company replaces the Transferred Customer's version with Company's customized version of the Dial-Up Kit, unless the version of Dial-Up Kit provided by Company is a Major Update of the customer's version. Company will pay the Initial Fee if the version it provides is a Major Update of the customer's version. Transferred Customers will be eligible to receive Updates on the terms described in Section 4.1.5.

4.1.7 Change in General Distribution of Dial-Up Kit. If at any time during the Amendment Term or later term of the License Agreement, Netscape makes Dial-Up Kit, LAN or LAN Gold generally available as part of its marketing policy at no charge (or for a charge lower than those provided under this Amendment) to ISPs, OEMs or similar providers of browsers or to the general public (other than for trial, evaluation, promotional or educational uses), then the Initial Fees for the applicable product shall be reduced to \$0.00 (or the generally available lower price) as of the date Netscape makes such product generally available as part of its marketing policy at no charge (or for such lower charge). If the reduction is for Dial-Up Kit and Company has elected to reduce the Initial License Fee for Dial-Up Kit by paying an increased bounty under Section 9.9.2, Company may, at any time after any adjustment under this Section 4.1.7, cancel such election.

4.2 Subscriptions for Updates.

4.2.1 Subscription Fees. Updates for Netscape Client Products will be available for an annual subscription fee (the "Subscription Fee") per subscriber as specified on Attachment 4.1.1.

4.2.2 Fees Payable. The Subscription Fee will be payable only as to customers who are actually provided Updates by Company ("Subscription Customers"). Company may select in its discretion (or by agreement with customers) which customers it provides Updates to and who become Subscriptions Customers.

4.2.3 When Payable. For each Dial-Up Kit, the Subscription Fee will initially be charged for Subscription Customers starting only after the one (1) year period described in Section 4.1.5 expires, as to end users who are then still Qualified Subscribers and who are then Subscription Customers. For LAN and LAN Gold, the Subscription Fee will initially be charged for each Subscription Customer when such customer signs up with Company as a Subscription Customer. The Subscription Fee is in lieu of any other fee for either Major or Minor Updates specified in the License Agreement.

4.2.4 When Available. Annual subscriptions will be available for the Subscription Fees (without increase) for one (1) year after the expiration of the Amendment Term.

- 4.3 Payment. Initial and Subscription Fees for Netscape Client Products will be due and payable quarterly in arrears (after any credits are first exhausted). Payment shall be made within thirty (30) days after the end of each calendar quarter, as to fees that become due during the applicable quarter. Fees shall be accompanied by the quarterly reports required by the License Agreement. Company shall establish and maintain procedures and operations sufficient to enable it to provide reports of reasonable accuracy, including version detection procedures.
- 4.4 Minimum Commitment. Company will pay Netscape a minimum of Three Hundred Seventy Five Thousand Dollars (\$375,000) under the Amended Agreement during the Initial Term (the "Minimum Commitment") in any combination of fees (including without limitation, (i) Initial Fees, (ii) advertising fees, (iii) Subscription Fees, (iv) IAS bounties, (v) fees for Services, including professional services and technical support, to the extent in excess of the Support Credit, and (vi) any credits to be applied hereunder as described in Section 6 of this Amendment).
- 4.5 Elimination of Existing Minimums. The Minimum Commitment shall supersede and replace any minimum commitments, mandatory fees or mandatory prepayments under the License Agreement ("Existing Minimums") even after the expiration of the Amended Term. All Existing Minimums are hereby terminated in their entirety.
- 4.6 Fee Elections. Company must determine its combination of license fees, advertising commitments and bounties to determine its total obligations to Netscape each six (6) month period, in advance. Determination will be made pursuant to an election form to be mutually agreed upon by December 31, 1996. The initial election must be made by January 1, 1997. Elections will be made by each July 1 and January 1. If Company fails to make a timely election, its prior election shall continue until it makes another election; it may make a late election at any time (i.e. it can make an election in March if it misses the January 1 election date); however such election shall only be prospective.
- 4.7 Educational End Users. Attached hereto as Attachment 4.7 is an addendum which will be applicable to the distribution and licensing by Netscape of Netscape Client Products and other products to "Educational End Users" (as defined in Attachment 4.7). Such terms shall supersede the other terms of the Amended Agreement except to the extent such other terms are applicable under Attachment 4.7. The rights under Section 4.7 supplement the rights of Company under the existing Educational Program Addendum to the License Agreement (NO. Bel9603230-2), and all rights of Company under that addendum shall remain in full force and effect and shall control if more favorable to Company, as determined by Company.

5. ADVERTISING

- 5.1 Rates. During the Amendment Term, Company and its Authorized Affiliates will

be entitled to a discount from Netscape's then current web site advertising rates of at least fifty percent (50%) off the best price offered to any customer of Netscape with similar volume, term and other commitments.

- 5.2 **Selection.** Netscape will from time to time upon request of Company provide Company with a listing of all available types of advertising, including all applicable terms such as the rates for such advertising determined as specified in Section 5.1. Netscape will make available to Company all types of advertising, including the most favorable banners, site placements, flash ads and other advertising methods (and will not disadvantage Company as to availability of any type or placement with respect to any other advertiser). Company and its Authorized Affiliates may purchase advertising in their discretion. Company and its Authorized Affiliates may purchase advertising in their discretion for use solely by Company and its Authorized Affiliates. Neither Company nor its Authorized Affiliates shall resell, broker or otherwise use advertising purchased for the benefit of a third party.

6. **UNEARNED PREPAID FEES.**

All prepaid fees (including license, royalty, support and other fees) already received from Company by Netscape under the License Agreement, but not yet recognized by Netscape as revenue under generally accepted accounting principles as consistently, historically applied by Netscape ("Unearned Prepaid Fees") shall be credited toward Company's obligations under the Amended Agreement (including the License Agreement both during and after the Amendment Term). Netscape has calculated the amount of the Unearned Prepaid Fees as of the date of this Amendment as \$246,666.68. Company may apply the credit of Unearned Prepaid Fees, until depleted by use, toward any of Company's current or future obligations as described in the foregoing sentence, as selected by Company in its discretion, including Initial Fees, Subscription Fees, IAS bounties, advertising purchases and the purchase of Services, including Technical Support Services and professional services or any other fees, costs or charges of any nature now or hereafter owed to Netscape under the Amended Agreement (including taxes). All Unearned Prepaid Fees shall be treated the same as cash payments by Company for all purposes hereunder or under any other obligations, including against the Minimum Commitment.

7. **DISTRIBUTION**

In addition to any method of distribution permitted by the License Agreement, Company may distribute and support Dial-Up Kits for use throughout the United States through any method (including speculative distribution and including by electronic means), including through distributors, outsourcing methods, so long as they are only marketed, initially configured by Company, and licensed for use with Company's Internet Service as required by the Amended Agreement. Distribution through retail outlets will be in accordance with those guidelines set forth in Attachment 7. Nothing contained herein will limit any method of distribution under the License Agreement.

8. **NETSCAPE OBLIGATIONS AS TO PRODUCT FEATURES AND RELEASES**

- 8.1 **New Features.** As a material inducement for Company to enter into this Amendment (including for Company to agree to the terms of Section 15.1), Netscape agrees to provide Updates to the Dial Up Kit from time to time so that it will include all features and functionality required to keep it fully competitive from time to time with next leading web-browser (by market share). Without limiting the foregoing, Attachment 8.1 specifies minimum features to be included for subsequent versions of Dial-Up Kit, including Versions 3.0 and 4.0 and the targeted availability dates for features of Dial Up Kit. Netscape agrees to use commercially reasonable best efforts to meet the targeted availability dates.
- 8.2 **Dial-Up Trial.** Netscape will offer downloads of Dial-Up Trial from its web site commencing no later than November 12, 1996.
- 8.3 **New Releases.** Netscape shall make all new releases of the Dial Up Kit available to Company as soon as commercially practicable before public release of the Dial-Up Kit in any channel (i.e., retail, OEM, download) and, as to each channel, at least as early as provided to any other party. In addition, Netscape shall use commercial best efforts to make the Dial-Up Kit available to Company within thirty (30) days after the public release of the comparable version (i.e., release number) of any other Dial-Up Version in any channel; Netscape shall in any event make the Dial-Up Kit available to Company within forty five (45) days after the public release of the comparable version of any other Dial-Up Version in any channel. In addition, alpha and beta test copies of all releases of Dial Up Kit shall be made available to the Company as soon as made available to any third party. If Netscape breaches its obligations under this Section 8.3, Company shall be released from its obligations under Section 15.1.

9. **IAS**

- 9.1 **Placement on IAS.** Subject to the terms of this Article 9, during the Amendment Term, Netscape will, at its cost and expense, place Company on the IAS for Internet access by no later than December 10, 1996.
- 9.2 **Area List.** Company shall provide Netscape a list (the "Area List") of area codes and/ or area codes and exchanges (the "Code Information") where Company either (a) provides or has decided to provide local call Internet access or (b) has decided to (and may reasonably be expected to) compete through toll Internet access or alternative access methods. Company will not place Code Information on the Area List more than forty five (45) days before it will provide Internet Services in the area covered by the Code Information. The Area List will be made available by Company electronically 24 hours a day, seven (7) days a week, three hundred sixty five (365) days a year through the Mecca REGD protocol (provided that failure to so provide the Area List will only mean that Company will not be visible on the

IAS until the Area List is later provided).

9.3 Location on IAS.

9.3.1. Within Franchise Area. If the Code Information is for a location within the Franchise Territory, then

- A. If the Code Information entered by someone using the IAS is contained on the current Area List, Company shall always be presented on the IAS on the First Page in the manner specified in Attachment 9.3.1 attached hereto. The presentation on Attachment 9.3.1 shall meet each of the following criteria: (i) all ISPs will be listed only by those categories listed on Attachment 9.3.1 or by other categories mutually agreed to by Netscape and Company; (ii) categories will be arranged alphabetically, as set forth on Attachment 9.3.1; (iii) Company will be the only ISP with its name or logo on the First Page; and (iv) the First Page shall be the first page of the IAS on which any specific ISP is mentioned. Except as provided in Section 9.3.2, the First Page shall contain no reference to any other specific ISP, whether by name, logo or otherwise.
- B. If the Code Information is not contained on the current Area List for Company, then despite the provisions of Section 9.3.1.A., the First Page shall be presented substantially as set forth in Attachment 9.3.2. Such presentation will not feature any ISP in preference to others (not including banner advertising) other than by order of listing.

9.3.2 Outside Franchise Territory. If the Code Information is for a location outside the Franchise Territory, then:

- A. Except as provided in Section 9.3.2.B below, the First Page shall be presented substantially as set forth in Attachment 9.3.2. Such presentation will not feature any ISP in preference to others (not including banner advertising) other than by order of listing.
- B. If the provisions of an Other Agreement require that the First Page be presented otherwise then as provided in Section 9.3.2.A, then (a) the First Page may be presented as required by such Other Agreement, (b) if the Code Information is on the Area List, Company shall be listed on a page no more than one click away from the First Page; and (c) the page on which Company is listed (as well as all other pages presenting ISPs) shall be presented substantially as set forth in Attachment 9.3.2 and such presentation will not feature any ISP in preference to others (not including banner advertising) other than by order of listing. By way of

example of the foregoing, if an Other Agreement requires an Other Company to be listed on the First Page as required in Attachment 9.3.1, then all other pages on the IAS presented to a potential subscriber asking such Subscriber to select an ISP and/or ISP category and on which the name of any ISP appears shall be presented as required by Attachment 9.3.2.

- C. Company recognizes that the IAS and Company's registration process may need to be modified to permit out-of-Franchise listing as provided by this Section 9.3.2. Netscape and Company will use commercial best efforts to make such modifications within ninety (90) days after request from Company. Once the IAS is capable of permitting out-of-Franchise listing as provided by this Section 9.3.2, then, if the Code Information is on the Area List, Company shall be listed on the IAS.

9.4 ISP Selection. With respect to Netscape making available Internet access to end-users or other customers of Dial-Up Versions within Netscape's control, the IAS will either be the sole method by which Netscape lists or offers ISPs for selection and commencement of online account creation with an ISP or Company will be offered similar first position and prominence over all others as to each method as provided by the IAS Position Terms. For purposes of the foregoing, it is understood that OEMs may require that ISPs be selected in a manner other than the IAS; any such requirement shall be deemed outside of Netscape's control. However, Netscape agrees to use reasonable efforts to have OEMs implement the IAS as contemplated by this Amendment and to otherwise work with Netscape to implement the IAS as contemplated by this Amendment.

9.5 Implementation of IAS Changes. The following changes to the IAS will be completed by Netscape by December 3, 1996: (i) accommodating global service provider selection; (ii) providing credit card billing options for Company; (iii) providing telephone billing capability; (iv) providing the ability to inform customers of the toll status, if any, of their calls; (v) addition of e-mail alias capability; and (vi) subject to the provisions of Attachment 9.5, modification of the Navigator home page location preference to be Company's home page URL (as provided by Company) upon registration. In addition, by January 15, 1997, Netscape will have identified and defined alternative IAS registration solutions (and timetables for implementation thereof) designed to provide Company with more efficient and direct connections to its subscribers than under the current IAS.

9.6 Download Customizations. Netscape will assist Company in developing the ability to download Company customizations of the Dial-Up Kit to Company subscribers through the Company's website and the IAS (or its equivalent in a pass-through model of IAS). Netscape will use commercial best efforts to assist Company in completing the capability to download the .LCK files through Company's website by December 31, 1996 (assuming that Company uses similar efforts). By January

15, 1997, Netscape will present a plan for downloading customizations through the IAS, which plan will include reasonable time frames for such capabilities.

- 9.7 Additional Future Changes. The parties intend to discuss and negotiate in good faith additional future changes which could be made to the IAS (and terms relating thereto), including: (i) adding ISDN service capability (including dial-in ports at Netscape); (ii) permitting the display of more than eight (8) price plans for Company; (iii) downloading of Company customization of the .LCK files for Dial-Up Kit during registration; (iv) facilitating customer descriptive information; ; (v) placing customer account code information on a page other than the key advantage page; (vi) enhanced up-front prefix intelligence in POP selection; and (vii) other changes necessary to allow the customer to register in accordance with Company's unique registration practices and procedures.
- 9.8 IAS Costs. All costs associated with the development, offering, maintenance and operation of the IAS, including all 800-line costs (other than Excess 800-line Costs), will be borne by Netscape. Excess 800-line Costs and all costs associated with integrating Company's Internet Services with the IAS will be borne by Company.
- 9.9 IAS Bounties.
- 9.9.1 Base Bounty. Company will pay Netscape a one-time bounty fee of \$18.00 (the "IAS Bounty") for each Qualified Subscriber acquired by Company through the IAS or through click and switch capability as provided in Section 10 below.
- 9.9.2 Optional Increases In Bounty.
- A. If Company elects not to purchase sufficient advertising to reduce the Initial Fee of the Dial-Up Kit for new Qualified Subscribers to \$0.00, it may elect to increase the per subscriber IAS Bounty by \$1.50 for each corresponding \$.50 reduction in the Initial Fee down to a minimum of \$0.00 per license. By way of example, if Company elects to purchase no advertising from Netscape, it could still achieve a \$0.00 cost Initial Fee for the Dial-Up Kit in exchange for a \$25.50 IAS Bounty per Qualified Subscriber (based on the \$2.50 starting point for Initial Fees).
- B. The annual Subscription Fee for the Dial Up Kit for Company customers may also be reduced by increasing the per subscriber IAS Bounty by \$1.50 for each corresponding \$.50 reduction in the Subscription Fee down to a minimum of \$0.00 per license. By way of example, if Company elects to purchase \$500,000 in advertising and to increase the per subscriber bounty to \$27.00, it could achieve a true "no-cost" license for the Dial Up Kit, with no initial license

fee and no annual Subscription Fee (based on the \$2.50 starting point for Initial Fees and \$3.00 starting point for annual Subscription Fees).

9.9.3 Payment Terms. IAS Bounties will be payable as set forth in Attachment 9.10.

9.10 Company IAS Obligations. Company's placement on the IAS will be on and subject to compliance by Company with those IAS requirements set forth on Attachment 9.10 and to Company having received a digital certificate for its registration server that interfaces with the IAS.

9.11 No Other Restrictions. Nothing contained herein will limit in any way Netscape's right in its sole discretion to include any other party or parties in any number on the IAS subject only to Company's express rights hereunder. Nothing contained herein will limit Company's right to provide its Internet Services in any manner whatsoever in any territory or to otherwise compete with any other business, including any other ISP or Other Company.

10. CLICK AND SWITCH

10.1 Netscape will use reasonable commercial efforts to create by March 1, 1997 a click and switch capability that will give users the ability to sign-up directly with Company's Internet service from the IAS server without separate download or call. If practicable, Netscape will implement versions of this capability in stages prior to March 1, 1997. Netscape is now planning for a December release of its first stage click and switch capability and will use reasonable efforts to meet such plan.

Netscape will promptly place Company on all implementations of this capability as soon as available. Upon any implementation of the click and switch capability, Netscape will work closely with Company to promote Company's Internet Services on the Netscape home page to enable existing Internet users the ability to use the click and switch capability to sign up with Company using the IAS. Netscape will also assist in making it easy for existing Internet dial up customers to come to Netscape's site to learn more about Company's offerings and to help those customers switch to Company's Internet Service. On availability, click and switch capability shall be featured prominently during the Amendment Term on highly trafficked URLs on the Netscape web site in placements and with content as to be mutually agreed upon by the parties.

10.2 All costs associated with the development, offering, maintenance and operation of click and switch, including all 800-line costs (other than Excess 800 Costs), will be borne by Netscape. All costs associated with integrating Company's Internet Services with click and switch will be borne by Company.

10.3 Click and switch capability (and any similar or analogous capability) will be provided to Company in a manner analogous to those of the IAS Position Terms,

including categories, order and relative prominence and positioning.

11. TECHNICAL SUPPORT

- 11.1 Support Credit. Netscape hereby grants Company a credit of Two Hundred Thousand Dollars (\$200,000) for use during the Initial Term and an additional Two Hundred Thousand Dollars (\$200,000) for use under the Amended Agreement during the Renewal Term, if any (individually and collectively, the "Support Credit"). The Support Credit may be applied, in Company's discretion, toward Netscape technical support, Netscape consulting services or other professional services, or fees charged by the systems integrator of Company's choice, e.g., Neoglyphics (collectively, "Services"), provided that a maximum of Twenty Percent (20%) of the Support Credits may be paid to a systems integrator.
- 11.2 Rates For Other Services. Fees for Services under the Amended Agreement in excess of the Support Credit in any year will be billed by Netscape to Company at the then-current rate based on similar term and volume commitments. Rates for such Services may be increased only upon at least sixty (60) days advance written notice to Company.
- 11.3 Technical Support Services. Company shall be entitled to 24x7 second level technical support Services as described on Attachment 11.3 (the "Technical Support Services") for the sum of Two Hundred Thousand Dollars (\$200,000) per annum. Company may, in its discretion, apply the Support Credit for Technical Support Services. Accordingly, if Company so desires and applies the Support Credits entirely to Technical Support Services, there will be no charge for Technical Support Services during the Amendment Term.
- 11.4 Existing Support Terms. Company shall be entitled, at its discretion, to continue to receive Technical Support Services on the terms and for the prices set forth in the License Agreement for the number of technical support contacts in the License Agreement. Company may elect between such terms and the terms provided in this Amendment for each term (i.e. for the Initial Term and/or the Renewal Term) upon written notice to Netscape.
- 11.5 Major Failures. If a P1 or P2 program error, as described on Attachment 11.3, cannot be corrected within ninety (90) days of replication of the program error by Netscape (using commercially reasonably best efforts to replicate such error promptly), Company will be released from the Minimum Commitment for the remainder of the Amendment Term. The foregoing will not limit any right of Company under the License Agreement to terminate the Minimum Commitment for other reasons, including under Attachment D of the License Agreement (and for purposes of such right of termination in the License Agreement, the Minimum Commitment will replace any reference to Existing Minimum in the License Agreement).

12. CO-MARKETING AND OTHER JOINT EFFORTS

- 12.1 Joint Planning; Survey. Netscape will host a meeting with Company as soon as possible after execution of this Amendment to plan how to utilize the Netscape web site to act as the gateway between local content hosted by Company and national and international content. Barbara Gore, Publisher of the Netscape web site, will host and facilitate this planning meeting and subsequent implementation. Additional topics of discussion and implementation will include linking Netscape Destination and People pages to Company web sites selected by Company. In addition, on April 1, 1997, Netscape will, on a one-time basis, provide to Company all of the information gathered by Netscape in its user surveys both in detail and summary fashion.
- 12.2 Minimum Commitments. Without limiting other promotional plans, Netscape will, during the Amendment Term:
- 12.2.1 Feature Company on the main Netscape Destinations site with direct (one-click) hot link to another site within the Netscape Destinations site which features Company, including its logo, narrative text, hot links to Company's web sites or those of its selected affiliates and other promotional materials selected by Company and reasonably approved by Netscape. As soon as practicable after the date of this Amendment, the parties will agree upon the initial aspects of Company's position on the main Netscape Destinations site and the initial materials to be placed on the linked sites.
 - 12.2.2 List Company on Netscape's Personal Edition web site area, with hot links to full descriptions of Company offerings, including URL information, in a manner mutually agreed upon by the parties
 - 12.2.3 Provide Company at no charge with at least one major regional point of sale promotion mutually agreed upon by the parties with a major retailer in the Franchise Territory.
 - 12.2.4 Provide participation opportunities for Company in at least two major regional trade show demonstrations mutually agreed upon by the parties and that include Personal Edition.
- 12.3 Flash Item Promotions. As a means of promoting Company's Internet Services, Netscape will provide a flash item on the Netscape home page announcing the availability of Company's Internet Services when it is placed on the IAS. The specific placement, timing and content of flash items shall be mutually agreed upon by Netscape and Company, but shall be consistent with Netscape's placement, timing and content of flash items. Flash items shall be placed prominently on the Netscape home page for a five (5) day period to be mutually agreed upon and for an additional twenty five (25) day period on other highly trafficked URLs to be mutually agreed upon by

Netscape and Company.

13. **PRESS RELEASES** After execution of this Amendment or by mutual approval of the Parties, the Parties will issue a mutually approved joint press release announcing this relationship (the "Press Release"). The Press Release will refer to the default status of Navigator under Section 15 in a manner and using terms as mutually agreed upon by the parties. All other and subsequent press releases or public announcements relating to the Amended Agreement shall only be made by mutual agreement. Company will not issue or approve a press release involving the distribution by Company of another browser for use with Internet Services within thirty (30) days after the Press Release. Netscape will not issue or approve a press release involving the placement of the services of another ISP on the IAS or click and switch within thirty (30) days after the Press Release

14. **PRODUCT DEVELOPMENT**

- 14.1 **Customization Deliverables.** Company is authorized to customize the Dial-Up Kit as described in this Section 14.1 and all licenses hereunder extend to the Dial-Up Kit contained in such customized versions. The available customizations will include the ability to (i) brand the title bar, desktop icons, and start-up process and screens, as well as the logos displayed upon execution of tasks, and (ii) designate the link site for all buttons and other links. Company may implement such customizations directly or through others; alternatively, upon Company's request, Netscape shall make such customizations at Company's expense as part of Services as provided in Section 11 hereof. While Netscape cannot represent the amount of effort necessary to perform such customizations, Netscape represents that such customizations do not involve extraordinary effort and require only finding and replacing executable code. The rights in this Section 14.1 are in addition to all rights that Company has under the Existing Agreement to receive updates to the Enterprise Kit (as defined in the Existing Agreement) and to customize products based thereon. It is understood that the Enterprise Kit is now referred to as the Administration Kit and is included with the Dial-Up Kit.
- 14.2 **OEM Marketing Services.** At no cost to Company, during the Amendment Term, Company will be enrolled in Netscape's OEM marketing services, including, but not limited to, private locations on Netscape's web site, private news groups, special ftp download areas, and electronic newsletters. Netscape will introduce Company to Netscape OEMs as soon as practicable after request from Company and agrees to engage in co-marketing efforts to promote Company's Internet access services to such OEMs.
- 14.3 **Technical Briefings.** Technical briefings on new products will be accomplished via product seminars, teleconferences and multimedia product overviews.
- 14.3 **Engineering Center.** Netscape's OEM engineering center (including equipment located therein) will be available for use by Company's engineers when they are on site at Netscape.

15. **BROWSER RELATIONSHIP**

15.1 Relationship to Other Browsers. For so long as AT&T and MCI (or any successor to MCI by merger) are both restricted by agreement from providing Navigator to their customers on a par with browsers of Navigator's primary competitor, Company agrees to the following:

- 15.1.1 Unless specifically requested otherwise by a customer, Dial-Up Kit will be the "default" browser for copies provided in physical media (i.e., floppy disk and CD-ROM) for Company's Internet Service on platforms for which Dial-Up Kit is available (such as Win95, Win 3.1 and MAC). Accordingly as to such platforms, although other client software (such as browsers) may be contained on the same media with which the Dial Up Kit is made available, unless the customer has previously otherwise requested, Dial-Up Kit will be the default browser installation.
- 15.1.2 Company will add the "Netscape Now" button to its web site on highly trafficked pages. Such pages will include links to an ftp location located either on Company's web site or the Netscape web site, as selected by Company. The placement and number of pages will not disadvantage Navigator on an overall basis as to links to other browsers.
- 15.1.3 Browsers competitive to the Dial-Up Kit, and Company customizations to these browsers, may be available from Company's web site, but in positions designed so as to not disadvantage Navigator itself on an overall basis.
- 15.1.4 Company marketing materials for its Internet Services shall not on an overall basis disadvantage Netscape Navigator as to competitive products in terms of placement and prominence. The foregoing will not prevent Company from providing marketing materials that do not refer both to Navigator and competitive products.
- 15.1.5 A further description of what the parties intend by Company's obligations under Section 15.1.1 as to "default" treatment and under Sections 15.1.2, 15.1.3, and 15.1.4 not to disadvantage Navigator itself on an overall basis is set forth on Attachment 15.1.5.

15.2 Termination of Obligations Under Section 15.1.

15.2.1 Once AT&T and MCI (or MCI's successor through merger) are no longer both restricted as provided above, Company, at its sole discretion, is free to continue all, any or none of the restrictions described in Section 15.1 without affecting any other provision of this Amendment. The parties recognize that it may be necessary to base this determination on public information, such as public announcements or publicly known distribution patterns.

15.2.2 Company may terminate its obligations under Section 15.1 (without affecting any other provision of this Amendment other than as provided below in this Section 15.2.2) if, in any two consecutive calendar quarters during any year of the term, Company does not obtain new Qualified Subscribers from the IAS which meet one of the following conditions: (a) Seven Thousand Five Hundred (7,500) new Qualified Subscribers in each such quarter or (b) Qualified Subscribers representing at least Fifteen Percent (15%) of new Qualified Subscribers obtained by the Company during such quarter. Despite the foregoing, Company may not terminate its obligations under Section 15.1 only if both of the following conditions are met: (i) Company's registration server connected to the IAS has not met those performance standards set forth in Attachment 15.2.2, during the then-preceding ninety (90) days; and (ii) Netscape's IAS Server has met those performance standards set forth in Attachment 15.2.2, during the then-preceding ninety (90) days. If Company elects to terminate its obligations under Section 15.1 on the terms of this Section 15.2.2, Netscape may elect to terminate its obligations as to the IAS Position Terms.

15.3 Restrictions on Other Announcements. During the Amendment Term, Company shall not announce an agreement for any browser product which would conflict with the restrictions of Section 15.1, so long as such restrictions are in effect.

15.4 Claim of Failure To Perform. If (a) Netscape believes that Company is not fulfilling its default obligations under Section 15.1.1 or its obligations not to disadvantage Navigator under Sections 15.1.2 through 15.1.4 or (b) if Company believes that the restrictions under Section 15.1 no longer apply under Section 15.2, such party shall notify the other in writing, which shall immediately commence the dispute resolution mechanisms under Section 16. If the dispute is arbitrated under Section 16.4 then, (a) if the arbitrator determines that Company has breached obligations, the arbitrator or arbitrators shall detail the ways in which such default has occurred. Company shall then have a period of twenty (20) days to conform to the arbitrator or arbitrators ruling; if Company does so, Netscape shall have no right to terminate this Agreement or obtain damages for such breach; provided that, if the arbitrator determines the default was intentional or with

reckless disregard for Netscape's rights, then the arbitrator may award damages to Netscape (subject to the restrictions in Section 16.4.D. below) and (b) if the arbitrator determines that the restrictions under Section 15.1 no longer apply, then upon such determination, Company, at its sole discretion, is free to continue all, any or none of the restrictions described in Section 15.1.

16. DISPUTE RESOLUTION

- 16.1 Application of Section. The terms of this Section 16 shall apply in all respects to all matters relating to the interpretation or enforcement of the provisions of Section 15 of this Amendment (including the Attachments referenced in that Section), including any and all disputes under or relating to Section 15. A party shall not be in default based on any alleged breach of Section 15 until determined by an arbitrator hereunder or by a court of competent jurisdiction. Disputes not covered by this Section 16, shall be resolved as provided in the License Agreement. If a dispute involves claims covered by this Section 16 and others that are not, those claims covered by this Section 16 shall be resolved under this Section
- 16.2 Good-Faith Negotiations. If any dispute arises under or related to Section 15 that is not settled promptly in the ordinary course of business, then, except for the right of either party to apply to a court of competent jurisdiction for a temporary restraining order, preliminary injunction or other equitable relief to prevent irreparable harm, the parties shall seek to resolve any such dispute between them, first, by negotiating promptly with each other in good faith in face-to-face negotiations. These face-to-face negotiations shall be conducted by the Contract Principals. If the parties are unable to resolve the dispute within ten (10) business days from the date a party seeks face-to-face negotiations (or such period as the parties shall otherwise agree), then any such disputes related to or under Section 15 shall be resolved in the manner set forth in this Section 16.
- 16.3 Structured Negotiation. Prior to any termination of any part of the Amended Agreement, and following any good faith negotiations under Section 16.2, the parties shall submit any dispute under or related to Section 15 to structured negotiation as follows. Either party may invoke this procedure by giving written notice to the other party designating a corporate officer with appropriate authority to be its representative in negotiations relating to the dispute. Upon receipt of such notice, the other party shall, within five (5) business days, designate a corporate officer with similar authority to be its representative. The designated officers shall, following whatever investigation each deems appropriate, but in no event later than twenty (20) business days after the original notice, enter into discussions concerning the dispute. If within an additional twenty (20) business days of their initial meeting, the representatives do not resolve the dispute, either party submit the matter for binding arbitration under Section 16.4.

16.4 Binding Arbitration. Except for the right of either party to apply to a court for a temporary restraining order, preliminary injunction, specific performance or other equitable relief to or prevent irreparable harm, all claims, disputes, controversies and other matters in question between the parties to the Amended Agreement, arising out of, or relating to Section 15 of this Amendment, or the breach thereof, and which cannot be resolved by the parties pursuant to Sections 16.2 and 16.3, shall be resolved only by binding arbitration in accordance with the Commercial Rules of the American Arbitration Association ("AAA") then in effect, including matters involving negligence, strict liability or intentional acts or omissions by either party, provided that the following will apply:

- A. The parties shall have the right to discovery by any or all methods provided in the Federal Rules of Civil Procedure. The arbitrators may, upon request, exclude any evidence not made available to the other party pursuant to a proper discovery request from being used in the arbitration proceeding.
- B. Demand for arbitration shall be served upon the other party by certified mail and specify in reasonable detail the nature of the dispute. The demand shall be effective upon receipt, shall be made within a reasonable time after the claim, dispute or controversy has arisen, and shall in no event be made more than one year after the claim or cause of action arises. The proceeding shall be held in the county where the principal offices of the respondent in the arbitration is located.
- C. Within ten (10) days after service of a demand for arbitration, the parties shall attempt to agree upon a single arbitrator. If the parties cannot agree upon a single arbitrator, either party may request the AAA to appoint an arbitrator in accordance with its rules, subject to the qualifications specified below. If the parties fail to agree on an arbitrator from those named by the AAA or, if for any reason the appointment cannot be made from the AAA submitted lists, each party shall appoint an arbitrator within seven (7) days thereafter and the third arbitrator shall be appointed by the AAA. For any three (3) member arbitration panel, the chairman shall be an attorney with experience in handling disputes in the computer industry and the other two shall have background or training in computer law, computer science or the computer industry. A single arbitrator agreed upon by the parties shall have a background or training in computer law, computer science or the computer industry and shall be an attorney.
- D. The arbitrators shall have no power or authority to reform this Agreement. The arbitrators shall have the power and authority to award equitable relief other than reformation, including injunction and specific performance. The arbitrators shall have the power and authority to make appropriate orders to fulfill the intentions of Section 15.4. The arbitrators shall have no power

or authority to award punitive damages. The arbitrators shall have the power and authority to award exemplary, consequential, special, indirect, or incidental damages only as permitted by Section 11 of the License Agreement. The authority of the arbitrators to award any damages shall be limited in the aggregate to the amount and in scope specified in Section 11 of the License Agreement.

- E. No party shall be considered in default under the Amended Agreement during the pendency of the dispute resolution process in this Section 16 as the result of any alleged breach of Section 15 of this Amendment. The Amended Agreement shall remain in effect during the pendency of the dispute resolution process without any interruption of service or performance by either party (except where a default is also an express condition to performance).
- F. The cost of the arbitration shall be borne equally pending the arbitrator's award. The prevailing party in any arbitration proceeding or litigation hereunder shall be entitled, in addition to such other relief as may be granted, to recover reasonable attorney's fees and the costs incurred in connection with arbitration or litigation under the Amended Agreement.

16.5 Confidentiality. The commencement, and any resolution reached as a result, of any dispute resolution procedure under this Section 16 shall be considered Confidential Information and protected under the License Agreement.

17. MISCELLANEOUS

17.1 Confidentiality. Information obtained by either party by reason of the transactions contemplated by this Amendment shall be considered as Confidential Information to the extent and on the terms specified in the License Agreement (including as to the determination as to whether the confidentiality provisions apply). The terms and conditions and existence of this Amendment and the transactions contemplated hereby will be Confidential Information for purposes of the License Agreement except to the extent agreed upon by the parties in writing (such as for mutually agreed to announcements). Each party shall have the right to information concerning customers of Company that such party obtains through the IAS or click and switch; provided that Netscape shall not use or disclose customer information in any manner that reveals or takes advantage in any way of, the fact that such customers are customers of Company (other than for bounty recognition, support and similar internal purposes) and Company agrees not to disclose or reveal customer information to any third party in any manner that reveals that such customers of Company were acquired by Company through the IAS or click and switch or take advantage of or use the information about which customers were acquired through the IAS or click and switch for promotion or marketing in connection with products competitive with Dial-Up Versions or Netscape Client Products, or their successors. Without limiting the foregoing: (a) Netscape shall

not identify or disclose to any third party which customers of Netscape are customers of Company and (b) Netscape represents and warrants on an ongoing basis that its marketing and promotional uses of customer information will in no manner use, disclose, identify or take advantage of the fact that such customers are Company customers and will not for marketing or promotional purposes separately identify or isolate customers of Company from other customers of Netscape.

17.2 No Fee Increase. Netscape may not increase any of the fees specified in this Amendment except as expressly set forth herein as to advertising rates in Article 5 and rates for services under Section 11.2.

17.3 Authorized Affiliates. Authorized Affiliates are hereby authorized to exercise any or all of the rights granted to Company hereunder, provided that, as a condition to such exercise, any such Authorized Affiliate acknowledges in writing that its rights are subject to all terms and conditions of the Amended Agreement. Such Acknowledgment shall be for the express benefit of Netscape.

17.4 Incorporation of Attachments. All attachments are incorporated herein as part hereof.

The parties have executed and delivered this Amendment as of the date stated on the first page, intending to be bound hereby.

NETSCAPE:

Netscape Communications Corporation.

By: Roberta R. Katz

Title: Sr VP

X

COMPANY:

Bell Atlantic Internet Solutions, Inc.

By: [Signature]

Title: President

Attachment 2.12
Franchise Territory

The District of Columbia and the states of Delaware, New Jersey, Maryland, Pennsylvania, Virginia and West Virginia

Attachment 4.1.1
Fees

Initial Fees

Dial-Up Kit	\$2.50
LAN	\$2.50
LAN Gold	\$12.00 (Version 3.0); \$14.00 (Version 4.0 and thereafter)

The foregoing pricing applies to all current and futures Updates of the above products for all current and future platforms, including Win95, Win 3.1, MAC and, when available, Win97. It is understood that Navigator will be renamed Communicator in future versions and that Gold versions will become "Professional" versions.

Subscription Fees

For LAN Gold	\$17.00
For all others	\$ 3.00

Attachment 4.7
Educational End-Users

1. **Definitions.**

- 1.1 "Educational End User" shall mean an Educational Institution, or any full-time (i) student, (ii) member of the faculty, (iii) staff or (iv) member of the administration at an Educational Institution. In the case of a library, any patron or member of such library shall not be considered an Educational End User except when accessing the Educational Products at such library.
- 1.2 "Educational End User Copies" shall mean any copies of the Educational Products that are distributed to Educational End Users, in accordance with this Attachment.
- 1.3 "Educational Institution" shall mean any grammar school, junior high school, high school, junior college, university or public library.
- 1.4 "Educational Products" shall mean following Netscape products: LAN and LAN Gold. .

2. **Distribution without Per-Copy Royalties.** Subject to the terms set forth in this Attachment, Company shall not be obligated to pay to Netscape any Initial Fees or Subscription Fees for any copy of a Educational Product licensed and distributed to an Educational End User, provided that:

- 2.1 Company shall distribute such copies of the Educational Products free of charge.
- 2.2 If any such copy is distributed with other software or hardware, the total license fee or purchase price for the package shall not exceed the license fee or purchase price for the package without the Educational Product.
- 2.3 Company shall only distribute the Educational Products pursuant to the appropriate End User License Agreements required by the Amended Agreement or end user agreements with terms that are not contradictory to, or less restrictive than, those attached to the Amended Agreement.
- 2.4 Company may sublicense its right to reproduce and distribute copies of the Educational Products to Educational Institutions, provided that each such Educational Institution fully executed with Netscape the Limited Right to Copy Agreement attached as Exhibit A to this Attachment prior to any such sublicensing.
- 2.5 Except as expressly permitted under Section 2.3 or 2.4, Company shall have no further right to sublicense or otherwise transfer any of the rights granted under this Attachment.

3. Records, Reports, Audits. Company shall keep accurate and complete records of the number of free copies of the Educational Products that it reproduces, distributes or licenses pursuant to this Attachment. In the event that Company sublicenses any rights to reproduce and distribute under Section 2.4, above, Company shall, upon request, make available the list of Educational Institutions. All reports of such information shall be in accordance with the reporting provisions set forth in the Amended Agreement. Furthermore, Netscape shall have the rights set forth in the audit provision of the Agreement as applied to the subject matter of this Attachment to audit Company's compliance with the terms of this Attachment.
4. Support. The rights granted under this Attachment are contingent upon Company's providing all installation technical support and any other first and second level support for all Educational End Users. Company shall use its best commercial efforts to ensure that Educational End Users contact Company for any installation, maintenance and support needs. Netscape shall provide, at no additional cost to Company, back end technical support for Educational End Users. If the Educational End Users cause maintenance and support obligations of Netscape to substantially increase, Netscape may determine that a fee is appropriate for such additional maintenance and support services. Netscape reserves the right to make an adjustment to fees, if any, every six (6) months, based on the additional maintenance and support services being rendered to Company's Educational End Users. If Company objects in writing to such adjustment within thirty (30) days after it receives written notice of such adjustment from Netscape, Company agrees that Netscape has no additional maintenance and support obligations to Educational End Users under this Attachment, or Company may terminate this Attachment immediately upon written notice to Netscape.
5. Third Party Requirements. In the event Netscape is required by a third party software supplier to cease and to cause its licensees to cease reproduction and distribution of any Educational Product or portion thereof to Educational Users under this Attachment, Company agrees to comply therewith within a commercially reasonable time. No such cessation shall affect any rights under any other provisions of the Amended Agreement or any right to distribute any other products to any other users.
6. Other Terms. All terms and conditions set forth in the Amended Agreement shall apply to the Educational Products set forth in this Attachment, except as expressly set forth herein. Without limiting the generality of the preceding sentence, if, pursuant to the Amended Agreement, Company must distribute any of the Educational Products (i) together with certain other Company products or services, (ii) in certain configurations, (iii) only in certain geographical regions, (iv) only on certain media, or (v) using certain trademarks and packaging, such requirement shall equally apply to the distribution of the Educational End User Copies. The parties agree that the terms and provisions of the Amended Agreement shall remain in full force and effect. In the event of any term of this Attachment conflicts with a term set forth in the Amended Agreement, this Attachment shall control, but only to the extent that such term is applicable to the reproduction and distribution of the Educational Products to Educational End Users.

Attachment 7
Retail Distribution Guidelines

For purposes hereof, "retail distribution" means in-store distribution of the Dial-Up Kit in retail outlets where Navigator is distributed by Netscape or its direct distributors, including, where applicable, book stores ("Netscape Retail Distribution Locations").

1. Reference to Netscape, Netscape Navigator or Netscape Included logo (collectively "Netscape References" on the front, top, bottom or sides of packaging in Netscape Retail Distribution Locations can be displayed only in a size no larger than the smaller of (a) one inch by one and one half inch; and (b) one third the size of the closest use of Company's name or logo.
2. Usage of Netscape References on packaging in Netscape Retail Distribution Locations must follow established Netscape Navigator Included Logo and Trademark Usage Guidelines. Netscape prefers, but does not require, that co-branding with Licensee's logo be employed.
3. Netscape References in advertising or promotional material promoting retail distribution in Netscape Retail Distribution Locations can be displayed only in a size no larger than the smaller of (a) two inches by three inches; and (b) one third the size of the closest use of Company's name or logo. This includes newspapers, printed flyers, in-store P.O.P.s, shelf talkers and counter displays (but only as to each, when referring to retail distribution in Netscape Retail Distribution Locations.
4. Company will provide Netscape with copies of all materials described in this Attachment upon request by Netscape.
5. These guidelines will apply to any product or service bundled by Company with any Company product or service, but only as to retail distribution in Netscape Retail Distribution Locations.
6. The Netscape Corporate Logo may not be used in connection with Netscape Retail Store distribution without Netscape's prior written consent.

These guidelines will only apply to materials and promotions after the date of this Amendment. In addition, Company may continue to use any materials or promotions that are in progress or existence as of the date of this Amendment whether or not those items comply with these guidelines. Finally, if Company is using materials and promotions in any locations that are not then Netscape Retail Distribution Locations (or has commenced development of such materials and promotions) and such locations thereafter become Netscape Retail Distribution Locations, Company may continue to use any such materials or promotions that are in development, process or existence as of the date such locations become Netscape Retail Distribution Locations until such materials or promotions are used up or completed.

NSMS 004829
Highly Confidential

Attachment 8.1
Dial-Up Kit Features

1. Version 3.0

Already Released. Features Per Release

2. Version 4.0

A. Mail Enhancements

- (1) Double-click envelope opens contents of e-mail
- (2) New, more intuitive user interface for e-mail
- (3) User interface will support a menu item to change e-mail preferences
- (4) E-mail filtering
- (5) E-mail text search ability
- (6) E-mail spell checker

B. Other Enhancements

- (1) off-line capability for news
- (2) ability to search for newsgroup name instead of drilling down
- (3) IMAP4 support
- (4) Well support storage of multiple sets of user preferences





The target date for Release of version 4.0 is no later than June 30, 1997.

Attachment 9.3.1
Presentation Within Area

N. CHOOSE A SERVICE PROVIDER

**WELCOME TO THE
NETSCAPE INTERNET ACCOUNT SERVER**

With Netscape Navigator Personal Edition, you can automatically create an Internet account with a Service Provider. Please select from one of the options below.

-  Local Bell Internet Provider for your area code (770) 
 -  Long Distance Companies & Other Telecommunications Companies
 -  More Internet Service Provider Choices
-

Attachment 9.3.2
Presentation Outside Area


N INTERNET ACCOUNT SERVER



This service allows you to create a dial-up Internet access account with any one of the *Internet Service Providers (ISPs)* shown below.



NOTE: You make no commitment until the **CREATE** step.

QUIT  Click an **ISP** logo button above to begin your comparison

Attachment 9.5
Special Provisions for OEMs with Default Home Page Configuration

Certain customers of the Dial Up Versions going through the IAS will have the home page preconfigured by Netscape OEMs. For such customers, Netscape will not modify the home page location preference to be Company's home page URL.

Netscape shall, as soon as possible using commercial best efforts , and no later than December 12, 1996, as to Macintosh 2.x versions and December 20, 1996, as to Macintosh 3.x versions, create and deliver to Company "Customization Applications" as described below for Netscape Navigator 2.x and 3.x versions. The Customization Applications will permit Company to modify settings of Company customers that have Macintosh versions of the Dial-Up Versions.

The "Customization Application" for Netscape Navigator 2.x Mac will set default preference values by modifying the Navigator Preferences stored in the System Folder. This application will only enable setting preferences which are end-user configurable.

The Customization Application for Netscape Navigator 3.x Mac will set default/locked preference values, buttons, menus, and animation by modifying the Mac Navigator 3.x executable.

Macintosh operating systems to be supported shall include all versions being supported by the Netscape Navigator being customized. Netscape shall use commercial best efforts to minimize the size of the Customization Applications and download time and to make it as easy as possible for the end-user to implement the modification, including minimal user intervention. The conversion shall maintain existing user settings where feasible and should leave as few files remaining on the user system as is feasible. The Customization Applications file must be downloadable from a web-page or via e-mail attachment.

Attachment 9.10
IAS Terms

1. Company Infrastructure/Deliverables.
 - 1.1 Requirements for Internet Access Infrastructure. Netscape requires, and Company agrees to establish and maintain the infrastructure for Internet access as described below in order that Netscape may provide Subscribers with a choice of competitive Internet access services:
 - (a) All POPs must support PPP, with PAP/CHAP compliancy.
 - (b) Support for POP3 or SMTP mail servers.
 - (c) Support for NNTP for news.
 - (d) Verification that each new POP works with Dial Up Kit.
 - (e) "Free" test accounts for testing Dial Up Kit.
 - 1.2 Requirements for Account Creation Infrastructure. Netscape requires, and Company agrees to establish and maintain the infrastructure for Account Creation as described below in order that Netscape may integrate Company with Netscape's IAS:
 - (a) Installation of Netscape's ISP Protocol Server (REGD), including SSLD Security Server, on a Unix-based system. Both server front-ends are provided by Netscape to Company.
 - (b) Support for real-time account provisioning. Once an error-free account creation process is complete, Subscriber must be able to access Company's service through Company's POPs, with a delay of no more than 10 minutes.
 - (c) Support for creating "Free" test accounts for testing account creation process, and Company's Infrastructure.
 - (d) Support for capturing and reporting the REG_CHANNEL identifiers and total number of subscribers for each REG_CHANNEL identifier.
2. Review and Approval of Company Pages. Netscape will have the right to review the content and format of each Company Page prior to including any such page in the IAS. If Netscape determines, in its reasonable discretion, at any time before or after delivery of any such page by Company that such page contains any material, or presents any material in a manner, that is not appropriate for use in the IAS, Netscape will inform Company of such determination and, if such page is already incorporated in the IAS, Netscape may immediately remove such page from the IAS. Instead of Netscape incorporating such Company Page in the IAS, Company will deliver to Netscape a revised Company Page that Netscape determines, in its reasonable discretion, is appropriate for use in the IAS. In no event will Netscape be required to incorporate any Company Page or other information in the IAS except as described in this paragraph.

3. License Rights. Company grants to Netscape a non-exclusive license during the term of

this Agreement to use, reproduce, electronically distribute, publicly display, and publicly perform the materials delivered to Netscape by Company for presentation on the IAS. Nothing in this Agreement gives either party any exclusive marketing or distribution rights. Company further grants to Netscape the right to use Company's trademarks, trade names, service marks, and/or logos in any advertising, promotional, and other marketing materials for the IAS in a manner consistent with Company's standard trademark usage, and in each instance, subject to a Company's approval, which shall not be unreasonably withheld. Netscape will submit samples of such materials to Company from time to time upon Company's request.

4. Technical Support. Netscape will provide front-line (first line) technical support to users of PE and Navigator Gold PE during the account creation process in accordance with Netscape's then current technical support policies. Company agrees to provide back-up (second line) technical support to Netscape during the account creation process for users of PE or Navigator Gold PE that are trying to create an account for the Company's Internet access services in accordance with Company's then current technical support policies. Company will have sole responsibility for end user support for Internet access services once the user has established a functioning connection directly to the Company.

5. Records and Reports. Company shall use the "REG_CHANNEL" identifier passed through during account creation to sort and total the number of subscribers for each REG_CHANNEL identifier. Within thirty (30) days after the end of each month, Company will deliver to Netscape in writing or by secure e-mail a report in the format as specified below showing the number of Subscribers acquired by Company for each REG_CHANNEL through the IAS, that have become Qualified Subscribers. Bounties are due and payable net thirty (30) days after a subscriber becomes a Qualified Subscriber. Company will maintain, for at least eighteen (18) months after termination of this Agreement, accurate books and records relating to Subscribers who signed up for Company's services through the IAS. Netscape shall have the right to audit Company's compliance with this section 5 including, without limitations, that the number of Subscribers per REG_CHANNEL reported to Netscape is correct pursuant to the audit provisions of the agreement previously executed by the Company and Netscape.

REPORT FORMAT

REG_CHANNELS	Number of Subscribers
Example: NSCP1001	1,207 subscribers

Attachment 11.3
Description of Technical Support and Related Services

1. The Technical Support Services to be included in as part of the \$200,000 maximum annual charge for technical support will be the better of the support specified in Section 2 below and the support set forth in the License Agreement. Such support will include (i) a designated interface, both electronically and via telephone, to Netscape's technical support group; (ii) guaranteed response times as specified below in Section 2; (iii) initial onsite training for Company's technical support personnel; (iv) a designated and specific technical contact at Netscape for escalated technical calls with the response times described below (v) applying allowance funds, if any, to dedicated Netscape engineering person hours, to be billed at the rates specified in Section 11.2 for specific product fixes, enhancements, etc., to be specified by Company (and to be accomplished, at Company's discretion, either at Netscape or at Company designated locations); and (vi) assignment of appropriate Netscape technical personnel, billed at rates specified in Section 11.2 to be placed onsite at a designated location of Company (or such other location designated by Company) for training Company personnel, including technical analysts, training staff, management, etc., or providing first line support, at Company's discretion. The Netscape personnel described in subpart (vi) could be onsite for up to 3 times per week until the \$200,000 is exhausted in expired billing hours and specified support costs.

2. Technical Support Services. Technical Support Services are described below:
 - a. Back-end Support. Netscape will provide back-end support to Company for Program Errors not resolved by Company pursuant to Company's support policies and in accordance with subsection b below. This support includes efforts to identify defective source code and to provide corrections, workarounds and/or patches to correct Program Errors. Netscape will provide Company with a telephone number and an e-mail address which Company may use to report Program Errors twenty four (24) hours a day, seven (7) days a week. It is understood that support between 5:00 p.m. and 5:00 a.m. pacific time is currently by pager; pages between 12:00 midnight and 5:00 a.m. will be for P1 level problems or circumstances reasonably determined to be emergency only; pages between 5:00 p.m. and 12:00 midnight will be for P1 and P2 level problems or circumstances reasonably determined to be emergency only. Support for P2 level problems between 5:00 p.m. and 12:00 midnight will be available by January 6, 1997. For priority 1 or 2 failures, Company agrees to notify Netscape via telephone, fax and/or e-mail. Company will identify one (1) member of its customer support staff and an alternate to act as the primary technical liaisons responsible for all communications with Netscape's technical support representatives. Such liaisons will have sufficient technical expertise, training and/or experience, for Company to perform its obligations hereunder. Company will designate, in writing and/or e-mail to Netscape, its liaison(s) as soon as possible after the date of this Amendment, and may substitute contacts at any time by providing one (1) week's prior written and/or electronic notice thereof to

Netscape.

Netscape will use its best efforts to correct significant Program Errors, commensurate with the nature and severity of the Program Errors, and in accordance with the terms of this Attachment 11.3, that Company identifies, classifies and reports to Netscape and that Netscape substantiates. Netscape may reclassify Program Errors if it reasonably believes that Company's classification is incorrect. Company will provide sufficient information for Netscape to enable Netscape to duplicate the Program Error before Netscape's response obligations will commence. Netscape will not be required to correct any Program Error caused by (a) Company's incorporation, attachment of a feature, program or device to the Netscape Products, or any part thereof; (b) any nonconformance caused by accident, transportation, neglect or misuse; (c) alteration, modification, or enhancement of the Netscape Products, provided such alteration, modification or enhancement is not made at the direction or authorization of Netscape; (d) the failure to provide a suitable installation environment; (e) use of the Netscape Products for other than the specific purpose for which the Netscape Products are designed; (f) use of the Netscape Products on any systems other than the specified hardware platform for such Netscape Products; (g) Company's use of defective media or defective duplication of the Netscape Products; or (h) Company's failure to incorporate any Update previously released by Netscape which corrects such Program Error.

Netscape will use its best commercial efforts to communicate with Company about the Program Error, via telephone or e-mail within the following target response

Priority	Failure Description	Response Time
1	Fatal (no useful work can be done).	10 hours
2	Severe Impact (Functionality disabled): Errors which result in a lack of application functionality or cause intermittent system failure.	1 working day
3	Degraded Operations: Errors causing malfunction of non-critical functions.	3 working days
4	Minimal Impact: attributes and/or options to utility programs do not operate as stated.	Next release, on a business justifiable basis
5	Enhancement Request.	When applicable

Netscape will use best commercial efforts to resolve each significant Program Error by providing either a reasonable workaround, an object code patch or a specific action plan for how Netscape will address the program and an estimate of how long it will take to rectify the defect. Netscape reserves the right to charge Company additional fees at its then standard rates for services performed in connection with reported Program Errors which are later determined to have been due to hardware or software not supplied by Netscape. Notwithstanding the foregoing, Netscape has no obligation to perform services in connection with (i) Program Errors resulting from hardware or software not supplied by Netscape; or (ii) which occur in ~~the~~ Netscape Product release which is not the then current release.

- b. Front-line Support. Company, and not Netscape, will provide front-line, or first and second level, technical support to its Distributors, Qualified Subscribers and End Users. Such support includes call receipt, entitlement verification, call screening, installation assistance, problem identification and diagnosis, product defect determination, efforts to create a repeatable demonstration of the Program Error and, if applicable, the distribution of any defective media or Updates. Company agrees that any documentation distributed by Company will clearly and conspicuously state that Qualified Subscribers and End Users should call Company for technical support for the Netscape Products. Netscape will have no obligation to furnish any assistance, information or documentation with respect to the Netscape Products, to any Distributor, Qualified Subscribers or End User. If Netscape customer support representatives are being contacted by a significant number of Company's Distributors, Qualified Subscribers or End Users, then, upon Netscape's request, Company and Netscape will cooperate to minimize such contact.

**Attachment 15.1.5
Further Provisions Regarding Default and No Disadvantage**

Additional Explanation of Default Provisions

1. If Dial-Up Kits are to be provided by Company in joint programs with third parties, such as joint marketing, promotion, development or content efforts, or in arrangements where Company's offering is combined with offerings, products or services of any nature of such third party, then Company shall provide the Dial-Up Kit as the default browser for available platforms unless otherwise requested by the third party or as specifically set forth in the agreements with such third party. However, Company agrees to use reasonable efforts to have such third parties agree to utilize Navigator as contemplated by this Amendment.
2. Although Company will identify the Dial-Up Kit as the default browser, Company may identify other browsers to prospective customers and explain how to install such other browsers in such manner as Company elects in its discretion.

Additional Explanation of No Disadvantage in Links and Browser Sites

1. Section 15.1.3 requires that the placement and number of sites for links to other browsers will not disadvantage Navigator on an overall basis to such other browsers with respect to links. Section 15.1.4 requires that browsers competitive to the Dial-Up Kit that are available from Company's web site be in positions designed so as to not disadvantage Navigator itself on an overall basis.
2. Each such determination will be made based on reasonable criteria mutually agreed upon by the parties, such as the relative connection of the link or placement site to the Company home page, prominence of link or other material, the number of expected or measurable hits on the applicable pages (those on which the Navigator or other browser link or mention is made, not on the page to which the link connects), placement on a page and other similar criteria. The determination shall be overall in terms of the entire Company web site. Another browser could be placed in a more advantageous spot on a particular page so long as, on an overall basis, Navigator is placed in at least as advantageous spots.

Additional Explanation of No Disadvantage in Marketing

1. Section 15.1.4. requires that Company marketing materials for its Internet Services shall not on an overall basis disadvantage Netscape Navigator as to competitive products in terms of placement and prominence. Such determination will be made on reasonable criteria mutually agreed upon by the parties, such as, size and focus of the promotion, circulation or target markets, money spent on the marketing program, etc. The determination shall be overall in terms of the entire Company marketing so that, for example, Company could do marketing for another browser without reference to Navigator so long as Company took steps to provide for Navigator to have overall marketing at least as extensive.

2. The provisions of Section 15.1.4 shall not apply to advertising purchased by any party, including advertising for another browser and Company may offer and sell advertising with respect to any third party browser or similar client software without restriction. However, Company will offer advertising to Netscape on similar terms and conditions, considering all relevant commitments, including volume, term other promotional ties and all other aspects related to the relationship with the other advertiser. It is understood that advertising space may be limited, so that prime advertising space may be sold on a first come, first served basis, which could result in other browsers being afforded such prime space.
3. Netscape recognizes that Company may indicate on websites that such sites are "best used with another browser". Such references are permitted so long as such sites state as prominently as for such other browser (and on the same page) that such sites are also "best used with Netscape Navigator" or a similar reference.

Attachment 15.2.2
IAS Performance Standards Under Section 15.2.2

24X7 back-end support, with contact numbers and an escalation path

2 hour response time for downtime calls. This is response time only and does not set time for fixing the problem. Requires only response to calls/emails with an action plan and estimated timeline to bring connection back up. Response time is to be met 80% of time.

95% uptime (allowing about 8.5 hours downtime per week), measured on a quarterly basis.