2.1 Best and Final Pricing Offer—Original Proposal

Why Neustar

- Immediate cost savings
  - HIGHLY CONFIDENTIAL in year-one savings, and total cost savings of HIGHLY CONFIDENTIAL against an extension of the current contract
  - Additional HIGHLY CONFIDENTIAL in reductions beyond our April 5th proposal
  - HIGHLY CONFIDENTIAL contract acquisition bonus subject to execution of Master Agreements by June 30th 2014
- Zero financial, operational, and strategic risk to the Industry and consumers
  - SOW's, technology upgrades, and regulatory mandates included in fixed price
  - Certainty of continued stability and performance enabling $64 billion in subscriber revenue annually
  - Uninterrupted focus on critical industry success-drivers, including IP network transition, 4G rollouts, and M&A
- Avoids a minimum of $1.6 billion in transition costs
  - Over two years planning and executing transition, additional two years restoring full performance
  - Costs of transition exceed benefits to Industry at virtually any price from another vendor

Neustar's attached Best and Final Offer (BAFO) provides improved financial terms to the Industry at zero risk—delivering guaranteed technical and operational reliability, unmatched LNPA experience, and corporate-wide commitments to data privacy, information security, and neutrality.

Awarding Neustar the contract for U.S. LNPA Services guarantees the Industry's ability to maintain focus on critical business priorities. It eliminates the substantial costs and risks of a complex Industry-wide transition which could consume Industry resources for as long as four years. For the majority of Service Providers, the transition costs exceed any pricing benefit offered by an alternate vendor.

Improved Pricing Terms

The terms of Neustar's BAFO further extend the value and cost savings outlined in Neustar's April 5th proposal. These substantial improvements are summarized as follows:

- Extends year-one savings to HIGHLY CONFIDENTIAL reducing 2016 Industry fees to pre-2012 levels;
- Introduces approximately HIGHLY CONFIDENTIAL compared to initial proposal, totaling HIGHLY CONFIDENTIAL[1] in savings from an extension of Neustar's current contract;
- Offers HIGHLY CONFIDENTIAL contract acquisition bonus based on timely execution of Master Agreements, incremental to all other savings described in this BAFO; and
- Includes Industry SOWs at no additional charge as part of the fixed rate (elimination of the SOW Allocation proposed in the initial proposal).

Neustar continues to propose a fixed rate (with no floors or ceilings), which provides 100% cost certainty and unlimited use of the NPAC/SMS. Neustar's revised proposal for Allocable Charges, as compared to the initial proposal, is set forth in the table below:

HIGHLY CONFIDENTIAL

As an added incentive for the NAPM, LLC's execution of the new Master Agreements for all U.S. regions prior to June 30, 2014, Neustar also proposes an incremental HIGHLY CONFIDENTIAL contract acquisition bonus, payable to the Industry in accordance with the Allocation Model within calendar years 2014 and 2015.

Neustar has provided an alternative pricing proposal as a response to BAFO Survey Question 2.2, which assumes elimination of incentive credits while also incorporating all SOWs into the fixed price. However, Neustar believes that our response to BAFO Question 2.1 provides the most value to Service Providers, by maximizing year-one savings and providing a foundation for the greatest utility by the Industry.

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[1] HIGHLY CONFIDENTIAL

[2] 12-month periods commencing with new contract term, the anniversary of which ends each year on June 30.

[3] Consistent with fixed and incentive pricing structure as outlined in Neustar's April 5th proposal, with reduced yearly Industry Fixed Rate.

As demonstrated in the chart below, the proposed credits and discounts maximize the Industry savings in year-one of the new contract (contract acquisition bonus is not reflected below).

HIGHLY CONFIDENTIAL

HIGHLY CONFIDENTIAL

As demonstrated below, Neustar's April 5th proposal delivers substantial improvements over Neustar's existing contract; each of these, along with all other commitments in the proposal, remains intact in our BAFO.

HIGHLY CONFIDENTIAL

Guaranteed Performance and Value

Neustar delivers a full-service solution that enables billions of dollars in subscriber revenue each year. In addition, with over 15 years as the U.S. LNPA, Neustar has developed a level of institutional knowledge to support Service Providers in executing their most complex network transitions. In the face of unprecedented changes as Service Providers migrate to an all-IP future, the performance of the NPAC/SMS and Neustar's total service commitment will be critical to the Industry's success.

Industry Benefit:	Billions in subscriber acquisition
Neustar Offers:	Highly reliable and available technology solution *- 99.94% SLR Achievement, 2008-2012* *- 4.54 / 5 (Best in Class) Technology Audit 2012*

The Industry spends over $7 billion[5] each year on advertising to acquire new customers. As a result, over 50,000 new subscribers port their telephone numbers to new Service Providers every day—approximately half of all new wireless postpaid consumers. Taking into account rising revenue per subscriber, and increasing average contract lengths, this represents over $64 billion in value acquired through portability annually.

[4] Subject to the qualifications detailed in Neustar's April 5th proposal and this Best and Final Offer

[5] Kantar Research September 2013

Today, Service Providers enjoy complete confidence in the reliability of Neustar and the NPAC/SMS when planning and executing major launches and product rollouts. Any reduction in performance will get in the way of acquiring new customers, increase Service Provider expenses, and jeopardize opportunities to secure new revenue.

Industry Benefit:	55,000 essential network projects executed at 99.9% accuracy
Neustar Offers:	Over 420 years of U.S. LNPA experience *- 3.84/4 2012 User Survey scores* *- Monitors the health of the entire LNP ecosystem*

The NPAC/SMS is the only real-time service for U.S. carriers that universally distributes authoritative routing and rating data, ensuring successful delivery of voice calls and messages. As a result, Service Providers engage Neustar and the NPAC/SMS to perform over 1,000 network management requests each week. More than 60% require Neustar's experts to convert Users' business and network requirements to actionable requests, as well as provide program management across all constituents, offer quality assurance, and address fallout—thereby minimizing costs to the Industry and ensuring successful execution.

The Mass-Update/Mass Port capability was designed and implemented by Neustar to support NPAC/SMS Users, and is relied upon by hundreds of Service Providers as an essential element of their network management processes. (It is not, however, defined in the NPAC/SMS specifications nor is it a requirement in the RFP.) Major Service Provider projects that have leveraged the NPAC/SMS in the last several years include:

- Moving tens of millions of mobile subscribers from 2G to 3G networks;
- Complying with U.S. Department of Justice directives to divest facilities and subscribers;
- Assigning 15 million CLEC TNs to a VoIP provider, enabling correct porting procedures and law enforcement compliance;
- Restoring service to hundreds of thousands of subscribers after Hurricane Katrina, following the destruction of critical central office facilities;
- Improving network resiliency for essential customers in preparation for Hurricane Sandy;
- Using the NPAC URIs for authoritative, Industry "whitelisting" of millions of SMS users;
- Migrating millions of TNs with new routing instructions as a step to decommission legacy network facilities;
- Optimizing internal SIP-routing policies via LRN assignments to enable migration from TDM to IP soft-switches; and
- Establishing a hybrid TDM/IP routing solution for a major CLEC, enabling a customer-centric migration plan for twenty-five million TNs over nine months.

A new vendor will not have the LNPA service experience nor Neustar's deep level of Industry expertise to support projects such as those listed above.

Industry Benefit:	Uninterrupted focus on future network and service delivery requirements
Neustar Offers:	Demonstrated record of supporting industry technology evolution *- 1.6 million URIs populated in 2013 in support of network transitions*

As discussed in recent LNPA forums, the Industry, FCC, and individual NPAC/SMS Users are currently pursuing aggressive strategies with material implications for the future of numbering and network administration—most notably, to the migration to all-IP networks. This activity is expected to drive exponential NPAC/SMS demand, while completely transforming Service Provider network and back-office systems.

A stable and secure foundation of technology, personnel, and process is essential to the Industry's ability to embrace changes of this magnitude—only Neustar is able to deliver upon this foundation on Day 1 of the next contract. In recent years, Neustar has applied its leadership and expertise in the Industry to drive additional value and utility from the NPAC/SMS, while adhering to the Industry's top priorities of stability and zero adverse impact to subscribers. Over the next term, Neustar has committed to invest in the NPAC/SMS at zero extra charge to the Industry to support essential strategic requirements:

- Deploying tens of millions of subscribers to next generation network technology such as 4G wireless and cloud-based communications;
- Modifying networks and inventories to account for substantial M&A consolidations and divestitures;
- Establishing a national IP interconnection registry that drives the broadest Service Provider adoption at the lowest cost;
- Serving up to 500 million additional connected devices by 2018 which require telephone numbers, including M2M; and
- Introducing new security and authentication mechanisms for telephone numbers to protect subscribers against spoofing, slamming, and spamming.

Costs of Transition

A transition of LNPA services to a new vendor would be a complex, high-risk effort with broadly distributed costs and no reasonable expectation of success. The Industry has consistently insisted upon stability of operations, low impacts to surrounding systems and networks, and zero adverse effects on subscribers. Choosing an Industry-wide cutover to a vendor with no relevant production experience will most certainly violate all three of these priorities and divert resources and Industry attention away from revenue-generating business priorities. HIGHLY CONFIDENTIAL

A new NPAC/SMS implementation and transition would be far more complex and difficult than any coordinated implementation attempted by the Industry in the past:

- Unlike One-Day-Porting (which took 18 months) and WICIS 4.0 (which took 3 years), the entire Industry—over 1,000 Service Providers and their agents—would need to execute on a single schedule, necessitating complete precision of contingency planning and testing;
- Transitioning the NPAC/SMS would be a wholesale replacement of infrastructure to a new environment not yet hardened by any production experience—not an incremental enhancement to existing systems;
- Transition would require building not only NPAC/SMS technology, but also all essential LNPA services not currently detailed in the RFP—all of which would need to be designed and developed for continuity with the current service;
- Transition will require the transfer of over 750 Service Providers and vendor network connections to production, test, and disaster recovery facilities; and
- Transition will require the conversion and migration of hundreds of millions of NPAC/SMS records, containing 12.1 billion mission-critical data elements. Even small errors in conversion will impact millions of consumers.

All Service Providers and vendors will incur costs associated with an LNPA transition, including parties without regular participation in Industry forums. For the majority of carriers, these costs are unbudgeted and will outweigh any conceivable pricing benefit offered by an alternative vendor.

The material costs and risks associated with an LNPA transition are covered in four major categories, each of which factor in the Industry's assessment of competing offers—Implementation Costs, Scheduling and Governance, Subscriber Impacts, and Opportunity Cost.

How bad could an LNPA transition be? Ask United Airlines…

In 2012, United Airlines executed its long-planned cutover to a merged reservation system with Continental Airlines. In preparation, the company conducted extensive end-to-end systems testing. CEO Jeff Smisek was so confident of success that a few weeks before the transition, in an earnings call, he said "We've had four full-scale dress rehearsals, all the data transfers…we are exceedingly well prepared for it."

Instead, the migration was an unmitigated failure.

- On Day 1, over 70% of United flights from their airport hubs were delayed or cancelled.
- Phone lines were jammed and sales agents were confused. Travel agents publicly pilloried the company.
- Instability in the platform persisted for months on end. In fact, six months after the transition, a complete worldwide systems outage occurred that shut down, service and stranded thousands of flyers.
- United lost $723 million in 2012 – a swing of $1.6 billion from the previous year. Management blamed most of its financial problems on transition issues.
- In April 2013, the premier airline customer service survey reported United dead last in all customer service categories.
- United's Airline Quality Rating fell from -1.45 to -2.18 from 2011 to 2012. To this day, United's customer service ratings remain the worst in their industry.
- In the period following the transition, United was the subject of 34% of all airline industry complaints and 45% of refunds – increases of approximately 50% over the prior year.

Implementation Costs—Implementation of a technology infrastructure the size and complexity of the NPAC/SMS would take an experienced team a minimum of one year to develop, and one year to test. A new LNPA vendor can either use Neustar's software code as a baseline (recognizing that it is custom-tailored for Neustar's production environment and requires modification to meet increased SLRs) or develop and test a new platform and application from scratch, introducing considerable extra risk in delivering a compliant system by June 2015. Either way, the new vendor must define procedures for system performance monitoring and reporting, tailored to its own data center and network environment.

The NANC, the NAPM, LLC, and the LNPA Working Group are ultimately responsible for validating that the new NPAC/SMS behaves and performs exactly as the one operated by Neustar today. In addition, the Industry must fully define and ensure the successful delivery of the full array of LNPA requirements currently relied upon by Service Providers, vendors, regulators, law enforcement agencies, and consumers. These services will all need to be defined and implemented separately, before Day 1.

LNPA Requirements Not Fully Defined in RFP Specifications

LNPA Service	Industry Needs
Mass Update/Mass Porting	Support for carrier network migrations, M&A, technology upgrades, etc.
Billing & Collections	Regional and Service Provider allocations and invoice processing—over 10,000 bills delivered each month
Ecosystem Monitoring & Failover Procedures	Dealing with "slow-horse" issues and facilitating transfer to recovery sites when necessary
LNP Enhanced Analytical Platform	Law Enforcement/Public Safety support
Wireless Do-Not-Call	TCPA Compliance for telemarketers and credit/collections
NPAC.com	User registration and authorization, Service Provider knowledge base, Industry document registry

The new LNPA must also, with the Industry's assistance, establish all non-software elements of the service—each of which must be documented and detailed by the Industry, including Industry change administration, new user administration, Service Provider testing and training, performance monitoring and audits, and a comprehensive Neutrality program for employees, managers, and investors.

Scheduling and Governance—With only 15 months remaining between the FCC's LNPA selection and the start of the new contract term, the Industry lacks sufficient time to execute a transition to a new vendor. No transition will be complete until ALL Service Providers and their vendors are able to interoperate with the NPAC/SMS and the LNPA in the manner they do today—which implies that the entire schedule is dependent upon the last of over 1,000 Service Providers to successfully transition. This requires the industry to appoint a single Project Manager that has the authority to make decisions on behalf of over 1,000 companies. The original RFP timeline allowed 30 months for all necessary tasks. Neustar estimates that it will take a minimum of 29 months given the impacts of a transition to all aspects of Service Provider operations. An extension of Neustar's contract for one year beginning July 1, 2015 will drive additional Industry expenses of HIGHLY CONFIDENTIAL

LNPA Transition Will Take 2½ Years Following Final Approval of Selection

Phase	Minimum Duration	Tasks and Impacts
Contract Negotiations & Planning	6 months	• Develop and negotiate Master Agreements subject to FCC approval • Establish coordinated implementation, testing, and cut-over plan subject to Industry-wide input and potential public comment • Define contingency plans for delays in schedule or failures in implementation, testing, or cut-over • Determine Industry governance for issue resolution, common expenses, external communications, and regulatory oversight
Implementation	8 months	• Build and test new NPAC/SMS • Define and document all LNPA services not specified in the RFP • Configure/enhance SOAs and LSMSs to connect to new NPAC/SMS, and multiple NPAC/SMSs during regional overlap • Establish new performance monitoring and reporting • Define and certify neutrality program and other service audits
Establish Connectivity	3 months	• Connect Service Provider and vendor circuits to the multiple new sites (test, production, failover) • Establish authentication for users of the NPAC GUI and NPAC.com • Validate fail-over capability and ecosystem monitoring for all connected parties
Testing	8 months	• Most critical and iterative phase of transition • Multiple sequential steps: functional acceptance testing, performance and stress testing, vendor testing, Service Provider/end-to-end testing, and multiple "dry-runs" of final cut-over • Testing for all LNPA services ancillary to the NPAC/SMS
Cutover	4 months	• Region-by-region roll-out, requiring connection to multiple NPACs for an unknown duration • Suspension of porting, pooling, and network management of unknown duration while stability is verified and/or restored • Contingency/Fail-back plans in the event of failure
TOTAL	**29 months**	• **Final cutover in July 2016 assuming start date of FCC approval of selection in January 2014**

Note: alternative vendors are likely to claim that ancillary experience—offering NPAC simulators, SOA platforms, or international LNP—constitute relevant experience in U.S. LNP administration that can compress the transition timeline. This claim should be treated with the appropriate skepticism, given the unique functional and performance profile of the U.S. NPAC/SMS.

Subscriber Impacts—Although testing is critical prior to transition, there is no substitute for time and real-world experience to deliver stability and consistent performance. It took several years for Neustar to reach today's performance level, in a substantially simpler environment than what exists today. The Industry should assume at least two years of degraded performance AFTER transition is finally complete.

The impacts to consumers and Service Providers resulting from instability will be considerable, and issues that arise during transition for one Service Provider are certain to ripple throughout the rest of the Industry. Attached to Neustar's April 5th proposal is an analysis developed by Navigant Economics that provides a comprehensive assessment of the direct costs and subscriber impacts of a transition to a new vendor. Navigant's analysis assumes 99.98% accuracy on the initial database conversion, and 99.7% accuracy on broadcast transactions in the first year, and concludes that over 7 million subscribers will be impacted in the first year of transition due to porting delays, misrouted calls, or other service failures. This results in over $719 million in direct costs and service credits. If the Industry takes more than one year to restore stability to the LNPA service, these costs rise to over $1 billion.

In addition to the direct costs of data errors and broadcast failures, degradation in the porting experience has direct impacts on Service Provider revenue. A small percentage of porting subscribers (less than one percent in the Navigant model) will experience such severe issues in the porting experience that they will abandon their interest in switching providers. Lifetime gross profit for these subscribers is equivalent to another $410 million in the first year of transition.

Opportunity Costs—Transition to a new vendor will involve two years of planning and execution, and a further two years of instability and issue resolution, resulting in a total of four years (until 2018) during which the Industry will have limited capacity to focus on their strategic business priorities—including IP migrations, M&A, and revenue-generating innovation.

Cost and Risk Analysis

The analysis below shows that the transition costs and risks as previously described exceed any financial advantage gained over the next contract term from selecting an alternative vendor—even at half Neustar's Best and Final Offer. For smaller regional or multi-Service Providers, the analysis indicates that there is no competitive price that makes a transition financially attractive.

No Financial Advantage From Transition—Even at Half Neustar's BAFO

	Full Industry	Typical Regional or Multi-Service Provider
Profile		
Subscribers	~400M	~7M
Telecommunications revenue	~$300B	~$5B
Year-1 Transition Costs		
Extended Neustar contract & transition services	HIGHLY CONFII	$6M
Subscriber Impacts: Customer Care & operations	$719M	$14M
Subscriber Impacts: Customer acquisition	$410M	$8M
Total	HIGHLY CONFIDEN	**$28M**
Years required to recover total costs (payback)	**Beyond 2022**	**Never Achieved**

All Reward and No Risk

- By selecting Neustar, the Industry receives the following benefits, immediately and at zero risk
  - Year-one price reductions of over HIGHLY CONFIDENTIAL; over HIGHLY CONFIDENTIAL in total savings from existing contract
  - HIGHLY CONFIDENTIAL acquisition bonus based on timely contract execution
  - Certainty of continued performance and value—underpinning billions of dollars in revenue from acquired customers and flawless network transactions
  - An experienced management team with over 420 years of experience successfully serving as the U.S. LNPA
  - A stable and secure partner in the execution of critical Industry priorities—including M&A and the migration to IP
  - Complete confidence in the LNPA's commitments to neutrality, information security, and data privacy
- By contrast, the full costs of choosing an untested alternate vendor include:
  - A high-risk and disruptive transition process, lasting at least four years and costing the Industry over $1 billion
  - Prolonged subscriber impacts resulting from instability, performance degradation, and service gaps
  - A multi-year incapacity to focus on essential Industry change
  - Unknown future compromises in neutrality and transparency

By selecting a vendor other than Neustar, the Industry will incur greater expense in contact extensions, subscriber instability, and opportunity cost each and every year until 2018. This is the case for the Industry as a whole—and for most Service Providers, given their dependency on the continued high performance of Neustar and NPAC/SMS, there is no benefit to a transition at any price.

Neustar again thanks the FoNPAC and the NAPM, LLC for its consideration in the procurement of LNPA services. We are confident that the attached proposal provides the overall best value and least risk to U.S. Services Providers and consumers, and are prepared to answer any additional questions the selectors have about our offer.

Appendix A: Evaluation Criteria

The following table describes Neustar's qualifications and commitments against the RFP's Evaluation Criteria.

Criterion	How Neustar Meets/Exceeds Requirements
A. Technical Criteria	
Factor 1: Operational Performance	• Proven levels of excellence delivering core functions today (Proposal Section 1.1): o Service and operations **are fully compliant** today with neutrality requirements o Provides over 100 monthly reports with **100% accuracy** o Issues over **11,000** invoices each month with **over 99.5%** accuracy o Resolves over 80% of Industry calls at the first tier of Customer Support o Successfully **managed and implemented over 450 NANC change orders** and well over 100 Illinois change orders o Supports Industry testing, with over **4,200 hours of support** in 2012 alone, **scoring 3.8 out of 4** in third-party audit for knowledge, responsiveness, availability, management, etc. • Value-added, proactive functions such as (Proposal Section 1.1): o Provisions customer requests (e.g., creates, activates, modifies, SPID migrations, Mass updates/port requests, NPA splits, etc) with **>99.9% accuracy**; over 55,000 MUMP requests processed in 2012 o Service Management proactively monitors entire connected ecosystem notifying SPs of slowness in their systems o Unmatched expertise and Industry knowledge provided via the npac.com website, Industry meetings, Industry notifications, and training offerings o Proactive disaster preparedness (via increased coverage, proactive notifications, enabling virtual routing, etc..) and efficient disaster recovery services that maximize Industry service delivery in times of disaster • **NEW** NPAC Portal with a consolidated interface and greater automation, robust real-time reporting, chat with an expert, e-invoicing and a market-leading Information Analytics Platform • **NEW** Enhanced testing capabilities for Industry self service/self certification • **NEW** Dedicated 24x7x365 customer support • **NEW** Enhanced suite of training modules • **Zero operational implementation** required (Proposal Section 1.6)
Factor 2: Reliability and Functionality	• Fully compliant **today** with all RFP requirements; over the last five years, **met or exceeded** Industry's 27 SLRs **99.94%** of the time (Proposal Section 1.2) • **Zero transition required** and accompanying risks/costs avoided (Proposal Section 1.6) • Customized Approach to Operational Excellence (Proposal Section 1.3) o Design, engineering, and operations teams within a single Neustar entity, in the United States, to maximize performance and accountability o Security-Related Information o Continual technical refreshes prior to identified end of life—Replaced every component of the NPAC at least twice in the last eight years • ISO-certified Disaster recovery process and successful completion of annual fail over exercise for the past 10 years (Proposal Section 1.2.4) • **NEW** Increased automation/refinements to meet new SLRs (Proposal Section 1.2.1/1.2.2) • **NEW** Additional ISO certifications—TL 9000 Quality Management System; ISO 27001—Information Security; and ISO 22301—Business Continuity (Proposal Section 1.3) • **NEW** All required enhancements stated in RFP Section 7.0 including Security-Related Information, support of IPv6, and elimination of NPAC/SMS support of Non-EDR (Proposal Sections 1.2.2, 1.5) • **NEW** Unmatched ability to implement "future considerations" detailed in RFP Section 7 with the least amount of risk and the highest levels of quality and results (Proposal Sections 1.2.2, 1.5) • **NEW** Expanded capabilities and services driving incremental value to SPs and Consumers (Proposal Section 1.5)

Criterion	How Neustar Meets/Exceeds Requirements
Factor 3: Security-Related Inf	Security-Related Information
B. Management Criteria	
Factor 1: Customer Service	• Proven service-oriented, neutral approach to serving as the LNP Administrator measuring customer satisfaction via: o Third-party, Industry-wide Annual NPAC User Survey (Proposal Section 2.5) o Transactional based surveys after each interaction with the Help Desk, Customer Connectivity Services, and MUMP teams o NPAC.com real-time feedback mechanisms • Received **3.84 out of 4.00 Overall Customer Satisfaction** Rating for U.S. LNPA services in 2012 (Proposal Section 2.5)
Factor 2: Vendor Experience and Performance	• History of serving of successfully providing Industry-wide, neutral third-party services for the Communications Industry and Government (Proposal Sections 2.1—Corporate Capabilities Table by evaluation criteria) • **Unmatched breadth and depth of experience** designing, developing, implementing/deploying, operating, and maintaining a LNP Administration Service and Systems **UNIQUE to the United States** in terms of stakeholders, types of portability, SLRs, Services required, neutrality requirements, transaction types and volumes, etc… (Proposal Section 2.4) • Unmatched experience in designing, implementing, and operating within a strict, audited neutrality environment—**no neutrality cure required** (Proposal Sections 2.3) • LNPA team has **over 420 years of direct LNP experience** (Proposal Sections 1.1, 1.2, 1.3, and 2.4)
Factor 3: Financial Stability	• LNPA contract is material to our business, and as a public company, provides rare financial and operation reporting and insight (Proposal Section 2.2) • Large enough to offer stability and reliability; small enough that the LNPA service remains primary focus of company (Proposal Section 2.2) • Not controlled by any foreign entities; operates LNPA contract within the United States (Proposal Section 2.2) • U.S. company respecting and adhering to U.S. laws and regulations (Proposal Section 2.2)
C. Cost Criteria	
	• HIGHLY CONFIDENTIAL • Fixed price with 100% cost certainty • Effective per transaction rate reduction of HIGHLY C • Increase in SLR/GEP penalties • Increase in Performance bonds commitments • Millions in savings from simplified, reduced, and eliminated "Direct Charges" • Avoids over $1.6 billion in unplanned and unbudgeted expense related to Industry transition

Note: In submitting this response to the FoNPAC's BAFO survey, Neustar acknowledges and agrees to all of the terms and conditions set forth in all of the RFP surveys, including the RFP Survey, VQS, TRD Survey, and this BAFO Survey to the same extent that it did in its April 5, 2013 response, unless otherwise stated in this response. In its February 20, 2013 answer to Question #3, submitted on February 19, 2013 through the IASTA tool, the FoNPAC indicated that failure to agree with one or more of the terms and conditions does not disqualify a vendor from consideration. There has been no further communications with Respondents that supersedes this guidance.

Appendix B: RFP Pricing Compliance Table

The following corresponds to the Compliance Table from RFP Section 14.2. The Direct Charges from our April 5th submission have not changed.

Allocable Charges Compliance Table (in millions)

	Year 2015-2016	Year 2016-2017	Year 2017-2018	Year 2018-2019	Year 2019-2020	Year 2020-2021	Year 2021-2022
Allocable Industry Flat Fee in U.S. Dollars for All Combined NPAC Regions	HIGHLY CONFIDENTIAL						
Allocable Industry Flat Fee in U.S. Dollars for MidAtlantic NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for MidWest NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for NorthEast NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for SouthEast NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for SouthWest Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for West Coast NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for Western NPAC Region	NA	NA	NA	NA	NA	NA	NA
Optional Regional Combination (must identify Regions)	NA	NA	NA	NA	NA	NA	NA

NOTE: Assumes the Industry earns maximum Incentive Credits

2.2 Best and Final Pricing Offer— Best and Final Offer for National Fixed Rate Pricing—Option A

Why Neustar

- Immediate cost savings
  - [redacted] in year-one savings, and total cost savings of [redacted] against an extension of the current contract
  - Additional [redacted] in reductions beyond our April 5th proposal
- Zero financial, operational, and strategic risk to the Industry and consumers
  - SOW's, technology upgrades, and regulatory mandates included in fixed price
  - Certainty of continued stability and performance enabling $64 billion in subscriber revenue annually
  - Uninterrupted focus on critical industry success-drivers, including IP network transition, 4G rollouts, and M&A
- Avoids a minimum of $1.6 billion in transition costs
  - Over two years planning and executing transition, additional two years restoring full performance
  - Costs of transition exceeds benefits to Industry at virtually any price from another vendor

Neustar's attached Best and Final Offer (BAFO) provides improved financial terms to the Industry at zero risk—delivering guaranteed technical and operational reliability, unmatched LNPA experience, and corporate-wide commitments to data privacy, information security, and neutrality.

Awarding Neustar the contract for U.S. LNPA Services guarantees the Industry's ability to maintain focus on critical business priorities. It eliminates the substantial costs and risks of a complex Industry-wide transition which could consume Industry resources for as long as four years. For the majority of Service Providers, the transition costs exceed any pricing benefit offered by an alternate vendor.

Improved Pricing Terms

The terms of Neustar's BAFO further extend the value and cost savings outlined in Neustar's April 5th proposal. These substantial improvements are summarized as follows:

- Extends year-one **savings to** Highly Confidential [redacted];
- Introduces approximately Highly Confidential [redacted] **in additional savings** compared to initial proposal, totaling Highly Confidential [redacted] in savings from an extension of Neustar's current contract; and
- **Includes Industry SOWs** at no additional charge as part of the fixed rate (elimination of the SOW Allocation proposed in the initial proposal).

Neustar continues to propose a fixed rate (with no floors or ceilings), which provides 100% cost certainty and unlimited use of the NPAC/SMS. Neustar's revised proposal for Allocable Charges, as compared to the initial proposal, is set forth in the table below:

Highly Confidential

[redacted]

While we have provided a response to this question, we believe our response to BAFO Question 2.1 provides the most value to Service Providers, by maximizing year-one savings and providing a foundation for the greatest utility by the Industry.

Highly Confidential

[redacted]

[2] 12-month periods commencing with new contract term, the anniversary of which ends each year on June 30.
[3] Does not include any fixed or incentive credits.

As demonstrated in the chart below, the proposed credits and discounts maximize the Industry savings in year-one of the new contract.

Highly Confidential

[redacted]

Highly Confidential [redacted]

Highly Confidential [redacted]

Highly Confidential

As demonstrated below, Neustar's April 5th proposal delivers substantial improvements over Neustar's existing contract; each of these, along with all other commitments in the proposal, remains intact in our BAFO.

Highly Confidential

[redacted]

Guaranteed Performance and Value

Neustar delivers a full-service solution that enables billions of dollars in subscriber revenue each year. In addition, with over 15 years as the U.S. LNPA, Neustar has developed a level of institutional knowledge to support Service Providers in executing their most complex network transitions. In the face of unprecedented changes as Service Providers migrate to an all-IP future, the performance of the NPAC/SMS and Neustar's total service commitment will be critical to the Industry's success.

Industry Benefit:	Billions in subscriber acquisition
Neustar Offers:	Highly reliable and available technology solution *- 99.94% SLR Achievement, 2008-2012* *- 4.54 / 5 (Best in Class) Technology Audit 2012*

The Industry spends over $7 billion[5] each year on advertising to acquire new customers. As a result, over 50,000 new subscribers port their telephone numbers to new Service Providers every day—approximately half of all new wireless postpaid consumers. Taking into account rising revenue per subscriber, and increasing average contract lengths, this represents over $64 billion in value acquired through portability annually.

[4] Subject to the qualifications detailed in Neustar's April 5th proposal and this Best and Final Offer

[5] Kantar Research September 2013

Today, Service Providers enjoy complete confidence in the reliability of Neustar and the NPAC/SMS when planning and executing major launches and product rollouts. Any reduction in performance will get in the way of acquiring new customers, increase Service Provider expenses, and jeopardize opportunities to secure new revenue.

Industry Benefit:	55,000 essential network projects executed at 99.9% accuracy
Neustar Offers:	Over 420 years of U.S. LNPA experience *- 3.84/4 2012 User Survey scores* *- Monitors the health of the entire LNP ecosystem*

The NPAC/SMS is the only real-time service for U.S. carriers that universally distributes authoritative routing and rating data, ensuring successful delivery of voice calls and messages. As a result, Service Providers engage Neustar and the NPAC/SMS to perform over 1,000 network management requests each week. More than 60% require Neustar's experts to convert Users' business and network requirements to actionable requests, as well as provide program management across all constituents, offer quality assurance, and address fallout—thereby minimizing costs to the Industry and ensuring successful execution.

The Mass-Update/Mass Port capability was designed and implemented by Neustar to support NPAC/SMS Users, and is relied upon by hundreds of Service Providers as an essential element of their network management processes. (It is not, however, defined in the NPAC/SMS specifications nor is it a requirement in the RFP.) Major Service Provider projects that have leveraged the NPAC/SMS in the last several years include:

- Moving tens of millions of mobile subscribers from 2G to 3G networks;
- Complying with U.S. Department of Justice directives to divest facilities and subscribers;
- Assigning 15 million CLEC TNs to a VoIP provider, enabling correct porting procedures and law enforcement compliance;
- Restoring service to hundreds of thousands of subscribers after Hurricane Katrina, following the destruction of critical central office facilities;
- Improving network resiliency for essential customers in preparation for Hurricane Sandy;
- Using the NPAC URIs for authoritative, Industry "whitelisting" of millions of SMS users;
- Migrating millions of TNs with new routing instructions as a step to decommission legacy network facilities;
- Optimizing internal SIP-routing policies via LRN assignments to enable migration from TDM to IP soft-switches; and
- Establishing a hybrid TDM/IP routing solution for a major CLEC, enabling a customer-centric migration plan for twenty-five million TNs over nine months.

A new vendor will not have the LNPA service experience nor Neustar's deep level of Industry expertise to support projects such as those listed above.

Industry Benefit:	Uninterrupted focus on future network and service delivery requirements
Neustar Offers:	Demonstrated record of supporting industry technology evolution *- 1.6 million URIs populated in 2013 in support of network transitions*

As discussed in recent LNPA forums, the Industry, FCC, and individual NPAC/SMS Users are currently pursuing aggressive strategies with material implications for the future of numbering and network administration—most notably, to the migration to all-IP networks. This activity is expected to drive exponential NPAC/SMS demand, while completely transforming Service Provider network and back-office systems.

A stable and secure foundation of technology, personnel, and process is essential to the Industry's ability to embrace changes of this magnitude—only Neustar is able to deliver upon this foundation on Day 1 of the next contract. In recent years, Neustar has applied its leadership and expertise in the Industry to drive additional value and utility from the NPAC/SMS, while adhering to the Industry's top priorities of stability and zero adverse impact to subscribers. Over the next term, Neustar has committed to invest in the NPAC/SMS at zero extra charge to the Industry to support essential strategic requirements:

- Deploying tens of millions of subscribers to next generation network technology such as 4G wireless and cloud-based communications;
- Modifying networks and inventories to account for substantial M&A consolidations and divestitures;
- Establishing a national IP interconnection registry that drives the broadest Service Provider adoption at the lowest cost;
- Serving up to 500 million additional connected devices by 2018 which require telephone numbers, including M2M; and
- Introducing new security and authentication mechanisms for telephone numbers to protect subscribers against spoofing, slamming, and spamming.

Costs of Transition

A transition of LNPA services to a new vendor would be a complex, high-risk effort with broadly distributed costs and no reasonable expectation of success. The Industry has consistently insisted upon stability of operations, low impacts to surrounding systems and networks, and zero adverse effects on subscribers. Choosing an Industry-wide cutover to a vendor with no relevant production experience will most certainly violate all three of these priorities and divert resources and Industry attention away from revenue-generating business priorities. Highly Confidential [redacted]

A new NPAC/SMS implementation and transition would be far more complex and difficult than any coordinated implementation attempted by the Industry in the past:

- Unlike One-Day-Porting (which took 18 months) and WICIS 4.0 (which took 3 years), the entire Industry—over 1,000 Service Providers and their agents—would need to execute on a single schedule, necessitating complete precision of contingency planning and testing;
- Transitioning the NPAC/SMS would be a wholesale replacement of infrastructure to a new environment not yet hardened by any production experience—not an incremental enhancement to existing systems;
- Transition would require building not only NPAC/SMS technology, but also all essential LNPA services not currently detailed in the RFP—all of which would need to be designed and developed for continuity with the current service;
- Transition will require the transfer of over 750 Service Providers and vendor network connections to production, test, and disaster recovery facilities; and
- Transition will require the conversion and migration of hundreds of millions of NPAC/SMS records, containing 12.1 billion mission-critical data elements. Even small errors in conversion will impact millions of consumers.

All Service Providers and vendors will incur costs associated with an LNPA transition, including parties without regular participation in Industry forums. For the majority of carriers, these costs are unbudgeted and will outweigh any conceivable pricing benefit offered by an alternative vendor.

The material costs and risks associated with an LNPA transition are covered in four major categories, each of which factor in the Industry's assessment of competing offers—Implementation Costs, Scheduling and Governance, Subscriber Impacts, and Opportunity Cost.

How bad could an LNPA transition be? Ask United Airlines…

In 2012, United Airlines executed its long-planned cutover to a merged reservation system with Continental Airlines. In preparation, the company conducted extensive end-to-end systems testing. CEO Jeff Smisek was so confident of success that a few weeks before the transition, in an earnings call, he said "We've had four full-scale dress rehearsals, all the data transfers…we are exceedingly well prepared for it."

Instead, the migration was an unmitigated failure.

- On Day 1, over 70% of United flights from their airport hubs were delayed or cancelled.
- Phone lines were jammed and sales agents were confused. Travel agents publicly pilloried the company.
- Instability in the platform persisted for months on end. In fact, six months after the transition, a complete worldwide systems outage occurred that shut down, service and stranded thousands of flyers.
- United lost $723 million in 2012 – a swing of $1.6 billion from the previous year. Management blamed most of its financial problems on transition issues.
- In April 2013, the premier airline customer service survey reported United dead last in all customer service categories.
- United's Airline Quality Rating fell from -1.45 to -2.18 from 2011 to 2012. To this day, United's customer service ratings remain the worst in their industry.
- In the period following the transition, United was the subject of 34% of all airline industry complaints and 45% of refunds – increases of approximately 50% over the prior year.

Implementation Costs—Implementation of a technology infrastructure the size and complexity of the NPAC/SMS would take an experienced team a minimum of one year to develop, and one year to test. A new LNPA vendor can either use Neustar's software code as a baseline (recognizing that it is custom-tailored for Neustar's production environment and requires modification to meet increased SLRs) or develop and test a new platform and application from scratch, introducing considerable extra risk in delivering a compliant system by June 2015. Either way, the new vendor must define procedures for system performance monitoring and reporting, tailored to its own data center and network environment.

The NANC, the NAPM, LLC, and the LNPA Working Group are ultimately responsible for validating that the new NPAC/SMS behaves and performs exactly as the one operated by Neustar today. In addition, the Industry must fully define and ensure the successful delivery of the full array of LNPA requirements currently relied upon by Service Providers, vendors, regulators, law enforcement agencies, and consumers. These services will all need to be defined and implemented separately, before Day 1.

LNPA Requirements Not Fully Defined in RFP Specifications

LNPA Service	Industry Needs
Mass Update/Mass Porting	Support for carrier network migrations, M&A, technology upgrades, etc.
Billing & Collections	Regional and Service Provider allocations and invoice processing—over 10,000 bills delivered each month
Ecosystem Monitoring & Failover Procedures	Dealing with "slow-horse" issues and facilitating transfer to recovery sites when necessary
LNP Enhanced Analytical Platform	Law Enforcement/Public Safety support
Wireless Do-Not-Call	TCPA Compliance for telemarketers and credit/collections
NPAC.com	User registration and authorization, Service Provider knowledge base, Industry document registry

The new LNPA must also, with the Industry's assistance, establish all non-software elements of the service—each of which must be documented and detailed by the Industry, including Industry change administration, new user administration, Service Provider testing and training, performance monitoring and audits, and a comprehensive Neutrality program for employees, managers, and investors.

Scheduling and Governance—With only 15 months remaining between the FCC's LNPA selection and the start of the new contract term, the Industry lacks sufficient time to execute a transition to a new vendor. No transition will be complete until ALL Service Providers and their vendors are able to interoperate with the NPAC/SMS and the LNPA in the manner they do today—which implies that the entire schedule is dependent upon the last of over 1,000 Service Providers to successfully transition. This requires the Industry to appoint a single Project Manager that has the authority to make decisions on behalf of over 1,000 companies. The original RFP timeline allowed 30 months for all necessary tasks. Neustar estimates that it will take a minimum of 29 months given the impacts of a transition to all aspects of Service Provider operations. An extension of Neustar's contract for one year beginning July 1, 2015 will drive additional Industry expenses of Highly Confidential [redacted]

LNPA Transition Will Take 2½ Years Following Final Approval of Selection

Phase	Minimum Duration	Tasks and Impacts
Contract Negotiations & Planning	6 months	• Develop and negotiate Master Agreements subject to FCC approval • Establish coordinated implementation, testing, and cut-over plan subject to Industry-wide input and potential public comment • Define contingency plans for delays in schedule or failures in implementation, testing, or cut-over • Determine Industry governance for issue resolution, common expenses, external communications, and regulatory oversight
Implementation	8 months	• Build and test new NPAC/SMS • Define and document all LNPA services not specified in the RFP • Configure/enhance SOAs and LSMSs to connect to new NPAC/SMS, and multiple NPAC/SMSs during regional overlap • Establish new performance monitoring and reporting • Define and certify neutrality program and other service audits
Establish Connectivity	3 months	• Connect Service Provider and vendor circuits to the multiple new sites (test, production, failover) • Establish authentication for users of the NPAC GUI and NPAC.com • Validate fail-over capability and ecosystem monitoring for all connected parties
Testing	8 months	• Most critical and iterative phase of transition • Multiple sequential steps: functional acceptance testing, performance and stress testing, vendor testing, Service Provider/end-to-end testing, and multiple "dry-runs" of final cut-over • Testing for all LNPA services ancillary to the NPAC/SMS
Cutover	4 months	• Region-by-region roll-out, requiring connection to multiple NPACs for an unknown duration • Suspension of porting, pooling, and network management of unknown duration while stability is verified and/or restored • Contingency/Fail-back plans in the event of failure
TOTAL	**29 months**	• **Final cutover in July 2016 assuming start date of FCC approval of selection in January 2014**

Note: alternative vendors are likely to claim that ancillary experience—offering NPAC simulators, SOA platforms, or international LNP—constitute relevant experience in U.S. LNP administration that can compress the transition timeline. This claim should be treated with the appropriate skepticism, given the unique functional and performance profile of the U.S. NPAC/SMS.

Subscriber Impacts—Although testing is critical prior to transition, there is no substitute for time and real-world experience to deliver stability and consistent performance. It took several years for Neustar to reach today's performance level, in a substantially simpler environment than what exists today. The Industry should assume at least two years of degraded performance AFTER transition is finally complete.

The impacts to consumers and Service Providers resulting from instability will be considerable, and issues that arise during transition for one Service Provider are certain to ripple throughout the rest of the Industry. Attached to Neustar's April 5th proposal is an analysis developed by Navigant Economics that provides a comprehensive assessment of the direct costs and subscriber impacts of a transition to a new vendor. Navigant's analysis assumes 99.98% accuracy on the initial database conversion, and 99.7% accuracy on broadcast transactions in the first year, and concludes that over 7 million subscribers will be impacted in the first year of transition due to porting delays, misrouted calls, or other service failures. This results in over $719 million in direct costs and service credits. If the Industry takes more than one year to restore stability to the LNPA service, these costs rise to over $1 billion.

In addition to the direct costs of data errors and broadcast failures, degradation in the porting experience has direct impacts on Service Provider revenue. A small percentage of porting subscribers (less than one percent in the Navigant model) will experience such severe issues in the porting experience that they will abandon their interest in switching providers. Lifetime gross profit for these subscribers is equivalent to another $410 million in the first year of transition.

Opportunity Costs—Transition to a new vendor will involve two years of planning and execution, and a further two years of instability and issue resolution, resulting in a total of four years (until 2018) during which the Industry will have limited capacity to focus on their strategic business priorities—including IP migrations, M&A, and revenue-generating innovation.

Cost and Risk Analysis

The analysis below shows that the transition costs and risks as previously described exceed any financial advantage gained over the next contract term from selecting an alternative vendor—even at half Neustar's Best and Final Offer. For smaller regional or multi-Service Providers, the analysis indicates that there is no competitive price that makes a transition financially attractive.

No Financial Advantage From Transition—Even at Half Neustar's BAFO

	Full Industry	Typical Regional or Multi-Service Provider
Profile		
Subscribers	~400M	~7M
Telecommunications revenue	~$300B	~$5B
Year-1 Transition Costs		
Extended Neustar contract & transition services	[redacted]	$6M
Subscriber Impacts: Customer Care & operations	$719M	$14M
Subscriber Impacts: Customer acquisition	$410M	$8M
Total	[redacted]	**$28M**
Years required to recover total costs (payback)	**Beyond 2022**	**Never Achieved**

All Reward and No Risk

- By selecting Neustar, the Industry receives the following benefits, immediately and at zero risk
  - Year-one price reductions of over [redacted]; over [redacted] in total savings from existing contract
  - Certainty of continued performance and value—underpinning billions of dollars in revenue from acquired customers and flawless network transactions
  - An experienced management team with over 420 years of experience successfully serving as the U.S. LNPA
  - A stable and secure partner in the execution of critical Industry priorities—including M&A and the migration to IP
  - Complete confidence in the LNPA's commitments to neutrality, information security, and data privacy
- By contrast, the full costs of choosing an untested alternate vendor include:
  - A high-risk and disruptive transition process, lasting at least four years and costing the Industry over $1 billion
  - Prolonged subscriber impacts resulting from instability, performance degradation, and service gaps
  - A multi-year incapacity to focus on essential Industry change
  - Unknown future compromises in neutrality and transparency

By selecting a vendor other than Neustar, the Industry will incur greater expense in contact extensions, subscriber instability, and opportunity cost each and every year until 2018. This is the case for the Industry as a whole—and for most Service Providers, given their dependency on the continued high performance of Neustar and NPAC/SMS, there is no benefit to a transition at any price.

Neustar again thanks the FoNPAC and the NAPM, LLC for its consideration in the procurement of LNPA services. We are prepared to answer any additional questions the selectors have about our offer.

Appendix A: Evaluation Criteria

The following table describes Neustar's qualifications and commitments against the RFP's Evaluation Criteria.

Criterion	How Neustar Meets/Exceeds Requirements
A. Technical Criteria	
Factor 1: Operational Performance	• Proven levels of excellence delivering core functions today (Proposal Section 1.1): o Service and operations **are fully compliant** today with neutrality requirements o Provides over 100 monthly reports with **100% accuracy** o Issues over **11,000** invoices each month with **over 99.5%** accuracy o Resolves over 80% of Industry calls at the first tier of Customer Support o Successfully **managed and implemented over 450 NANC change orders** and well over 100 Illinois change orders o Supports Industry testing, with over **4,200 hours of support** in 2012 alone, **scoring 3.8 out of 4** in third-party audit for knowledge, responsiveness, availability, management, etc. • Value-added, proactive functions such as (Proposal Section 1.1): o Provisions customer requests (e.g., creates, activates, modifies, SPID migrations, Mass updates/port requests, NPA splits, etc) with **>99.9% accuracy**; over 55,000 MUMP requests processed in 2012 o Service Management proactively monitors entire connected ecosystem notifying SPs of slowness in their systems o Unmatched expertise and Industry knowledge provided via the npac.com website, Industry meetings, Industry notifications, and training offerings o Proactive disaster preparedness (via increased coverage, proactive notifications, enabling virtual routing, etc..) and efficient disaster recovery services that maximize Industry service delivery in times of disaster • **NEW** NPAC Portal with a consolidated interface and greater automation, robust real-time reporting, chat with an expert, e-invoicing and a market-leading Information Analytics Platform • **NEW** Enhanced testing capabilities for Industry self service/self certification • **NEW** Dedicated 24x7x365 customer support • **NEW** Enhanced suite of training modules • **Zero operational implementation** required (Proposal Section 1.6)
Factor 2: Reliability and Functionality	• Fully compliant **today** with all RFP requirements; over the last five years, **met or exceeded** Industry's 27 SLRs **99.94%** of the time (Proposal Section 1.2) • **Zero transition required** and accompanying risks/costs avoided (Proposal Section 1.6) • Customized Approach to Operational Excellence (Proposal Section 1.3) o Design, engineering, and operations teams within a single Neustar entity, in the United States, to maximize performance and accountability o Security-Related Information o Continual technical refreshes prior to identified end of life—Replaced every component of the NPAC at least twice in the last eight years • ISO-certified Disaster recovery process and successful completion of annual fail over exercise for the past 10 years (Proposal Section 1.2.4) • **NEW** Increased automation/refinements to meet new SLRs (Proposal Section 1.2.1/1.2.2) • **NEW** Additional ISO certifications—TL 9000 Quality Management System; ISO 27001—Information Security; and ISO 22301—Business Continuity (Proposal Section 1.3) • **NEW** All required enhancements stated in RFP Section 7.0 including Security-Related Information, support of IPv6, and elimination of NPAC/SMS support of Non-EDR (Proposal Sections 1.2.2, 1.5) • **NEW** Unmatched ability to implement "future considerations" detailed in RFP Section 7 with the least amount of risk and the highest levels of quality and results (Proposal Sections 1.2.2, 1.5) • **NEW** Expanded capabilities and services driving incremental value to SPs and Consumers (Proposal Section 1.5)

Criterion	How Neustar Meets/Exceeds Requirements
Factor 3: Security-Related Inf	Security-Related Information
B. Management Criteria	
Factor 1: Customer Service	• Proven service-oriented, neutral approach to serving as the LNP Administrator measuring customer satisfaction via: o Third-party, Industry-wide Annual NPAC User Survey (Proposal Section 2.5) o Transactional based surveys after each interaction with the Help Desk, Customer Connectivity Services, and MUMP teams o NPAC.com real-time feedback mechanisms • Received **3.84 out of 4.00 Overall Customer Satisfaction** Rating for U.S. LNPA services in 2012 (Proposal Section 2.5)
Factor 2: Vendor Experience and Performance	• History of serving of successfully providing Industry-wide, neutral third-party services for the Communications Industry and Government (Proposal Sections 2.1—Corporate Capabilities Table by evaluation criteria) • **Unmatched breadth and depth of experience** designing, developing, implementing/deploying, operating, and maintaining a LNP Administration Service and Systems **UNIQUE to the United States** in terms of stakeholders, types of portability, SLRs, Services required, neutrality requirements, transaction types and volumes, etc… (Proposal Section 2.4) • Unmatched experience in designing, implementing, and operating within a strict, audited neutrality environment—**no neutrality cure required** (Proposal Sections 2.3) • LNPA team has **over 420 years of direct LNP experience** (Proposal Sections 1.1, 1.2, 1.3, and 2.4)
Factor 3: Financial Stability	• LNPA contract is material to our business, and as a public company, provides rare financial and operation reporting and insight (Proposal Section 2.2) • Large enough to offer stability and reliability; small enough that the LNPA service remains primary focus of company (Proposal Section 2.2) • Not controlled by any foreign entities; operates LNPA contract within the United States (Proposal Section 2.2) • U.S. company respecting and adhering to U.S. laws and regulations (Proposal Section 2.2)
C. Cost Criteria	
	• Highly Confidential • Fixed price with 100% cost certainty • Effective per transaction rate reduction of Highly Co • Increase in SLR/GEP penalties • Increase in Performance bonds commitments • Millions in savings from simplified, reduced, and eliminated "Direct Charges" • Avoids over $1.6 billion in unplanned and unbudgeted expense related to Industry transition

Note: In submitting this response to the FoNPAC's BAFO survey, Neustar acknowledges and agrees to all of the terms and conditions set forth in all of the RFP surveys, including the RFP Survey, VQS, TRD Survey, and this BAFO Survey to the same extent that it did in its April 5, 2013 response, unless otherwise stated in this response. In its February 20, 2013 answer to Question #3, submitted on February 19, 2013 through the IASTA tool, the FoNPAC indicated that failure to agree with one or more of the terms and conditions does not disqualify a vendor from consideration. There has been no further communications with Respondents that supersedes this guidance.

Appendix B: RFP Pricing Compliance Table

The following corresponds to the Compliance Table from RFP Section 14.2. The Direct Charges from our April 5th submission have not changed.

Allocable Charges Compliance Table (in millions)

	Year 2015-2016	Year 2016-2017	Year 2017-2018	Year 2018-2019	Year 2019-2020	Year 2020-2021	Year 2021-2022
Allocable Industry Flat Fee in U.S. Dollars for All Combined NPAC Regions	Highly Confidential [redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Allocable Industry Flat Fee in U.S. Dollars for MidAtlantic NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for MidWest NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for NorthEast NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for SouthEast NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for SouthWest Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for West Coast NPAC Region	NA	NA	NA	NA	NA	NA	NA
Allocable Industry Flat Fee in U.S. Dollars for Western NPAC Region	NA	NA	NA	NA	NA	NA	NA
Optional Regional Combination (must identify Regions)	NA	NA	NA	NA	NA	NA	NA

2.4 Best and Final Offer for Regional Fixed Rate Pricing—Option A

Based on our assessment that multiple LNPA Administrators creates unnecessary operational burdens for Service Providers and untenable risks to consumers, Neustar stands by its proposal to deliver a full, nationwide solution for U.S. LNPA Services. The primary expectation from service-intensive platforms like the NPAC/SMS is to create broad-based consistency and stability across a diverse group of stakeholders to ensure a uniform operating environment. The more deeply interconnected the service, the greater the ripple effect from non-uniform behavior, performance, and evolution. Solutions that enable common access to a single namespace (e.g. LERG, NANPA, Pooling, .org, etc.) operate with only a single vendor. In cases such as these, history shows that competition is best achieved via a process that selects the most effective full solution from competing offers, rather than via an inefficient segmentation of the solution itself.

In the case of the NPAC/SMS, a key contributor to the U.S.'s position delivering the world's most sophisticated and efficient LNP experience has been the benefit of a single, nationwide solution. Given the communications industry's overall evolution toward ever-increasing mobility and personalization, imposing artificial geographical barriers between Service Provider markets and consumers is certain to have unpredictable and costly impacts. While the technical specifications for the NPAC/SMS would theoretically be identical across multiple Administrators, the inevitable practical differences between highly complex solutions offered by multiple vendors would be certain to trigger additional costs to the many platforms and personnel currently interacting with the NPAC. These practical differences between vendors include, but are not limited to, software design, operational performance, service availability, customer support, regulatory governance, audits and controls, help desk practices, billing and collections, change management, staff experience, and more. These impacts will ultimately be felt by subscribers, affecting competition in the market and reducing consumer confidence.

The reasons the Industry should not consider solutions that involve two or more LNPA Administrators include, but are not limited to, the following:

- The technology costs and risks of a regional NPAC/SMS transition are virtually identical to, if not higher than, those of a national NPAC/SMS transition. Approximately 70% of telephone numbers in the NPAC/SMS are associated with Service Providers with a presence in more than one NPAC region. This implies that the vast majority of Service Providers currently connected to the NPAC/SMS would need to convert their SOA and LSMS platforms to support multiple LNPA Administrators, even if only a proportionally smaller area were selected for the transition.

- Ongoing interactions with multiple LNPAs will result in additional operating costs to Service Providers who depend on and interact with the LNPA service. Network transaction requests, platform maintenance and availability, reports and bulk data downloads, Service Provider configuration changes, vendor certifications, failover testing, and more would require duplicate interactions and overhead; costs of accommodating differences between the multiple vendors' procedures (for example, scheduling network migration projects across regions and Administrators) would be borne by the Service Provider.

- The Industry as a whole would need to absorb the additional costs of managing two or more regional LNPA Administrators. Determinations for the interactions between the vendors for NPAC.com, administration of

the LEAP and WDNC services, change management administration, and other common functions would have to be made by the Industry prior to implementation of a multi-Administrator environment and on an ongoing basis. The Industry may need to incur additional costs of a third party to ensure the two vendors are managed to the same level of consistency and quality achieved by Neustar today.

- NPAC/SMS Innovation would be at the pace of the least-capable LNP Administrator. Change management of the LNPA service and NPAC/SMS platform, with multiple Administrators, would engender longer and more costly debates over design and implementation schedules, given that all NPAC regions would require the exact same functionality to be implemented by the same time by different companies. Implementation schedules, performance expectations, and Service Provider integration requirements would be hampered by the lowest common denominator, since an outcome where one region received a higher quality experience than another would not be permitted by an industry used to receiving a uniform experience nationally. In an environment of rapid change, this would slow the Industry's ability to respond to FCC or market requirements, as compared to an environment with a single, highly capable LNP Administrator with responsibility for the whole country.

- Multiple LNPAs inevitably means varying consumer experience in different parts of the country. Studies have shown that the ease of number portability has a material effect on market competition and consumer confidence. Introducing multiple LNP Administrators at this time introduces the likelihood that consumers in the area of the country assigned to a less experienced Administrator would experience longer port times and more errors when porting their telephone numbers. This non-uniform experience will alter the competitive landscape in unpredictable ways, and is likely to lead to greater complaints to regulatory bodies. *See* Idaho Public Utilities Commission Comments at 3, September 12, 2013 (WC Docket Nos. 95-116, 07-149, 09-109) (stating that "[i]t is possible that seamlessness in number porting could be compromised with multiple vendors" . . . and "[t]his could result in less efficient service levels for customers in one region compared to the service provided by another vendor in a separate region").

- The future of telephone number administration and addressing is likely to be one where numbers are fully independent of geography—a concept that runs contrary to establishing regional NPAC boundaries. In a mobile and IP-based world, network addressing and routing no longer rely heavily on legacy geographic boundaries such as rate centers and LATAs. In times of emergency and disaster recovery, the NPAC/SMS's geographic restrictions have been temporarily removed, to allow for the porting of telephone numbers outside fixed artificial borders. In the future, this exception is likely to become the norm, as consumers take their phone numbers not just between Service Providers, but across the country as well. A segmentation of the NANP along geographic boundaries for LNPA purposes, in an environment where other geographic boundaries are being diminished and removed from the network, will again have unpredictable consequences for the consumer experience, network evolution, and support of the NANP for emerging business priorities such as machine-to-machine, just-in-time pooling, and least cost routing.

By selecting Neustar as the national U.S. LNP Administrator, the Industry and consumers will receive the benefits of continued performance, innovation, and neutrality nationwide, without any transition risk and without subjecting Service Providers and consumers to negative and expensive consequences. By contrast, a regional solution is too ill-defined and presents too many potential concerns to be a viable option for the U.S.

2.6 Best and Final Offer for Protection of Privacy

Neustar is the only Bidder that has demonstrated the efficacy of the security, privacy, and neutrality safeguards necessary today to ensure the continued integrity, confidentiality, and security of NPAC data.

There are many ways that NPAC data can be compromised. Security-Related Information

Security-Related Information

Further, it is important to note that, while at present, the NPAC/SMS doesn't contain any CPNI data, Neustar's corporate-wide neutrality, privacy, and security policies are designed to protect the most sensitive consumer data—which should both give the Industry confidence in our policies specific to LNPA AND provide comfort if and when additional data is entrusted to the LNPA and added to the NPAC/SMS per industry decisions in the future.

Our Standards, Policies, and Measures to Mitigate These Risks

Neustar uses the ISO 27001 standard for our information security framework and "Privacy by Design" for our privacy framework. ISO 27001 specifies an information security management system with explicit management controls. The standard contains 11 elements including security policy, asset management, access control, and compliance. The principle of Privacy by Design takes personal privacy into consideration throughout the process of designing, building, and delivering information products and services.

Table 2.6-1 Neustar Neutrality, Security, and Privacy Documents

Document	Description
Neutrality Code of Conduct and Principles of Neutrality	As the only entity deemed neutral by the FCC, Neustar's neutrality program has as its foundation the Neustar Code of Conduct (see Exhibit following table) and our "Principles of Neutrality": • Neustar will not improperly show preference or provide special consideration to any one customer. • Neustar will safeguard all confidential and proprietary information entrusted to it by its customers. • Neustar will ensure that, in the performance of its duties, there are no conflicts of interest between its employees and Neustar customers. • All Neustar employees shall participate in neutrality training to ensure a proper and complete understanding of and adherence to Neustar's corporate-wide neutrality principles and obligations. • Neustar will conduct periodic reviews of its policies and practices to ensure continuing adherence to these neutrality principles.
Information Security Policy	• Establishes rules and procedures for protecting Neustar's confidential information as well as the software, hardware, and other equipment or technology used to access, collect, generate, process and/or store that information. • Governs use of Personal Devices, third party equipment, or other technology to access Neustar's Information and IT Resources. • Applicable to all personnel (including contractors), systems, and business areas. • Senior leadership throughout Neustar have reviewed and approved this Policy, and employees at all levels are accountable for ensuring compliance with its requirements.
Security-Related Information	
Privacy Principles	• Articulates the company's commitment to "privacy by design" framework. • Sets forth the principles governing our collection, use, storage, and disclosure of information that can be used to identify individuals.
Privacy Policy	• Incorporates our Privacy Principles and reflects Neustar's commitment to the responsible use of personal information to help businesses make better decisions and deliver personalized content without sacrificing personal privacy. • Incorporates the principle of Privacy by Design, taking personal privacy into consideration throughout the process of designing, building, and delivering information products and services.
Records Management Policy	• This Policy, together with the Records Retention Schedule, describes the policies, practices, and procedures to be followed to ensure Neustar fully complies with all applicable laws, regulations, and best professional practices. • Sets out the policies and procedures to be followed by all employees and authorized third parties to ensure Neustar records are: o managed in a consistent, systematic, and reliable manner; o available when required for legal, regulatory or operational reasons; and o discarded in an orderly manner when no longer needed.

Table 2.6-1 Neustar Neutrality, Security, and Privacy Documents

Document	Description
Neustar Data Classification Policy and Matrix	• Applies to all information generated, created, received, possessed, accessed, stored, used, or disclosed to accomplish Neustar's business objectives, including customer-provided data. • Creates four data categories (public, internal use only, proprietary, and restricted) and subsets (e.g., Restricted Customer Information, Restricted Personal Information, etc.). Security-Related Information
Neustar Policy on the Acceptable Use of Technology Resources	• Sets forth the policies and procedures governing use of Neustar information technology resources. • Reflects Neustar's policy limiting access to Confidential Information to authorized staff with a need to know for legitimate business purposes. • Imposes personal responsibility for each user to comply with law, regulation, and Neustar policy. • Establishes that users may have no expectation of privacy with respect to use of Neustar IT Resources and information created or stored on such resources and sets out Neustar's monitoring and access rights. • Describes user obligations with respect to information security including access, encryption, incident reporting, remote access, mobile computing, etc.

NEUSTAR CODE OF CONDUCT

1. Neustar will never, directly or indirectly, show any preference or provide any special consideration to any company that is a telecommunications service provider, which term as used herein shall have the meaning set forth in the Telecommunications Act of 1996.

2. No shareholder of Neustar shall have access to user data or proprietary information of the telecommunications service providers served by Neustar (other than access of employee-shareholders of Neustar that is incident to the performance of NANPA and LNPA duties).

3. Shareholders of Neustar will ensure that no user data or proprietary information from any telecommunications service provider is disclosed to Neustar (other than the sharing of data incident to the performance of NANPA and LNPA duties).

4. Confidential information about Neustar's business services and operations will not be shared with employees of any telecommunications service provider. Neustar shareholders will guard their knowledge and information about Neustar's operations as they would their own proprietary information.

5. No person employed by, or serving in the management of any shareholder of Neustar will be directly involved in the day-to-day operations of Neustar. No employees of any company that is a telecommunications service provider will be simultaneously employed (full-time or part-time) by Neustar.

6. Warburg Pincus will not control more than 40% of Neustar's Board.

7. No member of Neustar's board will simultaneously serve on the board of a telecommunications services provider.

8. No employee of Neustar will hold any interest, financial or otherwise, in any company that would violate the neutrality requirements of the FCC or the NPAC Contractor Services Agreements (the Master Agreements).

9. Neustar will hire an independent party to conduct a neutrality review of Neustar, ensuring that Neustar and its shareholders comply with all the provisions of this Code of Conduct. The neutrality analyst will be mutually agreed upon by Neustar, the FCC, NANC and the LLCs. The neutrality review will be conducted quarterly. Neustar will pay the expenses of conducting the review. Neustar will provide the analyst with reasonable access to information and records necessary to complete the review. The results of the review will be provided to the LLCs, to the North American Numbering Council and to the FCC and shall be deemed to be confidential and proprietary information of Neustar and its shareholders.

Implementing these policies and practices for the NPAC requires interpreting the documents and a detailed knowledge of number portability and the needs of the user community. Some NPAC-specific measures we have implemented are highlighted in Table 2.6-2.

2.6-2 NPAC-Specific Measures to Ensure Security and Privacy of Data

Component	Description and Measures
Neutrality Training and Certifications	As part of its neutrality compliance program, Neustar has developed Neutrality Compliance Procedures. The purpose of these procedures is to ensure Neustar's compliance with the FCC's neutrality regulations and Neustar's Code of Conduct. Further, they provide specific measures and controls that are objective and measurable so that an independent auditor can issue an opinion as to Neustar's assertion of compliance. • Every Neustar employee, Board member, and designated contractor participates in annual neutrality training. This training is designed to reinforce Neustar's neutrality requirements and ensure personnel understand their neutrality obligations. • All personnel are required to sign a certification form confirming his or her participation in this training and pledging compliance with the procedures. • All new employees participate in neutrality training as part of the new employee orientation. • All employees, Board members, and designated contractors must certify on a quarterly basis their compliance with the Code of Conduct and Neutrality Compliance Procedures. • **Results: 100% Compliance**
Neustar Corporate Neutrality Audits	Third-party auditors: • Review all certifications of each employee, board member, officer, certifying their adherence with the neutrality compliance program including: o the protection of the confidential and proprietary data of Neustar and its customers, o the prohibition on being simultaneously employed by Neustar and a telecommunications service provider (TSP) or interconnect VoIP provider, or o the prohibition on owning five percent or more of a TSP. • Examine Neustar ownership to ensure no TSP or interconnected VoIP provider owns 5% or more equity or voting interest in the company. • Verify on a quarterly basis that Neustar has not derived a majority of its revenue from, or issued a majority of its debt to, any single TSP. • **Results—100% Compliance Over the Last 5 Years**
NPAC Quarterly Neutrality Audit	• Third-party auditors meet with the Director of Operations who demonstrates privacy and user access restrictions to NPAC data are in place and working. They verify the NPAC software in the test environment is the same as that in production via two demonstrations: o Verification of User Restrictions—The Director initiates a port between two "test" service providers. He then logs in as a third user and demonstrates that he can't access that transaction. o Verification of Billing Processes—The audit team and Director review the NPAC billing file to show that the transaction was captured. • **Results—100% Compliance Over the Last 5 Years**

2.6-2 NPAC-Specific Measures to Ensure Security and Privacy of Data

Component	Description and Measures
Security Training and Certifications	• Neustar provides Security awareness training to all employees—upon hire and yearly thereafter. Security-Related Information • **Results: 100% Compliance**
Security-Related Information	Security-Related Information Security-Related Information factor authentication from a security pass and bio- Security-Related Information Security-Related Information
NPAC/SMS Data Center Operations Audit (Article 14 Audit)	• An independent, intensive third-party review of Neustar's NPAC data center and operations has found that these areas have consistently exceeded or far exceeded industry best practices in all tested areas year-over-year, including both Business Continuity Management and Security. • **Results: Exceeding or Far Exceeding industry best practices over the last 5 years. See following Exhibit for Security-specific portion of the audit).**
NPAC User Account and Permission Level Audits and Processes	• As detailed in our Original Proposal Section 1.1, there are two major types of NPAC Users: o **Service Providers**—There are two types of service provider Users; SP personnel (full access) and read-only SP personnel. o **Providers of Telecommunications-related Services**—These Users receive only read-only access. Security-Related Information • All NPAC access accounts are reviewed for accuracy by the NPAC Operations and Customer Experience groups monthly and they formally assert their accuracy quarterly. • The Directors of these groups are notified and must approve every new LNPA account. • The Customer Experience group reviews LNPA accounts daily. Security-Related Information

Security-Related Information

neustar
Real Intelligence. Better Decisions.

2.6-2 NPAC-Specific Measures to Ensure Security and Privacy of Data

Component	Description and Measures
NUE Process and NUE Audit	Third-party auditors ensure Neustar, in its activities as a User, is not advantaged because it is also the LNPA. The auditors: • Review **every use** of User Data by Neustar's User Services, and determine whether access to the NPAC is necessary and the intended use is a Permitted Use. All other providers of telecommunications-related services are reviewed only for their initial proposed use of User Data. • Validate, annually, with the Director of Customer Experience and Director of Operations that Neustar's LSMS receives the same data as all other Users. o A sample Subscription Version transaction is selected from each NPAC Region production database, and is then compared to the sample Subscription Version transaction record in the NPAC Region bulk data download (BDD) file that is generated for the Neustar LSMS. • **Results: 100% compliance since inception in 2009.**
Formal Process for Employee Terminations	Security-Related Information

Security–Article 14 Audit Scores

Category	2009	2012	Trend
Security Overall Score	4.50	4.50	↔
Security Governance	4.30	4.37	▲
Security Policy	4.30	4.50	▲
Security Awareness Training	4.40	4.40	↔
Security Compliance	4.20	4.20	↔
Firewall	Security-Related Information		↔
Remote Access			↔
Network Security			↔
Host Systems & Database Security			↔
Data Center Security			↔

5 - Excellent performance, far exceeds industry best practices
4 - Above average performance, generally exceeds industry best practices
3 - Average performance, meets industry best practices
2 - Below average performance, fails to meet industry best practices
1 - Poor performance, falls far below industry best practices

Neustar Acceptable Use of Technology Resources Policy

Version 2.2

Effective Date: September 3, 2013

neustar™

CONFIDENTIAL UNDER NON-DISCLOSURE AGREEMENT

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1 Purpose and Goals

Neustar, Inc. ("Neustar") relies on information technology resources as an essential part of the company's day-to-day business activities. These resources are intended for use by employees and others in support of Neustar's goals and objectives. You must use company technology only in compliance with applicable law and Neustar policies designed to protect confidential and proprietary information belonging to Neustar and/or our clients and avoid compromise of Neustar IT resources, information and data. This policy, along with referenced policies, sub-policies, standards, and procedures (collectively, this "Policy") sets out the policies and procedures governing your use of Neustar information technology resources (as defined below, "IT Resources").

2 Scope

This Policy applies to all individuals using Neustar IT Resources to collect, access, create, use, store or otherwise process information, wherever located, and whether through direct or remote access to Neustar's technology. This Policy also applies to individuals using Personal Devices, as defined in the Neustar Personal Device User Policy and Agreement to access Neustar IT Resources or company information (as defined below, "Confidential Information"). Individuals covered by this Policy, include, without limitation:

- Full and part-time Neustar employees;
- Contract and temporary personnel, including consultants on temporary engagement;
- Clients, customers, vendors, service providers, business partners and any other party that has access to Neustar IT Resources; and
- Neustar visitors and guests.

The Policy governs your use of all Neustar IT Resources including computers, printers, copiers, faxes, mobile devices, removable media (thumb drives, CDs, external USB hard drives, tape drives etc.), and Neustar networks, including the virtual private network ("VPN") and web portal, electronic communication channels such as email or web mail, mobile and fixed telephones, voicemail, and access to any public services such as the Internet.

This Policy applies to your use of Personal Devices, third party equipment, or other technology to access Neustar's Confidential Information and/or IT Resources.

This Policy applies to both your business and personal use of IT Resources. Although Neustar permits limited personal use of IT Resources, as described in this Policy, you may not use Confidential Information except on behalf of Neustar, in furtherance of its goals and objectives, and as required to perform your job function.

3 Definitions

Confidential Information includes all of Neustar's proprietary business information, including, without limitation, the following:

- Information relating to Neustar's planned or existing computer systems and systems architecture, including computer hardware, computer software, source code, object code, documentation, methods of processing and operational methods;
- Information regarding existing, former, or prospective Neustar customers, and any information received from such customers or created by Neustar in the course of providing services ("Customer Information");

- Information that identifies or can be used to identify specific individuals including Neustar employees and/or their dependants and beneficiaries, applicants for employment, customers and their subscribers or end users, and others ("Personal Information");
- "Sensitive Personal Information" is a subset of Personal Information consisting of a person's name in combination with an item such as (1) a social security number or other government-issued identifier; (2) a credit card, bank account, or other financial account number; (4) medical, lifestyle, or other highly personal information;
- Business information relating to Neustar and its affiliates including financial information, organizational structure, business initiatives, intellectual property, product plans, design or requirements documents, and strategic or other plans;
- Confidential information of third parties, including Neustar's customers, vendors, suppliers, contractors, partners, and acquisition targets;
- Other confidential and/or proprietary information that Neustar receives, uses, creates, stores, and/or transmits as part of its day-to-day business activities; and
- Any information that someone familiar with Neustar's business would consider confidential or proprietary, the maintenance of which would be important to Neustar, its employees, and/or its customers.

An ***Electronic Communication*** is the transmission of Electronic Information via an Electronic Communication Channel.

An ***Electronic Communication Channel*** is any service supporting communication and collaboration between users such as Email, Instant Messaging, participation in shared sites, and Internet communication and collaboration services (including online social media services).

Electronic Information is any information artifact created, stored, transmitted, or accessed using IT Resources, Personal Devices, or other technology that is used to access, collect, create, process and/or store Neustar's Confidential Information. This includes electronic documents, emails, instant messages, voicemails, activity logs and records, and data in Neustar data stores.

Neustar Equipment is any physical device made available to you by Neustar. This includes laptops, notebooks, desktops, Blackberries, Smart phones, tablets, copiers, faxes, telephones, Neustar-issued personal communication devices, and printers.

The ***Neustar Network*** is the hardware and software electronically connecting Neustar hardware and software and providing access to the Neustar Intranet, Neustar web-based applications and data, and the public Internet.

Neustar IT Resources include the Neustar Network, Neustar Equipment, and all hardware and software components of Neustar's information technology including computers, printers, copiers, faxes, mobile devices, removable media (thumb drives, CDs, external USB hard drives, tape drives etc.), and Neustar networks, including the virtual private network ("VPN") and web portal, electronic communication channels such as email or web mail, mobile and fixed telephones, voicemail, and access to any public services such as the Internet.

Legitimate Business Purposes for reviewing documents, communications (including Electronic Communications), or other information created, stored, or transmitted using

Neustar IT Resources or Personal Devices include, but are not limited to the following situations:

- Routine monitoring for quality control and to ensure proper operation of Neustar systems, to verify specific transactions, and to audit compliance with law, regulation, and/or Neustar's policies, including without limitation, its policies on information security, discrimination, harassment, use of trade secrets, and securities-related information;
- Internal or external investigations to determine if there have been violations of Neustar's workplace policies or criminal or civil wrongdoing; and
- Access to Confidential Information under your control at any time that you are unavailable and there is a business need to review that information on an expedited basis.

NeuCIRT (Neustar Cyber Incident Response Team) was formed in 2012 and is dedicated to protecting Neustar and its customers' networks and data through intelligence gathering, security monitoring, threat detection, incident response, and digital forensics. NeuCIRT can be contacted via email at Neucirt@neustar.biz or by phone at 1-855-NEUCIRT (1-855-638-2478)

A ***Personal Device*** is any personally-owned computing or electronic storage device including desktop PCs, laptops, smartphones, tablet computers, or any future developed device that that you use to connect to the Neustar IT Resources or to access Confidential Information.

Personal Information is any information that can be used, alone or in combination with other readily available information, to identify a specific individual.

Portable Storage Media is any portable device on which Electronic Information can be stored, including laptops, notebooks, tablets, PDA's, thumb drives, iPods, external USB drives, and digital cameras.

4 General Use, Ownership, and Privacy

4.1 Personal Responsibility

You are personally responsible for familiarizing yourself and complying with this Policy, and for maintaining the confidentiality and integrity of Confidential Information and IT Resources.

4.2 Compliance with Law and Regulation

You must not use Neustar IT Resources in a manner that violates Neustar policy or applicable laws and regulations. Consult your supervisor, manager, or business contact if you have any questions about a policy, its applicability, or the procedures you should follow in order to adhere to the policy.

4.3 Ownership

Confidential Information and any Electronic Information and Communications created, received, sent or stored using Neustar IT Resources is assumed to have been created on behalf of Neustar, in furtherance of its goals and objectives, and is considered company property.

4.4 Access and Monitoring

To the extent permitted by applicable law and undertaken for a Legitimate Business Purpose, Neustar reserves the right to block access to, audit, monitor, access, record, and disclose any Electronic Information and/or Electronic Communications, whether or not it contains Confidential Information created, received, sent, or stored on Neustar IT Resources and/or Personal Devices.

4.5 No Expectation of Privacy

You may have no expectation of privacy for any information, including Electronic Information or Electronic Communications created, stored, used or transmitted using Neustar IT Resources. Your expectation of privacy with respect to information residing on Personal Devices used to access Confidential Information and/or IT Resources is limited in accordance with the Personal Device User Policy and Agreement.

4.6 Data Privacy

Neustar uses data to help businesses serve their customers, deliver personalized content, and prevent fraud without sacrificing personal privacy. These Privacy Principles govern our collection, use, storage, and disclosure of information that identifies or can reasonably be used to identify a specific person. All employees are required to adhere to the Neustar Privacy Principles.

4.7 Consent

Your use of Neustar IT Resources constitutes your consent to Neustar's access to, and review, monitoring and/or recording of Electronic Information or Electronic Communications for a Legitimate Business Purpose.

5 Records Management

Confidential Information created, stored, used or transmitted using Neustar IT Resources and/or Personal Devices used to access Confidential Information or IT Resources is subject to Neustar's Records Management, Retention, and Disposal Policy, the Retention Schedules, and Classification Matrix.

6 Respect for Intellectual Property

Neustar respects the intellectual property rights of Neustar and third parties, and prohibits use of Neustar IT Resources in a manner that infringes rights arising under copyright, trademark, patent, or trade secret law. Contact the General Counsel if you have any questions about intellectual property.

7 Personal Use of Neustar IT Resources

7.1 Personal Use

Neustar permits limited, incidental, and non-commercial use of Neustar IT Resources provided that it does not involve the use of Confidential Information or interfere with your regular duties and responsibilities.

7.2 Labeling and Segregation

Segregate and clearly label all personal information or communications that you store on Neustar IT Resources (i.e., by creating "Personal" email and document folders).

Please be aware, however, that neither the fact that such use is permitted, nor that you have segregated and labeled this information creates any expectation of privacy or diminishes Neustar's right to monitor, access, use, and disclose personal data and/or communications for a Legitimate Business Purpose.

7.3 No Personal Commercial Use

You may not use Neustar's IT Resources or Confidential Information for non-Neustar commercial or business purposes.

8 Security-Related Information

8.1 Security-Related Information

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8.2 Security-Related Information

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8.3.4 Security-Related Information

Security-Related Information

Security-Related Information

9 Email, Instant Messaging, Telephone and other Electronic Communications Channels

9.1 General Requirements

Neustar provides several technologies including email, instant messaging, and other technologies supporting communication and collaboration between internal and external (collectively, "Electronic Communications Channels"). The following provisions apply to your use of any such technologies:

- Electronic Communications containing Confidential Information are permanent business records. They are subject to the Neustar Records Management, Retention, and Disposal Policy, and should be treated as a formal, written document. Apply the same standards regarding appropriateness, security, confidentiality, retention and destruction as you would with similar Neustar records.
- Use only Neustar provided or approved Electronic Communications Channels to conduct Neustar business.
- Do not use Neustar-provided Electronic Communications Channels to:
  - Distribute information that is inconsistent with Neustar policy, contrary to Neustar's interests, or in violation of applicable law;
  - View, intentionally receive, download, or distribute foul, obscene, sexually explicit, harassing or otherwise inappropriate information or content;
  - Distribute information, applications, or content of any type that violates another's rights in copyrighted, trademarked, proprietary and/or trade secret materials, including downloading, sending, or copying materials, files, etc. in violation of any applicable Terms of Usage or license;
  - Create, copy, transmit, or retransmit unauthorized mass mailings, regardless of the subject matter;
  - Distribute non-Neustar advertisements or solicitations; or
  - Distribute information that is obtained or used for personal gain (e.g., non-Neustar for-profit business affairs).

9.2 Right to Access

To the extent permitted by applicable law, Neustar reserves the right to block access to, audit, monitor, access, record, and disclose any Electronic Information and/or Electronic Communications created, received, sent, or stored on Neustar IT Resources or on Personal Devices used to access IT Resources or Confidential Information for a Legitimate Business Purpose.

9.3 No Expectation of Privacy

You may have no expectation of privacy in any Electronic Information or Electronic Communications created, stored, or transmitted using Neustar IT Resources. Your expectation of privacy with respect to Electronic Information and Electronic Communications created, stored, or transmitted via Personal Devices used to access Confidential Information and/or IT Resources is limited in accordance with the Personal Device User Policy and Agreement.

9.4 Email and Instant Messaging

- Neustar email is provided for business purposes only. While Neustar permits limited personal use of Neustar IT Resources to access and send personal email using a web mail service, Neustar strongly discourage use of Neustar email for personal communications.
- Security-Related Information

- Use only Neustar-provided or approved Personal Devices and remote access services to access Neustar IT Resources, including to access your Neustar email account and/or to transmit Confidential Information when working remotely.
- Do not respond to unsolicited or junk electronic communications ("spam").
- Use caution when opening an email from an unknown or unsolicited source and never open an email attachment from an unknown or unsolicited source. If you have received an email that looks suspicious but still needs to be reviewed, contact the NeuCIRT (email Neucirt@neustar.biz or call 1-855-638-2478).
- Do not respond to unsolicited email inquiries or requests unless you know the sender or have confirmed that the user is associated with a reputable institution, organization, or company doing business with or know to Neustar.
- Do not use personal email or webmail accounts to send Confidential Information as email attachments. If you must temporarily send a Neustar email to your personal email account to meet a critical business requirement, delete the email and any attachments or downloads promptly once you are done.
- Never disguise your identity in Electronic Communications or distribute anonymous email messages using a Neustar-provided Electronic Communication Channel.
- Do not use instant messaging to transmit Confidential Information, including Sensitive Personal Information.

9.5 Telephone

- To the extent permitted by applicable law, Neustar may monitor and/or record telephone conversations for Legitimate Business Purposes.
- Do not use online telephone services such as Skype to conduct sensitive Neustar business and/or to transfer Sensitive Personal Information or other highly sensitive Confidential Information.

10 Internet Usage and Use of Other Electronic Communications Channels

Your use of the Internet using Neustar equipment or through a Neustar Network is subject to this policy.

- Neustar provides Internet access for business purposes. Limited personal use of the internet in compliance with Section 7 of this Policy is permitted.
- Never post Confidential Information without specific authorization to any public Internet site, including but not limited to public email sites, social media sites, Blogs, Wikis, message boards, and newsgroups.

- Never download materials from the Internet in response to a prompt from an unknown or unsolicited source.
- Use a personal email address when registering with non-work related public Internet sites.
- Do not use public Internet services, including public mail sites such as Hotmail or gmail, to distribute, share, or comment on Neustar or to share Neustar Confidential Information.
- Do not download or install peer-to-peer file sharing software, such as Napster or Limewire, without IT's (Infrastructure Services) written authorization.
- Do not use the Neustar IT Resources, including Neustar-provided web browsers, to send, display, download or print potentially offensive messages, pornographic or sexually explicit pictures, or derogatory religious or racial materials.
- Do not use public Internet sites (including but not limited to public email sites, social media sites, message boards, newsgroups etc.) to conduct Neustar business without the consent of the Senior Vice President in your business unit and the General Counsel.
- Do not use or create unauthorized list serves or distribute unauthorized newsletters or marketing materials via the Internet.

11 Social Media Usage

Social media and online community services such as Facebook, LinkedIn, and Twitter are increasingly popular. These services can be leveraged for the benefit of Neustar; for example Neustar has a presence on Facebook and LinkedIn for recruiting and information-sharing purposes.

- Adhere to all policies and guidelines stated in the Neustar Social Media Guidelines when using Neustar and non-Neustar IT Resources to participate in social media communities and activities.
- Neustar permits limited and occasional use of its Information Resources for personal blogging, provided that it does not impact your job performance or violate Neustar policy, including the *Neustar Social Media Guidelines*.

12 Remote Access

- You are responsible for safeguarding Confidential Information and IT Resources when working remotely, in compliance with Neustar's Remote Access Policy.
- Neustar provides remote technologies to access IT Resources and Confidential Information when off-site. You are permitted to access these services using Neustar Equipment or approved Personal Devices only. Do not attempt to access Neustar IT Resources using any method other than Neustar provided remote access services.
- Unless absolutely necessary, do not use Neustar remote access services from public computers such as those located in airport kiosks.
- Security-Related Information
- For additional information regarding Neustar's remote access connection options, including how to order or disconnect service, cost comparisons, and troubleshoot, contact the Helpdesk.

13 Use of Mobile Devices

- You are expected to exercise reasonable care to safeguard any Neustar-provided mobile device or Personal Device used to access Neustar IT Resources in accordance with Neustar's Mobile Computing Policy. Treat the device with the same level of care and concern as you do your wallet, purse or passport, and keep track of its whereabouts at all times.
- You may use IT-approved personal mobile devices, subject to central configuration and management requirements, in accordance with Neustar's Personal Device User Policy and Agreement.
- Do not store sensitive Confidential Information, including Sensitive Personal Information on mobile devices, including Personal Devices unless they have been protected using Neustar-approved encryption technology.
- You must install and maintain Neustar-approved anti-virus and malware and personal firewalls on mobile devices used to access or store Confidential Information.
- Use passwords that comply with the Neustar Password Policy, and do not permit others – including family members – to access Confidential Information on any portable device.
- In accordance with the Personal Device User Policy and Agreement, Neustar has the right to install security-related software on Personal Devices used to access Neustar IT Resources and/or Confidential Information, and reserves the right to access and monitor the use of Personal Devices for Legitimate Business Purposes.
- Report lost or stolen mobile devices, including Personal Devices, used to access Neustar IT Resources to the NeuCIRT (email Neucirt@neustar.biz or call 1-855-638-2478) promptly.

14 Neustar Equipment

14.1 General

- You are responsible for safeguarding Neustar Equipment in your possession.
- You must return all Neustar Equipment in your possession or control in good working order upon separation from the company, when you no longer need it to perform your employment responsibilities, or at the request of your supervisor or manager. You may be required to reimburse Neustar for the cost of replacing Equipment that is not returned in a timely fashion.
- Neustar's maintenance policies cover mechanical breakdown and theft of Neustar Equipment. Recognizing that accidents do happen, Neustar generally will not charge you for the cost of repairing or replacing Neustar Equipment. Neustar reserves the right, however, to hold you responsible for repeated, excessive, or unusually frequent incidents resulting in repair or replacement costs.

14.2 Laptops and Desktops

- Users are not granted administrator rights on desktops or laptops. You may not download or install applications and/or software without the approval of IT (Infrastructure Services). Certain updates are set to install automatically (e.g., Windows patches and updates). In all other cases, the Helpdesk will assist you in installing approved applications, operating systems and updates on all Neustar Equipment.

- You may not store large personal files, including videos, music, or movie files on Neustar Equipment.
- To the extent permitted by applicable law, Neustar reserves the right to access, record, image, delete, or copy electronic content and/or information stored computers used to access Neustar IT Resources and/or Confidential Information for Legitimate Business Purposes.
- Security-Related Information

- You may not interfere with Neustar efforts to synchronize files to server disks during logon and logoff.
- Inform the NeuCIRT (email Neucirt@neustar.biz or call 1-855-638-2478) immediately if virus scanning software detects a virus on your computer.
- You may not, under any circumstances, copy or transmit Neustar-provided software and/or applications.

14.3 Physical Security of Laptops and Desktops.

- Secure your laptop and all portable computing devices when unattended.
- Keep your Neustar laptop in your physical possession at all times and within sight when you are outside of Neustar premises.
- Report lost or stolen Neustar-provided or personal laptops and computers used to access Neustar IT Resources to the NeuCIRT (email Neucirt@neustar.biz or call 1-855-638-2478) promptly.

15 Clear Desk and Clear Screen

- Secure Confidential Information, whether in hard copy or on electronic media, when unattended and/or not in active use.
- Log off or screen-lock your computer when it is not in active use to protect the confidentiality and security of information on your screen (note: Neustar PC screens will automatically lock after a specified period of inactivity.
- Promptly retrieve documents containing Confidential Information from printers, copiers, fax machines, or other reproduction systems.
- Neustar permits the limited, incidental, and non-commercial personal use of Neustar photocopiers, fax machines, etc.

16 Enforcement

You are subject to disciplinary action for any violation of this Policy, up to and including termination of employment.

17 Exemptions

You may request an exemption from any part of this Policy, supported by a comprehensive and detailed business justification. Any exemption granted must be approved by the General Counsel and limited to the specific scenario for which it was granted.

18 Revisions

This policy will be re-evaluated, modified, and re-issued periodically to ensure compliance with changing requirements and industry standards. Updates and revised policies become effective upon release.

Appendix A: Document Control

neustar	**Doc Title:**	**Acceptable Use of Technology Resources Policy**
	Doc Revision:	**2.2**

Revision Control			
Revision	**Release Date**	**Author**	**Description of Change**
1.0	1/31/2010	Information Security	Initial Release
1.1	5/19/2011	Information Security	Review for 2011
1.2	1/13/2012	Information Security	General Review
2.0	3/1/2013	Legal	Comprehensive Revision
2.1	8/9/2013	Legal	Replaced “helpdesk” with NeuCirt
2.2	9/3/2013	Legal	Added reference to privacy policy principles

Document Approvals of Current Revision			
Revision	**Name**	**Position/Title/Role**	**Approval Date**
2.2	Becky Burr	Deputy General Counsel/Chief Privacy Officer	9/3/2013

Send all Questions, Suggestions and Recommendations regarding the content of this document to CPO@neustar.biz.

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Security-Related Information

Security-Related Information

Security-Related Information

Security-Related Information

CONFIDENTIAL UNDER NON-DISCLOSURE AGREEMENT

Neustar Data Classification Policy
Version 2.0

Effective Date: May 1, 2013

CONFIDENTIAL UNDER NON-DISCLOSURE AGREEMENT

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1 Purpose

This Neustar Data Classification Policy and Matrix, (collectively, the “Policy”) is intended to help employees determine the extent to which Neustar’s Confidential Information may be disclosed within the company and to third parties, and defines certain safeguards that must be observed to protect different kinds of data.

2 Scope

- The information covered by this policy includes all information that is generated, created, received, possessed, accessed, stored, used or disclosed to accomplish business objectives (as defined below, “Confidential Information”). It applies to Confidential Information in electronic format, email and voice mail, information on paper, and information shared orally or visually (such as telephone and video conferencing).
- Neustar employees, including temporary employees and consultants (collectively, “Employees”) who handle Neustar Information in the course of performing their duties are must comply with this Policy. In addition, the Policy applies to clients, customers, vendors, service providers, business partners and any other party with access to Neustar Information (collectively, “Third Parties”).
- This Policy supplements but does not replace or eliminate your obligation to comply with relevant provisions of the Neustar Information Security Policy, the Policy on Acceptable Use of Technology Resources, and other policies and procedures issued to safeguard Neustar Information Assets.

3 Definitions

Confidential Information includes all of Neustar’s proprietary business information, including, without limitation, the following:

- Information relating to Neustar's planned or existing computer systems and systems architecture, including computer hardware, computer software, source code, object code, documentation, methods of processing and operational methods;
- Information regarding existing, former, or prospective Neustar customers and any information received from such customers or created by Neustar in the course of providing services ("Customer Information");
- Information that identifies or can be used to identify specific individuals including Neustar employees and/or their dependants and beneficiaries, applicants for employment, customers and their subscribers or end users, and others (“Personal Information”)
- “Sensitive Personal Information” is a subset of Personal Information consisting of a person’s name in combination with an item such as (1) a social security number or other government-issued identifier; (2) a credit card, bank account, or other financial account number; (4) medical, lifestyle, or other highly personal information;
- Business information relating to Neustar and its affiliates including financial information, organizational structure, business initiatives, intellectual property, product plans, design or requirements documents, and strategic or other plans;
- Confidential information of third parties, including Neustar’s customers, vendors, suppliers, contractors, partners, and acquisition targets;
- Other confidential and/or proprietary information that Neustar receives, uses, creates, stores, and/or transmits as part of its day-to-day business activities; and

- Any information that someone familiar with Neustar's business would consider confidential or proprietary, the maintenance of which would be important to Neustar, its employees, and/or its customers.

4 Data Classification

Neustar Information falls into one of four categories, based on the nature of the data itself, any legal, regulatory, contractual or other limits on our use of the data, and the extent to which unauthorized use or disclosure of the information could harm the company, our investors, employees, customers, or others.

The categories, which are detailed in the Classification Matrix, are summarized below:

- ***Restricted Information*** includes sensitive corporate, legal, and financial, human resources, client, or personal information that requires a high degree of protection in order to comply with law, regulation, and/or contractual obligations and/or to protect the company, employees, shareholders, customers, or others. Restricted Information is a subset of Proprietary Information.
- ***Proprietary Information*** is proprietary and/or confidential to Neustar, the disclosure of which outside the company would be inappropriate and/or inconvenient.
- ***Internal Use Only Information*** is proprietary and/or confidential to Neustar, but intended and approved for wide distribution within the company.
- ***Public Information*** is information that is intended and approved for public dissemination.

You should use common sense in applying these data classifications. If you are uncertain about the proper classification of a specific piece of information, contact your supervisor, a Data Steward in your business unit (identified below), or the Data Privacy, Security, and Governance Working Group office.

5 Roles and Responsibilities

5.1 Information Owners

Business units will identify an “Owner” (by name, position, or team) for all Neustar Information. The role of the Owner of specific Neustar Information is to:

- Classify and mark the data in accordance with the Data Classification Matrix;
- Identify Employees and Third Parties authorized to access and use the data;
- Ensure that appropriate controls are in place to enforce applicable marking, access, disclosure, reproduction, storage, transmission, and destruction requirements specified in the Data Classification Matrix
- Register relevant Information in NeuHub; and
- Authorize exceptions to the relevant requirements in consultation with management, the Chief Privacy Officer and the Chief Information Security Officer.

5.2 Information Custodians

Employees and Third Parties authorized by the Owner to access and use particular data sets are referred to as “Custodians” of that Information. Custodians are responsible for complying with the requirements specified in the Data Classification Matrix and additional controls specified by the Owner.

5.3 CPO and CISO

The Chief Privacy Officer and the Chief Information Security Officer, in consultation with the Information Management Working Group, are responsible for reviewing and, if necessary, revising this policy annually.

6 Policy

6.1 Classification of Neustar Information

Neustar Information will be classified to the extent possible at the time of collection, creation, or receipt and must be classified prior to distribution and/or disclosure.

6.2 Mixed Category Information

Documents or datasets that include both Proprietary and Restricted Information must be treated as Restricted Information unless the restricted elements are hashed or masked.

6.3 Classification Review

Neustar Information will be reviewed, and re-classified where necessary, whenever it is incorporated into, associated with, or used in connection with additional data set(s).

6.4 Controls

Neustar Information will be marked, accessed, disclosed, reproduced, stored, transmitted, and destroyed in compliance with controls and requirements applicable to its classification, as published from time to time in the Classification Matrix.

6.5 NeuHub Registration

Neustar will create and maintain an inventory of datasets (NeuHub), including Customer Information and Licensed Data, used to deliver products and services or created in the course of providing products and services. The registration information will identify Restricted Information at the field or element level.

7 Enforcement

Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

8 Revisions

This policy will be re-evaluated, modified, and re-issued periodically to ensure compliance with changing requirements and industry standards. Updates and revised policies become effective upon release.

Appendix A: Document Control

		Doc Title:	**Data Classification Policy**
		Doc Revision:	**2.0**
Revision Control			
Revision	**Release Date**	**Author**	**Description of Change**
2.0	5/1/2013	CONFIDENTIAL	Comprehensive revision and name change
Document Approvals of Current Revision			
Revision	**Name**	**Position/Title/Role**	**Approval Date**
2.0	CONFIDENTIAL	Chief Privacy Officer	5/1/2013
2.0	CONFIDENTIAL	Chief Information Security Officer	5/1/2013
Send all Questions, Suggestions and Recommendations regarding the content of this document to CPO@neustar.biz.			

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Neustar Information Security Policy
Version 1.1

Effective Date: April 26, 2013

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Neustar Information Security Standard

Version 1.0

Effective Date: June 24, 2013

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Neustar Privacy Policy Principles
Version 1.0

Effective Date: September 3, 2013

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Neustar Privacy Principles

Neustar uses data to help businesses serve their customers, deliver personalized content, and prevent fraud without sacrificing personal privacy. These Privacy Principles govern our collection, use, storage, and disclosure of information that identifies or can reasonably be used to identify a specific person. All employees are required to adhere to these Privacy Principles.

1. We will keep privacy in mind as we design, build, and deliver our products and services.
2. We will "say what we do, and do what we say." That means we will clearly explain:
   - What kinds of Personal Information we collect;
   - Why we are collecting Personal Information; and
   - How we plan to use Personal Information.

   That also means we will use and disclose Personal Information in the manner and for the purposes described.
3. When we interact directly with individuals, we will seek their consent to collect, use, and disclose Personal Information. We will require third-party providers of Personal Information to do so as well.
4. We will only collect Personal Information that is relevant for the purposes we have explained.
5. We will dispose of Personal Information when we no longer need it for the purposes we have explained.
6. We will take reasonable steps to ensure that Personal Information used to make important decisions about individuals is accurate and up-to-date.
7. We will take reasonable steps to safeguard Personal Information.
8. We will educate employees and contractors about their privacy obligations, and monitor their compliance with our privacy policies and privacy laws.

Appendix A: Document Control

		Doc Title:	**Privacy Policy Principles**
		Doc Revision:	**1.0**
Revision Control			
Revision	**Release Date**	**Author**	**Description of Change**
1.0	9/3/2013	CONFIDENTIAL	Initial release
Document Approvals of Current Revision			
Revision	**Name**	**Position/Title/Role**	**Approval Date**
1.0	CONFIDENTIAL	CONFIDENTIAL	9/3/2013
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Neustar Records Management Policy
Version 1.0

CONFIDENTIAL UNDER NON-DISCLOSURE AGREEMENT

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1 Introduction

1.1 Purpose

Information is one of Neustar's most valuable and important assets; and like any asset, it must be managed properly. Toward this end, the company has established the Records Management Policy. The principal objectives of Policy are to:

- Enhance organizational efficiency through a systematic approach to our records management policies.
- Ensure that information of value to the company's business operations is preserved and readily accessible for appropriate periods of time.
- Comply with legal obligations mandating retention of certain records.
- Reduce operational costs by expediting the process of locating records and eliminating the retention and storage of unneeded records.
- Ensure that information of no continuing value to the company is periodically superseded or destroyed, and that all records destruction occurs in full accordance with approved policies and procedures.
- Preserve archival information of historical significance to the company.

1.2 Scope

This Policy applies to any and all records generated or received in connection with the business of Neustar, Inc. (Neustar), all subsidiaries, and affiliates, including records pertaining to both the domestic and international operations of those entities and their personnel.

For purposes of this policy, the term "record" is broadly defined to include any document, book, pamphlet, map, photograph, audio or video recording, information contained on computer disks, databases, or electronic-file systems, e-mail, electronic images or other informational material, regardless of physical or electronic form, whether a duplicate or original, that is created, maintained, stored, or received as part of the business of Neustar.

Any document, electronic file, recorded communication, or other informational material generated or received in connection with Neustar's business operations is a record of Neustar; and hence, is subject to this Policy. This is true regardless of the content of such materials or their location. Consequently, this Policy applies to any "private" or "personal" documents, calendars, appointment books, files, and e-mail maintained by employees, agents, consultants, or contractors that pertain in any respect to the company's business. This includes any such materials that may be kept or stored in an employee's private working files, at an employee's home, on personally-owned computers, etc.

1.3 Related Documents

This Policy should be read and understood within the larger context of the following documents and policies.

- Neustar Information Security Policies and Procedures.
- Neustar Electronic Mail Policy
- Neustar Employee Handbook

2 General Records Management Policy

2.1 Security-Related Information

2.2 The General Retention Rule

The Records Retention Schedule will not address many types of records created or received in the course of Neustar's operations. Records not identified on the Records Retention Schedule are subject to the General Retention Rule. The General Retention Rule provides that any record not otherwise subject to a specified retention period may be disposed of at any time that the record holder determines that such record is no longer needed for business purposes, but shall in no event be retained after the period of need for a period of more than two years. This two-year maximum retention period runs from the date the record originally was created, or (if later) the date on which it was received by Neustar.

This rule establishes the maximum retention period for records not identified on the Records Retention Schedule. There is no minimum retention period applicable to such records. Employees are permitted to discard or destroy such records at any time, subject to individual discretion. If an employee believes that there are valid business reasons why records subject to the General Retention Rule need to be retained for longer than two years, he or she should contact the legal department, which has authority to extend the General Retention Rule in appropriate cases (e.g., to permit retention of records until the completion of a multi-year project).

2.3.1 Record Copies and Informational Copies

Records may exist in either of two forms—record copies and informational copies—both of which fall within the scope of the Policy. The term "record copy" refers to the original record itself, or otherwise to the copy that is preserved for official legal or business purposes. The term "informational copy" refers to all other duplicates of a record.

Unless otherwise specified, the Records Retention Schedule pertains only to record copies, not informational copies. Hence, even when a special retention period is specified by the Records Retention Schedule, in most situations informational copies of such records will be subject to the General Retention Rule and thus should not be retained for longer than two years. In a limited number of situations, the Records Retention Schedule specifically provides that informational copies may be retained beyond two years to the extent necessary to meet the operational requirements of a given business unit or department.

2.3.2 Media of Retention

Business records may be created and received in the form of paper, electronic files, audio or video recordings, or other media. Records typically will be retained in the same form in which they are created or received in the ordinary course of business. For example, records that are normally created and maintained in electronic form generally will be stored, for retention purposes, in electronic form as well. In certain limited instances, records will need to be retained in more than one form (e.g., both paper and electronic).

2.3.3 Office of Record

The Records Retention Schedule designates an "Office of Record" for each record type. The designated Office of Record (e.g., Legal, Sales) is the office or department that shall be primarily responsible for ensuring that the official versions of such records—that is, the record copies—are retained in accordance with this Policy.

2.3.4 Drafts

Unless otherwise specified, the retention periods identified in the Records Retention Schedule apply only to final versions of records, not to drafts. Even if a given record type is identified on the Records Retention Schedule and thus is subject to a special retention period, drafts of such records typically will be subject to the General Retention Rule requiring disposal within two years. Any exceptions will be expressly noted in the Records Retention Schedule.

2.4 Legally Required Suspension of Records Destruction

This Policy may be suspended in whole or part at any time if circumstances arise – such as litigation, government investigations, or audits – which legally require the retention of records that might otherwise properly be subject to disposal. In the event that suspension of the Policy is required, the Legal Department will immediately notify relevant employees concerning the nature and scope of the suspension. Once a suspension of the Policy has been initiated, any affected records management practices shall not be reinstated without express authorization from the Legal Department.

Any employee that becomes aware of actual or potential litigation or other circumstances that could warrant suspension of this Policy should immediately contact the Legal Department.

2.5 Procedures for Disposing of Records

Care must be taken when discarding or destroying certain types of corporate records, particularly materials that are highly confidential or proprietary in nature. Likewise, there may be questions concerning proper methods for destroying electronically stored records. Please forward any questions of this nature to corporate_records@neustar.biz.

2.5.1 When Preauthorization for Destroying Records Is Required

Under the terms of this Policy, employees are free to dispose of most types of records without prior authorization – this includes all records covered by the General Retention Rule. When, however, the Records Retention Schedule indicates for a given category of records that "Notice of Destruction" is required, this means that such records cannot be destroyed without first obtaining preauthorization. To request such authorization, simply send a completed Notice of Destruction form to the Legal Department. The Legal Department will promptly respond to all such requests. Assuming that destruction of the records is authorized, a copy of the completed Notice of Destruction form indicating that: 1.) the destruction of the records was authorized and 2.) the destruction actually occurred; will be permanently retained by the Legal Department.

2.6 Transferring Records to Off-Site Storage

Records may be maintained either in on-site or off-site storage at the discretion of the Office of Record. The business needs of the Office of Record will determine the best storage method for records. Due, however, to the cost of off-site storage, such storage should be used only for record copies that remain subject to retention pursuant to the terms of this Policy. Informational copies should not be sent to off-site storage absent a compelling business need. Off-site storage may not be used to extend the retention of records that are properly subject to destruction.

2.7 E-Mail and Other Electronic Records

This Policy applies with equal force to all electronic records wherever they reside. This includes electronic records in any application (including e-mail and instant messaging systems) regardless of whether they are stored on network servers, personal computers connected to the Neustar network, personal computers not connected to the Neustar network, home computers, computer disks, or other electronic devices or storage media.

To the extent that electronic records are subject to ongoing retention under this Policy, such records must be retrievable and readable for the duration of the applicable retention period. Compliance with this Policy requires that all personnel delete electronic records (including e-mail) once the retention period applicable to such records has expired.

As a general matter, e-mail and instant messaging systems are not designed, nor should they be used, to serve as document retention tools. To the extent that any e-mail or instant message would constitute a corporate record subject to mandatory retention, it should be reduced to a more suitable storage format (i.e. printed, reduced

to a memorandum, converted to a text document, etc.) and stored with the other Corporate records of the appropriate Office of Record. Although the Neustar IT department will maintain corporate back-ups of all e-mail and instant messages, as well as files maintained on corporate servers, such back-ups shall be subject to the General Retention Rule and will be destroyed after two (2) years unless subject to a longer retention requirement (e.g. because of a litigation notice).

2.8 Records Obtained Through Corporate Acquisitions

In the event that Neustar acquires all or part of another company, any of that company's business records that are transferred to Neustar should be treated no differently than any other Neustar records under the terms of this Policy. Thus, following the completion of any corporate acquisition all records obtained through the acquisition are to be reviewed and categorized consistent with the Policy. Any records subject to ongoing retention are to be transferred to the designated Office of Record or otherwise sent to off-site storage, as appropriate. Records subject to destruction, on the other hand, are to be destroyed in accordance with the Policy's terms.

Acquisitions in some cases may result in material changes in the nature or scope of the company's business, which in turn could necessitate changes to the Records Retention Schedule or to this Policy. In the event of an acquisition, The Legal Department will be responsible for promptly assessing the need for any such changes.

3 Implementation Guidelines

Implementation of this Policy will require ongoing collaboration between the Legal Department and designated representatives from each business unit and department. Ultimately, responsibility for implementing this Policy will rest largely with the senior managers within each department and business unit, who will be held accountable for the records management practices of their entire organizations. In addition, each employee shall be responsible for implementing the Policy as it pertains to records kept by that individual.

To facilitate implementation, the legal team will conduct employee-training programs and will provide general informational and consulting services on all records management issues. For help with implementation of this Policy or to schedule employee training, please contact the Legal Department.

4 Policy Enforcement

Because failure to comply with this Policy could adversely affect the company's business or result in serious legal repercussions, it is mandatory that all Neustar personnel strictly comply with this Policy. In complying with this Policy, it is expected that all business units, departments, and individual employees will periodically review their records to determine what action, if any, may be required. By January 31 of each year, all personnel will be expected to have achieved full compliance with the current year's policy, and senior managers will be asked to report on the overall state of compliance of the organizations for which they are responsible.

Responsible individuals will be held accountable for non-compliance with this Policy, and routine or gross non-compliance could result in penalties, including employee termination in extreme situations.

5 Procedure for Suggesting Modifications to Policy

This Policy will be reviewed annually and re-circulated, together with any revisions. More frequent revisions will be made if necessary to address changes in the company's business needs or legal obligations. Should an employee wish to suggest a change to any aspect of the Policy, including the Records Retention Schedule, one may do so by sending a request to corporate_records@neustar.biz. Until the Legal Department has had an opportunity to review and respond to such requests, the records at issue should not be destroyed.

Appendix A: Records Retention Schedule

This Policy's Records Retention Schedule outlines protocols for the retention and destruction of records falling within the following broad categories:

- Corporate
- Finance and Accounting
- General
- Human Resources
- Information Services
- Legal
- Marketing
- Operations
- Product Management and Development
- Professional Services
- Sales
- Tax

For each record type in the above categories, the Records Retention Schedule defines:

- the time period for which official or "record" copies of such records are to be retained;
- the form or media (e.g., paper or electronic) in which the official record is to be retained;
- which office or department has been designated as the "Office of Record" responsible for retaining the official record;
- whether other offices or departments should retain duplicates or "informational" copies of such records, and if so for how long;
- whether the official record copy at some point in time should be transferred from on-site to off-site (or in the case of electronic records, on-line to off-line) storage, and if so when; and
- whether it is necessary to seek prior authorization before destroying the records, which can be done by sending a "Notice of Destruction" form (Exhibit B) to the legal Department.

Except for those records that are subject to permanent retention, all records encompassed by the Records Retention Schedule are to be discarded or destroyed consistent with the terms of the Policy at the expiration of the applicable retention period. Records that are not

specifically addressed by the Records Retention Schedule are subject to the Policy's General Retention Rule requiring destruction within two years.

The following is a complete list of abbreviations and symbols used in the Records Retention Schedule:

Abbreviation/ Symbol	Definition
C	Currently in effect
GA	Until product becomes generally available
LF	Life of facility (i.e., until facility is no longer leased or owned)
LP	Life of project (i.e., until project is concluded)
Perm	Permanent
PM	Until applicable version of product is no longer marketed
PS	Until applicable version of product is no longer supported for any customers
Tax	Until completion of final tax audit
Tax/5Y	Until completion of final tax audit or 5 years, whichever is later
Terminat	Termination or closure
Y	Year(s) (1Y = 1 Year)
&	And
/	Or

Appendix A: Records Retention Schedule—Corporate

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
CO100	**Articles/By-laws/Resolutions** Records evidencing the corporation, including certificate of incorporation and by-laws, for corporation and all subsidiaries.	Perm	Corporate Secretary	No
CO101	**Board of Directors—Individual Director Files** Stock agreements, powers of attorney, indemnification agreements, and correspondence maintained for each member of the Board of Directors of the corporation and all subsidiaries.	Perm	Corporate Secretary	No
CO102	**Board of Directors—Minutes and Actions** Resolutions, minutes, notice letters, agendas, and unanimous consents including exhibits, presentations, etc. for corporation and all subsidiaries. Includes auditor certification letters and director and officer questionnaires.	Perm	Corporate Secretary	No
CO103	**Corporate Affiliates Database System** Electronic database of subsidiaries, their officers, and related information.	Perm	Corporate Secretary	No
CO104	**Corporate Archives** Records exempted from destruction and retained permanently because of their uniqueness, enduring value, or historical interest. Includes photographs of important events, documentation of major initiatives, art work, and records with strong human-interest elements.	Perm	Records Management	No
CO105	**SEC Filings** Forms filed with the Securities and Exchange Commission (SEC) and other related communications.	Perm	Corporate Secretary	No
CO106	**Shareholder Meetings—Minutes and Agendas** Minutes and agendas for all meetings of stockholders for corporation and all subsidiaries.	Perm	Corporate Secretary	No
CO107	**Shareholder Proxies/Voting Forms/Vote Results** Documents related to shareholder meetings, including proxies, voting forms, vote results, etc. for corporation and all subsidiaries. Minutes and agendas are kept separately.	6Y	Legal	Yes
CO108	**Audit Committee Meeting Minutes** Official minutes and reports of the Board of Directors Audit Committee.	Perm	Legal	No

Appendix A: Records Retention Schedule—Finance and Accounting

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
FIN100	**Accounts Payable—Employee Relocation** Records related to reimbursement of employee for relocation expenses.	Tax/5Y	Accounts Payable	Yes
FIN101	**Accounts Payable—Vendor Invoices** Check copies, invoices, and other documents related to accounts payable.	Tax/5Y	Accounts Payable	Yes
FIN102	**Accounts Receivable—Invoices** Prior to 1998, paper copies of invoices sent to customers. These are no longer created. Data is now retained in Oracle Financial database system.	Tax/5Y	Accounts Receivable	Yes
FIN103	**Accounts Receivable—Securitization/ Assignment Agreements** Informational copies of contracts or agreements created during the process of securitizing or assigning accounts receivable. The official record is maintained by Contracts Management.	Term	Contracts Management	Yes
FIN104	**Annual Reports** Master copy of Neustar annual reports.	Perm	Investor Relations	No
FIN105	**Annual Reports Workpapers** Documentation used in the preparation of annual reports.	5Y	Investor Relations	Yes
FIN108	**Bank Statements, Reports, and Cancelled Checks** Monthly bank statements and other reports received from banks for both domestic and international accounts, including worksheets and support for reconciliation of bank accounts. Includes cancelled checks for both accounts payable and payroll, wire transfers, and daily cash reports.	Tax/5Y	Cash Management	Yes
FIN110	**Cash Management Database Systems** Electronic cash management systems, including balances, debits, credits, receipts, transfers, etc. Includes BSI for Europe and Latin America, Hexagon for Asia Pacific, and InSight for domestic.	Tax/5Y	Cash Management	Yes
FIN111	**Contracts/Agreements—Financial** Finance-related contracts and agreements, including loans, stock option agreements, and other financial services agreements. Includes documentation related to performance of contracts.	Term+6Y	Finance	Yes
FIN112	**Corporate Consolidated Budget** Official budget and backup documentation. This includes expense, capital, and revenue forecasts, as well as budget reports,	5Y	Budget	Yes

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
	including monthly and quarterly budget variance reports for departments and cost centers.			
FIN113	**Finance and Accounting Policies/ Procedures** Policies and procedures used in administering financial and accounting processes.	C+10Y	Finance	Yes
FIN114	**Financial Presentations to Board of Directors** Budget, financial, and management reports to the Board of Directors of the corporation and all subsidiaries, including relevant workpapers.	6Y	Finance	Yes
FIN115	**Financial Statements—Corporate** Financial statements of NEUSTAR and all subsidiaries.	Perm	Financial Reporting	No
FIN116	**Financial Statements—Month End Closing** Documents created at the end of each month detailing the financial position of the company and its performance related to the official budget.	Tax/5Y	Financial Reporting	Yes
FIN117	**General Ledger** Final summary of company financial transactions and all company accounts. Includes subsidiary ledgers with details of transactions.	Perm	Financial Reporting	No
FIN118	**Insurance Claims** Claims against company insurance policies.	Term +1Y	Treasury	Yes
FIN119	**Insurance Policies** Original insurance policies including errors and omissions, workers' compensation, liability, director and officer, property, crime, and benefits.	Term+20Y	Treasury	Yes
FIN120	**Investment Database System** Electronic database of long-term investments.	C	Investments	No
FIN122	**Investments—FX and FX Match Database Systems** Electronic databases of foreign exchange transactions, spot currency, and forward transactions.	3Y	Investments	Yes
FIN123	**Investments—Equities and Derivatives Trade Confirmations** Confirmations of trades in various markets such as bonds and interest rate derivatives with maturity of 7 years or less.	Term+2Y	Investments	Yes

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
FIN124	**Investments—Bonds Trade Confirmation** Confirmations of trades in various markets such as bonds and interest rate derivatives with maturity of 8 to 30 years.	Term+2Y	Investments	Yes
FIN125	**Journal Vouchers** Vouchers documenting and/or authorizing a financial transaction, including explanations/justifications and necessary source documentation to support journal entry.	Tax/5Y	Financial Reporting	Yes
FIN126	**Payroll Withholdings** All authorizations for withholding from pay check, and other payroll matters, including Internal Revenue Service (IRS) Form W-4, direct deposit, 401(k), stock options, etc.	Term+Tax	Payroll	Yes
FIN127	**Payroll—Earnings Report** IRS Form W-2 for each employee and Form 1099 for each contractor showing amounts paid.	Tax	Payroll	Yes
FIN128	**Payroll—Garnishments** Records authorizing court-ordered deductions from employee wages.	Term+Tax	Payroll	Yes
FIN130	**Payroll Registers** Registers, run every pay period, showing amounts paid this pay period or year-to-date information.	Tax	Payroll	Yes
FIN131	**Payroll Tax Records** Records related to payment of payroll taxes to federal, state, or local governments.	Tax/5Y	Payroll	Yes
FIN132	**Payroll—Time Sheets** Records of time worked by non-exempt and contract employees.	Tax	Payroll	Yes
FIN133	**Payroll—Variable Compensation** Reports containing details of amounts paid by pay period and by sales representative or product author in support of variable compensation payments.	Tax	Payroll	Yes
FIN134	**Investor Relations** Information distributed to the public or investors regarding the company and its financial condition.	6Y	Finance	Yes
FIN135	**Product Author Stock Spreadsheet** Electronic spreadsheet used for tracking stock provided to product authors.	Term+6Y	Finance	Yes
FIN136	**Product Labor Allocation System Database** Electronic database used to generate	3Y	Financial Reporting	No

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
	product profitability.			
FIN138	**Revenue Forecasts** Informational copies of revenue forecasts generated by sales.	3Y	Sales	No
FIN139	**Royalty Agreements** Royalties owed to NEUSTAR or by NEUSTAR to business partners or other companies and tracking of payments paid or received in regard to royalty agreements.	Term+6Y	Finance	Yes
FIN141	**SEC Backup** Financial data supporting Securities and Exchange Commission (SEC) reports and other backup documentation including transcripts of quarterly conference call.	5Y	Financial Reporting	Yes
FIN142	**Stock Option Share Database System and Spreadsheets** Electronic database application used to administer stock option program and spreadsheet on options exercised.	Term+6Y	Finance	Yes
FIN143	**Fixed Assets** Records related to fixed or capital assets used to document basis for depreciation.	Term+Tax/5Y	Finance	Yes

Appendix A: Records Retention Schedule—General

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
GEN100	**Departmental Budgets** Worksheets and other supporting documentation for departmental budgets used for reference in later years.	3Y	Various	No
GEN101	**Departmental Plans** Strategic and tactical plans for organizational units used for reference in later years.	3Y	Various	No
GEN102	**Departmental Procedure Manuals** Procedures followed by departmental personnel.	C	Various	No
GEN103	**Personnel Files Maintained by Supervisors/Departments** Information copies of personnel-related files maintained by units and departments. When an employee terminates, all records should be transferred to HR and merged with appropriate files.	Term	Various	No

Appendix A: Records Retention Schedule—Human Resources

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
HR100	**Benefits—Contributions/Management Reports** Records related to contributions and participation in company-sponsored benefit plans. Includes insurance, 401(k), disability, ESOP, etc.	6Y	Benefits	Yes
HR101	**Benefits Files for Individual Employees** Benefits authorizations, enrollment forms, and other sensitive data not kept in official personnel file. Employee information sheets are kept separately.	Term+6Y	Human Resources	Yes
HR103	**Benefits Plan Documents** Benefit plans and related information including insurance, medical, disability, 401(k), ESOP, vesting criteria and educational assistance, studies, amendments, applications, administration of plan, summary plans. Does not include records related to individual employees, contracts with third-party providers, or stock option plan.	Term+6Y	Benefits	Yes
HR104	**Compensation Administration** Information related to administration of the compensation program, including compensation modeling and directives sent to management and records related to determining compensation amounts for individuals. Includes merit data in Oracle, merit sign-off's and actuals. Merit planners are covered by general retention policy.	3Y	Compensation	Yes
HR105	**Compensation Committee Meeting Minutes** Official minutes and reports of the Board of Directors Compensation Committee.	Perm	Corporate Secretary	Yes
HR106	**Contracts/Agreements—Human Resources Services** Contracts and agreements between outside parties and the company relating to human resources functions including third-party providers of employee benefits. Individual employment contracts and contracts for services are maintained separately. Includes documentation related to performance of contracts.	Term+6Y	Human Resources	Yes
HR107	**Corporate Policies/Procedures** Corporate-wide policies and procedures governing all employees.	C+10Y	Human Resources	Yes
HR108	**Employee Information Database System** Electronic database of employee-related	Perm	Human Resources	No

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
	information, including dates of employment, work history, promotions, transfers, and certain benefits.			
HR109	**Employee Information Sheet** Internal form containing information on race, address, emergency contact, etc.	Term+3Y	Human Resources	Yes
HR110	**Fitness Agreements** Agreements signed by employees who use the fitness center, including agreements signed by guests of such employees.	Term+6Y	Fitness Center	Yes
HR111	**Work Authorization Records** Immigration and Naturalization Services (INS) Form I-9 completed by new employees and documentation of efforts to obtain visas for employees. Contains copies of all documents required by the INS.	Term+3Y	Human Resources	Yes
HR113	**Personnel Files Maintained by Human Resources** Official documents related to specific individual employees, including employment agreements. Benefits information, employee information sheet, and I-9's are maintained separately.	Term+3Y	Human Resources	Yes
HR116	**Recruiting—Applicant Files** Application form, applicant evaluation form, interview notes, resume copy, requisition copy, and job description copy.	2Y	Staffing	Yes
HR117	**Recruiting—Activity Database System** Resumes and other documentation in Resumix of recruiting activity such as date of interview, date of background check, etc.	2Y	Staffing	Yes
HR118	**Recruiting—Contract Employee Files** Independent contractor compliance form, contractor's resume, original non-disclosure agreement, and informational copies of any contracts.	Term+6Y	Staffing	Yes
HR119	**Recruiting—Drug Screenings** Results of drug screenings for both successful and unsuccessful job applicants.	1Y	Staffing	Yes
HR121	**Recruiting—Immigration Public Access File** General documentation pertaining to efforts to obtain visas for employees, including labor conditions, prevailing wage calculations, and other documents required by immigration. These files should be retained for the entire duration of employment of any non-immigrant worker to which such materials relate, plus one year.	Term+1Y	Staffing	Year

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
HR122	**Recruiting—Support Files** Tear sheets or other proofs of advertisements done for recruiting purposes, results of background checks, information gathered for EEOC, requisitions for new employees, security datasheets maintained prior to 1999, and outreach activities and career fair participation.	3Y	Staffing	Yes
HR123	**Regulatory Compliance Reports** Employee-related reports filed with regulatory agencies such as the EEO-1 report and the VETS-100 report.	3Y	Human Resources	Yes
HR124	**Training Materials—Employee Development** Company-sponsored training programs and seminars, including schedules, attendance records, evaluations, requests, course development materials, manuals and technical training resources. Does not include health and safety, government-sponsored, or marketing and sales training.	3Y	Human Resources	No
HR125	**Unemployment Claims** Copies of claims forwarded to third-party provider. Claim file and supporting materials maintained by provider.	4Y	Human Resources	Yes
HR126	**Workers' Compensation Claims** Original claim filed with state workers' compensation commission. Claim file and supporting materials maintained by third-party provider.	6Y	Human Resources	Yes
HR127	**Confidential Personnel Issues** Confidential documentation of workplace issues raised by company personnel.	3Y	Human Resources	Yes
HR128	**Safety Incident Reports** Paper reports of accident or injury.	6Y	Human Resources	Yes

Appendix A: Records Retention Schedule—Information Services

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
IS100	**Disaster Recovery, Contingency, and Emergency Plans** Contingency and emergency plans related to people, communications, computer systems, records, etc.	C	Information Services	No
IS101	**Service Level Agreements** Agreements between IS department and other NEUSTAR departments setting levels of support provided by IS.	C	Information Services	No
IS102	**System Documentation** Documentation of NEUSTAR's internal computer hardware and software systems including business application code, schematic drawings, and equipment identification.	C	Information Services	No
IS103	**Contracts/Agreements—Information Services** Contracts, agreements, and amendments between outside parties and the company related to information services including hardware purchasing agreements, software, licenses, and service contracts.	Term+6Y	Legal	Yes
	Contracts/Agreements—Information Services Correspondence related to performance of contracts.	Term+6Y	Information Services	Yes

Appendix A: Records Retention Schedule—Legal

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
LEG100	**Compliance Policies** Documentation related to NEUSTAR policies designed to ensure compliance with statutory and regulatory requirements.	C+5	Legal	No
LEG101	**Contracts/Agreements—Legal Informational Copies** Informational copies of various contracts and agreements between the company and outside parties.	Term+6Y	Various	No
LEG102	**Copyrights/Patents/Trademarks** Intellectual property including copyright registration, authorizations, and related information; patent disclosure statements, affidavits, applications, searches and related correspondence; and trademark application, registrations, use authorizations, and licensing information.	Perm	Legal	No
LEG103	**Delegations of Authority/Power of Attorney** Internal authority for expenditures and power of attorney designations.	Perm	Various	No
LEG104	**Internal Audit Reports** Final audit report and suggested remedial activities prepared during internal audit of company's policies and procedures, including relevant work papers.	6Y	Legal	Yes
LEG105	**Legal Reference** Court records, legal opinions and analysis, pleadings, memoranda, settlement agreements or other legal records of continuing value.	C	Legal	No
LEG106	**Litigation—Case Files** Case files related to claims, complaints, asserted litigation, or government investigations. Includes pleadings, discovery, transcripts, exhibits, litigation-related agreements, court orders, etc. At the termination of a litigation matter, all relevant files should be reviewed to determine which, if any, materials in these files should be transferred to the Legal Reference file for retention.	Term	Legal	Yes
LEG107	**Mergers/Acquisitions/Divestitures** Agreements and other records relating to acquisitions, mergers and divestitures retained following the sale or closure of a company entity. Includes due diligence, agreements, financials, research, and other information.	Perm	Corporate Development	No

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
LEG108	**Non-NEUSTAR Pre-Acquisition Records** The pre-acquisition records of a company acquired by NEUSTAR, including personnel data, tax, contractual obligations, etc. When received, transfer to appropriate series for retention or destroy if general retention policy applies.	Term	Various	Yes
LEG110	**Potential Acquisitions—Internal Analysis** Research and analysis of potential acquisition opportunities. Original contracts and documents from prospect are maintained separately.	3Y	Corporate Development	No
LEG111	**Potential Acquisitions—Materials Provided by Prospect** Proprietary and confidential materials supplied to NEUSTAR by prospective acquisition candidate to facilitate discussions or negotiations. If transaction does not occur, this information is to be destroyed or returned, as appropriate. If transaction does occur, information is to be transferred to appropriate record series.	Term	Corporate Development	No
LEG114	**Suspensions of Records Destruction** Documentation relating to any suspension of records destruction announced by the Legal Department, including any authorization to reinstate records destruction activities.	25Y	Records Management	No
LEG115	**Compliance Training** Documentation certifying that individual employees are in compliance with statutory and regulatory requirements or have received relevant training conducted by Legal Department.	5Y	Legal	Yes

Appendix A: Records Retention Schedule—Marketing

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
MKT102	**Contracts/Agreements—Marketing and Distribution** Contracts, agreements, and amendments between outside parties and the company relating to marketing and distribution functions. Customer license agreements are maintained separately by Contracts Admin.	Term+6Y	Legal	Yes
	Contractions/Agreements—Marketing and Distribution Correspondence related to performance of contracts.	Term+6Y	Marketing	Yes
MKT103	**Corporate Public Relations** Public relations activities including public relations plans, web content, corporate charitable contributions, and community involvement. Accounting information and records related to products or services are maintained separately.	3Y	Marketing	Yes
MKT109	**Market Studies** Analysis of product market or market segments developed by NEUSTAR or outside consultants.	6Y	Marketing	No
MKT110	**Marketing Publications and Advertising** Material distributed to the public describing NEUSTAR products and services. Includes tear sheets and other advertising records, datasheets, white papers, testimonials, press releases, brochures, and other marketing collateral.	PM+6Y	Marketing	Yes
MKT114	**Product Availability and Compatibility Database System** Electronic databases containing information on which products have been released to General Availability, which platforms are supported, and which languages are enabled.	C	Marketing	No
MKT115	**Product Benchmark Studies** Benchmarking studies comparing NEUSTAR products to products of other software vendors.	3Y	Marketing	No
MKT119	**Marketing Plans and Forecasts** Strategic and tactical marketing plans for the company, individual products, or for all products of a strategic business unit including product road maps, integrated marketing campaigns, and MediaNet content.	3Y	Marketing	No
MKT123	**Brand Equity** Standards and studies related to branding of NEUSTAR and NEUSTAR products,	Perm	Marketing	No

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
	including documentation related to logos, trademarks, and brand names. Trademark applications, registrations, use authorizations, and licensing information is maintained separately.			

Appendix A: Records Retention Schedule—Operations

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
OPS100	**Contracts/Agreements—Purchasing and Operations** Contracts and agreements between outside parties and the company relating to operations/purchasing functions. Includes documentation related to performance of contacts.	Term+6Y	Operations	Yes
OPS101	**Contracts/Agreements—Real Property** Contracts and agreements involving real property or facilities, including construction contracts. Includes documentation related to performance of contracts and leases. Deeds, warranties, and liens are maintained separately.	LF+10Y	Operations	Yes
OPS102	**Engineering Drawings** Engineering and architectural drawings of facilities owned by NEUSTAR.	LF+6Y	Operations	Yes
OPS103	**Ergonomic Program** Records documenting training of management in ergonomics and ergonomic evaluations of individual employees.	3Y	Operations	Yes
OPS104	**Fire Extinguisher Testing** Records of NEUSTAR-owned fire extinguisher testing.	1Y	Operations	No
OPS106	**Material Safety Data Sheets ("MSDS")** Safety data sheets retained on hazardous substances stored and used in corporate facilities.	Perm	Operations	No
OPS107	**Product Kits** Sample product kit for each product released.	Perm	Production	No
OPS108	**Product Kit Assembly Instructions** Detailed instructions on how to assemble product kits for NEUSTAR products currently marketed.	PM	Production	Yes

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
OPS109	**Purchase Orders** Includes purchase orders, requisitions, and requests for proposal.	Tax	Purchasing	Yes
OPS110	**Records Retention Policy** Documentation of process followed in developing, implementing, and administering records retention policy, including all notices of records destruction. Memos regarding suspension of records retention policy for legal reasons are separately maintained.	Perm	Records Management	No
OPS112	**Special Events Binder** Notebooks used by volunteers participating special event committees.	C	Operations	No
OPS113	**Workplace Inspection and Tests** Paper records of any workplace inspections or tests.	6Y	Operations	Yes
OPS114	**Building Security Database System** Records related to building card key access and related matters of physical security.	C	Facilities	No
OPS115	**Deeds, Warranties, and Real Property Records** Deeds, warranties, and other records evidencing ownership of real property or liens and attachments to real property.	Perm	Legal	No

Appendix A: Records Retention Schedule—Product Management and Development

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
PMD100	**Contracts/Agreements—Product Development** Contracts, agreements, and amendments between outside parties and the company relating to product development.	Perm	Legal	No
	Contracts/Agreements—Product Development Correspondence related to performance of contract.	Perm	PM&D	No
PMD101	**Customer Feedback on Specific Products** Customer input from user groups and focus groups.	3Y	PM&D	Yes
PMD102	**Customer-provided Diagnostic Information** Data provided by customer to replicate	C	PM&D	No

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
	support issues.			
PMD103	**Customer Support Problem Database System** Electronic database used for tracking customer support problems.	PS	PM&D	No
PMD104	**Product Code** Source and object code of NEUSTAR products and supports files.	Perm	PM&D	No
PMD105	**Product Defect Tracking Data** Information generated during internal and beta testing to track product defects.	PS	PM&D	No
PMD106	**Product Design Standards** Software design standards and procedures, including accessibility requirements, standards for user interface, globalization standards, and other design standards.	C	PM&D	No
PMD107	**Product Development Business Plans** Description of product, strategic fit, and marketing data including audience, revenue, and cost information.	PM	PM&D	No
PMD109	**Product Development Project Files** Includes product requirements, functional specs, design documents, release to manufacturing, datasheets, white papers, and other records of software design process.	Perm	PM&D	No
PMD110	**Product Development Strategic Plans** General strategic plans relating to R&D and product development activities. Product-specific business plans are maintained separately.	3Y	PM&D	No
PMD111	**Product Documentation** Product documentation intended for release to the public, including manuals, help files, web pages, reference guides, installation instructions, technical bulletins, etc.	Perm	Technical Pubs	No
PMD112	**Product Listings** Product listings generated through source code compilation process used to identify source of problem when program error messages are received.	PS	PM&D	Yes
PMD114	**Project Development Logs, Journals, and Notes** Logs, notebooks, journals, and other product development records reflecting NEUSTAR trade secrets and/or technical information relating to the design and architecture of NEUSTAR products.	Perm	PM&D	No

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
PMD115	**Project Tracking** Project tracking information and status reports.	3Y	PM&D	Yes
PMD116	**Quality Assurance Plans and Results** Test plans, test cases, and test results created during the quality assurance process.	PS+3Y	PM&D	Yes
PMD117	**Y2K Project** Documentation of preparation for year 2000 including customer correspondence, e-mail, Y2K web site, and sample R&D documents.	Term+3Y	PM&D	Yes
PMD 118	**Product Lists** Official company product lists for all products marketed. Price lists are maintained separately by I.S.	Perm	PM&D	No

Appendix A: Records Retention Schedule—Professional Services Organization

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
PSO100	**Professional Services Project Documents** Documentation of project initiation (contracts, statement of work, etc.), performance (deliverables, status reports, project control book, etc.), and compliance (acceptance, surveys, etc.).	Term+6Y	Professional Services	Yes

Appendix A: Records Retention Schedule—Sales

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
SAL100	**Contracts/Agreements—Sales** Contracts, agreements, and amendments between outside parties and the company relating to sales functions. Customer license agreements are maintained separately by Contracts Administration.	Term+6Y	Legal	Yes
	Contracts/Agreements—Sales Correspondence related to performance of contracts is maintained by Sales.	Term+6Y	Sales	Yes

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
SAL101	**Contracts/Agreements—Software Licenses** Originals of all NEUSTAR customer licenses and amendments, including contract-related correspondence, credit memos, field test agreements, and other related information.	Term+6Y	Contracts Administration	Yes
SAL102	**Customer Contact Database System** Electronic database system used for tracking and documenting contacts with prospective, actual customers and business partners.	C	Sales	No
SAL103	**Field Operations—Account Files** Account file maintained by the sales representative including a copy of signed contract and any correspondence that modifies the contract. Originals of these are maintained separately by Contracts Administration.	C	Sales	No
SAL104	**Field Operations—Contract Negotiations Working File** Working file kept by the sales representative containing proposals, spreadsheets, and any other information not recorded in Customer Contact Database System. Retained until negotiations are final. Original of signed contract and significant contract-related correspondence should be sent to Contracts Administration and copies of same are maintained in Field Operations—Account Files.	Term	Sales	No
SAL105	**GSA Audits** Records related to either pre-award or post-award audits by the U.S. General Services Administration (GSA). Includes electronic and paper copies of invoices produced for auditors, spreadsheets used for analysis, any written responses to questions, and correspondence.	Term+6Y	Contracts Administration	Yes
SAL106	**GSA Schedule** Agreement with U.S. government for products and services. Includes annual renewals and related documents.	Term+6Y	Legal	Yes
SAL108	**Product Pricing Fact Sheet** Pricing fact sheet and profitability analysis.	PM	Pricing	Yes
SAL109	**Product Pricing Supporting Data** Information used to create pricing fact sheets, including product information, marketing potential, customer information, market analysis, etc.	3Y	Pricing	No

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
SAL110	**Sales Compensation Plans** Compensation plans for each sales representative and manager showing quotas and commissions.	Term+6Y	Commissions	Yes
SAL111	**Sales Territory Assignments** Records showing assignment of sales representatives to territories or to named accounts.	3Y	Sales Planning	No
SAL112	**Territory Reviews** Annual review of sales performance setting projected goals and quotas.	3Y	Sales	No
SAL113	**Training Materials—Sales** Sales related training materials, including training videos and computer-based training materials. Does not include materials related to health and safety, employee development, government sponsored, or other forms of training.	C	Training	No
SAL114	**Sales Plans and Forecasts** Strategic and tactical sales plans for the company, individual products, or for all products of a strategic business unit including product road maps, integrated marketing campaigns, and MediaNet content. Periodic reports showing actual accomplishments of sales organization compared to plans. Includes detailed sales forecasts.	3Y	Sales	No
SAL115	**Price Lists and Price Books** Official company price for all products marketed.	Perm	Information Services	No

Appendix A: Records Retention Schedule—Tax

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
TAX100	**Audited Financial Statements** Financial statements audited by external auditors.	5Y	Tax	Yes
TAX101	**Bank Account Numbers** Records of account numbers for foreign and domestic bank accounts.	C+Tax/5Y	Finance	No
TAX103	**Consolidated Financial Statements** Informational copies of consolidated financial statements, including subsidiaries, corporate, and joint ventures.	5Y	Financial Reporting	Yes
TAX104	**Contracts/Agreements—Tax** Contracts and agreements between outside parties and the company relating to tax functions. Includes documentation related to performance of contracts.	Term+6Y	Tax	Yes
TAX105	**Corporate Minutes of Subsidiaries** Informational copies of all subsidiaries that have minutes. Originals are maintained by Corporate Secretary.	5Y	Corporate Development	No
TAX106	**Federal Income Tax Backup** Supporting documents for Income tax returns filed with the U.S. Internal Revenue Service (IRS).	Tax	Tax	Yes
TAX107	**Federal Income Tax Returns** Income tax returns filed with the U.S. IRS.	Perm	Tax	No
TAX108	**Federal Income Tax Returns—Acquired Companies** Federal income tax returns filed by the acquired company.	Perm	Tax	No
TAX109	**Federal Tax Audits** Questions asked during audits, NEUSTAR's responses, and copies of documents submitted.	Tax+3Y	Tax	Yes
TAX110	**Incorporation Document** Informational copies of incorporation documents for all subsidiaries.	Term	Corporate Secretary	No
TAX111	**Market Analysis for Subsidiary Transfers** Market analysis to support the dollar value of transfers between subsidiaries.	Tax	Tax	Yes
TAX112	**Merger Financials** Basic accounting information and memos to file on the state of the acquired company's books.	Tax/5Y	Tax	Yes
TAX113	**Real Property Tax** Property tax documentation for real property	5Y	Tax	Yes

Record Series Number	Record Title Description	Retention Period	Office of Record	Notice of Destruction Required
	in Texas.			
TAX114	**Sales and Use Tax** Sales and use tax returns and supporting documentation.	4Y	Tax	Yes
TAX116	**State Income Tax** Income tax returns filed with various states in the U.S. and supporting documents including reports of customer invoices by state.	Tax	Tax	Yes
TAX117	**Unclaimed Property** Reports to states of unclaimed property or the lack thereof.	3Y	Tax	Yes
TAX118	**VEBA Documentation** Documents relating to formation of Voluntary Employee Benefits Association (VEBA).	Term+6Y	Tax	Yes

APPENDIX B—PROPOSAL SECTIONS 1.4 NEUSTAR'S SECURITY PROGRAM AND 2.3 NEUSTAR'S NEUTRALITY

1.4 Neustar's Security Program

Why Neustar

- Security-Related Information
- Neustar security program uses the "defense-in-depth" approach, leveraging multiple layers of security to ensure system and information resiliency
- Neustar adheres to Industry best practices for securing information and systems
- Continued training and education for security experts to remain ahead of emerging cyber threats, and ongoing Information Security training and awareness campaigns for all Neustar employees
- Security operations are all based in the United States

New for the Next Term

- Improved "threat intelligence" and response capability for NeuCIRT/SOC in 2013
- ISO27001 information security certification for NPAC
- Continued investment in the Information Security program to ensure Neustar stays ahead of emerging threats (people, processes, and technologies)

Neustar's approach to information security is a comprehensive, defense-in-depth program designed to mitigate all types of information security risks, while constantly evolving to stay ahead of the ever changing cyber threat landscape. Enabling secure customer access and protecting customer data are the primary goals of our information security program.

Over the past several years, the world has seen a huge increase in both the number and complexity of cyber attacks against governments and business enterprises. Regardless of the motivations behind these ever-changing threats, Neustar has taken the necessary steps to not only protect against these threats, but to stay ahead of them. Through a robust, defense-in-depth corporate information security strategy, which encompasses requisite preventive, detective, and corrective security measures, along with a proven Information Risk and Compliance program, Neustar is well prepared for these current and emerging cyber threats. These programs were designed to protect Neustar and our customer's information systems and data, while providing a secure means for customer access. Leveraging people, processes, and technologies, Neustar continuously assesses current capabilities against emerging threats and regularly updates security and privacy controls to ensure operational resiliency.

Neustar uses resources across the organization to quickly and effectively respond to information security threats. The following are highlights of some of our overarching principles and practices:

- Defense-in-depth approach—Neustar embraces a defense in in-depth or layered approach to security including strong physical, technical and administrative security controls. As shown in Exhibit 1.4-1, Neustar uses a diverse selection of security tools and vendors, which eliminates risk of any one vendor-specific security vulnerabilities.

- Threat intelligence capability—Neustar understands the ever-changing threat landscape and the increasing number of complex attacks being launched by hackers. In order to stay ahead of new attack methods, Neustar has implemented a "threat-intelligence" capability that provides us with improved zero-day (a previously unknown vulnerability in a computer application, meaning that the attack occurs on "day zero" of awareness of the vulnerability.) malware detection through advanced threat-feeds.

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- Continued training and education—Neustar's information security team keeps up with the latest security best practices, by attending training, conferences, and networking with other security professional in various companies via industry working groups, organizations, and events. In addition, our security experts provide mandatory annual Information Security Awareness training for the entire work force.

- Industry best practices—Neustar's information security and risk management program aligns with the ISO27001 standards and National Institute of Standards and Technology (NIST). Neustar is currently preparing for the ISO27001 certification for the NPAC. The NPAC infrastructure is currently ISO9001:2000 certified.

- Security-Related Information

- Regular audits—Neustar is subjected to regular audits such as: Sarbanes Oxley, SSAE16, ISO9001:2000, and self-imposed internal audits.

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Security-Related Information

Security-Related Information

1.4.2 Information Security Framework

Neustar's Information Security Framework consists of sophisticated measures that both proactively defend against attacks as well as rapidly respond to them for minimizing the impact of any attack. Security-Related Information

Our detective and corrective measures are implemented and managed though the Neustar Cyber Incident Response Team/Security Operations Center (NeuCIRT/SOC).

Neustar's information security starts with comprehensive policies and standards utilizing industry best practices, including ISO and NIST. Policies and standards are reviewed semi-annually and updated as needed. Through adoption of recognized standards and the utilization of proven security solutions, Neustar has a cohesive and highly effective approach in protecting against data loss, targeted advanced persistent threats, and distributed denial of service attacks.

We have implemented enhanced security monitoring and threat prevention by developing a variety of techniques and systems to maintain awareness of emerging techniques and tools in the hacking community. Security-Related Information

Neustar recognizes the vital need to secure the systems and the integrity of the data in commercial solutions. Our extensive background in carrier-grade solutions has led us to install and operate computing and communications systems in accordance with solid business and security practices, including the consideration of physical, network, server, and application elements.

1.4.2.1 Information Security Framework—Preventive Controls

As the old saying goes, “an ounce of prevention is worth a pound of detection,” preventive measures are always better than a cure. Preventive-based security controls provide a higher level of efficiency whereas detective and corrective based security control is usually much more costly. While Neustar maintains solid detective/corrective controls, the foundation of the security program (shown in Exhibit 1.4-2) is built on time-proven preventive controls (administrative and technical).

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Endpoint Security

Neustar's security teams have deployed a comprehensive approach to security for the endpoint: employee desktops, laptops, and other devices. Employee desktops and laptops are one of the largest targets for hackers, viruses, and malware. To safeguard our endpoints, we have deployed proven technologies in a defense-in-depth approach, which directly increases the security posture of NPAC. Some of the key security capabilities that protect the NPAC environment include:

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- Security awareness training for the workforce—Neustar firmly believes that employees are the first line of defense against security incidents; therefore, we have successfully developed a "culture of security" environment. Through specialized security and awareness training and focused security forums, employees are made aware of security-related threats and potential attack vectors (i.e. vulnerable applications, phishing attacks, social engineering, etc), thus providing an additional line of defense against malicious security activities.
- Security-Related Information eustar has deployed protections to block potential harmful and non
- Security-Related Information
- Security-Related Information
- Network access control—Neustar utilizes network access control (NAC). NAC gives us full visibility to every system on the network and allows us to limit access for different classes of users with the use of policies.
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Operating Systems Security

To protect our operating systems, we utilize the following preventive system controls:

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- Security-Related Information

- Patch management—Neustar's formal patch management program was implemented to not only ensure timely security patching of systems, but also to provide improved system performance and compliance with regulatory requirements.

Identity Management Security

Neustar has implemented a comprehensive set of technologies to form our Identity and Access Management Program. This program has allowed us to centrally control the lifecycle of all identities in the NPAC. Security-Related Information

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- Web access—Neustar offers Web Access Management and Policy controls to ensure only authorized users can access protected resources and generate SSO tokens for seamless session experience. Security-Related Information

- SSO—Neustar offers a secure SSO capability to its partners or customers. Internal identity federation provides a standards-based approach to bridging identity silos and application domains. We support all federation standards such as SAML, OAuth, WS-Federation, STS, OpenID. Security-Related Information

  Both scenarios offer users seamless resource access.

- Centralized identity management—Security-Related Information

  This allows us to manage the life cycle of accounts more efficiency and gives us greater control over individual's access. Neustar practices the principle of least privilege for all accounts.

- Two-factor authentication—Security-Related Information

Security-Related Information

1.4.2.2 Information Security Framework—Detective and Corrective Controls

Cyber attacks by hostile organizations such as nation-states and organized crime are on the rise, which is threatening governments and corporations by attempting to steal strategic, technical, financial, and national security information. The increasingly sophisticated and aggressive nature of these attacks require equally assertive measures be taken to detect, respond, correct, and adapt quickly to these ever-changing cyber threats in order to protect critical information assets.

Security-Related Information

Security-Related Information

- Proactive threat research on emerging threats
- Security-Related Information
- Security-Related Information
- Focused reporting and briefings for advanced cyber threats and activity
- Security-Related Information

- Development of threat trend analysis reports and metrics
- Active participation in the security community including: meetings; training; seminar; conferences; associations, etc.
- Threat assessment reports of threat risks to programs, technologies, or systems, based on open and intelligence sources

The Neustar Difference

Neustar's role as a provider of mission-critical functions to entire industries; such as the LNPA, domain name registries, and UltraViolet digital rights and identity manager makes us an attractive target to attackers. Therefore, Security-Related Information We have created a world

. We've created identity management solutions that enable our users to access our services in a user-friendly manner while maintaining strict security control. We have created an environment that encourages constant training and rapid response through our regular security penetration testing.

1.4.3 Information Risk and Compliance

Neustar recognizes that effective security management includes not only technical and tactical defense, but also a security approach that encompasses security risk management and compliance to further strengthen Neustar's infrastructure.

With increasing global threats to financial and information related industries, Neustar has enhanced its current security program to include an IT Risk and Compliance group (ITRC)—see Exhibit 1.4-4. This is a group of highly skilled professionals with decades of information risk and compliance experience in the telecommunication, new media, Internet, and government sectors. Security-Related Information

In addition, the Business Continuity Management (BCM) program strategy (see Proposal Section 1.2.4) and execution is managed with oversight from the ITRC.

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- NPAC Technical Neutrality Audit—Focus is on industry neutrality. Neustar provides a spotless record on neutrality and has passed all third-party audits of Neustar's neutrality. We are the only entity to have our neutrality confirmed in a Commission order.
- NPAC Article 14 Audit—Focus is on NPAC data center and operations in comparison with industry best practices. An independent, intensive third-party review of Neustar's NPAC data center and operations has found that these areas have consistently exceeded or far exceeded industry best practices in all tested areas year-over-year, including both Business Continuity Management and Security. See Exhibit 1.4-5 for our industry best performance record with regard to security for the NPAC.
- ISO9001—Focus is on NPAC's Quality Management System and documentation subject to a yearly external audit. Results from the annual ISO 9001 quality audits show consistent high performance and continual improvement.

- Sarbanes-Oxley (SOX)—Focus is on revenue, financially significant lines of business and systems. Neustar consistently has maintained a stable and compliant control environment, utilizing the COSO and COBIT frameworks. Since Neustar's public offering, Neustar has not had a materially significant deficiency found during any Section 404 testing for Sarbanes-Oxley.

Security–Article 14 Audit Scores

Category	2009	2012	Trend
Security Overall Score	4.50	4.50	↔
Security Governance	4.30	4.37	▲
Security Policy	4.30	4.50	▲
Security Awareness Training	4.40	4.40	↔
Security Compliance	4.20	4.20	↔
Firewall	Security-Related Information		↔
Remote Access			↔
Network Security			↔
Host Systems & Database Security			↔
Data Center Security			↔

5 - Excellent performance, far exceeds industry best practices
4 - Above average performance, generally exceeds industry best practices
3 - Average performance, meets industry best practices
2 - Below average performance, fails to meet industry best practices
1 - Poor performance, falls far below industry best practices

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Exhibit 1.4-5: Third-party audits validate our performance and provide valuable input on possible future enhancements.

- Managing the Quality Management System (QMS)—This is comprised of highly skilled information security risk and compliance specialists. The QMS ensures an objective, independent review of internal processes, controls, and practices across the enterprise. Our ISO 9001 certification validates the effectiveness of the QMS.

- Leveraging third-party automated tools to ensure high-quality performance—Neustar has implemented an industry-leading IT Governance, Risk, and Compliance (ITGRC) Security-Related Information . The use of such automated tools provides for further business agility while providing risk, vulnerability, compliance, business continuity, and disaster recovery metadata management and tracking.

Oversight not only includes information security, but also business processes, documentation, physical and environment controls, and other areas of the company that may have a downstream effect on the information and operational environments. Through a layered approach, Neustar's technical, administrative, and physical controls are designed to ensure Neustar's assets are properly protected, operate effectively, and remain in compliance with legal and regulatory requirements.

Information Security Risk Management

Neustar recognizes that security risk management is a critical component of its operations at the corporate and business unit levels. To properly manage corporate assets and to serve customers as expected, Neustar has incorporated regularly scheduled security risk assessments of its business units. The probability of each risk is assessed and an overall inherent risk rating is derived. The process considers both external and internal risk factors on each business unit, and management's capability to focus on the impact of those factors on operations. The findings from the information security risk assessments are distributed to our senior leadership and incorporated into the Neustar Enterprise Risk Management (ERM) reports, as required.

Neustar has implemented an integrated approach to information security risk management throughout the enterprise. Under the leadership of Security-Related Information , the information security risk management teams are well positioned to provide the requisite oversight to ensure risk-benefit analyses, and security are applied throughout the risk management process. Neustar's assessment methodology is based on industry specifications such as ISO27001, ISO27005 (shown in Exhibit 1.4-6), and the newer ISO31000 standards, which allows for a comprehensive approach to be applied in the evaluation of mission security risks, including the identification of proper protections to safeguard information systems and customer data.

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2.3 Neustar's Neutrality

Why Neustar

- Meets or exceeds all VQS and RFP Neutrality Criteria today
- Neutrality Code of Conduct, developed in collaboration with the FCC and Industry, is in place today
- Successful, corporate-wide Neutrality Compliance Program in place today
- More than 60 numbering-related neutrality audits passed since Neustar's creation in 1998
- Neutrality Legal Opinion provided by an independent law firm with more than a decade of experience in reviewing LNP neutrality
- Long history of neutrality can give Industry confidence of neutrality continuing into the future
- No complex or time-consuming neutrality cure required

VQS Section 3.4 requires that the Primary Vendor and all Subcontractors must "at all times be Neutral Third Parties" and the RFP requires each of the regional LNP databases be managed by an LNPA that is "neutral and independent from Telecommunications Carriers." Further, the RFP Section 4.2 requires an audit of an LNPA's neutrality to be conducted every six months.

Neustar has an unquestioned record of neutrality in numbering administration that simply cannot be matched by any other entity. Created in 1998 specifically to be assigned North American Numbering Plan Administrator and LNPA contracts from the non-neutral Lockheed Martin, Neustar was born into an environment that mandated neutrality from telecommunications numbering administrators. From the outset, Neustar made neutrality an integral part of its corporate essence. Neustar was a Neutral Third Party when it was created in 1998 and Neustar remains a Neutral Third Party today. Indeed, Neustar's very name is a constant affirmation of the company's continuing commitment to neutrality.

Neutrality, though, is more than just a name. Neutrality in numbering administration must be lived in practice constantly, not merely practiced when convenient. Since 1999, Neustar has been governed by a Neutrality Code of Conduct that was developed in consultation with the Commission and the Industry. This Code of Conduct was included in the Commission order approving the transfer of the NANPA contracts from Lockheed Martin to Neustar and was referenced in the agreement by which the Industry approved the assignment of the LNPA agreements to Neustar. To Neustar's knowledge, this is the only such Code of Conduct in existence today.

NEUSTAR CODE OF CONDUCT

1. Neustar will never, directly or indirectly, show any preference or provide any special consideration to any company that is a telecommunications service provider, which term as used herein shall have the meaning set forth in the Telecommunications Act of 1996.

2. No shareholder of Neustar shall have access to user data or proprietary information of the telecommunications service providers served by Neustar (other than access of employee-shareholders of Neustar that is incident to the performance of NANPA and LNPA duties).

3. Shareholders of Neustar will ensure that no user data or proprietary information from any telecommunications service provider is disclosed to Neustar (other than the sharing of data incident to the performance of NANPA and LNPA duties).

4. Confidential information about Neustar's business services and operations will not be shared with employees of any telecommunications service provider. Neustar shareholders will guard their knowledge and information about Neustar's operations as they would their own proprietary information.

5. No person employed by, or serving in the management of any shareholder of Neustar will be directly involved in the day-to-day operations of Neustar. No employees of any company that is a telecommunications service provider will be simultaneously employed (full-time or part-time) by Neustar.

6. Warburg Pincus will not control more than 40% of Neustar's Board.

7. No member of Neustar's board will simultaneously serve on the board of a telecommunications services provider.

8. No employee of Neustar will hold any interest, financial or otherwise, in any company that would violate the neutrality requirements of the FCC or the NPAC Contractor Services Agreements (the Master Agreements).

9. Neustar will hire an independent party to conduct a neutrality review of Neustar, ensuring that Neustar and its shareholders comply with all the provisions of this Code of Conduct. The neutrality analyst will be mutually agreed upon by Neustar, the FCC, NANC and the LLCs. The neutrality review will be conducted quarterly. Neustar will pay the expenses of conducting the review. Neustar will provide the analyst with reasonable access to information and records necessary to complete the review. The results of the review will be provided to the LLCs, to the North American Numbering Council and to the FCC and shall be deemed to be confidential and proprietary information of Neustar and its shareholders.

To ensure Neustar's compliance with the Neutrality Code of Conduct, the Code requires Neustar to undergo quarterly neutrality audits by a mutually agreed third party. Thus, Ernst & Young has conducted 50 quarterly reviews of Neustar's compliance with the Code of Conduct and other neutrality rules. Each of those 50 quarterly audits confirmed Neustar's continuing neutrality and these audit reports are shared with the Commission, the NANC, and the NAPM LLC. Moreover, beginning in 2003, the law firm of Piper Rudnick, now known as DLA Piper, conducts annual neutrality audits and submits it findings to the NAPM LLC. Each of these 10 annual audits has also confirmed Neustar's compliance with the Code of Conduct. No other prospective vendor has ever been subjected to such rigorous neutrality audits.

Below, Neustar will discuss the continuing importance of neutrality in the LNPA and then explain its neutrality compliance program in greater detail.

Neutrality Remains Critical to the Success of Local Number Portability

Neutrality in telecommunications numbering administration is not an idle academic exercise. The requirement in the Telecommunications Act of 1996 that the Commission "create or designate one or more impartial entities to administer telecommunications numbering" originated out of concern that telephone numbers were such an integral component of a telecommunications service that a biased administrator could impede the development of telecommunications competition. With this directive from Congress, and sharing the Congressional concern, the Commission, in FCC 96-286 at ¶92, determined that it was in the "public interest for the number portability databases to be administered by one or more neutral third parties." The Commission continued:

> Neutral third party administration of the databases containing carrier routing information will facilitate entry into the communications marketplace by making numbering resources available to new service providers on an efficient basis. It will also facilitate the ability of local service providers to transfer new customers by ensuring open and efficient access for purposes of updating customer records. . . . Neutral third party administration of the carrier routing information also ensures the equal treatment of all carriers and avoids any appearance of impropriety or anti-competitive conduct. Such administration facilitates consumers' access to the public switched network by preventing any one carrier from interfering with interconnection to the database(s) or the processing of routing and customer information. Neutral third party administration would thus ensure consistency of the data and interoperability of number portability facilities, thereby minimizing any anti-competitive impacts.

When those words were written in 1996, competition in the local telecommunications market was still a vision. Fax machines and pagers were prominent. There were clear distinctions between Service Providers who were RBOCs, CLECs, IXCs, CMRS providers, and cable operators. There were only 60 million wireless subscribers in the United States and wireless Service Providers were initially exempt from the Telecommunication Act's LNP requirements. There were no smart phones. SMS and MMS were not in widespread use. The ITU-T had only just begun the development of standards for the transmission and signaling of voice communications over Internet Protocol (VoIP) networks with the H.323 standard.

Today, in part because of LNP, the telecommunications marketplace in the U.S. has grown into the largest and most competitively robust market in the world as traditional companies, cable operators, mobile providers, and new entrants square off to compete for business and residential subscribers. Wireless is exploding: there are now 330 million wireless subscribers in the U.S. and more SMS and MMS messages are sent each month than voice calls are made. New mobile devices are appearing in the market with increasing velocity; seemingly, everyone today has a smart phone, a tablet, or both. There are hundreds of thousands of applications available for these devices and millions are downloaded each day. VoIP is commercially available and in use by consumers and corporations throughout the country.

Innovation and change are the norm for the U.S. telecommunications market now and will be in the future. New handset devices are still being launched. More tablets and other devices are being developed. Convergence in voice, text, video, and Internet is increasing. Service providers are in the middle of developing and executing LTE plans and implementations. With this innovation and change, local number portability is more important today than ever. There are more than 600 million TNs contained across the seven regional NPAC/SMS systems. More than 500 million NPAC/SMS transactions occurred in 2012 alone. The NPAC/SMS enables number conservation using Thousands-Block Pooling and is readily used by Service Providers to gain customers, retain customers, migrate customers to different networks, and to restore service to customers in the event of outages or disasters. Neustar, as the U.S. LNPA, processed billions of individual Common Management Information Protocol (CMIP) operations in 2012 in support of those 500 million NPAC/SMS transactions.

With the continuing importance of local number portability, even a relatively small failure in the administration of LNP would have a significant financial impact on carriers and damage consumer confidence in a system that is a linchpin for telecommunications competition. As the Industry knows, the NPAC/SMS is an extremely complex system the performance of which is instrumental in ensuring the success of LNP in enabling the delivery of every voice call and text message, and the provision of critical services such as telephone number management and the restoration of service in the event of a disaster. The NPAC/SMS is a critical part of the telecommunications infrastructure in the United States. Confidence in the neutrality of the LNPA is critical, not only because the LNPA is privy to competitively sensitive information, but also because all participants in the Industry must be able to trust the LNPA to operate in a manner that will not favor any particular Service Provider or Industry segment, particularly as the LNPA and Industry adapt the NPAC/SMS to accommodate the Industry's transition to all-IP networks,

A Neutral Third Party administrator is essential to ensuring consumers and businesses are able to switch Service Providers without obstruction or undue delay in the process. Positive experiences with the porting process by consumers and businesses are vital to the success of communications competition. If consumers and businesses encounter unreasonable delays in their attempts to change Service Providers or if changing providers becomes an intolerable hassle, consumers and businesses will then become less likely to attempt switching providers. Thus, communications will be compromised if an LNPA, because of corporate affiliations or contractual relationships, acts in a non-neutral fashion. A non-neutral administrator may choose not to adequately support complex mass migration transactions or may selectively enforce transaction processing rules and Industry guidelines to give favored carriers or favored segments a competitive advantage. Similarly, since the LNPA and NPAC/SMS can play a major role in disaster recovery, a favored Service Provider could offer assurances to consumers and businesses that their services will be restored more rapidly than others after a natural disaster.

The LNP administrator must also be able to represent the porting interests of the Industry at standards development committees impartially. A biased administrator can use its power to block or push for standards for the benefit of one customer or Industry segment. Indeed, such an administrator could change feature functionality of the NPAC system to benefit certain providers or Industry segments, such as by supporting certain technologies over others. This is the very essence behind the requirements that a numbering administrator not be aligned with any particular Industry segment.

The Industry must be able to trust the integrity and neutrality of its LNPA for local number portability to function as intended. The porting process necessarily requires that Service Providers share confidential customer information and proprietary business plans with the LNPA. Service providers must have confidence that their competitively sensitive information will be tightly guarded and not shared with one or more of their competitors. If Service Providers lose this confidence because of real or perceived neutrality concerns with the LNPA, the entirety of the local number portability system will cease to function efficiently. If the portability system breaks down, then non-favored Service Providers may lose business because they can no longer capture new customers, leading not only to diminished communications competition but also to reduced consumer benefit that flows from vibrant competition. Moreover, the mere perception that the LNPA is favoring an Industry member or segment, or has the incentive to do so, will result in the Commission, the NAPM, and carriers devoting increased resources to monitoring the LNPA.

Given the increasing size of the U.S. communications market, the increasing level of competition, the increasing reliance on LNP for use beyond just competitive porting, and the volume of work the U.S. LNPA has to perform, the neutrality of the U.S. LNPA is more important than ever before and will be even more important in the future.

Neustar's Unmatched Commitment to Neutrality

Commitment to neutrality in numbering administration permeates all aspects of Neustar's corporate existence. Neustar's Restated Articles of Incorporation, its corporate bylaws, and even its stock certificates all contain provisions reflecting the neutrality requirements imposed on Neustar by the Commission and the Industry. Neustar views every relationship that it undertakes, acquisition that it contemplates, investment that it examines, and debt that it incurs through the prism of neutrality. Contracts are declined; acquisitions and investments refused; and neutrality provisions negotiated into Neustar's debt instruments. No other company can make these claims, just as no other company can fully appreciate the full scope of what number administration neutrality entails.

Several examples are illustrative. In the winter of 2010, Neustar entered into merger discussions with Syniverse, Inc. During the course of due diligence between the two companies, Neustar discovered that Syniverse held Certificates of Public Necessity and Convenience (or equivalent authority) to provide telecommunications services in 32 states. In addition, Syniverse had tariffs on file in several states for the provision of SS7 and private line services, and had filed and paid state taxes based on telecommunications revenues in several jurisdictions. Finally, Neustar found that Syniverse held a license issued under section 214 of the Commission's rules that indicated Syniverse was a common carrier.

Because of its neutrality obligations as the LNPA, the NANPA, and the PA, Neustar refused to enter into a definitive merger agreement with Syniverse until Syniverse was no longer providing any telecommunications services and had removed all indicia of being a Telecommunications Service Provider (TSP). Syniverse requested a definitive agreement *before* resolving its TSP issues, a condition that Neustar found incompatible with our neutrality obligations as the LNPA, NANPA, and PA. Discussions on the potentially lucrative merger broke down.

Six months later, Syniverse placed itself up for sale through an auction process. The starting point for the bidding was several billion dollars above the price that had been discussed only months earlier with Neustar. Neustar participated in the bidding because we believed that there would still be value for our shareholders and because it appeared that Syniverse had addressed the neutrality concerns arising in the previous negotiation. However, the acquisition was again impacted by the neutrality rules that apply uniquely to Neustar. Based on the then in effect interpretation of the FCC's neutrality rules, Neustar was required to obtain Commission approval prior to obtaining debt from any TSP affiliate—a requirement that would cover virtually every lender of any size. The public nature of this approval process imposed a burden of transparency on Neustar's financing capacity to which other bidders for Syniverse were not subjected, affecting the auction process. Syniverse ultimately sold itself to the Carlyle Group. A case could be made that neutrality deprived Neustar's investors of the benefits of the Syniverse merger, but Neustar understands that this is just part of its responsibility as a Neutral Third Party numbering administrator.

The Syniverse example, while large, is not an isolated occurrence. Neustar periodically looks to make investments in new companies that are developing promising new technologies, in part to help Neustar develop interesting new products that it can deliver to the communications Industry. Each of these potential investments is investigated to ensure the target company is not a TSP or a TSP affiliate. Moreover, even if the company satisfies that check, Neustar requires that a neutrality escape clause be negotiated in its investment agreement, so that Neustar will be bought out immediately if the target company becomes a TSP or TSP affiliate in the future. Unfortunately, a number of the companies in which Neustar has sought to make such investments have not wanted to be encumbered by the neutrality driven provision and the investments could not be made.

The neutrality rules also affect entities that invest in Neustar. Pursuant to the Commission neutrality rules that apply to the NANPA and the PA, no TSP or TSP affiliate is permitted to own more than 5% of Neustar's equity. Rather than waiting for its investors to file documentation with the Securities and Exchange Commission (SEC) indicating that their ownership went above the 5% threshold, filings that can lag significantly in time, Neustar actively monitors its investors' ownership stakes using third-party services. As soon as Neustar discovers an investor has reached a 5% ownership stake, Neustar contacts the investor to ask for certification that it is not a TSP or a TSP affiliate, that is, that the investor itself is not on the Commission's list of TSPs (Form 499 list) nor does it own 10% or more of any entity that appears on that list. If they are not able or willing to provide such a certification, Neustar asks that the investor either reduce its investment in any TSP to below a level below 10% and provide the certification, or maintain its TSP investment but reduce its investment in Neustar to below 5%. Most investors that cross the 5% Neustar investment threshold have been able to provide Neustar with certification that they are neither TSPs nor TSP affiliates. In other instances, however, investors have chosen to draw down their TSP investments and, in others, reduce their stake in Neustar.

From a major transaction such as the Syniverse proposed merger, to the occasional investment opportunities that must be reviewed, to the standard day-to-day monitoring of our investors, Neustar's commitment to neutrality is clear and unmatched.

Neustar is the only vendor in the Industry with an effective and comprehensive neutrality compliance program in place today to ensure our Neutrality through the next contract term.

Neustar has been able to undergo the extensive scrutiny of its neutrality auditors without significant issue because it has a comprehensive neutrality compliance program in place throughout the company. Overseeing Neustar's neutrality is the Neutrality Committee of Neustar's Board of Directors. This committee, composed of Neustar's CEO and two independent board members, establishes the company's neutrality compliance program and reviews the

reports of the neutrality auditors. The committee adopted the Neustar Neutrality Compliance Procedures, which provides a plan for compliance with the Neustar Code of Conduct, the Commission's neutrality orders and regulations governing the NANPA, PA and LNPA, and the current LNPA Master Agreements. Reporting to this committee and responsible for implementing the Neutrality Compliance Procedures and handling day-to-day neutrality issues is Neustar's Neutrality Officer, currently John Manning.

Neustar's neutrality compliance procedures begin with neutrality training for every one of Neustar's employees and directors, no matter where located or how removed from numbering administration. Employees and directors first undergo neutrality training as part of their onboarding process into the company and then go through a mandatory neutrality training program once a year thereafter. Additionally, prospective directors are vetted for neutrality before being permitted to join Neustar's Board of Directors. Employees and directors are required to certify their neutrality when they begin employment and their continuing neutrality every quarter thereafter.

Neustar feels that it is critical all employees and directors are given this training and required to provide the certifications because neutrality issues can arise in a number of ways, and given the global nature of communications, can come up anywhere in the world. All employees must understand Neustar's neutrality obligations so that we can avoid violations and so the employees can bring potential neutrality issues to the attention of the Neutrality Officer. For example:

> A Neustar employee in Europe who may want to make an investment in a European company needs to understand that Neustar must be assured that the target company is not and will not become an affiliate of a U.S. TSP. Similarly, in 2011, a Neustar finance department employee recognized a potential neutrality issue when she received a notice of a Service Provider's annual meeting. Because of her neutrality training, she immediately brought the issue to the attention of the Neutrality Officer. It was determined that Neustar had inadvertently become the holder of a small number of shares of this SP, possibly as the result of a bankruptcy settlement in favor of a company acquired by Neustar. Because the Neustar employee recognized the neutrality issue, Neustar was able to notify the Commission and its auditors of the issue, and quickly disposed of the Service Provider's shares by donating them to the American Red Cross. Corporate-wide neutrality compliance training enables the prevention of neutrality issues before they occur and the rapid identification and resolution of such issues if one does occur.

The quarterly neutrality certifications by Neustar's employees and directors, along with a quarterly neutrality certification submitted by Neustar's CEO on behalf of the company, are an important part of the neutrality audits that Neustar undergoes. These audits, which cover all of Neustar, are performed annually in accordance with Neustar's current NPAC contract and quarterly as part of Neustar's NANPA and PA contracts. As noted above, the audits review Neustar's compliance with the Neutrality Code of Conduct, developed in collaboration with the Commission and the Industry, and with the Commission's rules and orders and the LNPA Master Agreements. In the course of the audits, Neustar makes available the necessary documents for the auditors including: neutrality compliance certifications from each employee, board member, and executive officer; a management assertion letter and management compliance certification; new hire certifications; and the results of the neutrality tests given annually to every Neustar employee. The auditors also review LEAP service agreements, NPAC end user agreements, NPAC access and security, and customer transactional documentation from the NPAC, NANPA, and PA to ensure Neustar has treated each user or applicant fairly and in an unbiased manner. The auditors review certifications from each

shareholder holding a 5 percent or greater share of Neustar's outstanding stock, notices to the FCC of any organizational and board changes, as well as our debt and revenue information. Our auditors then conduct extensive internal review of the audit proceedings, findings, and reports to ensure all appropriate audit procedures were followed.

The auditors' reports are reviewed by the Neutrality Committee of Neustar's Board of Directors. The full Board of Directors also reviews the results of the audits for independence, integrity, accuracy, and irregularities, and certifies its acceptance of the audit report by attesting and forwarding it to the FCC's Wireline Competition Bureau, Enforcement Bureau, the NANC, and the NAPM LLC.

As noted above, the results of this corporate-wide focus on neutrality speak for themselves. To date, Neustar has passed all 10 annual LNPA Neutrality Audits and all 50 quarterly NANPA/PA Neutrality Audits. In the highly competitive and volatile communications Industry, this is a significant achievement. Congress anticipated the neutrality challenges facing numbering administrators when it mandated that such administrators must be impartial. Neustar faces those challenges every day. Neustar's seasoned and highly expert team minimizes those challenges and, when they arise, effectively addresses all such neutrality challenges to the satisfaction of the FCC and the Industry. Neustar will continue to place the highest importance on our neutrality compliance during the new contract term so that the NAPM and the FCC can be confident that the Industry can trust its LNP administrator not to allow its business relationship or close ties with Industry members or an Industry segment to override its obligation or cloud its judgment.

The Neutrality Legal Opinion provided by DLA Piper confirms Neustar's compliance with the Neutrality Criteria set forth by the NAPM LLC without requiring Neustar to make any structural or procedural changes. No complex neutrality cure that may require a time-consuming approval process is needed for Neustar to continue to serve as the U.S. LNPA.

DLA Piper LLP has furnished a Legal Opinion confirming Neustar's compliance with the Neutrality Criteria set forth in the Section 3.4 of the VQS. By mutual agreement between Neustar and the NAPM LLC, DLA Piper has for the last 10 years evaluated Neustar's compliance with neutrality requirements and so is uniquely qualified to issue a Legal Opinion regarding Neustar's neutrality. Better than any other law firm could, DLA Piper understands what to evaluate, the questions to ask, and the issues to raise in connection with an entity's compliance with the unique requirements for LNP neutrality. It is also important to note that these periodic neutrality audits represent the only business relationship that DLA Piper has with Neustar. Thus, DLA Piper truly is a neutral third party auditor, as it can evaluate Neustar's neutrality without any fear of losing other business.

The DLA Piper Legal Opinion does not require Neustar to make any structural changes to its corporate structure or make any other changes in order to be a Neutral Third Party. Because Neustar meets or exceeds the Neutrality Criteria, and because Neustar is not proposing the use of any subcontractors to provide LNPA services for the next contract term, neither Neustar nor any Neustar subcontractor must develop and adhere to any complex neutrality cure. Thus, when considering Neustar for the next LNPA contract term, the NAPM and the Commission will not have to evaluate the efficacy of a neutrality cure, a time and resource intensive effort. When Lockheed Martin announced its intent to purchase a subsidiary of COMSAT 1998, for example, it took approximately eleven months for the Commission and the Industry to resolve the neutrality issues satisfactorily.

If a Respondent is a unit or a wholly owned subsidiary of another entity, the Respondent is not neutral if the parent company is not neutral. Likewise, a parent cannot be neutral if one of its units or subsidiaries is not.

Some Respondents, whose parent companies or subsidiaries are either non-neutral, or likely to be found non-neutral, may attempt to restructure themselves in creative ways. Regardless of the creative structure proposed, unless a Respondent is substantially divested from its non-neutral parent company or subsidiary and is out of the non-neutral parent company's control or no longer affiliated with the non-neutral subsidiary, the Respondent will be non-neutral as well. The only true neutrality cure, if the parent company or subsidiary is non-neutral, is the substantive divestiture of the business unit or wholly owned subsidiary that intends to be the LNP Administrator from the non-neutral entity, with additional protective measures like a voting trust and code of conduct. These are similar to the neutrality cures and safeguards that were applied to the assignment of the stringent NANPA and LNPA contracts to Neustar in 1999.

Additionally, a Respondent may attempt to weaken the protections and assurances provided to the Industry by a strong neutrality regime and undermine the robust competitive marketplace by proposing unique corporate structures that will allow a large public company to more easily cloak itself in the role of Neutral Third Party administrator. However, without full, corporate-wide neutrality compliance procedures, the initial neutrality protections will be difficult to sustain. Such a Respondent may argue that only a subsidiary or portion of the company need comply with neutrality provisions or that only some contractual relationships need to be subject to neutrality review. Such arguments reveal a lack of understanding of the seriousness and complexity of neutrality compliance.

A large corporation has as much an obligation to be neutral as any other potential Respondent. In fact, the tendency of large corporations to have operational areas that do not know what other operational areas are doing, demonstrates that a corporate-wide neutrality compliance program is a necessity. Each corporate group, line of business, and operational area must be monitored continuously for neutrality compliance; otherwise a serious neutrality problem may be identified only after significant resources (time, money, marketing efforts, public commitments, etc.) have been committed to the source of the neutrality concern. When discovered, it may be too late to rectify the problem. Such a situation may result in breach of contract and a complete breakdown of the nation's LNP system. To ensure the continued stability of the nation's LNP system, neutrality compliance must be required of all components of the LNPA and neutrality compliance must be monitored at all times.

The Industry should use broad discretion to determine whether a Respondent is subject to undue influence by parties with a vested interest in the outcome of LNP administration activities.

As explained by the Commission in FCC Order 99-346, neutrality requirements are designed to set a clear standard to measure the LNPA's impartiality, to ensure entities seeking to participate in the communications marketplace obtain timely and efficient access to numbering resources, that no particular Industry segment, consumer group, or technology is unduly favored or disadvantaged, and that the LNPA remains neutral in order to maintain the trust and confidence of the entities that must submit sensitive data to the LNPA in its administration activities. The first two Neutrality Criteria set out in the VQS serve as objective, quantifiable measures intended to prevent the LNPA from maintaining financial or equity relationships with telecommunications Service Providers and/or affiliates that could exert control over the decisions and activities of the LNPA or otherwise compromise its impartiality. The third Neutrality Criterion requires the Industry and the Commission to exclude, if left unresolved, a Respondent that is determined to be subject to undue influence by parties with a vested interest in the outcome of numbering administration and activities, regardless of whether a Respondent satisfies the first two Neutrality Criteria. In other words, depending on the type and size of business that a Respondent has with a single TSP or a group of separate, similarly aligned TSPs (i.e., same Industry segment), the Respondent could be subject to undue influence even if the

Respondent is not a TSP or TSP affiliate and does not obtain a majority of its revenue from a TSP or issue a majority of its debt to a TSP.

For example, if a Respondent, or an affiliate of a Respondent, is providing telecommunications network operations outsourcing services to a TSP through a multi-year contract for which it receives billions of dollars and under which it accepts the transfer of thousands of TSP employees, then it would be hard to argue that such a Respondent, or an affiliate of the Respondent, is not subject to undue influence even if the first two neutrality criteria are satisfied—particularly if the Respondent or its affiliate is performing the day-to-day operations of the TSP. Likewise, if a Respondent, or an affiliate of a Respondent, derives a substantial amount of its revenue from a particular Industry segment, it would once again be hard to argue that such a Respondent is not subject to undue influence from that segment even if the first two criteria are met.

Fortunately for the Industry, the NAPM LLC, and the Commission, as attested to by the DLA Piper Neutrality Legal Opinion, neither Neustar, nor any of its affiliates, manages the network operations of any TSP. Neustar also does not derive a majority of its revenue from any particular Industry segment.

Neutrality requirements must apply equally to prime vendors and subcontractors.

The 2015 LNPA Vendor Qualification Survey makes clear that the Neutrality Criteria apply to subcontractors involved in providing U.S. LNPA services. This is consistent with the Commission's rule governing the use of subcontractors for NANPA and Thousands Block Pooling Administration (47 CFR 52.12(a)(2)) and with the Commission's recent LNPA procurement. The Industry must be diligent when reviewing Respondent proposals that rely on the use of subcontractors or other third parties to provide the LNPA services. Subcontractors involved in the day-to-day delivery of LNPA services must be held to the same Neutrality Criteria as the prime contractor, including the possibility of having to develop and adhere to a neutrality cure and provide relevant neutrality audits and reports. Otherwise, a non-neutral entity could use the subcontractor loophole to circumvent the NAPM and FCC's neutrality requirements. There are many areas within the provision of LNPA services where a subcontractor that is subject to undue influence is just as able as a non-neutral prime vendor to skew performance in a manner that advantages particular entities, with the same negative impact on the Industry and telecommunications competition.

Neustar does not propose to use any subcontractors in the provision of the services required by the RFP, so there are no subcontractors associated with Neustar's bid whose neutrality must be examined by the Industry or the Commission.

Conclusion

The NPAC/SMS is ingrained into the U.S. telecommunications market and infrastructure more than ever before, to the point that LNP is taken for granted and expected by consumers and business seeking to change Service Providers. The NPAC/SMS is relied upon to implement the very important number conservation measure of Thousand-Block Pooling and is used by Service Providers to optimize their networks and restore service to customers in case of extended network outages. NPAC/SMS information impacts all services attached to a telephone number, including voice services and SMS and MMS messaging. LNP administration is a vital underlying service that is essential for these services to work effectively and efficiently. The unquestioned neutrality of the LNPA vendor continues to be of the utmost in importance, now more than ever.

Neustar embodies what it means to be neutral. We have been neutral since our inception over a decade ago. For Neustar, neutrality is not a simply a platitude; it is the essence of Neustar as a corporation. At Neustar, our neutrality is not sheltered, fenced-off, or confined to certain groups and organizations, but is deeply ingrained throughout the entire company. Our neutrality has been inspected, audited, and verified. By retaining Neustar as the U.S. LNPA, the Industry, the NAPM LLC, the NANC, and the Commission can be assured that the neutrality of LNPA services will be maintained into and through the next contract term.

neustar

November 12, 2013

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Dear Messrs. Williams and Sciullo:

Neustar is pleased to respond to the follow up questions provided to it by Tim Decker of the NAPM LLC regarding Neustar's neutrality legal opinion that was submitted on April 5, 2013 in conjunction with its proposal to continue as the LNPA. As the Commission and the NAPM LLC are aware, Neustar has a long history of operating as a neutral third party administrator of numbering databases and resources. Every member of the Neustar Board of Directors as well as every Neustar employee undergoes annual neutrality training and provides quarterly certifications of their continuing neutrality. Neustar's neutrality is audited quarterly by Ernst & Young and annually by Carville Collins of DLA Piper. Neustar's commitment to neutrality remains unequivocal and unwavering.

1. **The Neutrality Opinion appears to be only from Mr. Collins, in his individual capacity. Will DLA Piper attest to the opinion? If not, why not?**

   Neustar asked Mr. Collins whether DLA Piper will attest to the Legal Opinion that he provided. The firm agreed by reissuing the opinion in the form of an opinion of the firm. Attached is the Legal Opinion of DLA Piper confirming Mr. Collins' conclusions regarding Neustar's neutrality as of the date of submission of Mr. Collins opinion. The firm also added some commentary to clarify several issues that were raised in the follow up questions that the NAPM LLC posed to Neustar. For ease of review, a redline version

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comparing the firm's opinion with the opinion provided by Mr. Collins has also been provided.

The Legal Opinion submitted with Neustar's proposal on April 5, 2013 was prepared by Mr. Collins in his capacity as a partner in the law firm of DLA Piper, but not as an opinion of the firm, because Question 3.5 of the VQS explicitly required that the Legal Opinion be "prepared by a person licensed and in good standing to practice law in any state of the United States and who represents the Respondent." Mr. Collins is a person licensed and in good standing to practice law in the State of Maryland. His selection complied with the additional VQS requirements, also in Question 3.5, that the Legal Opinion must constitute a third party legal opinion governed by and subject to the RESTATEMENT (THIRD) OF THE LAW GOVERNING LAWYERS and the Opinion Accord of the American Bar Association Section of Business Law (1991).

Neustar chose Mr. Collins to prepare the Legal Opinion on Neustar's neutrality required by Question 3.5 of the Vender Qualification Survey (VQS) because of his extensive experience as the mutually agreed upon (by Neustar and the NAPM LLC) independent auditor of Neustar's compliance with the neutrality requirements that apply to Neustar as the current LNPA. During the course of the 10 LNPA Neutrality Audits that Mr. Collins has conducted, he also reviewed more than 50 quarterly audits conducted by Ernst & Young of Neustar's compliance with the neutrality requirements that apply to Neustar as the North American Numbering Plan Administrator and the Thousands-block Pooling Administrator. Due to this experience, Mr. Collins possesses unsurpassed expertise in auditing LNPA neutrality.

2. **Does the shareholder list represent legal (street name) owners or beneficial owners? Was an Edgar search used for 13-D filings?**

The shareholder list Neustar uses to identify and monitor its shareholders, and which was provided to Mr. Collins for his Legal Opinion, is drawn from information provided by Thomson Reuters ("TR") that combines SEC filings, such as Schedules 13-D, 13-F, and 13-G, pulled from the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system with TR's own investor research. The TR report generally discloses the street name of the investor and the source of the filing (e.g., Schedule 13-D, 13-F, or 13-G). The TR information captures any publicly filed Schedule 13-Ds. However, except for the Neustar Voting Trust that existed when Neustar became a public company, no Neustar investor has submitted a Schedule 13-D. Neustar retrieves this shareholder information from TR on a monthly basis to track shareholder ownership percentages and identify shareholders that approach or exceed 5% ownership. Neustar uses this information as

the basis for, and in addition to, conducting its own searches for EDGAR filings made by Neustar shareholders, including Schedule 13-Ds and 13-Gs.

Similarly, in addition to reviewing the shareholder lists provided by Neustar, Mr. Collins conducted his own independent search of Neustar shareholder filings included in EDGAR.

3. **Is the 9.64% owner of stock a TSP or TSP affiliate? If so, who is it? Could ownership shares fluctuate (e.g., could the share rise to 10% or greater)?**

The 9.64% shareholder referenced in the Legal Opinion, PRIMECAP Management Company (PRIMECAP), is neither a TSP nor TSP affiliate.

As a result of the neutrality provisions that apply to it as the North American Numbering Plan Administrator, the Thousands-block Administrator and the current LNPA, Neustar requests that any entity with an ownership share of 5% or greater provide a certification that it is not a TSP or TSP affiliate, and also agree to notify Neustar within 5 days if this status changes. If such a certification is not provided, Neustar demands that the shareholder reduce its ownership to less than 5%.

At the time that it reached or exceeded the 5% threshold, PRIMECAP provided the required certification to Neustar and agreed to notify Neustar if it became a TSP or TSP affiliate. As a publicly traded stock, ownership shares of Neustar can fluctuate. PRIMECAP's ownership share has dropped to 5.54%. It is possible that an entity's ownership share could exceed 10% but Neustar would have obtained certification that the entity is not a TSP or TSP affiliate when its ownership share reached 5% or more.

4. **How is the Board Constituted? Who has the right to nominate directors? Is any nominating entity a TSP or an affiliate of a TSP?**

Neustar's Board of Directors is currently composed of eight independent directors and one management director, Neustar President and Chief Executive Officer Lisa Hook. The independent board members are: James G. Cullen (Chairman of the Board of Directors), Gareth C.C. Chang, Joel P. Friedman, Mark N. Greene, Ross K. Ireland, Paul A. Lacouture, Michael J. Rowny, and Hellene S. Runtagh. Background information on each of these directors is available at: http://www.neustar.biz/about-us/investor-relations/board .

The Board is elected by shareholders, with a third of the board standing for election every year with staggered terms. The Board has adopted board independence principles that include the requirement that a "substantial majority" of the board consist of independent directors. Board nominations ordinarily come through the Board's Nominations and Corporate Governance Committee, which is composed entirely of independent directors. As a public company, however, individual shareholders also have the right to nominate directors pursuant to procedures set forth in the corporate bylaws.

The director qualification provisions in Neustar's by-laws state that an individual cannot qualify for service on Neustar's Board of Directors if such service "would cause the Corporation to violate any of the neutrality requirements to which the Corporation is subject under the applicable laws, regulations, rules and orders of the Federal Communications Commission." Among these neutrality requirements is the mandate that no Neustar "director may be nominated or chosen by a TSP or TSP affiliate."[1] *Not only does Neustar strictly adhere to this requirement, but it also requires its directors to confirm that they were not nominated by a TSP or TSP affiliate in the quarterly neutrality certification that each director is required to complete (sample attached). Thus, no nominating entity of a Neustar board member is a TSP or TSP affiliate, and no director has been nominated by a TSP or TSP affiliate.*

In addition to ensuring that no director is nominated by a TSP or TSP affiliate, Neustar requires each director to certify every quarter that he or she does not simultaneously serve on the board of a TSP and also that he or she has not been simultaneously employed in any capacity by a TSP. Further, Directors must certify quarterly that they do not own 5% or more of the equity or voting rights of any TSP or TSP affiliate.

5. **Have there been any revisions to the Certificate of Incorporation since June 21, 2011? If so, please provide the most recent Certificate.**

There have been no changes to the NeuStar, Inc. Certificate of Incorporation dated the 28th day of June, 2005. As a result, the State of Delaware confirmation certificate dated the 21st day of June, 2011, which certificate Neustar submitted with its proposal, is and remains accurate. Nonetheless, we enclose a new certificate, issued the 29th day of October, 2013, again certifying the June 28, 2005 Certificate of Incorporation.

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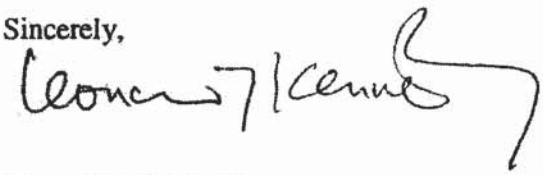
[1] *In the Matter of North American Numbering Plan Administration; Neustar, Inc., Request to Allow Certain Transactions Without Prior Commission Approval and to Transfer Ownership,* Order, 19 FCC Rcd 16982, 16989 (2004).

Please do not hesitate to contact me if there are further questions regarding Neustar's neutrality that I can help you resolve.

Sincerely,



Leonard J. Kennedy
Senior Vice President & General Counsel

Attachments:
Legal Opinion of DLA Piper regarding Neustar's Neutrality
Redline Comparison of DLA Piper opinion with opinion of Mr. Carville Collins
Sample Neustar Director Quarterly Neutrality Compliance Certification
State of Delaware confirmation of Neustar's Certificate of Incorporation, October 29, 2013

Attachment 1

Legal Opinion of DLA Piper

REDACTED--FOR PUBLIC INSPECTION

DLA PIPER

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March 25, 2013[1]

Via InstaTool

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North American Portability Management LLC
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Members of the NAPM LLC and its
Future of NPAC Subcommittee

Re: 2015 LNPA Vendor Qualification Survey Legal Opinion – NeuStar, Inc.

Ladies and Gentlemen:

Pursuant to Sections 3.4 and 3.5 of the 2015 LNPA Vendor Qualification Survey ("*VQS*") issued by the Future of NPAC ("FoNPAC") Subcommittee of the North American Portability Management LLC ("NAPM LLC") on February 5, 2013 for the selection of a vendor

[1] At the request of NeuStar, Inc. ("Neustar"), on March 25, 2013, a partner of the law firm of DLA Piper LLP (US) ("DLA Piper"), Carville B. Collins, Esq. issued his Legal Opinion substantiating the neutrality of Neustar in response to the VQS (as hereinafter defined). At the subsequent request of Neustar, DLA Piper now reissues Mr. Collins' Legal Opinion as the Legal Opinion of DLA Piper, as of March 25, 2013, in substantially the same form as that which was issued by Mr. Collins, but in the form and subject to the standards of legal opinion of the law firm. While none of Mr. Collins' conclusions are reversed or otherwise modified herein, some of his language substantiating or explaining the Legal Opinion has been revised. Mr. Collins and the other lawyers within DLA Piper who participated in DLA Piper's reissuance of this Legal Opinion as the Legal Opinion of DLA Piper are each licensed and in good standing to practice law in the State of Maryland.

to serve as the next local number portability administrator ("LNPA"),[2] we hereby provide to the Federal Communications Commission ("FCC"), the NAPM LLC and the FoNPAC a legal opinion ("Legal Opinion") substantiating the neutrality of NeuStar, Inc. ("Neustar").

For purposes of this Legal Opinion, we have examined and relied upon such materials and information available to us, as more specifically described below (collectively, the "Examined Documents"). Also for purposes of this Legal Opinion, we have considered such matters of law and the published and effective rules, policies, orders, decisions and reports of the FCC and of fact (without independent verification) as we have deemed appropriate as a basis for this Legal Opinion.

In rendering this Legal Opinion, we have assumed without investigation: (i) the authenticity and completeness of the Examined Documents submitted to us by Neustar for our examination, whether or not they were submitted to us as originals, (ii) the authenticity of any signatures and the legal capacity of any persons executing such documents, (iii) the conformity to authentic original documents of all Examined Documents submitted to us as copies, (iv) the accuracy and completeness of all records made available to us by Neustar (except as otherwise stated herein), and (v) the validity and binding effect of all the Examined Documents upon the parties thereto.

We have no Actual Knowledge (as that phrase is explained below) of any factual information that has led us to conclude that the Examined Documents contain any untrue statement of a material fact, or omit to state a fact whose inclusion therein would be required in order to render the statements contained therein not materially misleading in the context in which such statements were made, except to the extent that any such statements conflict with or are modified by matters specifically addressed herein.

This Legal Opinion is limited strictly to the matters discussed herein, and we express no opinion with respect to any law, statute, rule, regulation, ordinance, decision, judgment, decree, legal requirement, legal authority or factual matter whatsoever.

This Legal Opinion constitutes a written communication delivered to the FCC, the NAPM LLC and the FoNPAC for the purpose of responding to the *VQS* and for use in connection with an evaluation of Neustar pursuant to an RFP. DLA Piper LLP (US) has conducted the LNPA neutrality audits since 2002 as the auditor mutually agreed upon by Neustar and the NAPM LLC. During these prior 10 years, we have developed some level of expertise on

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2 On February 5, 2013, the FoNPAC made a set of Request for Proposal (RFP) documents available to potential vendors. The RFP documents include a Vendor Qualification Survey ("*VQS*"), a Technical Requirements Document ("*TRD*") and a Request for Proposal. ("*RFP*"). Hereinafter, these documents will collectively be referred to as the "*RFP Documents.*"

number administration neutrality matters generally. We do not provide legal services to Neustar other than those provided in connection with the LNPA neutrality audits and this Legal Opinion.

Paragraphs 1b, 1c and 2 of Section 3.4 of the *VQS* inquire about the existence and activity of affiliates of Neustar. To the extent these inquiries ask about affiliates based on ownership interests in Neustar, we have undertaken a review of ownership of Neustar capital stock during the period January, 2012 through March, 2013. This review consisted of our examination of Schedules 13D and 13G filed with the U.S. Securities and Exchange Commission (the "SEC") with respect to ownership of Neustar securities during the review period and lists prepared by a third-party vendor, Thomson Reuters, of the 100 largest shareholders of Neustar stock, based on the vendor's market research. In an abundance of caution, we elected to review additional historical information on Neustar shareholders consisting of two more years of data, from these same SEC Schedules and Thomson Reuters lists. Thus, in all our reviews of Neustar stock ownership referenced in this Legal Opinion, our examination covers a look-back period of more than 3 years, from January, 2010 through March, 2013.

This Legal Opinion constitutes a third party legal opinion governed by and subject to the Restatement (Third) of the Law Governing Lawyers. This Legal Opinion is also governed by, and shall be interpreted in accordance with, the Legal Opinion Accord of the American Bar Association Section of Business Law (1991) ("Accord"), and as such, this Legal Opinion is subject to a number of qualifications, exceptions, and limitations, all as more particularly described in the Accord, and should be read in conjunction therewith. As such, this Legal Opinion is subject to the Actual Knowledge, as defined in the Accord, of Carville B. Collins, Esq. and only includes the conscious awareness of facts or other information by Carville B. Collins, Esq. and does not include matters with respect to which other lawyers at DLA Piper LLP (US) could be deemed to have constructive knowledge.

Legal Opinion Summary

For the reasons stated below and based on the Examined Documents, it is our legal opinion that Neustar, a non-governmental entity, is impartial and is not aligned with any particular telecommunications industry segment, and that Neustar has the procedures in place to assure that access to the NPAC/SMS for all qualified users is at all times evenhanded, impartial and nondiscriminatory. For the reasons stated below and based on the Examined Documents, it is our further legal opinion that Neustar is currently a Neutral Third Party as that term is defined in Section 3.4 of the *VQS*, and based on Neustar's existing neutrality practices and procedures, Neustar can at all times remain a Neutral Third Party. Moreover, Neustar has informed us that it does not intend to engage or include any subcontractors in providing the services requested in the *RFP Documents*. For the reasons stated below and based on the Examined Documents, it is our further legal opinion that the absence of such subcontractors eliminates any concern regarding the Neutral Third Party status of any subcontractor.

We first opine on the enumerated neutrality requirements set forth in the *VQS*, followed by our opinions on other neutrality requirements and considerations outlined in the *VQS*.

Numbered *VQS* Neutrality Requirements

(1) a. Neustar is Not a Telecommunications Service Provider.

For the reasons stated below and based on the Examined Documents, it is our legal opinion that Neustar does not qualify under any of the three forms of Telecommunications Service Provider set forth in Section 3.4 of the *VQS*.

First, in connection with facilities-based wireline local exchange service, for the reasons stated below, Neustar does not possess the requisite authority to engage in the provision to the public of facilities-based wireline local exchange service in any State or Territory of the United States. According to Neustar, it has not been issued, nor has it applied for, a Certificate of Public Necessity and Convenience ("CPCN") or any similar authorization, license or approval issued by a state public utility commission for the provision of facilities-based wireline local exchange service. This is verified by the FCC Form 499 Filer Database ("FCC 499 List"), which contains a current list of all providers of any telecommunications service in any state or territory of the United States.[3] Based solely on our review of the FCC 499 List as of September, 30, 2012, December 31, 2012, and March 25, 2013, Neustar is not on the FCC 499 List as a provider of any telecommunications service in any state or territory of the United States, including facilities-based wireline local exchange service or any other local exchange service. Moreover, as noted

[3] The list of 499 filers is an important tool to ensure compliance with telecommunications numbering neutrality rules because it is the most comprehensive list of the providers of telecommunications services of which Neustar is aware. The instructions for the 2012 Form 499-A explain that "[w]ith very limited exceptions, all intrastate, interstate, and international providers of telecommunications in the United States must file this Worksheet. Telecommunications providers that are contributors to any of the support mechanisms, including USF, TRS, NANPA, or LNPA, must file this Worksheet." The instructions continue by stating that "the term 'interstate telecommunications' includes, but is not limited to, the following types of services: wireless telephony, including cellular and personal communications services (PCS); paging and messaging services; dispatch and operator services; mobile radio services; access to interexchange service; special access; wide area telecommunications services (WATS); subscriber toll-free and 900 services; message telephone services (MTS); private line; telex; telegraph; video services; satellite services; resale services; Frame Relay services; asynchronous transfer mode (ATM) services; Multi-Protocol Label Switching (MPLS) services; audio bridging services; and *interconnected VoIP services." (emphasis added).* The instructions also explain that "[a]ll providers of 'non-interconnected VoIP service' . . . with interstate end-user revenues subject to TRS contributions must file this Worksheet in order to register with the Commission and report their revenues for purposes of calculating TRS contributions." *2012 Telecommunications Reporting Worksheet Instructions (FCC Form 499-A)*, Approved by OMB 3060-0855, available at http://www.fcc.gov/document/2012-form-499-instructions at 2 (footnotes omitted). Thus, the list of 499 filers includes wireline and wireless telecommunications service providers, interconnected VoIP providers and even non-interconnected VoIP providers.

in footnote 2, all providers of facilities-based wireline local exchange service are required to file Form 499-A with the FCC, and as the date hereof, according to Neustar, it has not filed Form 499-A with the FCC, nor is it required to do so.

Also in connection with facilities-based wireline local exchange service, it should be noted that in its role as the North American Numbering Plan Administrator ("NANPA") and National Thousands-block Pooling Administrator ("PA"), Neustar is permitted to issue telephone numbers or central office codes only to entities that can, among other things, demonstrate that they have the requisite authority to provide service in the area in which they are seeking numbers or codes. In accordance with guidelines established by the Industry Number Council, such authority for facilities-based wireline local exchange service providers can be demonstrated by a CPCN or other similar document. Accordingly, Neustar has demonstrated that it is familiar with all of the ways in which the requisite authority to provide such services can be obtained and documented. According to Neustar, it does not possess, nor is it seeking, any such authority.

Second, in connection with Commercial Mobile Radio Service ("CMRS") telecommunications service, for the reasons stated below, Neustar does not possess the requisite authority to engage in the provision to the public of CMRS telecommunications services in any state or territory of the United States. According to Neustar, it has not been issued, nor has it applied for, any radio license or any similar authorization or approval issued by the FCC for the provision of CMRS telecommunications service. This is verified by a review of the licenses issued by the FCC through its Universal Licensing System ("ULS"), which is available at http://wireless2.fcc.gov/UlsApp/UlsSearch/searchLicense.jsp. Our search of the FCC's ULS as of March 25, 2013 indicates that no license is held by Neustar.

In addition, we reviewed the FCC 499 List, which contains a current list of providers of any telecommunications service in any state or territory of the United States. Based solely on our review of the FCC 499 List as of September 30, 2012, December 31, 2012, and March 25, 2013, Neustar is not on the FCC 499 List as a provider of any telecommunications service in any state or territory of the United States, including CMRS or any form of cellular, PCS or other mobile service. Moreover, all providers of CMRS telecommunications service are required to file Form 499-A with the FCC, and as of the date hereof, according to Neustar, it has not filed Form 499-A with the FCC, nor is it required to do so.

Also in connection with CMRS telecommunications service, it should be noted that in its role as the NANPA and PA, Neustar is permitted to assign telephone numbers or central office codes only to entities that can, among other things, demonstrate that they have the requisite authority to provide service in the area in which they are seeking numbers or codes. Per guidelines established by the Industry Number Council, such authority for CMRS service providers can be demonstrated by a radio license or other similar document. Accordingly, Neustar has demonstrated that it is familiar with all of the ways in which the requisite authority to provide such services can be obtained and documented. According to Neustar, it does not possess, nor is it seeking, any such authority.

Third, in connection with interconnected Voice over Internet Protocol ("VOIP") service, for the reasons stated below, Neustar does not qualify as a Class 1, Class 2 or Class 3 interconnected VOIP provider, as those classes of providers are defined in the *VQS*. A Class 1 VOIP provider is described as obtaining numbering resources directly from the NANPA and the PA. As the NANPA and PA, Neustar requires that a VOIP provider demonstrate evidence of an order from the FCC indicating that the provider is authorized to obtain numbering resources directly from the NANPA or PA. According to Neustar, the FCC has not issued any order authorizing Neustar to receive numbering resources directly from the NANPA or PA for the provision of VOIP services. The *VQS* indicates that Class 2 and Class 3 VOIP providers obtain numbering resources and Public Switched Telecommunications Network ("PTSN") connectivity through a Telecommunications Service Provider partner or through another interconnected VOIP provider, respectively. Such arrangements would require contractual agreements with Telecommunications Service Providers or with interconnected VOIP providers. According to Neustar, it has no such agreements with Telecommunications Service Providers or interconnected VOIP providers to obtain numbering resources or PSTN connectivity. In addition, all interconnected VOIP providers are required to file Form 499-A with the FCC, and as of the date hereof, according to Neustar, it has not filed Form 499-A with the FCC, nor is it required to do so.

(1) b. Neustar is Not Owned By, and Does Not Own, Any Telecommunications Service Provider.

For the reasons stated below, it is our legal opinion that Neustar is not owned by, and does not own, any Telecommunications Service Provider. Our legal opinion on this matter is based solely upon our review of: (1) lists of shareholders of Neustar stock during the period January, 2010 through March, 2013; (2) Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the period January, 2010 through March, 2013; (3) an organizational chart listing all Neustar-owned entities, subsidiaries and other holdings of Neustar as of March 25, 2013; (4) the FCC 499 List; (5) certain Neustar certifications since 2006, and (6) the 10 percent threshold definition of ownership set forth in paragraph (1) b. of section 3.4 of the *VQS*.

Based on the above examined documents, in connection with owners of Neustar stock, no person or entity has held more than 10 percent of the stock of Neustar during the period January, 2010 through March, 2013. We note that the largest single shareholder of Neustar stock during this period, based on Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the review period, was PRIMECAP Management Company, an investment advisor that held 9.64 percent of Neustar stock. Thus, no Telecommunications Service Provider or any other entity qualifies as an owner of Neustar for purposes of paragraph (1) b. of section 3.4 of the *VQS*.

In connection with all Neustar-owned entities, subsidiaries and other holdings of Neustar as of March 25, 2013, none are on the FCC 499 List. The organizational chart listing each entity,

subsidiary and other holding owned by Neustar is provided at **Tab 1**. Thus, based on the foregoing, Neustar does not own any entity that qualifies as a Telecommunications Service Provider.

We have also reviewed the Neustar Management Compliance Certifications executed in writing by the Chief Executive Officer of Neustar on a quarterly basis since 2006. These documents, submitted to auditors for neutrality review purposes, certify that Neustar has no actual knowledge of being owned or controlled (by virtue of a 5 percent or more interest) by any Telecommunications Service Provider, and has not acquired any equity interest in any Telecommunications Service Provider. [4]

(1) c. Neustar is Not an Affiliate, by Common Ownership or Otherwise, of a Telecommunications Service Provider.

For the reasons stated below, it is our legal opinion that Neustar is not an affiliate, by common ownership or otherwise, of a Telecommunications Service Provider. Our legal opinion on this matter is based solely upon: (1) lists of shareholders of Neustar stock during the period January, 2010 through March, 2013; (2) Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the period January, 2010 through March, 2013; (3) an organizational chart listing all Neustar-owned entities, subsidiaries and other holdings of Neustar as of March 25, 2013; (4) the FCC 499 List; (5) certain Neustar certifications since 2006, and (6) the 10 percent threshold definition of affiliation set forth in paragraph (1) c. of section 3.4 of the *VQS*.

In connection with entities that have an ownership interest in Neustar, by virtue of Neustar's current status as a publicly traded company, the only existing ownership interests are in the stock of the corporation. We note that the corporate form of Neustar is a Delaware corporation, and thus there is no partnership interest, joint venture participation, or limited liability company member interest in Neustar. Based on the above examined documents, no person or entity has held more than 10 percent of the stock of Neustar during the period January, 2010 through March, 2013. We note that the single largest shareholder of Neustar stock during this period, based on Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the review period, was PRIMECAP Management Company, an

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[4] The Neustar Management Compliance Certifications arose in response to the FCC's 2004 Order imposing certain conditions to ensure neutrality. *In the Matter of North American Numbering Plan Administration NeuStar, Inc. Request to Allow Certain Transactions Without Prior Commission Approval and to Transfer Ownership*, CC Docket No. 92-237, Order, 16922, para. 22 (2004). The Certifications also reference an exception to the ownership or control limit of five percent by any Telecommunications Service Provider or its affiliate to account for the prior ownership interest of Warburg Pincus. That ownership interest ended on or before Neustar's initial public offering in 2005, and thus this exception has had no application to the Certifications after that date.

investment advisor that held 9.64 percent of Neustar stock. Thus, no Telecommunications Service Provider or any other entity qualifies as a Neustar affiliate by virtue of holding an ownership interest in Neustar.

In connection with ownership interests held by Neustar, as set forth on the Neustar organizational chart provided at **Tab 1**, these are comprised entirely of subsidiaries owned by Neustar. Based on the organizational chart, all entities qualifying as affiliates but one CONFIDENTIAL are 100-percent owned by Neustar. None of these entities, including CONFIDENTIAL, is on the FCC 499 List, and thus, none are Telecommunications Service Providers. In addition, based on the above examined documents, no Telecommunications Service Provider owns 10% or more of CONFIDENTIAL so it is not a Telecommunications Service Provider affiliate.

In connection with voting power on any matter involving the actions of Neustar, voting power of shareholders is determined exclusively by stock ownership. Since no shareholder held more than 10 percent of Neustar's stock during the period January, 2010 through March, 2013 based on the above examined documents, no shareholder qualifies as an affiliate by virtue of voting power.

In connection with the power to direct or cause the direction of management and policies of Neustar, only the shareholders, directors and management of Neustar may have such power. To our Actual Knowledge, and according to Neustar, there are no contracts, agreements, voting rights, or other arrangements whereby any entity, including any Telecommunications Service Provider, has the power to direct the management or policies of Neustar.

We have also reviewed the Neustar Management Compliance Certifications executed in writing by the Chief Executive Officer of Neustar on a quarterly basis since 2006. These documents, submitted to auditors for neutrality review purposes, certify that Neustar has no actual knowledge of being owned or controlled (by virtue of a 5 percent or more interest) by any Telecommunications Service Provider, or of possession by any Telecommunications Service Provider of the power to direct the management and policies of Neustar. [5]

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[5] The Neustar Management Compliance Certifications arose in response to the FCC's 2004 Order imposing certain conditions to ensure neutrality. *In the Matter of North American Numbering Plan Administration NeuStar, Inc. Request to Allow Certain Transactions Without Prior Commission Approval and to Transfer Ownership*, CC Docket No. 92-237, Order, 16922, para. 22 (2004). The Certifications also reference an exception to the ownership or control limit of five percent by any Telecommunications Service Provider or its affiliate to account for the prior ownership interest of Warburg Pincus. That ownership interest ended on or before Neustar's initial public offering in 2005, and thus this exception has had no application to the Certifications after that date.

(2) Neustar or Any Affiliate of Neustar Has Not Issued a Majority of Its Debt To, Nor Derived a Majority of Its Revenues (Not Including the NPAC/SMS) From, Any Telecommunications Service Provider.

Debt. For the reasons stated below, it is our legal opinion that Neustar has not issued a majority of its debt to any Telecommunications Service Provider. Our legal opinion on this matter is based solely upon our review of the following: (1) lists of all entities to which Neustar has issued debt as of September 30, 2012, January 4, 2013, January 22, 2013, and March 25, 2013, and (2) the FCC 499 List. Our review of the FCC 499 List was undertaken in order to determine if any of the entities to which Neustar has issued debt (as of the four dates indicated above) were on the FCC 499 List.

We note that the lists of all entities to which Neustar has issued debt included both the holders of Neustar's debt, as well as the parties to all of Neustar's capital leases and letters of credit. These lists included stocks, bonds, securities, notes, loans, capital leases, letters of credit, and any other instrument of indebtedness, of any duration. Based upon our review, we found that Neustar has not issued a majority (greater than 50%) of its debt to a Telecommunications Service Provider, and moreover, none of Neustar's debt has been issued to a Telecommunications Service Provider as of the four dates indicated.

Revenues. For the reasons stated below, it is our legal opinion that Neustar has not derived a majority of its revenues (not including NPAC/SMS revenues) from any Telecommunications Service Provider. Our legal opinion on this matter is based solely upon our review of Neustar's 2012 revenue data listing the sources and amounts of all Neustar revenues received. In an abundance of caution, we elected to investigate further by adding to our review two additional years of revenue data. Thus, our review covers Neustar's revenue during a look-back period of calendar years 2010 – 2012, as further described below.

The revenue data for 2012 indicates that Neustar received non-NPAC/SMS revenue from more than [redacted] individual customers. The single largest of these customers provided [redacted] percent of Neustar's total non-NPAC/SMS revenue. 99.88 percent of these customers each provided less than 1 percent of Neustar's total non-NPAC/SMS revenues in 2012.

The revenue data for 2011 indicates that Neustar received non-NPAC/SMS revenue from more than [redacted] individual customers. The single largest of these customers provided [redacted] percent of Neustar's total non-NPAC/SMS revenue. 99.82 percent of these customers each provided less than 1 percent of Neustar's total non-NPAC/SMS revenues in 2011.

The revenue data for 2010 indicates that Neustar received non-NPAC/SMS revenue from more than [redacted] individual customers. The single largest of these customers provided [redacted] percent of Neustar's total non-NPAC/SMS revenue. 99.88 percent of these customers each provided less than 1 percent of Neustar's total non-NPAC/SMS revenues in 2010.

We note that our review of non-NPAC/SMS revenue is prompted by the express language of paragraph (2) in Section 3.4 of the *VQS* that specifically excludes NPAC/SMS revenues. We elected to review Neustar's NPAC/SMS revenues, as well. The broad dispersal of sources of non-NPAC/SMS revenue also exists for NPAC/SMS revenue. In 2012, 99.61 percent of customers each provided less than 1 percent of Neustar's total NPAC/SMS revenues; in 2011, 99.58 percent each provided less than 1 percent; and in 2010, 99.63 percent each provided less than 1 percent. During this 3-year period, the largest NPAC/SMS revenue source from a single customer accounted for percent of Neustar's annual NPAC/SMS revenue.

Based on our review of all Neustar revenue sources during the past three calendar years, no one revenue source provided a majority of Neustar's revenues. Accordingly, Neustar cannot have derived a majority of its revenues from any single Telecommunications Service Provider, or any other entity.

Affiliates. Neustar's "affiliates," as that term is defined in Section 3.4 of the *VQS*, are comprised of subsidiaries of Neustar, all of which are 100% owned by Neustar. We note that by this same definition, persons or entities that own a percentage of the capital stock of Neustar in excess of 10% of the total outstanding ownership interests in that stock would also qualify as an affiliate of Neustar. During the period January, 2010 through March, 2013, as noted above, there has been no entity that has owned more than 10% of Neustar's outstanding stock. Thus, no entity qualifies as an affiliate of Neustar by virtue of stock ownership. Accordingly, the only affiliates of Neustar are its 100%-owned subsidiaries.

In connection with the issuance of debt, based upon our review of Neustar's Form 8-K filing with the SEC dated January 22, 2013, all of Neustar's debt is issued by Neustar. Although none of Neustar's 100%-owned subsidiaries have issued debt, Neustar has indicated that some of these subsidiaries serve as guarantors of the debt issued by Neustar.

In connection with the derivation of revenues, based upon our review of Neustar subsidiary revenue data listing the sources and amounts of all Neustar subsidiary revenues received during 2010-2012, none of Neustar's affiliates (the 100%-owned subsidiaries) have derived a majority of revenues from any Telecommunications Service Provider.

(3) Neustar is Not Subject to Undue Influence by Parties With a Vested Interest in the Outcome of Numbering Administration and Activities, and Neustar is Not Involved in a Contractual or Other Arrangement That Would Impair its Ability to Administer the NPAC/SMS Fairly and Impartially as an LNPA or to Implement the Schedule Set Forth in the IASTA SmartSource SRM Tool, Called the FoNPAC Timeline.

For the reasons stated below, it is our legal opinion that Neustar is not subject to undue influence by parties with a vested interest in the outcome of numbering administration and activities. For the reasons stated below, it is our further legal opinion that Neustar is not

involved in a contractual or other arrangement that would impair its ability to administer the NPAC/SMS fairly and impartially as an LNPA or to implement the schedule for the NPAC/SMS deployment. Our legal opinion on these matters is based upon an array of neutrality requirements and circumstances that already apply to Neustar or conform to Neustar's practices as of the date hereof.

By virtue of Neustar's role as the current LNPA, Neustar is subject to the FCC's definition of the LNPA at 47 CRF 52.21(k): "The term local number portability administrator (LNPA) means an independent, non-governmental entity, not aligned with any particular telecommunications industry segment ...." In order to maintain its role as the LNPA, Neustar has complied with this definitional mandate since the inception of the LNPA in 2000. Based on our review of audit reports, there is no finding or inference in either the Neutrality Audits since 2000 or the LNPA Neutrality Audits since 2002[6] that indicates any non-compliance with this definitional mandate. Accordingly, based on the foregoing, we conclude that Neustar has not been, and is not being, unduly influenced by parties with a vested interest in the outcome of numbering administration.

In our view, whether Neustar is subject to such undue influence is best assessed by an investigation of recent revenue. We have reviewed a list of all of Neustar's revenue sources during the period 2010-2012, including NPAC/SMS revenues and non-NPAC/SMS revenues. Based on our review, we found that Neustar derives its revenue from an array of segments of the telecommunications industry and other sources, including, but not limited to, wireline carriers, wireless carriers, cable service providers, internet registry/registrar companies, advertisers and other commercial enterprises. During this period, Neustar's largest non-NPAC/SMS revenue source from a single customer accounted for [redacted] percent of its annual non-NPAC/SMS revenue, and its largest NPAC/SMS revenue source from a single customer accounted for [redacted] percent of its annual NPAC/SMS revenue. In this same 3-year period, more than 99 percent of Neustar's non-NPAC/SMS customers each accounted for less than one percent of Neustar's total non-NPAC/SMS revenues, and similarly, more than 99 percent of Neustar's NPAC/SMS customers each accounted for less than one percent of Neustar's total NPAC/SMS revenues.

This broad dispersal of revenue sources, together with the absence of concentration of or reliance upon any single source of revenue, leads us to conclude that there is no undue influence upon Neustar, and Neustar is not subject to undue influence from any one segment of the telecommunications industry or any one Telecommunications Service Provider.

In assessing whether Neustar is subject to undue influence by parties with a vested interest in numbering administration, we have reviewed Neustar's contracts with its major customers. Significantly, we find no contract or other legal obligation for Neustar to operate any

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6 The Neutrality Audits and the LNPA Neutrality Audits are fully described in Section (7) of this Legal Opinion.

Telecommunications Service Provider's network, or to be involved in numbering administration on behalf of any entity. In response to our data request to Neustar made in connection with this Legal Opinion, Neustar confirmed that no such contract or other legal obligation exists as to the operation of any such network, or as to involvement in numbering administration on behalf of any entity. Thus, we believe that the ordinary influence that may be expected to arise from a Telecommunications Service Provider whose network was being operated would have no application or relevance to Neustar, as a result of the absence of such a practice by Neustar. A similar inference may arise if Neustar was involved in numbering administration on behalf of any entity, but here again, this has no application or relevance to Neustar, because, based on the information provided to us, Neustar has no such involvement.[7]

The Neustar Code of Conduct, which governs Neustar's conduct as the current LNPA, contains a number of requirements that guard against undue influence by parties with a vested interest in the outcome of numbering administration and activities. For example, Code of Conduct Item 7 states that, "No member of Neustar's board will simultaneously serve on the board of a telecommunications service provider." Based upon our review of quarterly certifications since 2002 of all Neustar Directors and the FCC 499 List, no Neustar Director is a member of a board of directors of any Telecommunications Service Provider, and no Neustar Director has been a member of such a board during the period 2002-2013.

By way of further example, Code of Conduct Item 6 states that, "Warburg Pincus will not control more than 40 percent of Neustar's Board." Based upon our review of quarterly certifications since 2002 of all Neustar Directors, neither Warburg Pincus, nor any single shareholder or group of shareholders treated as a single entity under Section 13(d)(3) of the Securities and Exchange Act of 1934, controls or has controlled more than 40 percent of Neustar's Board.

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7 Our conclusions here are based on the following definitional assumptions: (1) a "Telecommunications Service Provider" means an entity that either possesses authority to engage in the provision to the public of facilities-based wireline local exchange or CMRS in the U.S., or is one of either a Class 1, Class 2 or Class 3 interconnected VoIP provider; (2) a "network" is a wireline or wireless system that transmits telecommunications from one point to another; (3) "operating" a network means to cause the network to function, including construction and maintenance of the facilities over which telecommunications or VoIP traffic is transmitted; and (4) "numbering administration" means the management of a telephone number ("TN") inventory, such as allocating TNs to users, performing NRUF reporting, applying for numbering resources, and representing a Telecommunications Service Provider on industry numbering panels (and does not include providing an entity with the tools so that the entity can manage its own numbering inventory).

Other *VOS* Neutrality Requirements

(4) Neustar's Ability to Cure Deficiencies in Neutrality

For the reasons stated below, it is our legal opinion that Neustar has implemented substantial policies and procedures that will cure any deficiencies in neutrality. Our legal opinion is based on the following.

If Neustar is awarded the LNPA contract, it is reasonable to assume there will be no deficiencies in neutrality at the time of the award. This is because as the current LNPA, Neustar is required to be neutral and free of deficiencies in neutrality, by virtue of an array of neutrality requirements already applicable at the time of any contract award, including, but not limited to, the Neustar Code of Conduct, the Neustar Neutrality Procedures, the practices and policies of the Neustar Neutrality Officer and Neutrality Committee, and the periodic neutrality audits and LNPA neutrality audits to which Neustar is subjected.[8] If at any time subsequent to the award a deficiency in neutrality were to develop, Neustar will have in place substantially these same policies and procedures that will allow Neustar to identify and resolve any deficiency.

Neustar's record as the LNPA since 2000 demonstrates how it will cure any deficiency in neutrality, if in the future Neustar continues to serve as the LNPA as a result of being awarded the LNPA contract. Two examples during Neustar's tenure as the LNPA since 2000, described below, aptly illustrate this point. Both examples were first disclosed by Neustar in the course of the LNPA Neutrality Audits we have conducted since 2002 and which were reported in our audit reports (and thus were not disclosed just in connection with the preparation of this Legal Opinion).

2011 Neustar Stock Ownership Incident

On April 14, 2011, Neustar's Vice President of Tax received a notice of the availability of proxy materials for the annual meeting of [redacted], a Telecommunications Service Provider ("TSP"). According to a [redacted] Direct Registration Account Statement sent to Neustar with the aforementioned notice, 100 shares, with a market value of $2.32 per share or aggregate value of $232 (as of May 27, 2011), were owned by Neustar but held by a stock transfer agent. Immediately upon receipt of this information, Neustar's Vice President of Tax notified Neustar's Neutrality Officer, who began an investigation into how Neustar acquired the stock and possible means of its disposal. On May 16, 2011, Neustar notified the FCC in writing of the foregoing and reported that because

[8] The Neustar Code of Conduct, the Neustar Neutrality Compliance Procedures, the Neustar Neutrality Officer, the Neustar Neutrality Committee, and the periodic audits are all described in greater detail in sections (6) and (7) of this Legal Opinion.

Neustar was not the holder of the stock, it would first need to acquire control of the shares from the transfer agent. On June 2, 2011, Neustar reported in writing to the FCC that on May 25, 2011 it had acquired control of the shares and immediately transferred all of the shares to charity (American Red Cross). According to Neustar and as stated in its written correspondence to the FCC, although Neustar could not confirm precisely how it came to own the shares, Neustar believes that the shares originated as shares of [redacted] prior to [redacted] acquisition by [redacted], and that a company acquired by Neustar held [redacted] shares but did not inform Neustar at the time of acquisition, or that [redacted] allocated the shares to Neustar as payment for a debt, even though Neustar routinely declines all such offers.

The policies and procedures that brought about a cure of any deficiency in neutrality that may have arisen from this 2011 stock ownership incident included the neutrality training of Neustar employees that led to the reporting of this incident to the Neutrality Officer; the training and capacity of the Neutrality Officer that led to immediate investigation of the incident and prevention of any actual Neustar Code of Conduct neutrality violation (ownership of the stock by a Neustar employee); the timely and frequent reporting of the incident to the FCC; the full and effective investigation of the incident which led to the implementation of Neustar safeguards to prevent a future similar occurrence in the event of an acquisition of another company by Neustar; and the reporting of the incident to neutrality auditors and governmental authorities through the issuance of the quarterly Neustar Report of Management.

2008 Shareholder Stock Ownership Incident

Following a letter sent by Neustar on August 27, 2008, to one of its greater-than-5-percent shareholders, that shareholder disclosed to Neustar that it had acquired more than 10 percent of [redacted], a TSP. The disclosure was made by Steinberg Asset Management, LLC ("Steinberg") pursuant to a periodic certification required by Neustar of all shareholders holding more than 5 percent of Neustar stock in connection with the LNPA Neutrality Audit. The disclosure certified that Steinberg had become a TSP affiliate in August of 2008 as a result of its acquisition, through a series of share purchases, of approximately 10.27 percent of the shares of [redacted].

Based on its investigation, Neustar discovered that Steinberg was an SEC-registered investment adviser that acquires securities of companies in the ordinary course of its advisory business where, in all cases, such acquisitions are not undertaken for the purpose of influencing control over the issuer of securities. Steinberg then certified that upon learning of the FCC requirements applicable to Neustar, Steinberg immediately established and implemented a divesture plan to reduce the shares of [redacted] under its control to less than 10% by the close of trading on August 30, 2008. Internal controls were also established to prevent Steinberg from inadvertently taking a 10% or greater position in [redacted] or any other TSP while Steinberg is also a 5% or greater shareholder in Neustar. Steinberg identified no other TSP holdings that currently or previously were at or above the 10% threshold.

The policies and procedures that brought about a cure of any deficiency in neutrality that may have arisen from this 2008 stock ownership incident included the certification requirements imposed by Neustar on shareholders owning more than 5 percent of Neustar stock; the training and capacity of the Neutrality Officer that led to Neustar's immediate investigation of the incident and the eventual cure of the incident and prevention of future incidents; and the reporting of the incident to neutrality auditors through the issuance of the quarterly Neustar Report of Management.

(5) The Identity and Corporate Affiliations of All Sub-Contractors

It is our legal opinion that Neustar has complied with all applicable requirements concerning the disclosure of all sub-contractors as required by the *RFP Documents*, for the reasons explained below.

According to Neustar, during the entire next term of the NPAC/SMS, Neustar will not engage or include any "sub-contractor" in providing any service required by the *RFP Documents*. Neustar assigns the ordinary definition to the term "sub-contractor" in the context of the *RFP Documents*, that is, a contractor engaged to perform all or part of the obligations set forth in Neustar's NPAC/SMS contract. Accordingly, no contractor or any other entity will be engaged in the provision of any good or service required by the *RFP Documents* for the next NPAC/SMS.

However, Neustar does intend to engage various entities, such as third-party software and hardware vendors, to provide Neustar with goods and services needed for Neustar to assemble, deliver, operate, and support the NPAC/SMS. These vendors will function as independent contractors engaged by Neustar. Significantly, according to Neustar, it will not delegate to any such contractor any of Neustar's responsibility for providing the services required by the *RFP Documents* for the next NPAC/SMS. In other words, these contractors, although engaged by Neustar to deliver goods and services to Neustar, will stand behind Neustar and have no role in the actual provision of any NPAC/SMS service. Only Neustar will be engaged in the actual provision of NPAC/SMS services.

Because no contractor will actually be engaged in the provision of any service required by the *RFP Documents* for the next NPAC/SMS, none will be in a position to interact with users of the NPAC/SMS ("Users"). Thus, we believe that no contractor will be in a position to treat Users differently from one another, or otherwise bring about disparate or discriminatory treatment of Users. Also, according to Neustar, no contractor will have access to a User's data from the NPAC/SMS. In addition, according to Neustar, no contractor will be in communication with any User. According to Neustar, these limitations upon all contractors will be in place throughout the term of the next NPAC/SMS.

Notwithstanding our finding that Neustar will not engage or include any contractor in providing the services required by the *RFP Documents*, we elected to review a list of the

38 vendors (and type of services to be provided by each vendor) that Neustar intends to engage, under the terms and conditions described above.

Section 3.4 of the *VQS* notes that all Sub-Contractors must at all times be Neutral Third Parties. In applying the criteria for Neutral Third Parties set forth in paragraphs 1-3 of Section 3.4 of the *VQS* to the 38 vendors to be engaged by Neustar, we make the following findings:

1) based upon our review of the FCC 499 List, none of the 38 vendors are Telecommunications Service Providers;

2) as to the Neutral Third Party criteria set forth in paragraphs 1b, 1c, 2 and 3 of Section 3.4 of the *VQS*, we have not conducted any investigation as to all 38 of the vendors. However, to our Actual Knowledge, none of the 38 vendors: (a) are owned by, and none own, any Telecommunications Service Provider (as ownership is defined by Section 3.4 of the *VQS*); (b) are affiliates, by common ownership or otherwise, of a Telecommunications Service Provider (as affiliation is defined in Section 3.4 of the *VQS*); (c) has issued a majority of its debt to, nor derived a majority of its revenues from, any Telecommunications Service Provider (nor has any affiliate of the 38 vendors); (d) are subject to undue influence by parties with a vested interest in the outcome of numbering administration and activities, or are involved in a contractual or other arrangement that would impair its ability to administer the NPAC/SMS fairly and impartially as an LNPA or to implement the schedule set forth in the IASTA SmartSource SRM Tool, called the FoNPAC Timeline; and

3) to the extent that any of the 38 vendors did actually trigger any of the criteria set forth in paragraphs 1b, 1c, 2 and 3 of Section 3.4 of the *VQS*, there would be no impairment of neutrality or Neutral Third Party status. This is because, as explained above, each of the 38 vendors stands behind Neustar and is not in any way acting as an actual provider of the services required by the *RFP Documents* for the next NPAC/SMS. Only Neustar will be providing those services. Thus, we believe there is no impairment of the ability of the LNPA to be at all times a Neutral Third Party, and no impairment of evenhanded, impartial and nondiscriminatory access to the NPAC/SMS for all qualified Users.

(6) Contractual Relationships, Arrangements and Other Factors

For the reasons stated below, it is our legal opinion that: (1) there are a number of contractual relationships, arrangements and other factors that would enhance the ability of Neustar and any of its sub-contractors to ensure that the LNPA is at all times a "Neutral Third Party" (as that term is defined in the *VQS*), and (2) access to the NPAC/SMS for all qualified users will at all times be evenhanded, impartial and nondiscriminatory. For the reasons stated below, it is our further legal opinion that there are no contractual relationships, arrangements or other factors that would impair Neustar's ability to ensure that the LNPA is at all times a Neutral Third Party. Our foregoing legal opinion is based on the following:

(a) Master Agreements – According to Neustar, there are seven regional contracts in effect as of the date hereof, known as the Contractor Services for NPAC/SMS ("Master Agreements"), by and between Neustar and the NAPM LLC for the creation and operation of the current NPAC/SMS. Neustar is a party to each of the Master Agreements and, as the current creator and operator of the NPAC/SMS performing as the current LNPA, is subject to all of the requirements of the Master Contracts. Article 23 of the Master Contracts requires Neustar to be a Neutral Third Party.[9] Under the Master Agreements, Neustar is also required to treat all users of the NPAC/SMS in an evenhanded, impartial and nondiscriminatory manner (see, for example, Articles 6-Pricing; 8-Obligations of Customer; 10-Problem Resolution; 15-Confidential Information). Neustar has been subject to the Master Agreements continuously since 1997, and thus we believe has extensive experience with achieving and maintaining continuous compliance with the Master Agreement requirements for a Neutral Third Party, and fair treatment of Users.

(b) User Agreements – According to Neustar, it is currently a party to NPAC/SMS User Agreements ("User Agreements") with each user of the NPAC/SMS. The User Agreements are legal contracts governing the terms, rates and conditions for the use of the NPAC/SMS. Based upon our review of a sampling of User Agreements previously or currently in effect in each of the seven regions of the United States in which Master Agreements have been executed, except for non-substantive wording differences in the language, headings, "WHEREAS" clauses and statements of intent, the User Agreements are identical. Under the terms of all User Agreements, Neustar is required to be a Neutral Third Party.[10] Because the User Agreements are effectively identical and have been executed with all Users of the NPAC/SMS, each User is receiving substantially identical terms, rates and conditions for NPAC/SMS services. Accordingly, we believe the User Agreements, to which Neustar is a party, ensure that each User of the NPAC/SMS is being treated in an evenhanded, impartial and nondiscriminatory manner. Neustar has contracted with all NPAC/SMS Users and has been subject to the User Agreements for various time intervals since the late 1990s, and thus we believe has extensive experience with achieving and maintaining continuous compliance with the User Agreement requirements for a Neutral Third Party, and the fair treatment of Users.

(c) Corporate Existence – Neustar corporate existence is explicitly subject to neutrality. Article IV of Neustar's Restated Certificate of Incorporation, provided at **Tab 2,**

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9 The Master Agreements define "Neutral Third Party" as an entity which is not: (a) a telecommunications service provider, (b) owned by, or does not own, any telecommunications service provider (excluding ownership interests of five percent or less), and (c) affiliated, by common ownerships or otherwise, with a telecommunications service provider. This definition is in harmony and does not conflict with the definition set forth in the *VQS*, but the *VQS* includes additional criteria addressing debt, revenues, influence, and other qualitative commitments to neutrality set forth in Section 3.4.

10 Article 2 of the User Agreements incorporates the terms of the Master Agreements into the User Agreements, and makes the Master Agreement terms governing. The term "Neutral Third Party" is defined as explained in footnote 8, infra.

contains ownership restrictions expressly prohibiting ownership of certain amounts of Neustar stock by telecommunication service providers and their affiliates. These same ownership restrictions are incorporated in the actual terms stated in Neustar's Class A and Class B Common Stock Certificates, provided at **Tab 3**.

(d) Neutrality Officer – Neustar has created and maintains the position of "Neutrality Officer," which serves as the Company's single point of contact with respect to Neustar's neutrality compliance. The Neutrality Officer reports, with respect to his or her neutrality functions, directly to the Neutrality Committee of the Neustar Board of Directors. Among other duties, the Neutrality Officer conducts and closely supervises annual neutrality compliance training for all members of the Neustar Board of Directors, all full-time and part-time employees, and independent contractors that the Neutrality Officer has designated, in his or her discretion, as persons directly involved in Neustar's day-to-day operations as the LNPA.

According to Neustar, on a quarterly basis, the Neutrality Officer certifies compliance with an array of neutrality requirements that apply in connection with Neustar's current role as the LNPA. These include: (a) maintaining all new hire, quarterly and annual neutrality certifications by all applicable Neustar employees, board members and designated contractors; (b) providing to each Neustar employee, board member and designated contractor the list of all telecommunications service providers produced by the FCC; (c) ensuring that the Neustar Code of Conduct is posted at all Neustar locations; (d) maintaining records of any written complaint submitted to Neustar alleging discrimination or favoritism by Neustar in any of its LNPA operations or services; (e) reporting whether there were any such complaints or and instances of non-conformance with the Neustar Neutrality Procedures; (f) confirming and certifying that there have been no violations of the Neustar Code of Conduct; and (g) confirming and certifying that Neustar is in compliance with its Master Agreement obligations regarding Intermodal Ported Telephone Number Identification Service and Local Number Portability Enhanced Analytical Platform ("LEAP") Service, in connection with its LNPA service obligations.

We found that the Neustar Neutrality Officer has successfully performed these quarterly activities continuously since 2003, except that the Intermodal Ported Telephone Number Identification Service and LEAP Service certifications began at the inception of these services in 2004, and 2007, respectively. This finding is based upon our review of quarterly written certifications made by the Neutrality Officer as to each of these activities, and our review of each activity conducted in the course of the 10 LNPA Neutrality Audits, described more fully below, conducted during 2002 – 2012.

(e) Neutrality Committee – The Neustar Board of Directors has created and maintains a Neutrality Committee, comprised of the Chief Executive Officer of Neustar (if he or she is a member of the Board, or if not, the Chairman of the Board) and two unaffiliated independent directors. The Committee was one of three committees established by the Neustar Board of Directors at the time of Neustar's inception and has operated continuously since January of 2000 (resolution enclosed herewith at **Tab 4**).

All of these contractual relationships, arrangements and other factors establish a documented record of long-term, uninterrupted, and full compliance with all applicable neutrality requirements that have applied to Neustar in connection with its role during 2002 to the present as the LNPA. Based upon our review, there are no contracts or other agreements that conflict with or otherwise contradict the terms of these aforementioned contractual relationships, arrangements and other factors.

(7) Policies and Procedures Ensuring Neutrality

For the reasons stated below, it is our legal opinion that Neustar has demonstrated an understanding and willingness to implement policies and procedures that will ensure satisfaction of the neutrality criteria and requirements set forth in the *RFP Documents*. Our legal opinion is based on the following:

(a) Neutrality Audits – Pursuant to FCC Order,[11] Neustar has submitted to quarterly neutrality audits conducted by an outside neutral third party auditor. Fifty (50) neutrality audits have been conducted since 2000. The neutrality audits have investigated the neutrality of Neustar in its role as the LNPA, together with two other roles as the North American Numbering Plan Administrator ("NANPA") and Pooling Administrator ("PA"). The neutrality audits are based upon the Neustar Neutrality Procedures, which provide a plan for the implementation of, and compliance with, the Neustar Code of Conduct and the neutrality regulations of the NANPA and PA.

In the course of each audit, Neustar is required to provide, among other documents: (a) neutrality compliance certifications from each employee, board member and executive officer; (b) a management assertion of neutrality letter; (c) new hire certifications; (d) the results of the annual neutrality tests given to every Neustar employee; (e) local number portability enhanced analytical platform service agreements and NPAC/SMS end user service agreements, (f) neutrality certifications from each five percent or greater shareholder of Neustar's outstanding stock, (g) notices to the FCC of any organizational and board changes, and (h) Neustar debt and revenue information. The auditor also examines access to the NPAC/SMS and its security procedures.

The auditor then conducts extensive internal review of the audit proceedings, findings and reports to ensure all appropriate audit procedures were followed. The auditor's report is reviewed by Neustar's Board of Directors Neutrality Audit Committee and takes corrective action, if necessitated by the audit results. The full Neustar Board of Directors reviews the audit results for independence, integrity, accuracy and irregularities, and certifies its acceptance of the

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[11] *Request of Lockheed Martin Corporation and Warburg, Pincus & Co. for Review of the Transfer of Lockheed Martin Communications Industry Services Bureau, 14 FCC Rcd. 19792 (1999).*

audit report by attesting and delivering it to the FCC's Wireline Competition Bureau, the NANC and the NAPM LLC.

In all 50 prior neutrality audits, Neustar has been determined to have complied with the Neustar Neutrality Procedures, the FCC's Neutrality Regulations, and the Neustar Code of Conduct.[12]

(b) LNPA Neutrality Audits – Neustar has submitted to periodic reviews of its neutrality in the operation of the NPAC/SMS, on a semi-annual, annual or biennial basis, since July 1, 2002. The LNPA Neutrality Audits have been conducted separate from the quarterly Neutrality Audits described in (1) above, and by a different outside neutral third party auditor.[13] The LNPA Neutrality Audit results in the issuance of a final report to both Neustar and the NAPM LLC containing: (a) legal opinions on Neustar's LNPA-related compliance with Item Nos. 5-8 of the Neustar Code of Conduct, and (b) a series of factual judgments on: (i) Item Nos. 1-4 of the Neustar Code of Conduct, and (ii) certain further neutrality obligations agreed upon by Neustar and NAPM LLC. The Neustar Code of Conduct and the further neutrality obligations are provided at **Tab 5**.

The LNPA Neutrality Audits were expanded in scope in 2004 and 2007 to include neutrality reviews of Intermodal Ported Telephone Number Identification Service and LEAP Service, respectively. These expansions were required by Amendment Nos. 48 and 53 to the Master Agreements, respectively.

There have been ten (10) LNPA Neutrality Audits conducted by the outside neutral third party auditor since July 1, 2002. In all such Audits, Neustar has been determined to have complied with the Neustar Code of Conduct and the further neutrality obligations.

(c) New User Evaluator Process – New User Evaluator ("NUE") audits have been performed by TMNG since 2009 on both a periodic and ad-hoc basis. Under this process, first introduced by Amendment No. 62 to the Master Agreements, Neustar no longer evaluates the initial, intended use of User Data proposed by applicants that are attempting to become NPAC/SMS Users if those applicants self-identify as providers of telecommunications-related services, which use is now reviewed by the NUE. Also, all services (including those resulting from acquisitions and mergers, as well as those modifications to existing services) that depend

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[12] Each of the audit reports asserts that it is solely for the information and use of the Board of Directors and management of Neustar and the FCC, and is not intended to be used for any other purpose. The reports and their conclusions are noted in this Legal Opinion for informational purposes. We note that the reports are a matter of public record and their distribution is not limited.

[13] As stated in the introductory section of this Legal Opinion, the auditor conducting the LNPA neutrality audits since 2002 has been the law firm of DLA Piper LLP (US).

on access to the NPAC/SMS or use of User Data from the NPAC/SMS are reviewed by the NUE for compliance with certain requirements, *e.g.*, whether Neustar's use of User Data constitutes a "permitted use," and whether Neustar as User is accessing the same User Data as other Users.

(d) Neustar Neutrality Compliance Policies and Procedures – In connection with its current role as the LNPA, NANPA and PA, Neustar has initiated and implemented an array of policies and procedures in a comprehensive program known as the Neustar Neutrality Compliance Program. According to Neustar, this is designed to achieve and maintain all applicable neutrality requirements in Neustar's three roles. These policies and procedures include the following:

- Neustar Neutrality Compliance Procedures
- Neustar Neutrality Compliance Program Methods & Procedures
- Neustar Neutrality Compliance Training (for new employees and annually for existing employees)
- New Employee Neutrality Compliance Certification (for new employees and quarterly for existing employees)

Based upon our review of these policies and procedures, the Neustar Neutrality Compliance Program was implemented in 2000 and has been in place and implemented continuously since its inception. The Program contains such elements as new hire orientation, annual neutrality compliance training for all Neustar employees, and quarterly neutrality certifications for Neustar board members, designated contractors and employees. In connection with the quarterly neutrality certifications, it is notable that Neustar management or employees certify on a quarterly basis the following: (a) that Neustar is neutral (Neustar Report of Management on Compliance); (b) that Neustar has performed LNPA services on a nondiscriminatory basis, safeguarded LNPA databases and other proprietary information, did not issue a majority of its debt to, or derived a majority of its revenue from, any single Telecommunications Service Provider, and that no Telecommunications Service Provider owned or controlled a ten percent or greater equity or voting interest in Neustar or possessed the power to direct the management and policies of Neustar (Neustar Management Compliance Certification); (c) that there were no complaints submitted to Neustar alleging discrimination by Neustar and that the Neustar Code of Conduct is appropriately posted in all Neustar offices, (Neustar Neutrality Officer Compliance Certification); and (d) that the Neustar Code of Conduct has been complied with by each executive officer member of Neustar (Neustar Executive Officer Certification). All these certifications have been made quarterly and continuously since 2000, except that the Neustar Executive Officer Certifications began in 2006.

(e) Neustar Code of Conduct and Related Neutrality Obligations – In connection with its current role as the LNPA, Neustar abides by a Code of Conduct, together with a set of

further neutrality obligations agreed to by Neustar and the NAPM LLC. The Code of Conduct arose from the FCC's Order in CC Docket No. 92-237 and NSD File No. 98-151, FCC 99-346, released on November 17, 1999. The further neutrality obligations arose as a result of negotiations between the predecessors of NAPM LLC and Neustar that resulted in a letter of agreement between the parties on or about November 21, 2002. Since July 1, 2002, Neustar has been evaluated on its compliance, and has been found to have complied, with the Code of Conduct and the further neutrality obligations in the 10 LNPA Neutrality Audits conducted by the outside neutral third party auditor. The neutrality requirements set forth in the Code of Conduct and the further neutrality obligations are provided at **Tab 5.**[14]

We believe that all of these compliance policies and procedures establish a documented record of long-term, uninterrupted, and full compliance with all applicable neutrality requirements that have applied to Neustar in connection with its role as the current LNPA.

* * * * * *

We hereby authorize and consent to the reliance upon this Legal Opinion by the FCC, the NAPM LLC and the FoNPAC Subcommittee for purposes of evaluating the neutrality of Neustar pursuant to the *VQS*. This Legal Opinion may not be relied upon, or quoted in whole or in part, or otherwise referred to in any public forum or document, by any other entity or person for any purpose without the prior mutual consent of us and the FCC, the NAPM LLC and the FoNPAC Subcommittee.

This Legal Opinion is given as of March 25, 2013, and we expressly disavow any responsibility to advise you of any changes hereto that may be necessary or advisable as the result of information coming to our attention after March 25, 2013.

Very truly yours,

DLA Piper LLP (US)

DLA PIPER LLP (US)

[14] Pursuant to agreement between Neustar and NAPM LLC, since 2002 Neustar has been evaluated on Items 1-8 in the Code of Conduct, and at least Items 1, 3 and 7 of Exhibit A (the further neutrality obligations), in the LNPA Neutrality Audits.

Attachment 2

Redline Comparison of DLA Piper Legal Opinion With Legal Opinion of Carville Collins

REDACTED--FOR PUBLIC INSPECTION

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March 25, 2013[1]

Via InstaTool

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North American Portability Management LLC
c/o Timothy Decker, Co-Chair
Verizon
600 Hidden Ridge
MC: HQE02N40
Irving, Texas 75038

Members of the NAPM LLC and its
Future of NPAC Subcommittee

Re: 2015 LNPA Vendor Qualification Survey Legal Opinion – NeuStar, Inc.

Ladies and Gentlemen:

Pursuant to Sections 3.4 and 3.5 of the 2015 LNPA Vendor Qualification Survey ("*VQS*") issued by the Future of NPAC ("FoNPAC") Subcommittee of the North American Portability Management LLC ("NAPM LLC") on February 5, 2013 for the selection of a vendor

[1] At the request of NeuStar, Inc. ("Neustar"), on March 25, 2013, a partner of the law firm of DLA Piper LLP (US) ("DLA Piper"), Carville B. Collins, Esq. issued his Legal Opinion substantiating the neutrality of Neustar in response to the VQS (as hereinafter defined). At the subsequent request of Neustar, DLA Piper now reissues Mr. Collins' Legal Opinion as the Legal Opinion of DLA Piper, as of March 25, 2013, in substantially the same form as that which was issued by Mr. Collins, but in the form and subject to the standards of a legal opinion of the law firm. While none of Mr. Collins' conclusions are reversed or otherwise modified herein, some of his language substantiating or explaining the Legal Opinion has been revised. Mr. Collins and the other lawyers within DLA Piper who participated in DLA Piper's reissuance of this Legal Opinion as the Legal Opinion of DLA Piper are each licensed and in good standing to practice law in the State of Maryland.

to serve as the next local number portability administrator ("LNPA"),[+] ~~I~~[2] we hereby provide to the Federal Communications Commission ("FCC"), the NAPM LLC and the FoNPAC a legal opinion ("Legal Opinion") substantiating the neutrality of NeuStar, Inc. ("Neustar").

For purposes of this Legal Opinion, ~~I~~we have examined and relied upon such materials and information available to ~~me~~us, as more specifically described below (collectively, the "Examined Documents"). Also for purposes of this Legal Opinion, ~~I~~we have considered such matters of law and the published and effective rules, policies, orders, decisions and reports of the FCC and of fact ~~as I~~(without independent verification) as we have deemed appropriate as a basis for this Legal Opinion.

In rendering this Legal Opinion, ~~I~~we have assumed without investigation: (i) the authenticity and completeness of the Examined Documents submitted to ~~me~~us by Neustar for ~~my~~our examination, whether or not they were submitted to ~~me~~us as originals, (ii) the authenticity of any signatures and the legal capacity of any persons executing such documents, (iii) the conformity to authentic original documents of all Examined Documents submitted to ~~me~~us as copies, (iv) the accuracy and completeness of all records made available to ~~me~~us by Neustar (except as otherwise stated herein), and (v) the validity and binding effect of all the Examined Documents upon the parties thereto.

~~I~~We have no Actual Knowledge (as that phrase is explained below) of any factual information that has led ~~me~~us to conclude that the Examined Documents contain any untrue statement of a material fact, or omit to state a fact whose inclusion therein would be required in order to render the statements contained therein not materially misleading in the context in which such statements were made, except to the extent that any such statements conflict with or are modified by matters specifically addressed herein.

This Legal Opinion is limited strictly to the matters discussed herein, and ~~I~~we express no opinion with respect to any law, statute, rule, regulation, ordinance, decision. judgment, decree, legal requirement, legal authority or factual matter whatsoever.

This Legal Opinion constitutes a written communication delivered to the FCC, the NAPM LLC and the FoNPAC for the purpose of responding to the *VQS* and for use in connection with an evaluation of Neustar pursuant to an RFP. ~~I am a lawyer licensed and in good standing to practice law in the State of Maryland. My law firm.~~ DLA Piper LLP (US)~~, and~~

+. ~~On February 5, 2013, the FoNPAC made a set of Request for Proposal (RFP) documents available to potential vendors. The RFP documents include a Vendor Qualification Survey ("*VQS*"), a Technical Requirements Document ("*TRD*") and a Request for Proposal. ("*RFP*"). Hereinafter, these documents will collectively be referred to as the "*RFP Documents*."~~

2 On February 5, 2013, the FoNPAC made a set of Request for Proposal (RFP) documents available to potential vendors. The RFP documents include a Vendor Qualification Survey ("*VQS*"), a Technical Requirements Document ("*TRD*") and a Request for Proposal. ("*RFP*"). Hereinafter, these documents will collectively be referred to as the "*RFP Documents*."

~~I have~~ has conducted the LNPA neutrality audits since 2002 as the auditor mutually agreed upon by Neustar and the NAPM LLC. During these prior 10 years, we have developed some level of expertise on number administration neutrality matters generally. ~~Neither the law firm nor I~~We do not provide legal services to Neustar other than those provided in connection with the LNPA neutrality audits and this Legal Opinion.

Paragraphs 1b, 1c and 2 of Section 3.4 of the *VQS* inquire about the existence and activity of affiliates of Neustar. To the extent these inquiries ask about affiliates based on ownership interests in Neustar, ~~I~~we have undertaken a review of ownership of Neustar capital stock during the period January, 2012 through March, 2013. This review consisted of ~~my~~our examination of Schedules 13D and 13G filed with the U.S. Securities and Exchange Commission (the "SEC") with respect to ownership of Neustar securities during the review period and lists prepared by a third-party vendor, Thomson Reuters, of the 100 largest shareholders of Neustar stock, based on the vendor's market research. In an abundance of caution, ~~I~~we elected to review additional historical information on Neustar shareholders consisting of two more years of data, from these same SEC Schedules and Thomson Reuters lists. Thus, in all ~~my~~our reviews of Neustar stock ownership referenced in this Legal Opinion, ~~my~~our examination covers a look-back period of more than 3 years, from January, 2010 through March, 2013.

This Legal Opinion constitutes a third party legal opinion governed by and subject to the Restatement (Third) of the Law Governing Lawyers. This Legal Opinion is also governed by, and shall be interpreted in accordance with, the Legal Opinion Accord of the American Bar Association Section of Business Law (1991) ("Accord"), and as such, ~~my~~this Legal Opinion is subject to a number of qualifications, exceptions, and limitations, all as more particularly described in the Accord, and should be read in conjunction therewith. As such, ~~my~~this Legal Opinion is subject to ~~my~~the Actual Knowledge, as defined in the Accord, ~~that is.~~of Carville Collins, Esq. and only includes the conscious awareness of facts or other information by ~~me.~~Carville Collins, Esq. and does not include matters with respect to which other lawyers at DLA Piper LLP (US) could be deemed to have constructive knowledge.

Legal Opinion Summary

For the reasons stated below and based on the Examined Documents, it is ~~my~~our legal opinion that Neustar, a non-governmental entity, is impartial and is not aligned with any particular telecommunications industry segment, and ~~can~~that Neustar has the procedures in place to assure that access to the NPAC/SMS for all qualified users is at all times evenhanded, impartial and nondiscriminatory. ~~It is my~~For the reasons stated below and based on the Examined Documents, it is our further legal opinion that Neustar is currently a Neutral Third Party as that term is defined in Section 3.4 of the *VQS*, and based on Neustar's existing neutrality practices and procedures, Neustar can at all times remain a Neutral Third Party. Moreover, Neustar has informed us that it does not intend to engage or include any subcontractors in providing the services requested in the *RFP Documents*. ~~It is my~~For the reasons stated below and based on the Examined Documents, it is our further legal opinion that the absence of such

subcontractors eliminates any concern regarding the Neutral Third Party status of any subcontractor.

~~I~~We first opine on the enumerated neutrality requirements set forth in the *VQS*, followed by ~~my~~our opinions on other neutrality requirements and considerations outlined in the *VQS*.

Numbered *VQS* Neutrality Requirements

(1) a. Neustar is Not a Telecommunications Service Provider.

~~It is my~~For the reasons stated below and based on the Examined Documents, it is our legal opinion that Neustar does not qualify under any of the three forms of Telecommunications Service Provider set forth in Section 3.4 of the *VQS*.

First, in connection with facilities-based wireline local exchange service, for the reasons stated below, Neustar does not possess the requisite authority to engage in the provision to the public of facilities-based wireline local exchange service in any State or Territory of the United States. According to Neustar, it has not been issued, nor has it applied for, a Certificate of Public Necessity and Convenience ("CPCN") or any similar authorization, license or approval issued by a state public utility commission for the provision of facilities-based wireline local exchange service. This is verified by the FCC Form 499 Filer Database ("FCC 499 List"), which contains a current list of all providers of any telecommunications service in any state or territory of the United States.[~~2~~3] Based solely on ~~my~~our review of the FCC 499 List as of September, 30, 2012, December 31, 2012, and March 25, 2013, Neustar is not on the FCC 499 List as a provider of any telecommunications service in any state or territory of the United States, including facilities-

[~~2~~3] The list of 499 filers is an important tool to ensure compliance with telecommunications numbering neutrality rules because it is the most comprehensive list of the providers of telecommunications services of which Neustar is aware. The instructions for the 2012 Form 499-A explain that "[w]ith very limited exceptions, all intrastate, interstate, and international providers of telecommunications in the United States must file this Worksheet. Telecommunications providers that are contributors to any of the support mechanisms, including USF, TRS, NANPA, or LNPA, must file this Worksheet." The instructions continue by stating that "the term 'interstate telecommunications' includes, but is not limited to, the following types of services: wireless telephony, including cellular and personal communications services (PCS); paging and messaging services; dispatch and operator services; mobile radio services; access to interexchange service; special access; wide area telecommunications services (WATS); subscriber toll-free and 900 services; message telephone services (MTS); private line; telex; telegraph; video services; satellite services; resale services; Frame Relay services; asynchronous transfer mode (ATM) services; Multi-Protocol Label Switching (MPLS) services; audio bridging services; and *interconnected VoIP services." (emphasis added).* The instructions also explain that "[a]ll providers of 'non-interconnected VoIP service' . . . with interstate end-user revenues subject to TRS contributions must file this Worksheet in order to register with the Commission and report their revenues for purposes of calculating TRS contributions." *2012 Telecommunications Reporting Worksheet Instructions (FCC Form 499-A)*, Approved by OMB 3060-0855, available at http://www.fcc.gov/document/2012-form-499-instructions at 2 (footnotes omitted). Thus, the list of 499 filers includes wireline and wireless telecommunications service providers, interconnected VoIP providers and even non-interconnected VoIP providers.

based wireline local exchange service or any other local exchange service. Moreover, as noted in footnote 2, all providers of facilities-based wireline local exchange service are required to file Form 499-A with the FCC, and as the date hereof, according to Neustar, it has not filed Form 499-A with the FCC, nor is it required to do so.

Also in connection with facilities-based wireline local exchange service, it should be noted that in its role as the North American Numbering Plan Administrator ("NANPA") and National Thousands-block Pooling Administrator ("PA"), Neustar is permitted to issue telephone numbers or central office codes only to entities that can, among other things, demonstrate that they have the requisite authority to provide service in the area in which they are seeking numbers or codes. In accordance with guidelines established by the Industry Number Council, such authority for facilities-based wireline local exchange service providers can be demonstrated by a CPCN or other similar document. Accordingly, Neustar has demonstrated that it is familiar with all of the ways in which the requisite authority to provide such services can be obtained and documented. According to Neustar, it does not possess, nor is it seeking, any such authority.

Second, in connection with Commercial Mobile Radio Service ("CMRS") telecommunications service, for the reasons stated below, Neustar does not possess the requisite authority to engage in the provision to the public of CMRS telecommunications services in any state or territory of the United States. According to Neustar, it has not been issued, nor has it applied for, any radio license or any similar authorization or approval issued by the FCC for the provision of CMRS telecommunications service. This is verified by a review of the licenses issued by the FCC through its Universal Licensing System ("ULS"), which is available at http://wireless2.fcc.gov/UlsApp/UlsSearch/searchLicense.jsp. ~~A~~Our search of the FCC's ULS as of March 25, 2013 indicates that no license is held by Neustar.

In addition, ~~I~~we reviewed the FCC 499 List, which contains a current list of providers of any telecommunications service in any state or territory of the United States. Based solely on ~~my~~our review of the FCC 499 List as of September 30, 2012, December 31, 2012, and March 25, 2013, Neustar is not on the FCC 499 List as a provider of any telecommunications service in any state or territory of the United States, including CMRS or any form of cellular, PCS or other mobile service. Moreover, all providers of CMRS telecommunications service are required to file Form 499-A with the FCC, and as of the date hereof, according to Neustar, it has not filed Form 499-A with the FCC, nor is it required to do so.

Also in connection with CMRS telecommunications service, it should be noted that in its role as the NANPA and PA, Neustar is permitted to assign telephone numbers or central office codes only to entities that can, among other things, demonstrate that they have the requisite authority to provide service in the area in which they are seeking numbers or codes. Per guidelines established by the Industry Number Council, such authority for CMRS service providers can be demonstrated by a radio license or other similar document. Accordingly, Neustar has demonstrated that it is familiar with all of the ways in which the requisite authority

to provide such services can be obtained and documented. According to Neustar, it does not possess, nor is it seeking, any such authority.

Third, in connection with interconnected Voice over Internet Protocol ("VOIP") service, for the reasons stated below, Neustar does not qualify as a Class 1, Class 2 or Class 3 interconnected VOIP provider, as those classes of providers are defined in the *VQS*. A Class 1 VOIP provider is described as obtaining numbering resources directly from the NANPA and the PA. As the NANPA and PA, Neustar requires that a VOIP provider demonstrate evidence of an order from the FCC indicating that the provider is authorized to obtain numbering resources directly from the NANPA or PA. According to Neustar, the FCC has not issued any order authorizing Neustar to receive numbering resources directly from the NANPA or PA for the provision of VOIP services. The *VQS* indicates that Class 2 and Class 3 VOIP providers obtain numbering resources and Public Switched Telecommunications Network ("PTSN") connectivity through a Telecommunications Service Provider partner or through another interconnected VOIP provider, respectively. Such arrangements would require contractual agreements with Telecommunications Service Providers or with interconnected VOIP providers. According to Neustar, it has no such agreements with Telecommunications Service Providers or interconnected VOIP providers to obtain numbering resources or PSTN connectivity. In addition, all interconnected VOIP providers are required to file Form 499-A with the FCC, and as of the date hereof, according to Neustar, it has not filed Form 499-A with the FCC, nor is it required to do so.

(1) b. Neustar is Not Owned By, and Does Not Own, Any Telecommunications Service Provider.

~~It~~For the reasons stated below, it is ~~my~~our legal opinion that Neustar is not owned by, and does not own, any Telecommunications Service Provider. ~~My~~Our legal opinion on this matter is based solely upon ~~my~~our review of: (1) lists of shareholders of Neustar stock during the period January, 2010 through March, 2013; (2) Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the period January, 2010 through March, 2013; (3) an organizational chart listing all Neustar-owned entities, subsidiaries and other holdings of Neustar as of March 25, 2013; (~~3~~4) the FCC 499 List; (~~4~~5) certain Neustar certifications since 2006, and (~~5~~6) the 10 percent threshold definition of ownership set forth in paragraph (1) b. of section 3.4 of the *VQS*.

~~In~~Based on the above examined documents, in connection with owners of Neustar stock, no person or entity has held more than 10 percent of the stock of Neustar during the period January, 2010 through March, 2013. ~~I~~We note that the largest single shareholder of Neustar stock during this period, based on Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the review period, was PRIMECAP Management Company, an investment advisor that held 9.64 percent of Neustar stock. Thus, no Telecommunications Service Provider or any other entity qualifies as an owner of Neustar~~.~~ for purposes of paragraph (1) b. of section 3.4 of the *VQS*.

In connection with all Neustar-owned entities, subsidiaries and other holdings of Neustar as of March 25, 2013, none are on the FCC 499 List. The organizational chart listing each entity, subsidiary and other holding owned by Neustar is provided at **Tab 1**. Thus, based on the foregoing, Neustar does not own any entity that qualifies as a Telecommunications Service Provider.

~~I~~We have also reviewed the Neustar Management Compliance Certifications executed in writing by the Chief Executive Officer of Neustar on a quarterly basis since 2006. These documents, submitted to auditors for neutrality review purposes, certify that Neustar has no actual knowledge of being owned or controlled (by virtue of a 5 percent or more interest) by any Telecommunications Service Provider, and has not acquired any equity interest in any Telecommunications Service Provider.[~~3~~4]

(1) c. Neustar is Not an Affiliate, by Common Ownership or Otherwise, of a Telecommunications Service Provider.

~~It~~For the reasons stated below, it is ~~my~~our legal opinion that Neustar is not an affiliate, by common ownership or otherwise, of a Telecommunications Service Provider. ~~My~~Our legal opinion on this matter is based solely upon: (1) lists of shareholders of Neustar stock during the period January, 2010 through March, 2013; (2) Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the period January, 2010 through March, 2013; (3) an organizational chart listing all Neustar-owned entities, subsidiaries and other holdings of Neustar as of March 25, 2013; (~~3~~4) the FCC 499 List; (~~4~~5) certain Neustar certifications since 2006, and (~~5~~6) the 10 percent threshold definition of affiliation set forth in paragraph (1) c. of section 3.4 of the *VQS*.

In connection with entities that have an ownership interest in Neustar, by virtue of Neustar's current status as a publicly traded company, the only existing ownership interests are in the stock of the corporation. ~~I~~We note that the corporate form of Neustar is a Delaware corporation, and thus there is no partnership interest, joint venture participation, or limited liability company member interest in Neustar. ~~No~~Based on the above examined documents, no person or entity has held more than 10 percent of the stock of Neustar during the period January, 2010 through March, 2013. ~~I~~We note that the single largest shareholder of Neustar stock during this period, based on Schedules 13D and 13G filed with the SEC related to the ownership of Neustar securities during the review period, was PRIMECAP Management Company, an

[~~3~~4] The Neustar Management Compliance Certifications arose in response to the FCC's 2004 Order imposing certain conditions to ensure neutrality. *In the Matter of North American Numbering Plan Administration NeuStar, Inc. Request to Allow Certain Transactions Without Prior Commission Approval and to Transfer Ownership*, CC Docket No. 92-237, Order, 16922, para. 22 (2004). The Certifications also reference an exception to the ownership or control limit of five percent by any Telecommunications Service Provider or its affiliate to account for the prior ownership interest of Warburg Pincus. That ownership interest ended on or before Neustar's initial public offering in 2005, and thus this exception has had no application to the Certifications after that date.

investment advisor that held 9.64 percent of Neustar stock. Thus, no Telecommunications Service Provider or any other entity qualifies as a Neustar affiliate by virtue of holding an ownership interest in Neustar.

In connection with ownership interests held ~~by Neustar, these are comprised entirely of subsidiaries owned~~ by Neustar, as set forth on the Neustar organizational chart provided at **Tab 1**. ~~All~~, these are comprised entirely of subsidiaries owned by Neustar. Based on the organizational chart, all entities qualifying as affiliates but one CONFIDENTIAL are 100-percent owned by Neustar. None of these entities, including CONFIDENTIAL, is on the FCC 499 List, and thus, none are Telecommunications Service Providers. In addition, based on the above examined documents, no Telecommunications Service Provider owns 10% or more of CONFIDENTIAL so it is not a Telecommunications Service Provider affiliate.

In connection with voting power on any matter involving the actions of Neustar, voting power of shareholders is determined exclusively by stock ownership. Since no shareholder held more than 10 percent of Neustar's stock during the period January, 2010 through March, 2013 based on the above examined documents, no shareholder qualifies as an affiliate by virtue of voting power.

In connection with the power to direct or cause the direction of management and policies of Neustar, only the shareholders, directors and management of Neustar may have such power. To ~~my~~our Actual Knowledge, and according to Neustar, there are no contracts, agreements, voting rights, or other arrangements whereby any entity, including any Telecommunications Service Provider, has the power to direct the management or policies of Neustar.

~~I~~We have also reviewed the Neustar Management Compliance Certifications executed in writing by the Chief Executive Officer of Neustar on a quarterly basis since 2006. These documents, submitted to auditors for neutrality review purposes, certify that Neustar has no actual knowledge of being owned or controlled (by virtue of a 5 percent or more interest) by any Telecommunications Service Provider, or of possession by any Telecommunications Service Provider of the power to direct the management and policies of Neustar. [45]

[45] The Neustar Management Compliance Certifications arose in response to the FCC's 2004 Order imposing certain conditions to ensure neutrality. *In the Matter of North American Numbering Plan Administration NeuStar, Inc. Request to Allow Certain Transactions Without Prior Commission Approval and to Transfer Ownership*, CC Docket No. 92-237, Order, 16922, para. 22 (2004). The Certifications also reference an exception to the ownership or control limit of five percent by any Telecommunications Service Provider or its affiliate to account for the prior ownership interest of Warburg Pincus. That ownership interest ended on or before Neustar's initial public offering in 2005, and thus this exception has had no application to the Certifications after that date.

(2) Neustar or Any Affiliate of Neustar Has Not Issued a Majority of Its Debt To, Nor Derived a Majority of Its Revenues (Not Including the NPAC/SMS) From, Any Telecommunications Service Provider.

Debt. ~~It~~For the reasons stated below, it is ~~my~~our legal opinion that Neustar has not issued a majority of its debt to any Telecommunications Service Provider. ~~My~~Our legal opinion on this matter is based solely upon ~~my~~our review of the following: (1) lists of all entities to which Neustar has issued debt as of September 30, 2012, January 4, 2013, January 22, 2013, and March 25, 2013, and (2) the FCC 499 List. ~~My~~Our review of the FCC 499 List was undertaken in order to determine if any of the entities to which Neustar has issued debt (as of the four dates indicated above) were on the FCC 499 List.

~~I~~We note that the lists of all entities to which Neustar has issued debt included both the holders of Neustar's debt, as well as the parties to all of Neustar's capital leases and letters of credit. These lists included stocks, bonds, securities, notes, loans, capital leases, letters of credit, and any other instrument of indebtedness, of any duration. Based upon ~~my~~our review, ~~I~~we found that Neustar has not issued a majority (greater than 50%) of its debt to a Telecommunications Service Provider, and moreover, none of Neustar's debt has been issued to a Telecommunications Service Provider as of the four dates indicated.

Revenues. ~~It~~For the reasons stated below, it is ~~my~~our legal opinion that Neustar has not derived a majority of its revenues (not including NPAC/SMS revenues) from any Telecommunications Service Provider. ~~My~~Our legal opinion on this matter is based solely upon ~~my~~our review of Neustar's 2012 revenue data listing the sources and amounts of all Neustar revenues received. In an abundance of caution, ~~I~~we elected to investigate further by adding to ~~my~~our review two additional years of revenue data. Thus, ~~my~~our review covers Neustar's revenue during a look-back period of calendar years 2010 – 2012, as further described below.

The revenue data for 2012 indicates that Neustar received non-NPAC/SMS revenue from more than individual customers. The single largest of these customers provided percent of Neustar's total non-NPAC/SMS revenue. 99.88 percent of these customers each provided less than 1 percent of Neustar's total non-NPAC/SMS revenues in 2012.

The revenue data for 2011 indicates that Neustar received non-NPAC/SMS revenue from more than individual customers. The single largest of these customers provided percent of Neustar's total non-NPAC/SMS revenue. 99.82 percent of these customers each provided less than 1 percent of Neustar's total non-NPAC/SMS revenues in 2011.

The revenue data for 2010 indicates that Neustar received non-NPAC/SMS revenue from more than individual customers. The single largest of these customers provided percent of Neustar's total non-NPAC/SMS revenue. 99.88 percent of these customers each provided less than 1 percent of Neustar's total non-NPAC/SMS revenues in 2010.

~~I~~We note that ~~my~~our review of non-NPAC/SMS revenue is prompted by the express language of paragraph (2) in Section 3.4 of the *VQS* that specifically excludes NPAC/SMS revenues. ~~I~~We elected to review Neustar's NPAC/SMS revenues, as well. The broad dispersal of sources of non-NPAC/SMS revenue also exists for NPAC/SMS revenue. In 2012, 99.61 percent of customers each provided less than 1 percent of Neustar's total NPAC/SMS revenues; in 2011, 99.58 percent each provided less than 1 percent; and in 2010, 99.63 percent each provided less than 1 percent. During this 3-year period, the largest NPAC/SMS revenue source from a single customer accounted for percent of Neustar's annual NPAC/SMS revenue.

Based on ~~my~~our review of all Neustar revenue sources during the past three calendar years, no one revenue source provided a majority of Neustar's revenues. Accordingly, Neustar cannot have derived a majority of its revenues from any single Telecommunications Service Provider, or any other entity.

Affiliates. Neustar's "affiliates," as that term is defined in Section 3.4 of the *VQS*, are comprised of subsidiaries of Neustar, all of which are 100% owned by Neustar. ~~I~~We note that by this same definition, persons or entities that own a percentage of the capital stock of Neustar in excess of 10% of the total outstanding ownership interests in that stock would also qualify as an affiliate of Neustar. During the period January, 2010 through March, 2013, as noted above, there has been no entity that has owned more than 10% of Neustar's outstanding stock. Thus, no entity qualifies as an affiliate of Neustar by virtue of stock ownership. Accordingly, the only affiliates of Neustar are its 100%-owned subsidiaries.

In connection with the issuance of debt, based upon ~~my~~our review of Neustar's ~~most recent~~ Form 8-K filing with the ~~U.S. Securities and Exchange Commission~~ SEC dated January 22, 2013, all of Neustar's debt is issued by Neustar. Although none of Neustar's 100%-

owned subsidiaries have issued debt. Neustar has indicated that some of these subsidiaries serve as guarantors of the debt issued by Neustar.

In connection with the derivation of revenues, based upon ~~my~~our review of Neustar subsidiary revenue data listing the sources and amounts of all Neustar subsidiary revenues received during 2010-2012, none of Neustar's affiliates (the 100%-owned subsidiaries) have derived a majority of revenues from any Telecommunications Service Provider.

(3) Neustar is Not Subject to Undue Influence by Parties With a Vested Interest in the Outcome of Numbering Administration and Activities, and Neustar is Not Involved in a Contractual or Other Arrangement That Would Impair its Ability to Administer the NPAC/SMS Fairly and Impartially as an LNPA or to Implement the Schedule Set Forth in the IASTA SmartSource SRM Tool, Called the FoNPAC Timeline.

~~It~~For the reasons stated below, it is ~~my~~our legal opinion that Neustar is not subject to undue influence by parties with a vested interest in the outcome of numbering administration and activities. ~~It~~For the reasons stated below, it is ~~my~~our further legal opinion that Neustar is not involved in a contractual or other arrangement that would impair its ability to administer the NPAC/SMS fairly and impartially as an LNPA or to implement the schedule for the NPAC/SMS deployment. ~~My~~Our legal opinion on these matters is based upon an array of neutrality requirements and circumstances that already apply to Neustar or conform to Neustar's practices as of the date hereof.

By virtue of Neustar's role as the current LNPA, Neustar is subject to the FCC's definition of the LNPA at 47 CRF 52.21(k): "The term local number portability administrator (LNPA) means an independent, non-governmental entity, not aligned with any particular telecommunications industry segment ...." In order to maintain its role as the LNPA, Neustar has complied with this definitional mandate since the inception of the LNPA in 2000. Based on ~~my~~our review of audit reports, there is no finding or inference in either the Neutrality Audits since 2000 or the LNPA Neutrality Audits since 2002[56] that indicates any non-compliance with this definitional mandate. Accordingly, ~~I~~based on the foregoing, we conclude that Neustar has not been, and is not being, unduly influenced by parties with a vested interest in the outcome of numbering administration.

In ~~my~~our view, whether Neustar is subject to such undue influence is best assessed by an investigation of recent revenue. ~~I~~We have reviewed a list of all of Neustar's revenue sources during the period 2010-2012, including NPAC/SMS revenues and non-NPAC/SMS revenues. Based on ~~my~~our review, ~~I~~we found that Neustar derives its revenue from an array of segments of the telecommunications industry and other sources, including, but not limited to, wireline carriers, wireless carriers, cable service providers, internet registry/registrar companies,

[56] The Neutrality Audits and the LNPA Neutrality Audits are fully described in Section (7) of this Legal Opinion.

advertisers and other commercial enterprises. During this period, Neustar's largest non-NPAC/SMS revenue source from a single customer accounted for [redacted] percent of its annual non-NPAC/SMS revenue, and its largest NPAC/SMS revenue source from a single customer accounted for [redacted] percent of its annual NPAC/SMS revenue. In this same 3-year period, more than 99 percent of Neustar's non-NPAC/SMS customers each accounted for less than one percent of Neustar's total non-NPAC/SMS revenues, and similarly, more than 99 percent of Neustar's NPAC/SMS customers each accounted for less than one percent of Neustar's total NPAC/SMS revenues.

This broad dispersal of revenue sources, together with the absence of concentration of or reliance upon any single source of revenue, leads ~~me~~us to conclude that there is no undue influence upon Neustar, and Neustar is not subject to undue influence from any one segment of the telecommunications industry or any one Telecommunications Service Provider.

In assessing whether Neustar is subject to undue influence by parties with a vested interest in numbering administration, ~~I~~we have reviewed Neustar's contracts with its major customers. Significantly, ~~I~~we find no contract or other legal obligation for Neustar to operate any Telecommunications Service Provider's network, or to be involved in numbering administration on behalf of any entity. In response to ~~my~~our data request to Neustar made in connection with this Legal Opinion, Neustar confirmed that no such contract or other legal obligation exists as to the operation of any such network, or as to involvement in numbering administration on behalf of any entity. Thus, we believe that the ordinary influence that may be expected to arise from a Telecommunications Service Provider whose network was being operated would have no application or relevance to Neustar, as a result of the absence of such a practice by Neustar. A similar inference may arise if Neustar was involved in numbering administration ~~of~~on behalf of any entity, but here again, this has no application or relevance to Neustar, because, based on the information provided to us, Neustar has no such involvement.[7]

The Neustar Code of Conduct, which governs Neustar's conduct as the current LNPA, contains a number of requirements that guard against undue influence by parties with a vested interest in the outcome of numbering administration and activities. For example, Code of Conduct Item 7 states that, "No member of Neustar's board will simultaneously serve on the board of a telecommunications service provider." Based upon ~~my~~our review of quarterly

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[7] ~~My~~Our conclusions here are based on the following definitional assumptions: (1) a "Telecommunications Service Provider" means an entity that either possesses authority to engage in the provision to the public of facilities-based wireline local exchange or CMRS in the U.S., or is one of either a Class 1, Class 2 or Class 3 interconnected VoIP provider; (2) a "network" is a wireline or wireless system that transmits telecommunications from one point to another; (3) "operating" a network means to cause the network to function, including construction and maintenance of the facilities over which telecommunications or VoIP traffic is transmitted; and (4) "numbering administration" means the management of a telephone number ("TN") inventory, such as allocating TNs to users, performing NRUF reporting, applying for numbering resources, and representing a Telecommunications Service Provider on industry numbering panels (and does not include providing an entity with the tools so that the entity can manage its own numbering inventory).

certifications since 2002 of all Neustar Directors and the FCC 499 List, no Neustar Director is a member of a board of directors of any Telecommunications Service Provider, and no Neustar Director has been a member of such a board during the period 2002-2013.

By way of further example, Code of Conduct Item 6 states that, "Warburg Pincus will not control more than 40 percent of Neustar's Board." Based upon ~~my~~our review of quarterly certifications since 2002 of all Neustar Directors, neither Warburg Pincus, nor any single shareholder or group of shareholders treated as a single entity under Section 13(d)(3) of the Securities and Exchange Act of 1934, controls or has controlled more than 40 percent of Neustar's Board.

Other *VOS* Neutrality Requirements

(4) Neustar's Ability to Cure Deficiencies in Neutrality

~~It~~For the reasons stated below, it is ~~my~~our legal opinion that Neustar has implemented substantial policies and procedures that will cure any deficiencies in neutrality. ~~My~~Our legal opinion is based on the following.

If Neustar is awarded the LNPA contract, it is reasonable to assume there will be no deficiencies in neutrality at the time of the award. This is because as the current LNPA, Neustar is required to be neutral and free of deficiencies in neutrality, by virtue of an array of neutrality requirements already applicable at the time of any contract award, including, but not limited to, the Neustar Code of Conduct, the Neustar Neutrality Procedures, the practices and policies of the Neustar Neutrality Officer and Neutrality Committee, and the periodic neutrality audits and LNPA neutrality audits to which Neustar is subjected.[78] If at any time subsequent to the award a deficiency in neutrality were to develop, Neustar will have in place substantially these same policies and procedures that will allow Neustar to identify and resolve any deficiency.

Neustar's record as the LNPA since 2000 demonstrates how it will cure any deficiency in neutrality, if in the future Neustar continues to serve as the LNPA as a result of being awarded the LNPA contract. Two examples during Neustar's tenure as the LNPA since 2000, described below, aptly illustrate this point. Both examples were first disclosed by Neustar in the course of the LNPA Neutrality Audits ~~I~~we have conducted since 2002 and which were reported in ~~my~~our audit reports (and thus were not disclosed just in connection with the preparation of this Legal Opinion).

[78] The Neustar Code of Conduct, the Neustar Neutrality Compliance Procedures, the Neustar Neutrality Officer, the Neustar Neutrality Committee, and the periodic audits are all described in greater detail in sections (6) and (7) of this Legal Opinion.

2011 Neustar Stock Ownership Incident

On April 14, 2011, Neustar's Vice President of Tax received a notice of the availability of proxy materials for the annual meeting of CONFIDENTIAL , a Telecommunications Service Provider ("TSP"). According to a CONFIDENTIAL Direct Registration Account Statement sent to Neustar with the aforementioned notice, 100 shares, with a market value of $2.32 per share or aggregate value of $232 (as of May 27, 2011), were owned by Neustar but held by a stock transfer agent. Immediately upon receipt of this information, Neustar's Vice President of Tax notified Neustar's Neutrality Officer, who began an investigation into how Neustar acquired the stock and possible means of its disposal. On May 16, 2011, Neustar notified the FCC in writing of the foregoing and reported that because Neustar was not the holder of the stock, it would first need to acquire control of the shares from the transfer agent. On June 2, 2011, Neustar reported in writing to the FCC that on May 25, 2011 it had acquired control of the shares and immediately transferred all of the shares to charity (American Red Cross). According to Neustar and as stated in its written correspondence to the FCC, although Neustar could not confirm precisely how it came to own the shares, Neustar believes that the shares originated as shares of CONFIDENTIAL prior to CONFIDENTIAL acquisition by CONFIDENTIAL, and that a company acquired by Neustar held CONFIDENTIAL shares but did not inform Neustar at the time of acquisition, or that CONFIDENTIAL allocated the shares to Neustar as payment for a debt, even though Neustar routinely declines all such offers.

The policies and procedures that brought about a cure of any deficiency in neutrality that may have arisen from this 2011 stock ownership incident included the neutrality training of Neustar employees that led to the reporting of this incident to the Neutrality Officer; the training and capacity of the Neutrality Officer that led to immediate investigation of the incident and prevention of any actual Neustar Code of Conduct neutrality violation (ownership of the stock by a Neustar employee); the timely and frequent reporting of the incident to the FCC; the full and effective investigation of the incident which led to the implementation of Neustar safeguards to prevent a future similar occurrence in the event of an acquisition of another company by Neustar; and the reporting of the incident to neutrality auditors and governmental authorities through the issuance of the quarterly Neustar Report of Management.

2008 Shareholder Stock Ownership Incident

Following a letter sent by Neustar on August 27, 2008, to one of its greater-than-5-percent shareholders, that shareholder disclosed to Neustar that it had acquired more than 10 percent of CONFIDENTIAL , a TSP. The disclosure was made by Steinberg Asset Management, LLC ("Steinberg") pursuant to a periodic certification required by Neustar of all shareholders holding more than 5 percent of Neustar stock in connection with the LNPA Neutrality Audit. The disclosure certified that Steinberg had become a TSP affiliate in August of 2008 as a result of its acquisition, through a series of share purchases, of approximately 10.27 percent of the shares of CONFIDENTIAL .

Based on its investigation, Neustar discovered that Steinberg was an SEC-registered investment adviser that acquires securities of companies in the ordinary course of its advisory business where, in all cases, such acquisitions are not undertaken for the purpose of influencing control over the issuer of securities. Steinberg then certified that upon learning of the FCC requirements applicable to Neustar, Steinberg immediately established and implemented a divesture plan to reduce the shares of CONFIDENTIAL under its control to less than 10% by the close of trading on August 30, 2008. Internal controls were also established to prevent Steinberg from inadvertently taking a 10% or greater position in CONFIDENTIAL or any other TSP while Steinberg is also a 5% or greater shareholder in Neustar. Steinberg identified no other TSP holdings that currently or previously were at or above the 10% threshold.

The policies and procedures that brought about a cure of any deficiency in neutrality that may have arisen from this 2008 stock ownership incident included the certification requirements imposed by Neustar on shareholders owning more than 5 percent of Neustar stock; the training and capacity of the Neutrality Officer that led to Neustar's immediate investigation of the incident and the eventual cure of the incident and prevention of future incidents; and the reporting of the incident to neutrality auditors through the issuance of the quarterly Neustar Report of Management.

(5) The Identity and Corporate Affiliations of All Sub-Contractors

It is ~~my~~our legal opinion that Neustar has complied with all applicable requirements concerning the disclosure of all sub-contractors as required by the *RFP Documents*, for the reasons explained below.

According to Neustar, during the entire next term of the NPAC/SMS, Neustar will not engage or include any "sub-contractor" in providing any service required by the *RFP Documents*. Neustar assigns the ordinary definition to the term "sub-contractor" in the context of the *RFP Documents*, that is, a contractor engaged to perform all or part of the obligations set forth in Neustar's NPAC/SMS contract. ~~No~~Accordingly, no contractor or any other entity will be engaged in the provision of any good or service required by the *RFP Documents* for the next NPAC/SMS.

However, Neustar does intend to engage various entities, such as third-party software and hardware vendors, to provide Neustar with goods and services needed for Neustar to assemble, deliver, operate, and support the NPAC/SMS. These vendors will function as independent contractors engaged by Neustar. Significantly, according to Neustar, it will not delegate to any such contractor any of Neustar's responsibility for providing the services required by the *RFP Documents* for the next NPAC/SMS. In other words, these contractors, although engaged by Neustar to deliver goods and services to Neustar, will stand behind Neustar and have no role in the actual provision of any NPAC/SMS service. Only Neustar will be engaged in the actual provision of NPAC/SMS services.

Because no contractor will actually be engaged in the provision of any service required by the *RFP Documents* for the next NPAC/SMS, none will be in a position to interact with users of the NPAC/SMS ("Users"). Thus, we believe that no contractor will be in a position to treat Users differently from one another, or otherwise bring about disparate or discriminatory treatment of Users. Also, according to Neustar, no contractor will have access to a User's data from the NPAC/SMS. In addition, according to Neustar, no contractor will be in communication with any User. According to Neustar, these limitations upon all contractors will be in place throughout the term of the next NPAC/SMS.

Notwithstanding ~~my~~our finding that Neustar will not engage or include any contractor in providing the services required by the *RFP Documents*, ~~I~~we elected to review a list of the 38 vendors (and type of services to be provided by each vendor) that Neustar intends to engage, under the terms and conditions described above.

Section 3.4 of the *VQS* notes that all Sub-Contractors must at all times be Neutral Third Parties. In applying the criteria for Neutral Third Parties set forth in paragraphs 1-3 of Section 3.4 of the *VQS* to the 38 vendors to be engaged by Neustar, ~~I~~we make the following findings:

1) based upon ~~my~~our review of the FCC 499 List, none of the 38 vendors are Telecommunications Service Providers;

2) as to the Neutral Third Party criteria set forth in paragraphs 1b, 1c, 2 and 3 of Section 3.4 of the *VQS*, ~~I~~we have not conducted any investigation as to all 38 of the vendors. However, to ~~my~~our Actual Knowledge, none of the 38 vendors: (a) are owned by, and none own, any Telecommunications Service Provider (as ownership is defined by Section 3.4 of the *VQS*); (b) are affiliates, by common ownership or otherwise, of a Telecommunications Service Provider (as affiliation is defined in Section 3.4 of the *VQS*); (c) has issued a majority of its debt to, nor derived a majority of its revenues from, any Telecommunications Service Provider (nor has any affiliate of the 38 vendors); (d) are subject to undue influence by parties with a vested interest in the outcome of numbering administration and activities, or are involved in a contractual or other arrangement that would impair its ability to administer the NPAC/SMS fairly and impartially as an LNPA or to implement the schedule set forth in the IASTA SmartSource SRM Tool, called the FoNPAC Timeline; and

3) to the extent that any of the 38 vendors did actually trigger any of the criteria set forth in paragraphs 1b, 1c, 2 and 3 of Section 3.4 of the *VQS*, there would be no impairment of neutrality or Neutral Third Party status. This is because, as explained above, each of the 38 vendors stands behind Neustar and is not in any way acting as an actual provider of the services required by the *RFP Documents* for the next NPAC/SMS. Only Neustar will be providing those services. Thus, we believe there is no impairment of the ability of the LNPA to be at all times a Neutral Third Party, and no impairment of evenhanded, impartial and nondiscriminatory access to the NPAC/SMS for all qualified Users.

(6) Contractual Relationships, Arrangements and Other Factors

~~It~~For the reasons stated below, it is ~~my~~our legal opinion that: (1) there are a number of contractual relationships, arrangements and other factors that would enhance the ability of Neustar and any of its sub-contractors to ensure that the LNPA is at all times a "Neutral Third Party" (as that term is defined in the *VQS*), and (2) access to the NPAC/SMS for all qualified users will at all times be evenhanded, impartial and nondiscriminatory. ~~It~~For the reasons stated below, it is ~~my~~our further legal opinion that there are no contractual relationships, arrangements or other factors that would impair Neustar's ability to ensure that the LNPA is at all times a Neutral Third Party. ~~My~~Our foregoing legal opinion is based on the following:

(a) Master Agreements – ~~There~~According to Neustar, there are seven regional contracts in effect as of the date hereof, known as the Contractor Services for NPAC/SMS ("Master Agreements"), by and between Neustar and the NAPM LLC for the creation and operation of the current NPAC/SMS. Neustar is a party to each of the Master Agreements and, as the current creator and operator of the NPAC/SMS performing as the current LNPA, is subject to all of the requirements of the Master Contracts. Article 23 of the Master Contracts requires Neustar to be a Neutral Third Party.[89] Under the Master Agreements, Neustar is also required to treat all users of the NPAC/SMS in an evenhanded, impartial and nondiscriminatory manner (see, for example, Articles 6-Pricing; 8-Obligations of Customer; 10-Problem Resolution; 15-Confidential Information). Neustar has been subject to the Master Agreements continuously since 1997, and thus we believe has extensive experience with achieving and maintaining continuous compliance with the Master Agreement requirements for a Neutral Third Party, and fair treatment of Users.

(b) User Agreements – According to Neustar, it is currently a party to NPAC/SMS User Agreements ("User Agreements") with each user of the NPAC/SMS. The User Agreements are legal contracts governing the terms, rates and conditions for the use of the NPAC/SMS. Based upon ~~my~~our review of a sampling of User Agreements previously or currently in effect in each of the seven regions of the United States in which Master Agreements have been executed, except for non-substantive wording differences in the language, headings, "WHEREAS" clauses and statements of intent, the User Agreements are identical. Under the terms of all User Agreements, Neustar is required to be a Neutral Third Party.[90] Because the User Agreements are effectively identical and have been executed with all Users of the

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[89] The Master Agreements define "Neutral Third Party" as an entity which is not: (a) a telecommunications service provider, (b) owned by, or does not own, any telecommunications service provider (excluding ownership interests of five percent or less), and (c) affiliated, by common ownerships or otherwise, with a telecommunications service provider. This definition is in harmony and does not conflict with the definition set forth in the *VQS*, but the *VQS* includes additional criteria addressing debt, revenues, influence, and other qualitative commitments to neutrality set forth in Section 3.4.

[90] Article 2 of the User Agreements incorporates the terms of the Master Agreements into the User Agreements, and makes the Master Agreement terms governing. The term "Neutral Third Party" is defined as explained in footnote 8, infra.

NPAC/SMS, each User is receiving substantially identical terms, rates and conditions for NPAC/SMS services. Accordingly, we believe the User Agreements, to which Neustar is a party, ensure that each User of the NPAC/SMS is being treated in an evenhanded, impartial and nondiscriminatory manner. Neustar has contracted with all NPAC/SMS Users and has been subject to the User Agreements for various time intervals since the late 1990s, and thus we believe has extensive experience with achieving and maintaining continuous compliance with the User Agreement requirements for a Neutral Third Party, and the fair treatment of Users.

(c) Corporate Existence – Neustar corporate existence is explicitly subject to neutrality. Article IV of Neustar's Restated Certificate of Incorporation, provided at **Tab 2**, contains ownership restrictions expressly prohibiting ownership of certain amounts of Neustar stock by telecommunication service providers and their affiliates. These same ownership restrictions are incorporated in the actual terms stated in Neustar's Class A and Class B Common Stock Certificates, provided at **Tab 3**.

(d) Neutrality Officer – Neustar has created and maintains the position of "Neutrality Officer," which serves as the Company's single point of contact with respect to Neustar's neutrality compliance. The Neutrality Officer reports, with respect to his or her neutrality functions, directly to the Neutrality Committee of the Neustar Board of Directors. Among other duties, the Neutrality Officer conducts and closely supervises annual neutrality compliance training for all members of the Neustar Board of Directors, all full-time and part-time employees, and independent contractors that the Neutrality Officer has designated, in his or her discretion, as persons directly involved in Neustar's day-to-day operations as the LNPA.

~~On~~According to Neustar, on a quarterly basis, the Neutrality Officer certifies compliance with an array of neutrality requirements that apply in connection with Neustar's current role as the LNPA. These include: (a) maintaining all new hire, quarterly and annual neutrality certifications by all applicable Neustar employees, board members and designated contractors; (b) providing to each Neustar employee, board member and designated contractor the list of all telecommunications service providers produced by the FCC; (c) ensuring that the Neustar Code of Conduct is posted at all Neustar locations; (d) maintaining records of any written complaint submitted to Neustar alleging discrimination or favoritism by Neustar in any of its LNPA operations or services; (e) reporting whether there were any such complaints or and instances of non-conformance with the Neustar Neutrality Procedures; (f) confirming and certifying that there have been no violations of the Neustar Code of Conduct; and (g) confirming and certifying that Neustar is in compliance with its Master Agreement obligations regarding Intermodal Ported Telephone Number Identification Service and Local Number Portability Enhanced Analytical Platform ("LEAP") Service, in connection with its LNPA service obligations.

~~I~~We found that the Neustar Neutrality Officer has successfully performed these quarterly activities continuously since 2003, except that the Intermodal Ported Telephone Number Identification Service and LEAP Service certifications began at the inception of these services in 2004, and 2007, respectively. This finding is based upon our review of quarterly written

certifications made by the Neutrality Officer as to each of these activities, and our review of each activity conducted in the course of the 10 LNPA Neutrality Audits, described more fully below, conducted during 2002 – 2012.

(e) Neutrality Committee – The Neustar Board of Directors has created and maintains a Neutrality Committee, comprised of the Chief Executive Officer of Neustar (if he or she is a member of the Board, or if not, the Chairman of the Board) and two unaffiliated independent directors. The Committee was one of three committees established by the Neustar Board of Directors at the time of Neustar's inception and has operated continuously since January of 2000 (resolution enclosed herewith at **Tab 4**).

All of these contractual relationships, arrangements and other factors establish a documented record of long-term, uninterrupted, and full compliance with all applicable neutrality requirements that have applied to Neustar in connection with its role during 2002 to the present as the LNPA. Based upon ~~my~~our review, there are no contracts or other agreements that conflict with or otherwise contradict the terms of these aforementioned contractual relationships, arrangements and other factors.

(7) Policies and Procedures Ensuring Neutrality

~~It~~For the reasons stated below, it is ~~my~~our legal opinion that Neustar has demonstrated an understanding and willingness to implement policies and procedures that will ensure satisfaction of the neutrality criteria and requirements set forth in the *RFP Documents*. ~~My~~Our legal opinion is based on the following:

(a) Neutrality Audits – Pursuant to FCC Order,~~10~~11 Neustar has submitted to quarterly neutrality audits conducted by an outside neutral third party auditor. Fifty (50) neutrality audits have been conducted since 2000. The neutrality audits have investigated the neutrality of Neustar in its role as the LNPA, together with two other roles as the North American Numbering Plan Administrator ("NANPA") and Pooling Administrator ("PA"). The neutrality audits are based upon the Neustar Neutrality Procedures, which provide a plan for the implementation of, and compliance with, the Neustar Code of Conduct and the neutrality regulations of the NANPA and PA.

In the course of each audit, Neustar is required to provide, among other documents: (a) neutrality compliance certifications from each employee, board member and executive officer; (b) a management assertion of neutrality letter; (c) new hire certifications; (d) the results of the annual neutrality tests given to every Neustar employee; (e) local number portability enhanced analytical platform service agreements and NPAC/SMS end user service agreements, (f) neutrality certifications from each five percent or greater shareholder of Neustar's outstanding stock, (g) notices to the FCC of any organizational and board changes, and (h) Neustar debt and

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~~10~~11 *Request of Lockheed Martin Corporation and Warburg, Pincus & Co. for Review of the Transfer of Lockheed Martin Communications Industry Services Bureau, 14 FCC Rcd. 19792 (1999).*

revenue information. The auditor also examines access to the NPAC/SMS and its security procedures.

The auditor then conducts extensive internal review of the audit proceedings, findings and reports to ensure all appropriate audit procedures were followed. The auditor's report is reviewed by Neustar's Board of Directors Neutrality Audit Committee and takes corrective action, if necessitated by the audit results. The full Neustar Board of Directors reviews the audit results for independence, integrity, accuracy and irregularities, and certifies its acceptance of the audit report by attesting and delivering it to the FCC's Wireline Competition Bureau, the NANC and the NAPM LLC.

In all 50 prior neutrality audits, Neustar has been determined to have complied with the Neustar Neutrality Procedures, the FCC's Neutrality Regulations, and the Neustar Code of Conduct.[~~11~~12]

(b) LNPA Neutrality Audits – Neustar has submitted to periodic reviews of its neutrality in the operation of the NPAC/SMS, on a semi-annual, annual or biennial basis, since July 1, 2002. The LNPA Neutrality Audits have been conducted separate from the quarterly Neutrality Audits described in (1) above, and by a different outside neutral third party auditor.[~~12~~13] The LNPA Neutrality Audit results in the issuance of a final report to both Neustar and the NAPM LLC containing: (a) legal opinions on Neustar's LNPA-related compliance with Item Nos. 5-8 of the Neustar Code of Conduct, and (b) a series of factual judgments on: (i) Item Nos. 1-4 of the Neustar Code of Conduct, and (ii) certain further neutrality obligations agreed upon by Neustar and NAPM LLC. The Neustar Code of Conduct and the further neutrality obligations are provided at **Tab 5**.

The LNPA Neutrality Audits were expanded in scope in 2004 and 2007 to include neutrality reviews of Intermodal Ported Telephone Number Identification Service and LEAP Service, respectively. These expansions were required by Amendment Nos. 48 and 53 to the Master Agreements, respectively.

There have been ten (10) LNPA Neutrality Audits conducted by the outside neutral third party auditor since July 1, 2002. In all such Audits, Neustar has been determined to have complied with the Neustar Code of Conduct and the further neutrality obligations.

(c) New User Evaluator Process – New User Evaluator ("NUE") audits have been performed by TMNG since 2009 on both a periodic and ad-hoc basis. Under this process, first

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[~~11~~12] Each of the audit reports asserts that it is solely for the information and use of the Board of Directors and management of Neustar and the FCC, and is not intended to be used for any other purpose. The reports and their conclusions are noted in this Legal Opinion for informational purposes. ~~I~~We note that the reports are a matter of public record and their distribution is not limited.

[~~12~~13] As stated in the introductory section of this Legal Opinion, the auditor conducting the LNPA neutrality audits since 2002 has been the law firm of DLA Piper LLP (US).

introduced by Amendment No. 62 to the Master Agreements, Neustar no longer evaluates the initial, intended use of User Data proposed by applicants that are attempting to become NPAC/SMS Users if those applicants self-identify as providers of telecommunications-related services, which use is now reviewed by the NUE. Also, all services (including those resulting from acquisitions and mergers, as well as those modifications to existing services) that depend on access to the NPAC/SMS or use of User Data from the NPAC/SMS are reviewed by the NUE for compliance with certain requirements, *e.g.*, whether Neustar's use of User Data constitutes a "permitted use," and whether Neustar as User is accessing the same User Data as other Users.

(d) Neustar Neutrality Compliance Policies and Procedures – In connection with its current role as the LNPA, NANPA and PA, Neustar has initiated and implemented an array of policies and procedures in a comprehensive program known as the Neustar Neutrality Compliance Program. ~~This~~According to Neustar, this is designed to achieve and maintain all applicable neutrality requirements in Neustar's three roles. These policies and procedures include the following:

- Neustar Neutrality Compliance Procedures
- Neustar Neutrality Compliance Program Methods & Procedures
- Neustar Neutrality Compliance Training (for new employees and annually for existing employees)
- New Employee Neutrality Compliance Certification (for new employees and quarterly for existing employees)

Based upon ~~my~~our review of these policies and procedures, the Neustar Neutrality Compliance Program was implemented in 2000 and has been in place and implemented continuously since its inception. The Program contains such elements as new hire orientation, annual neutrality compliance training for all Neustar employees, and quarterly neutrality certifications for Neustar board members, designated contractors and employees. In connection with the quarterly neutrality certifications, it is notable that Neustar management or employees certify on a quarterly basis the following: (a) that Neustar is neutral (Neustar Report of Management on Compliance); (b) that Neustar has performed LNPA services on a nondiscriminatory basis, safeguarded LNPA databases and other proprietary information, did not issue a majority of its debt to, or derived a majority of its revenue from, any single Telecommunications Service Provider, and that no Telecommunications Service Provider owned or controlled a ten percent or greater equity or voting interest in Neustar or possessed the power to direct the management and policies of Neustar (Neustar Management Compliance Certification); (c) that there were no complaints submitted to Neustar alleging discrimination by Neustar and that the Neustar Code of Conduct is appropriately posted in all Neustar offices, (Neustar Neutrality Officer Compliance Certification); and (d) that the Neustar Code of Conduct has been complied with by each executive officer member of Neustar (Neustar Executive Officer

Certification). All these certifications have been made quarterly and continuously since 2000, except that the Neustar Executive Officer Certifications began in 2006.

(e) **Neustar Code of Conduct and Related Neutrality Obligations** – In connection with its current role as the LNPA, Neustar abides by a Code of Conduct, together with a set of further neutrality obligations agreed to by Neustar and the NAPM LLC. The Code of Conduct arose from the FCC's Order in CC Docket No. 92-237 and NSD File No. 98-151, FCC 99-346, released on November 17, 1999. The further neutrality obligations arose as a result of negotiations between the predecessors of NAPM LLC and Neustar that resulted in a letter of agreement between the parties on or about November 21, 2002. Since July 1, 2002, Neustar has been evaluated on its compliance, and has been found to have complied, with the Code of Conduct and the further neutrality obligations in the 10 LNPA Neutrality Audits conducted by the outside neutral third party auditor. The neutrality requirements set forth in the Code of Conduct and the further neutrality obligations are provided at **Tab 5.**[~~13~~14]

~~All~~We believe that all of these compliance policies and procedures establish a documented record of long-term, uninterrupted, and full compliance with all applicable neutrality requirements that have applied to Neustar in connection with its role as the current LNPA.

* * * * * *

~~I~~We hereby authorize and consent to the reliance upon this Legal Opinion by the FCC, the NAPM LLC and the FoNPAC Subcommittee for purposes of evaluating the neutrality of Neustar pursuant to the *VQS*. This Legal Opinion may not be relied upon, or quoted in whole or in part, or otherwise referred to in any public forum or document, by any other entity or person for any purpose without the prior mutual consent of us and the FCC, the NAPM LLC and the FoNPAC Subcommittee.

[~~13~~14] Pursuant to agreement between Neustar and NAPM LLC, since 2002 Neustar has been evaluated on Items 1-8 in the Code of Conduct, and at least Items 1, 3 and 7 of Exhibit A (the further neutrality obligations), in the LNPA Neutrality Audits.

This Legal Opinion is given as of ~~the date hereof~~March 25, 2013, and ~~I~~we expressly disavow any responsibility to advise you of any changes hereto that may be necessary or advisable as the result of information coming to ~~my~~our attention ~~hereafter~~after March 25, 2013.

Very truly yours,

~~(Del)~~

DLA PIPER LLP (US)

~~Carville B. Collins~~
~~Counsel to NeuStar, Inc.~~

~~CBC/ege~~
~~Enclosures~~

~~cc: Sanford S. Williams, Federal Communications Commission (hand delivered by Neustar)~~
~~Alex Kondé, Associate General Counsel, NeuStar, Inc.~~

Summary Report: **Litéra® Change-Pro TDC 7.0.0.375 Document Comparison done on 11/6/2013 4:37:35 PM**	
Style Name: DLAPiper	
Original DMS:iw://EASTDMS/EAST/55232003/9	
Modified DMS: iw://EASTDMS/EAST/65970122/1	
Changes:	
Add	213
~~Delete~~	174
~~Move From~~	4
Move To	4
Table Insert	1
~~Table Delete~~	8
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format Changes	0
Total Changes:	405

Attachment 3

Sample Neustar Director Quarterly Neutrality Compliance Certification

NEUTRALITY COMPLIANCE CERTIFICATION BY THE NEUSTAR, INC. INDEPENDENT DIRECTORS FOR THE PERIOD JULY 1, 2013 THROUGH SEPTEMBER 30, 2013

I, _____, do hereby certify that:

1. At no time while I have been a member of the Neustar, Inc. ("Neustar") Board of Directors (the "Board") during the period identified above (the "Audit Period"), have I been employed in any capacity, whether as an employee, consultant, advisor or otherwise, by any telecommunications service provider ("TSP") appearing on the most recent list of TSPs made available by the Neustar Neutrality Officer, or served on the Board of Directors of any TSP, and I will not accept such employment or directorship without giving one month's prior notice to Neustar. I understand that if I do accept such employment or directorship, I may be removed from the Neustar Board immediately, and I must immediately turn over any and all confidential or proprietary data covered by paragraphs 5-7 below in my possession, irrespective of its location, to the Neutrality Officer. A list of all of my current directorships is attached.

2. I was either: 1) elected to serve on the Board by Neustar's shareholders as a group; or, 2) appointed by the Board to fill a vacancy or newly created directorship on the Board, pursuant to Neustar's Amended and Restated Bylaws. I was not appointed by any single shareholder of Neustar.

3. I did not own or control, at any time while I have been a member of the Board during the Audit Period, five percent (5%) or more of the equity or voting rights of any TSP appearing on the most recent list of TSPs made available by the Neutrality Officer, or of any TSP affiliate. I understand that if I acquire five percent (5%) or more of the equity or voting rights of any such TSP or TSP affiliate, I must either immediately take steps to divest such interest at or above a five percent (5%) level, so that my interest in such TSP or TSP affiliate is reduced to a level below five percent (5%), or be required to terminate my directorship. I also have no actual knowledge of any record or beneficial ownership of Neustar equity by a TSP or TSP affiliate, other than as disclosed to an auditor in connection with an audit of Neustar's compliance with its neutrality obligations. For purposes of this certification, "TSP affiliate" means a person who controls, is controlled by, or is

under common control with a TSP, and "control" means direct or indirect possession of a ten percent or greater equity or voting interest or the power to direct management and policies through stock ownership, contract or otherwise.

4. I was not nominated, chosen or designated for the Board by a TSP appearing on the most recent list of TSPs made available by the Neustar Neutrality Officer or by any TSP affiliate.

5. I have not, at any time while I have been a member of the Neustar Board during the Audit Period, disclosed any confidential or proprietary user data or any other confidential or proprietary information of any TSP obtained by Neustar serving such TSP in its capacity as the North American Numbering Plan Administrator ("NANPA"), National Thousands Block Pooling Administrator ("PA) or Local Number Portability Administrator ("LNPA"), except as required by law, to any other TSP appearing on the most recent list of TSPs made available by the Neutrality Officer, or to any other Neustar shareholder that is not also an employee or designated contractor of Neustar, or to any other person employed by or representing such person or entity, nor have I had any written or oral communications concerning such data with any other member of the Board or Neustar employee or designated contractor, and I pledge never to do so.

6. I have not discussed or otherwise shared, at any time while I have been a member of the Board during the Audit Period, any confidential information concerning Neustar's NANPA, PA or LNPA functions or operations with any TSP appearing on the most recent list of TSPs made available by the Neutrality Officer or with any person employed by or representing such a TSP, or otherwise revealed such information to any such person or entity, other than as required by law, and I pledge never to do so.

7. I have safeguarded, at all times while I have been a member of the Board during the Audit Period, all confidential or proprietary user data or any other confidential or proprietary information of any TSP obtained by Neustar serving such TSP, in its capacity as the NANPA, PA or LNPA, to which I may have had access and all confidential information about Neustar's NANPA, PA or LNPA operations that may be available to me, as I would my own proprietary information, in

accordance with the attached Neustar Neutrality Compliance Procedures, and pledge to continue to do so.

8. I have reported any exceptions or necessary explanations regarding the certifications herein to the Neutrality Officer, or I am aware that such exceptions or explanations have been reported to the Neutrality Officer.

9. I shall immediately notify the Neutrality Officer of any changes in circumstances or newly discovered facts of which I become aware that undermine or compromise the accuracy and completeness of any of the certifications contained herein.

10. I understand that all disclosures required by law are an exception to the nondisclosure and other obligations relating to user data and other confidential or proprietary information in paragraphs 1 and 5-7 above but that those obligations otherwise survive the termination of my Neustar directorship and apply to any documents, computer disks or data in any other format containing material covered by paragraphs 1 and 5-7 that may be in my possession at any location.

_____
Signature

_____
Office Street Address

_____
City, State and Zip Code

_____
Date

LIST OF CURRENT DIRECTORSHIPS

1. Neustar
   Company name and any publicly held parent

   Sterling, VA
   Street Address, City, State and Zip Code

   Clearinghouse and directory services for communication industry
   Primary products or services

Attachment 4

State of Delaware Confirmation of Neustar's Certificate of Incorporation October 29, 2013

REDACTED--FOR PUBLIC INSPECTION

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS FILED FROM AND INCLUDING THE RESTATED CERTIFICATE OR A MERGER WITH A RESTATED CERTIFICATE ATTACHED OF "NEUSTAR, INC." AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

RESTATED CERTIFICATE, FILED THE TWENTY-EIGHTH DAY OF JUNE, A.D. 2005, AT 10:53 O'CLOCK A.M.

Jeffrey W. Bullock, Secretary of State

2975674 8100X

AUTHENTICATION: 0851862

131247768

DATE: 10-29-13

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 11:00 AM 06/28/2005
FILED 10:53 AM 06/28/2005
SRV 050536840 - 2975674 FILE

REDACTED--FOR PUBLIC INSPECTION

RESTATED CERTIFICATE OF INCORPORATION
OF
NEUSTAR, INC.
(a Delaware corporation)

NEUSTAR, INC., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of Delaware, hereby certifies as follows:

1. The name of the corporation is NeuStar, Inc. NeuStar, Inc. was originally incorporated under the name "CIS ACQUISITION CORPORATION," and the original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on December 8, 1998.

2. Pursuant to Sections 242 and 245 of the General Corporation Law of the State of Delaware, this Restated Certificate of Incorporation restates and integrates and further amends the provisions of the Restated Certificate of Incorporation of this corporation.

3. The text of the Restated Certificate of Incorporation as heretofore amended or supplemented is hereby restated and further amended to read in its entirety as follows:

ARTICLE I
NAME OF CORPORATION

The name of this corporation (the "**Corporation**") is:

NeuStar, Inc.

ARTICLE II
REGISTERED OFFICE

The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street in the City of Wilmington, County of New Castle. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

ARTICLE III
PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "**Delaware Code**").

ARTICLE IV
AUTHORIZED CAPITAL STOCK

A. General. The total authorized capital stock of the Corporation shall be: four hundred million (400,000,000) shares, consisting of three classes:

1. two hundred million (200,000,000) shares of Class A Common Stock, $0.001 par value per share (the "**Class A Common Stock**");

2. one hundred million (100,000,000) shares of Class B Common Stock, $0.001 par value per share (the "**Class B Common Stock**" and, together with the Class A Common Stock, the "**Common Stock**"); and

3. one hundred million (100,000,000) shares of preferred stock, $0.001 par value per share, as may be issued from time to time, in one or more series, to be determined by the Board of Directors, each of said series to be distinctly designated (such shares, the "**Preferred Stock**").

Upon this Certificate becoming effective, each share of common stock that is then outstanding shall be reclassified into 1.40 shares of Class B Common Stock. No certificate or scrip representing fractional shares of Class B Common Stock shall be issued in connection with such reclassification, and such fractional share interests will not entitle the owner thereof to vote or to any rights of a stockholder of the Corporation. Upon delivery of stock certificates in connection with such reclassification, each stockholder who would otherwise have been entitled to receive a fraction of a share of Class B Common Stock (after taking into account all stock certificates delivered by such stockholder) shall receive, in lieu thereof, cash (without interest) in an amount equal to such fractional part of a share of Class B Common Stock multiplied by the purchase price of a share of Class A Common Stock offered to the public in the Corporation's initial public offering.

B. Common Stock. The relative powers, preferences and rights of, and the qualifications, limitations and restrictions granted to and imposed upon, the Class A Common Stock and Class B Common Stock are as follows:

1. Dividends. Whenever a dividend is paid to the holders of one class of Common Stock, the Corporation also shall pay an equal dividend to the holders of the other class of Common Stock; *provided, however*, that if a distribution of additional shares of Common Stock is to be paid to holders of Common Stock, such distribution shall be for an equal amount of shares, and holders of Class A Common Stock will be paid additional shares of Class A Common Stock and holders of Class B Common Stock will be paid additional shares of Class B Common Stock. Dividends shall be payable only as and when declared by the Board of Directors.

2. Reclassification. Unless otherwise approved by the holders of a majority of each class of Common Stock voting separately, the Corporation shall not subdivide or combine one class of its Common Stock without subdividing or combining the other class of Common Stock, on an equal per share basis, and shall not reclassify one class of its Common Stock, unless the shares of each class are reclassified into identical securities.

3. Voting. Except as required by law or as otherwise provided in this Restated Certificate of Incorporation, all holders of Common Stock shall vote together as a single class, and each holder of Common Stock shall be entitled to one vote per share of Class A Common Stock and one vote per share of Class B Common Stock; *provided, however*, that, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate of Incorporation (including any Certificate of Designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation (including any Certificate of Designations relating to any series of Preferred Stock). The number of authorized shares of any class of stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation, irrespective of Section 242(b)(2) of the Delaware General Corporation Law, without a separate class vote of the holders of such class.

4. Liquidation and Mergers. Unless otherwise approved by the holders of a majority of each class of Common Stock voting separately, the holders of Class A Common Stock and the holders of Class B Common Stock shall share equally, on a share for share basis, on any distribution of the Corporation's assets upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the debts and other liabilities of the Corporation, and shall have be entitled to receive the same consideration, on a share for share basis, in the event of any merger or consolidation in which shares of Common Stock of the Corporation are converted into cash, securities or other property.

5. Conversion.

a. Voluntary Conversion. Each holder of record of Class B Common Stock may, at any time or from time to time, in such holder's sole discretion and at such holder's option, convert any or all of such holder's shares of Class B Common Stock into fully paid and non-assessable Class A Common Stock at the rate of one share of Class A Common Stock for each share of Class B Common Stock surrendered for conversion. Any such conversion may be effected by any holder of Class B Common Stock surrendering such holder's certificate or certificates for the Class B Common Stock to be converted, duly endorsed, at the office of the Corporation or any transfer agent for the Class B Common Stock, together with a written notice to the Corporation at such office that such holder elects to convert all or a specified number of shares of Class B Common Stock to be issued. If so required by the Corporation, any certificate for shares surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder of such shares or the duly authorized representative of such holder. Promptly thereafter, the Corporation shall issue and deliver to such holder or such holder's nominee or nominees, a certificate or certificates for the number of shares of Class A Common Stock to which such holder shall be entitled as herein provided. Such conversion shall be deemed to have been made at the close of business on the date of receipt by the Corporation or any such transfer agent of the documentation required to be delivered by the holder of such Class B Common Stock, and the person or persons entitled to receive the Class A Common Stock

issuable on such conversion shall be treated for all purposes as the record holder or holders of such Class A Common Stock on that date.

b. Retirement of Class B Common Stock. No additional shares of Class B Common Stock shall be issued or disposed of by the Corporation after the date hereof, except pursuant to a stock split or stock dividend or pursuant to the terms of any convertible security issued prior to the reclassification of the Corporation's Common Stock into Class B Common Stock pursuant to this Restated Certificate of Incorporation. Upon conversion of Class B Common Stock into Class A Common Stock, the Class B Common Stock so converted shall be retired and shall not be reissued.

c. Restriction on Transfer and Ownership of Shares. The restrictions set forth in Article IV, Section D of the Corporation's Certificate of Incorporation ("Restriction on Transfer and Ownership of Shares") shall apply to all shares of capital stock of the Corporation except that, to the extent that Delaware law would prohibit the enforcement of such restrictions on the shares of Class B Common Stock issued upon reclassification of the Corporation's common stock effected pursuant to this Restated Certificate of Incorporation, such restrictions shall not apply to such shares. The Corporation is hereby authorized to place any required legend or make any other required notations in its books and records to reflect such restrictions.

d. Tax Matters. The issuance of certificates for shares of Class A Common Stock issuable upon the conversion of Class B Common Stock shall be made without charge to the converting holder for any tax imposed on the Corporation in respect of the issue thereof. The Corporation shall not, however, be required to pay any tax which may be payable with respect to any transfer involved in the issue and delivery of any certificate in a name other than that of the holder of the shares being converted, and the Corporation shall not be required to issue or deliver any such certificate unless and until the person requesting the issue thereof shall have paid to the Corporation the amount of such tax or has established to the satisfaction of the Corporation that such tax has been paid.

C. Preferred Stock. The Board of Directors is authorized, subject to limitations prescribed by law and the provisions of this Article IV, to provide for the issuance of the shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers (including voting powers), preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof.

D. Restriction on Transfer and Ownership of Shares.

1. Definitions. For the purpose of this Article IV, Section D, the following terms shall have the following meanings. Unless explicitly noted otherwise, any cross-reference to a "Section" within any of the sections of this Article IV, Section D shall be deemed to refer to other sections within this Article IV, Section D. The terms used in this Article IV, Section D shall have the meanings set forth below:

"**Aggregate Stock Ownership Limit**" shall mean the number of shares of Capital Stock that would entitle a stockholder to nine and nine tenths percent (9.9%) of the aggregate voting power with respect to the election of directors or other matters submitted to the stockholders generally for their approval.

"**Beneficial Ownership**" shall mean ownership of Capital Stock by a Person, whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee). The terms "**Beneficial Owner**" and "**Beneficially Own**" shall have the correlative meanings. A Person shall be deemed the Beneficial Owner of and shall be deemed to Beneficially Own:

a. any securities that such Person beneficially owns, directly or indirectly, for purposes of Section 13(d) of the Exchange Act and Rule 13d-3 promulgated under the Exchange Act, in each case as in effect on the date hereof;

b. any securities that such Person has the right to vote, alone or in concert with others, pursuant to any agreement, arrangement or understanding; *provided*, that a Person shall not be deemed the Beneficial Owner of, or to Beneficially Own, any security if the agreement, arrangement or understanding to vote such security (A) arises solely from a revocable proxy given to such Person in response to a public proxy solicitation made pursuant to and in accordance with the applicable rules and regulations promulgated under the Exchange Act, and (B) is not also then reportable on Schedule 13D under the Exchange Act (or any comparable or successor report);

c. any securities that are beneficially owned, directly or indirectly, by any other Person with which such Person has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (other than voting pursuant to a revocable proxy as described in the proviso to clause b of this definition of "Beneficial Owner") or disposing of any securities of the Company.

"**Capital Stock**" shall mean all classes or series of capital stock of the Corporation, including without limitation Common Stock and Preferred Stock.

"**Divestiture Shares**" means those shares of Capital Stock (rounded to the nearest whole share) that a Person is required to sell in order to comply with the stock ownership restrictions set forth in Section 3.a; *provided*, that if such Person holds more than one class of Capital Stock, Divestiture Shares must be of the same class as those shares acquired by such Person in the Transfer that triggered Section 3.b.

"**Excepted Holder**" shall mean any stockholder of the Corporation for whom, to the extent consistent with the FCC Neutrality Requirements, an Excepted Holder Limit is created by the Corporation's Certificate of Incorporation, as amended from time to time, or by the Board of Directors pursuant to Section 3.h.

"**Excepted Holder Limit**" shall mean, provided that the affected Excepted Holder agrees to comply with the requirements established by the Board of Directors pursuant to Section 3.h and subject to adjustment pursuant to Section 3.k, the stock ownership limit applicable to such Excepted Holder as established by the Board of

Directors pursuant to Section 3.h, which shall be consistent with the FCC Neutrality Requirements.

"**Excess Shares**" means the number of shares Beneficially Owned by a Person in excess of the Aggregate Stock Ownership Limit.

"**FCC**" means the Federal Communications Commission.

"**FCC Neutrality Requirements**" means the neutrality requirements to which the Corporation is subject under the applicable laws, regulations, rules and orders of the FCC.

"**Initial Date**" shall mean the closing date of the Initial Public Offering.

"**Initial Public Offering**" shall mean the initial public offering of shares of the Corporation's Capital Stock pursuant to an effective registration statement under the Securities Act (other than a Form S-8 or successor form) covering the offer and sale of such shares, including an offering comprised of shares held solely by the Corporation's stockholders.

"**Market Price**" on any date shall mean, with respect to any class or series of outstanding shares of Capital Stock, the Closing Price for such Capital Stock on such date. The "Closing Price" on any date shall mean the last reported sale price for such Capital Stock, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, for such Capital Stock, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the NYSE or, if such Capital Stock is not listed or admitted to trading on the NYSE, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such Capital Stock is listed or admitted to trading or, if such Capital Stock is not listed or admitted to trading on any national securities exchange, the last quoted price, or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the NASDAQ or, if such system is no longer in use, the principal other automated quotation system that may then be in use or, if such Capital Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in such Capital Stock selected by the Board of Directors of the Corporation or, in the event that no trading price is available for such Capital Stock, the fair market value of the Capital Stock, as determined in good faith by the Board of Directors of the Corporation.

"**NASDAQ**" means the National Association of Securities Dealers, Inc. Automated Quotation System.

"**NYSE**" shall mean the New York Stock Exchange.

"**Person**" shall mean an individual, corporation, partnership, estate, trust, association, joint stock company or other entity and also includes a "group" as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934.

"**Post-IPO TSP Stock Ownership Limit**" shall mean the number of shares of Capital Stock that would entitle a stockholder to five percent (5.0%) of the aggregate voting power with respect to the election of directors or other matters submitted to the stockholders generally for their approval.

"**Prohibited Owner**" shall mean any Person who Beneficially Owns or purports to Beneficially Own shares of Capital Stock which results or would result in a violation of the provisions of Section 3.a; *provided, however*, that no party to the Voting Trust Agreement or the Stockholders Agreement will be considered to be a "Prohibited Owner" as a result of being a party to either or both of the Voting Trust Agreement and the Stockholders Agreement. For purposes of this Article IV, Section D, the Corporation may enforce the provisions set forth herein directly against (a) the record owner of the shares of Capital Stock that are held on behalf of a Person whose Beneficial Ownership or purported Beneficial Ownership results or would result in a violation of the provisions of Section 3.a, (b) any other holder with dispositive power over such shares, including any bank, broker or other securities intermediary who holds such shares on behalf of such Person; or (c) if applicable, any Person who holds or purports to hold the right to vote the shares of Capital Stock, whether by virtue of a proxy, voting agreement or otherwise.

"**Restriction Termination Date**" shall mean the first day after the Initial Date on which the Board of Directors determines that compliance with the restrictions and limitations on Beneficial Ownership and Transfers of shares of Capital Stock set forth herein is no longer required in order for the Corporation to comply with the FCC Neutrality Requirements.

"**Status Change**" shall mean, with respect to any Person, any event, occurrence, transaction or other circumstance which results in such Person becoming a TSP or TSP Affiliate (whether due to an action taken by such Person or otherwise).

"**Stockholders Agreement**" shall mean the Stockholders Agreement between the Corporation and certain of its stockholders, of even date herewith, as amended from time to time, including any successor agreement, if applicable.

"**Transfer**" shall mean any issuance, acquisition, sale, transfer, gift, assignment, devise or other disposition, as well as any other event that causes any Person to acquire or increase its percentage Beneficial Ownership of Capital Stock, including (i) any acquisition or disposition of any securities or rights convertible into or exchangeable for Capital Stock or any interest in Capital Stock or any exercise of any such conversion or exchange right, including an acquisition of such securities by the Corporation (ii) transfers of interests in other entities that result in changes in Beneficial Ownership of Capital Stock; in each case, whether voluntary or involuntary, whether owned of record or Beneficially Owned, and whether by operation of law or otherwise, and (iii) entering into a voting agreement or voting trust (other than the Voting Trust or the Stockholders Agreement). The terms "**Transferring**" and "**Transferred**" shall have the correlative meanings.

"**TSP**" or "**TSP Affiliate**" means any of the following: (i) a telecommunications service provider, as that term is defined in 47 C.F.R. § 52.12(a)(1)(i) or successor regulations; (ii) an affiliate of a telecommunications service provider, as defined in 47 C.F.R. § 52.12(a)(1)(i) or successor regulations; and (iii) any Person deemed to be a TSP or TSP Affiliate by virtue of Section 3.e.

"**Voting Trust**" shall mean the voting trust governed by the Amended and Restated Trust Agreement, dated September 24, 2004 (as amended from time to time, including any successor agreement if applicable, the "**Voting Trust Agreement**").

"**Voting Trustee**" shall mean, collectively, the trustees for the Voting Trust appointed in accordance with its terms (including, if applicable, any successor trustees), and if the context requires, each such trustee individually.

2. Private Company Restrictions. From the effective date of this provision until the earlier of (i) the Initial Date, and (ii) the Restriction Termination Date, the following restrictions on ownership and transfer of Capital Stock shall apply:

a. No Issuance to TSPs or TSP Affiliates: The Corporation shall not issue shares of Capital Stock to any Person who is a TSP or TSP Affiliate without the written approval or consent of the FCC; *provided, however*, that in determining whether a Person is a TSP or TSP Affiliate, the Corporation shall be entitled to rely on representations, warranties, covenants and undertakings from such Person.

b. Basic Restriction. No Person may Beneficially Own shares of Capital Stock in excess of the Aggregate Stock Ownership Limit (whether by virtue of a Transfer of shares of Capital Stock or otherwise), unless such Person's Excess Shares are Transferred to the Voting Trust.

c. Transfer in Voting Trust. If any Transfer of shares of Capital Stock occurs which, if effective, would result in any Person Beneficially Owning shares of Capital Stock in excess of the Aggregate Stock Ownership Limit, then:

(i) such Person's Excess Shares shall be automatically Transferred to the Voting Trust in exchange for voting trust certificates; and

(ii) such Person shall submit such number of shares of Capital Stock to the Voting Trust for registration in the name of the Voting Trust.

d. Notice. Any Person who acquires or intends to acquire Beneficial Ownership of shares of Capital Stock that will cause such Person's Beneficial Ownership to exceed the Aggregate Stock Ownership Limit shall immediately give written notice to the Corporation of such event, or in the case of such a proposed or attempted transaction, give at least fifteen (15) days prior written notice, and shall provide to the Corporation such other information as the Corporation may request in order to determine the effect, if any, of such Transfer on the Corporation.

e. Enforcement. The Corporation is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this Section 2.

f. Non-Waiver. No delay or failure on the part of the Corporation or the Board of Directors in exercising any right hereunder shall operate as a waiver of any right of the Corporation or the Board of Directors, as the case may be, except to the extent specifically waived in writing.

g. Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Section 2, or any definition contained in Section 1, the Board of Directors shall have the power to determine the application of the provisions of this Section 2 or any such definition with respect to any situation based on the facts reasonably believed in good faith by it. In the event Section 2 requires an action by the Board of Directors and the Restated Certificate of Incorporation fails to provide specific guidance with respect to such action, the Board of Directors shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of Sections 1, 2 or 3.

h. Legend. Each certificate for shares of Capital Stock shall bear a legend that states that there are certain restrictions on transfer of the Corporation's stock, about which the Corporation will furnish a full statement to any stockholder on request and without charge.

i. Status of Shares Held by the Voting Trustee.

(i) Shares of Capital Stock held by the Voting Trustee shall continue to be issued and outstanding shares of Capital Stock of the Corporation. The Beneficial Owner shall have the power to dispose of the Excess Shares, and the rights to any dividends or other distributions in respect of the Excess Shares.

(ii) The Voting Trustee shall have all voting rights with respect to shares of Capital Stock held in the Voting Trust, subject to the terms and conditions set forth in the Voting Trust Agreement. Any dividend or other distribution paid to a Voting Trustee shall be paid with respect to such shares of Capital Stock held by the Voting Trustee to the applicable Beneficial Owner promptly following receipt by the Voting Trustee. Subject to Delaware law, effective as of the date that the shares of Capital Stock have been transferred to the Voting Trustee, the Voting Trustee shall have the authority: (A) to rescind as void any vote cast by a Beneficial Owner prior to the discovery by the Corporation that the shares of Capital Stock have been transferred to the Voting Trustee; and (B) to recast such vote in accordance with the terms and conditions of the Voting Trust Agreement; *provided, however*, that if the Corporation has already taken irreversible corporate action, then

the Voting Trustee shall not have the authority to rescind and recast such vote.

j. Severability. If any term or provision specified in this Section 2 is held by a court of competent jurisdiction to be in violation of any applicable law or public policy, and if such court should declare such term or provision to be illegal, invalid, unlawful, void, voidable or unenforceable as written, then such provision shall be given full force and effect to the fullest possible extent that it is legal, valid and enforceable, and the remainder of the terms and provisions herein shall be construed as if such illegal, invalid, unlawful, void, voidable or unenforceable term or provision were not contained herein.

3. Public Company Restrictions. From the Initial Date until the Restriction Termination Date, the following restrictions on ownership and transfer of Capital Stock shall apply:

a. Basic Restrictions. (i) No Person who is a TSP or TSP Affiliate, other than an Excepted Holder, shall Beneficially Own shares of Capital Stock equal to, or in excess of, the Post-IPO TSP Stock Ownership Limit, and (ii) no Excepted Holder shall Beneficially Own shares of Capital Stock in excess of the Excepted Holder Limit for such Excepted Holder.

b. Required Divestiture.

(i) If (A) any Person experiences a Status Change that results in a violation of Section 3.a; or (B) any Transfer of shares of Capital Stock (whether or not such Transfer is the result of a transaction entered into through the facilities of the NASDAQ, NYSE or any other national securities exchange or automated inter-dealer quotation system) occurs which, if effective, would result in any Person becoming a Prohibited Owner, then (I) within five (5) business days after the Corporation has delivered written notice to such Person that it is a Prohibited Owner, such Person shall sell his, her or its Divestiture Shares; *provided*, that if the Corporation's notice indicates that the Corporation exercises its right under Section 3.b(ii) hereof, such Person shall sell such shares to the Corporation or its designee in accordance with the terms and conditions of Section 3(b)(ii); *provided, further*, that if the Corporation does not exercise its right under Section 3.b(ii), such Person shall only sell such Divestiture Shares to a third party whose ownership of the shares will not violate the ownership limitations set forth in Section 3.a; and (II) within five (5) business days after the sale discussed in Section 3.b(i) is consummated, such Person shall deliver written notice of such sale to the Corporation.

(ii) Upon the occurrence of the Status Change or the consummation of the Transfer that results in a violation of the ownership limitations set forth in Section 3.a, as the case may be, the Prohibited Owner shall be deemed to have offered his, her or its Divestiture Shares (free of any liens, or any voting restrictions or proxies) for sale to the Corporation, or its designee, at a price per share equal to the Market Price on the date the Corporation, or its designee, accepts such offer. The Corporation shall have the right to accept such offer until the Prohibited Owner has notified the Corporation that the Divestiture Shares have been sold in accordance with Section 3.b(i).

c. Other Remedies for Breach. If the Board of Directors, any duly authorized committee thereof (or, if permitted by the DGCL, any other Person designated by the Board of Directors or any duly authorized committee thereof) shall at any time determine in good faith that a Transfer or other event has taken place that results in a violation of Section 3.a or that a Person intends to acquire or has attempted to acquire Beneficial Ownership of any shares of Capital Stock in violation of Section 3.a (whether or not such violation is intended), the Board of Directors or a committee thereof or other designees if permitted by the DGCL shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer or other event, including, without limitation, refusing to register or otherwise give effect to such Transfer on the books of the Corporation, disregarding any vote of such shares of Capital Stock in accordance with Section 3.j, or instituting proceedings to enjoin such Transfer, vote or other event. Nothing in this Section 3 shall restrict the Corporation's authority, at its election, to purchase Divestiture Shares from a Prohibited Owner pursuant to Section 3.b(ii); *provided, however*, that to the extent that such purchase by the Corporation causes any Person' Beneficial Ownership to equal or exceed the Post-IPO TSP Stock Ownership Limit, such Person will be subject to the notice and certification requirements in Section 3.e; *provided, further, however*, that to the extent that such purchase by the Corporation causes any Person to become a Prohibited Owner due to the increase in such Person's percentage Beneficial Ownership, such Person will be subject to all the restrictions set forth herein, including the required divestiture provisions set forth in Section 3.b and the restrictions on voting Divestiture Shares set forth in Section 3.j.

d. Notice of Restricted Transfer. Any Person who acquires, or attempts or intends to acquire, Beneficial Ownership of shares of Capital Stock that will or may violate Section 3.a shall immediately give written notice to the Corporation of such event, or in the case of such a proposed or attempted transaction, give at least fifteen (15) days prior written notice, and shall provide to the Corporation such other information as the Corporation may request relating to the Transfer or Transferee.

e. Owners Required To Provide Information. From the Initial Date until the Restriction Termination Date:

(i) Every Beneficial Owner of shares equal to or in excess of the Post-IPO TSP Stock Ownership Limit, within five (5) business days

after the Transfer that caused such Beneficial Owner's stock ownership to equal or exceed the Post-IPO TSP Stock Ownership Limit, shall give written notice to the Corporation certifying (A) the name and address of such owner, (B) the number of shares of Capital Stock Beneficially Owned; (C) a description of the manner in which such shares are held; and (D) that such Beneficial Owner is not a TSP or a TSP Affiliate. In addition, each such Beneficial Owner shall provide to the Corporation such additional information as the Corporation may request in order to determine the effect, if any, of such Beneficial Ownership on the Corporation. In the event that such Beneficial Owner experiences a Status Change , such Beneficial Owner shall, within 5 business days of such Status Change, give written notice thereof to the Corporation (and such Beneficial Owner shall be subject to all restrictions to which a TSP or TSP Affiliate is subject, including without limitation Section 3.b and 3.c, effective as of the date of such Status Change).

(ii) At its discretion, the Board shall be entitled to treat any Person who fails to supply the written certification contemplated by Section 3.e(i) as a TSP or TSP Affiliate, and such Person shall then be treated as a TSP or TSP Affiliate hereunder, including being subject to all restrictions to which a TSP or TSP Affiliate is subject, including without limitation Section 3.b and 3.c.

(iii) Each Person who is a Beneficial Owner of Capital Stock and each Person (including the stockholder of record) who is holding Capital Stock Beneficially Owned by another Person shall provide to the Corporation such information as the Corporation may reasonably request, in good faith, in order to ensure compliance with the restrictions on ownership and transfer set forth herein.

f. Remedies Not Limited. Nothing contained in this Section 3 shall limit the authority of the Board of Directors to take such other action as it deems necessary or advisable to protect the Corporation and the interests of its stockholders, including any action to comply with the FCC Neutrality Requirements.

g. Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Section 3, or any definition contained in Section 1, the Board of Directors shall have the power to determine the application of the provisions of this Section 3 or any such definition with respect to any situation based on the facts reasonably believed in good faith by it. In the event Section 3 requires an action by the Board of Directors and the Restated Certificate of Incorporation fails to provide specific guidance with respect to such action, the Board of Directors shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of Sections 1, 2 or 3.

h. Exceptions.

(i) To the extent consistent with the FCC Neutrality Requirements, the Board of Directors, in its sole discretion, may exempt (prospectively or retroactively) a Person from the Post-IPO TSP Stock Ownership Limit, and may establish or increase an Excepted Holder Limit for such Person if the Board of Directors obtains such representations, covenants and undertakings from such Person, as well as any necessary approvals or other consents from any governmental authority (including without limitation the FCC) as the Board of Directors may deem necessary or appropriate in order to conclude that granting the exemption and/or establishing or increasing the Excepted Holder Limit, as the case may be, will not cause the Corporation to violate any of the FCC Neutrality Requirements.

(ii) Prior to granting any exception pursuant to Section 3.h(i), the Board of Directors may require notice to or, if applicable, a ruling or approval from the FCC, or an opinion of counsel, in any case in form and substance satisfactory to the Board of Directors in its sole discretion. Notwithstanding the giving of such notice, or the receipt of any ruling or opinion, the Board of Directors may impose such conditions or restrictions as it deems appropriate in connection with granting such exception. The Board of Directors may terminate or provide for the automatic termination of the Excepted Holder Limit for any Person in the event that such Person fails to comply with such conditions or restrictions as are established by the Board of Directors pursuant to this Section 3.h(ii).

(iii) Notwithstanding anything herein to the contrary, an underwriter or placement agent that participates in a public offering or a private placement of Capital Stock (or securities convertible into or exchangeable for Capital Stock) may Beneficially Own shares of Capital Stock (or securities convertible into or exchangeable for Capital Stock) in excess of the Post-IPO TSP Stock Ownership Limit (regardless of whether such underwriter or placement agent is a TSP or TSP Affiliate), but only to the extent necessary to facilitate such public offering or private placement and provided that the restrictions contained in Section 3.a will not be violated following the distribution by such underwriter or placement agent of such shares of Capital Stock.

i. Legend. Each certificate for shares of Capital Stock shall bear substantially the following legend: "The shares represented by this certificate are subject to restrictions on ownership and transfer set forth in Article IV of the Corporation's Restated Certificate of Incorporation. In addition to certain further restrictions and

except as expressly provided in the Corporation's Restated Certificate of Incorporation, no TSP or TSP Affiliate may Beneficially Own shares of the Corporation's Capital Stock equal to, or in excess of, five percent (5.0%) of the voting power of the Corporation, unless such Person is an Excepted Holder (in which case the Excepted Holder Limit shall be applicable). Any Person who Beneficially Owns or attempts to Beneficially Own shares of Capital Stock which causes or will cause a Person to Beneficially Own shares of Capital Stock in excess or in violation of the above limitations must immediately notify the Corporation. If any of the restrictions on transfer or ownership are violated, the holder of the shares of Capital Stock represented hereby will be required to sell excess shares immediately either to the Corporation or its designee (at the Corporation's election) or to another Person whose Beneficial Ownership of such shares will not violate such restrictions on transfer or ownership. All capitalized terms in this legend have the meanings defined in the Corporation's Restated Certificate of Incorporation, as the same may be amended from time to time, a copy of which, including the restrictions on transfer and ownership, will be furnished to each holder of Capital Stock of the Corporation on request and without charge. Requests for such a copy may be directed to the Secretary of the Corporation at its principal office."

j. Prohibited Owner's Rights With Respect To Divestiture Shares.

(i) General. Divestiture Shares shall continue to be issued and outstanding shares of Capital Stock of the Corporation.

(ii) No Voting Rights Relating to Divestiture Shares. Subject to Delaware law, effective as of the date of the Transfer that triggered the application of Section 3.b, the Prohibited Holder shall not be entitled to vote any Divestiture Shares on any matters presented to the Corporation's stockholders for their approval and the Corporation shall disregard any vote cast by a Prohibited Owner in respect of Divestiture Shares; *provided, however*, that until such time as the Corporation receives notice that a Transfer, Status Change or other event has occurred that resulted in a Person Beneficially Owning shares of Capital Stock in violation of Section 3.a, the Corporation shall, subject to Delaware law, be entitled to rely on its share transfer and other stockholder records for purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes of stockholders.

(iii) Dividends and Sale Proceeds. The Prohibited Owner shall have the right to receive dividends, if any, and the proceeds from the sale of such Divestiture Shares.

k. Change in Post-IPO TSP Stock Ownership Limit. To the extent consistent with the FCC Neutrality Requirements, the Board of Directors may from time to time increase or decrease the Post-IPO TSP Stock Ownership Limit; *provided, however*, that stockholders shall receive notice of any such change, and a certificate of

any such change shall be maintained and made available to any stockholder upon request; *provided; further*, that a decreased Post-IPO TSP Stock Ownership Limit will not be effective for any Person whose percentage ownership of Capital Stock is in excess of such decreased Post-IPO TSP Stock Ownership Limit until such time as such Person's percentage of Capital Stock equals or falls below the decreased Post-IPO TSP Stock Ownership Limit, but any further acquisition of Capital Stock in excess of the decreased Post-IPO TSP Stock Ownership Limit of Capital Stock will be in violation of the Post-IPO TSP Stock Ownership Limit.

l. NYSE or NASDAQ Transactions. Nothing in this Section 3 shall preclude the settlement of any transaction entered into through the facilities of NASDAQ, NYSE or any other national securities exchange or automated inter-dealer quotation system. The fact that the settlement of any transaction occurs shall not negate the effect of any other provision of this Section 3 and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Section 3.

m. Enforcement. The Corporation is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this Section 3.

n. Non-Waiver. No delay or failure on the part of the Corporation or the Board of Directors in exercising any right hereunder shall operate as a waiver of any right of the Corporation or the Board of Directors, as the case may be, except to the extent specifically waived in writing.

o. Severability. If any term or provision specified in this Section 3 is held by a court of competent jurisdiction to be in violation of any applicable law or public policy, and if such court should declare such term or provision to be illegal, invalid, unlawful, void, voidable or unenforceable as written, then this Section 3 shall be deemed to include such provision to the fullest possible extent that it is legal, valid and enforceable, and the remainder of the terms and provisions herein shall be construed as if such illegal, invalid, unlawful, void, voidable or unenforceable term or provision were not contained herein.

ARTICLE V
BOARD POWER REGARDING BYLAWS

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind the bylaws of the Corporation.

ARTICLE VI
ELECTION OF DIRECTORS

A. Subject to the rights of the holders of any series of preferred stock to elect directors under specified circumstances, the number of directors constituting the entire Board of Directors of the Corporation shall be not less than three nor more than fifteen, as fixed from time

to time by vote of a majority of the entire Board of Directors; *provided, however*, that the number of directors shall not be reduced so as to shorten the term of any director at the time in office; *provided, further*, that the number of directors constituting the entire Board of Directors shall be seven until otherwise fixed by a majority of the entire Board of Directors.

B. Beginning with the initial annual meeting, the Board of Directors shall be divided into three classes: Class I, Class II and Class III. The terms of office of the classes of directors elected at the initial annual meeting shall expire at the times of the annual meetings of the stockholders as follows: Class I on the next annual meeting, Class II on the second next annual meeting and Class III on the third next annual meeting, or thereafter in each case when their respective successors are elected and qualified. At each subsequent annual election, the directors chosen to succeed those whose terms are expiring shall be identified as being of the same class as the directors whom they succeed, and shall be elected for a term expiring at the time of the third succeeding annual meeting of stockholders, or thereafter in each case when their respective successors are elected and qualified. Subject to the rights of the holders of any series of preferred stock then outstanding, any vacancies in the Board of Directors for any reason, and any directorships resulting from any increase in the number of directors, may be filled by the Board of Directors, acting by a majority of the directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next election of the class for which such directors have been chosen and until their successors shall be elected and qualified. The number of directorships shall be apportioned among the classes so as to maintain the classes as nearly equal in number as possible. Elections of directors need not be by written ballot.

ARTICLE VII
LIABILITY

No director of the Corporation shall be personally liable to the Corporation or any stockholder for monetary damages for breach of fiduciary duty as a director, except for liability (a) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the Delaware Code or any amendment thereto or successor provision thereof, or (d) for any transaction from which the director derived an improper personal benefit. If the Delaware Code is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the Delaware Code, as so amended. Any repeal or modification of this provision shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

ARTICLE VIII
INDEMNIFICATION

A. Right to Indemnification.

1. Subject to the limitations set forth in Section A.2 of this Article VIII, each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any Proceeding, by reason of the fact that he or she is or was a director or an executive officer

of the Corporation or is or was a director or executive officer of the Corporation serving at the request of the Corporation as a director, officer, trustee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (such person, an "**Indemnitee**"), whether the basis of such Proceeding is alleged action in an official capacity as a director, officer, trustee or agent or in any other capacity while serving as a director, officer, trustee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith.

2. Notwithstanding any other provision in this Article VIII, the Corporation shall not be obligated under this Article VIII to make any indemnity in connection with any claim made against an Indemnitee:

a. to the extent expressly prohibited by applicable law;

b. for which payment has actually been made to Indemnitee under a valid and collectible insurance policy or under a valid and enforceable indemnity clause, bylaw or agreement of the Corporation or any other company or organization on whose board Indemnitee serves at the request of the Corporation, except with respect to any deductible (or the equivalent) from or excess beyond the amount payable or paid under any insurance policy or other indemnity provision;

c. for an accounting of profits made (i) from the purchase and sale (or sale and purchase) by the Indemnitee of securities of the Corporation within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of state statutory law or common law, or (ii) from any transactions prohibited under Section 306(a) of the Sarbanes-Oxley Act of 2002; or

d. in connection with any Proceeding (or any part of any Proceeding), including claims and counterclaims, initiated or brought voluntarily by the Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by such Indemnitee against the Corporation or its directors, officers, employees or other Indemnitees in their capacity as such, unless (i) the Proceeding is brought pursuant to Section C of this Article VIII with respect to the enforcement of rights to indemnification under this Article, (ii) the Board of Directors authorized the Proceeding (or such part of any Proceeding) prior to its initiation or (iii) the Corporation elects to provide the indemnification, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law.

B. Right to Advancement of Expenses. In addition to the right to indemnification conferred in Section B of this Article VIII, an Indemnitee shall also have the right to be paid by the Corporation the expenses (including attorney's fees) incurred in defending

any such Proceeding in advance of its final disposition (hereinafter an "**advancement of expenses**"); *provided, however*, that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by an Indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such Indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "**undertaking**"), by or on behalf of such Indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "**final adjudication**") that such Indemnitee is not entitled to be indemnified for such expenses under this Section B or otherwise. Notwithstanding the foregoing, the Corporation shall not be required to advance any expenses to an Indemnitee in the event and to the extent that such Indemnitee has entered a plea of guilty in the applicable criminal Proceeding.

C. Right of Indemnitee to Bring Suit. If a claim under Section A or B of this Article VIII is not paid in full by the Corporation within 60 days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 days, the Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (a) any suit brought by the Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnitee to enforce a right to an advancement of expenses) it shall be a defense that the Indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law, and (b) in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the Indemnitee has not met such applicable standard of conduct, shall create a presumption that the Indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the Indemnitee, be a defense to such suit. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VIII or otherwise shall be on the Corporation.

D. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article VIII shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Corporation's Certificate of Incorporation, Bylaws, agreement, vote of stockholders or directors or otherwise.

E. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and/or any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

F. Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation (or any of its direct or indirect subsidiaries or affiliates) who does not qualify for indemnification as an Indemnitee under this Article VIII to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and executive officers of the Corporation.

G. Nature of Rights. The rights conferred upon Indemnitees in this Article VIII shall be contract rights and such rights shall continue as to an Indemnitee who has ceased to be a director, officer or trustee and shall inure to the benefit of the Indemnitee's heirs, executors and administrators. Any amendment, alteration or repeal of this Article VIII that adversely affects any right of an Indemnitee or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any Proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

H. Certain Definitions. For purposes of this Article VIII, the following terms shall be defined as follows:

1. **"executive officer"** shall mean (a) any officer of the Corporation with a position of senior vice president (or, if applicable, executive vice president) or higher; or (b) any other officer of the Corporation who is expressly designated by a resolution of the Board of Directors as an "executive officer" for purposes of this Article (regardless of whether such person is designated as an executive officer for other purposes). If an individual is designated an "executive officer" by virtue of clause (a) or (b) of this Section H.1, and the Board of Directors subsequently ceases to designate such individual as an "executive officer," such individual shall continue to be treated as an "executive officer" with respect to any Proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place a period when such individual was an "executive officer" pursuant to clause (a) or (b) of this Section H.1.

2. **"Proceeding"** includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative or legislative hearing or any other actual, threatened or completed proceeding, including any and all appeals, whether brought in the right of the Corporation or otherwise and whether of a civil, criminal, administrative or investigative nature, in which Indemnitee was involved, or becomes or may become involved, as a party or otherwise, for which indemnification is not prohibited under Section A.2 of this Article VIII, including, but not limited to, actions, suits or proceedings in which Indemnitee may be or may have been involved as a party or otherwise, by reason of the

fact that Indemnitee is or was a director, officer, employee or agent of the Corporation, or is or was serving, at the request of the Corporation, as a director, officer, employee or agent or fiduciary of any other entity, including, but not limited to, another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, or by reason of anything done or not done by Indemnitee in any such capacity, whether or not Indemnitee is serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Article VIII.

I. Constituent Corporations. For the purposes of this Article VIII, references to the "Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation, so that any person who is or was a director or officer, employee or agent of such a constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity.

ARTICLE IX
CORPORATE POWER

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred on stockholders herein are granted subject to this reservation.

ARTICLE X
NO STOCKHOLDER ACTION BY WRITTEN CONSENT

No action required to be taken or which may be taken at any meeting of the stockholders of the Corporation may be taken without a meeting, and the power of stockholders to consent in writing without a meeting to the taking of any action is denied.

ARTICLE XI
CREDITOR COMPROMISE OR ARRANGEMENT

Whenever a compromise or arrangement is proposed between the Corporation and its creditors or any class of them and/or between the Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of the Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for the Corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for the Corporation under the provisions of Section 279 of Title 8 of the Delaware Code, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the

creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of the Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of the Corporation, as the case may be, and also on the Corporation.

IN WITNESS WHEREOF, the undersigned has executed this Restated Certificate of Incorporation, which has been duly adopted in accordance with Section 242 and 245 of the Delaware General Corporation Law, on June 28, 2005.

NEUSTAR, INC.

By: /s/ Jeffrey E. Ganek
Name: Jeffrey E. Ganek
Title: Chief Executive Officer