

March 10, 2007

Dear Colleagues,

Over the past four weeks, we have conducted private conversations aimed at finding whether circumstances have changed sufficiently over the past year that our organizations might consummate a merger.

This week, we reached agreement on a process and a plan to bring the two organizations together, which we both support, fully and wholeheartedly. To be sure, it involves compromises on each side. But in the end, we believe that it provides the framework for an organization which will provide a significantly improved environment for stakeholders in Internet2 and NLR.

We are pleased to announce that the Boards of both Internet2 and National LambdaRail have yesterday endorsed and agreed to a Memorandum of Agreement that outlines how we will pursue this plan.

As equals, NLR and Internet2 will merge into one corporation to be known as "Internet2-National LambdaRail" ("Internet2-NLR"). A team will begin working immediately to finalize the plan. The goal is to have the final plan, in the form of a Definitive Agreement to Merge, presented for approval to both the Internet2 and NLR boards by April 20, 2007. We recognize that this is an aggressive schedule that requires both resolution of many issues by our Boards and also significant effort by the various NLR and Internet2 Members to work hand-in-hand with their respective organizations to ensure that important but sometimes distinctive characteristics are addressed. The intention is to complete the merger by June 29, 2007.

The plan embodies several core decisions that make the agreement work for us:

- Internet2 membership categories will be carried forward into Internet2-NLR. In addition, a new membership category, called "Investors," will be created for the current NLR members.
- During the next two years, while a transition plan is developed for the Board election element of the GNC report, Internet2-NLR will be governed by a Board that consists of a 21-member group of individuals. This group includes members from each current board, together with other members of our community. Advisory councils of the new organization will include the broad-based constituencies recommended by the GNC, with the addition of Investor representation.
- In June 2009, the governance structure of Internet2-NLR will follow the GNC's approach to multi-stakeholder participation.
- A new CEO will be recruited to lead Internet2-NLR.

Many additional details will need to be resolved over the next six weeks and still others will be left to the new organization.

We are both convinced that this plan provides our shared community a positive path forward. Both Internet2 and NLR provide advanced networking capabilities critical to the U.S. research and education community. We believe bringing these two organizations together will enhance those capabilities needed today, and provide a solid foundation for providing capabilities required in the future.

Tracy Futhey, Chair
National LambdaRail

Jeffrey Lehman, Chair
Internet2