

August 22, 2006

Ms. Sigal Mandelker
Deputy Assistant Attorney General
Criminal Division
United States Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Paul Rosenzweig
Counselor to the Asst. Secy. (Policy Directorate) and
Acting Assistant Secretary for Policy Development
United States Department of Homeland Security
Washington, DC 20528

Ms. Elaine N. Lammert
Deputy General Counsel
Federal Bureau of Investigation
935 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Re: Pending Application by iBasis, Inc., for Authority to transfer control of
iBasis, a holder of domestic and international authorization under
Section 214 of the Communications Act of 1934, to KPN Telecom B.V.

Dear Ms. Mandelker, Mr. Rosenzweig, and Ms. Lammert:

This letter outlines the commitments made by iBasis, Inc. and KPN Telecom B.V. ("KPN") (collectively, "the Companies"), to the U.S. Department of Justice ("DOJ"), including the Federal Bureau of Investigation ("FBI"), and to the U.S. Department of Homeland Security ("DHS"), in order to address national security, law enforcement, and public safety concerns raised with regard to the Companies' application to the Federal Communications Commission ("FCC") for authority to transfer control of iBasis, a holder of domestic and international authorizations under Section 214 of the Communications Act of 1934, as amended, to KPN.

iBasis is a U.S. corporation that provides wholesale and retail business services to customers worldwide. The retail services offered by iBasis are disposable calling cards and an electronic prepaid calling card service. KPN, a limited liability company incorporated under the laws of the Netherlands, provides international wholesale voice services. KPN is a wholly owned subsidiary of Royal KPN, the legacy carrier located in, and providing service to, the Netherlands. Royal KPN offers a full range of communications services in the Netherlands, including retail voice, Internet, data, and

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mobile services. Royal KPN, through its affiliates, also provides international wholesale transport services to carriers throughout the world. Pursuant to a Stock Purchase Agreement dated June 21, 2006, between KPN and iBasis, KPN will contribute its wholesale traffic business to a newly-formed KPN subsidiary, KPN Global Carrier Services B.V. ("KGCS"), a Netherlands corporation. As part of this reorganization, a number of KPN-affiliated carriers involved in the provision of KPN International Wholesale Voice Services will be folded into, or become part of, KGCS. iBasis will then, through a separate pro forma transaction, acquire the capital stock of KGCS and KPN International Network Services, Inc., a holder of international section 214 authority. KGCS will become a wholly-owned subsidiary of iBasis, and iBasis will be controlled by KPN. The Companies agree that all of the commitments in this letter shall apply only to iBasis and its subsidiaries, including KGCS, referred to collectively as the "iBasis Group."

The Companies agree that, for all iBasis Group customer billing records, subscriber information, and any other related information used, processed, or maintained in the ordinary course of business relating to communications services offered in the United States ("U.S. Records"), the Companies will make such U.S. Records available in the United States in response to lawful U.S. process. For these purposes, U.S. Records shall include information subject to disclosure to a U.S. Federal or state governmental entity under the procedures specified in Sections 2703(c) and (d) and Section 2709 of Title 18 of the United States Code. The Companies agree to ensure that U.S. Records are not made subject to mandatory destruction under any foreign laws. The Companies agree to take all practicable measures to prevent unauthorized access to, or disclosure of the content of, communications or U.S. Records, in violation of any U.S. Federal, state, or local laws or of the commitments set forth in this letter.

The Companies agree that they will not, directly or indirectly, disclose or permit disclosure of or access to U.S. Records, or to any information (including the content of communications) pertaining to a wiretap order, pen/trap order, subpoena or other lawful demand by a U.S. law enforcement agency for U.S. Records, to any person if the purpose of such disclosure or access is to respond to the legal process or request on behalf of a non-U.S. government without first satisfying all pertinent requirements of U.S. law and obtaining the express written consent of the DOJ and DHS or the authorization of a court of competent jurisdiction in the United States. The term "non-U.S. government" means any government, including an identified representative, agent, component or subdivision thereof, that is not a local, state or Federal government in the United States. Any such requests or legal process submitted by a non-U.S. government to the iBasis Group shall be referred to the DOJ and DHS as soon as possible, and in no event later than five (5) business days after such request or legal process is received by or known to the iBasis Group, unless the disclosure of the request or legal process would be in violation of U.S. law or an order of a court in the United States.

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The Companies have designated Mr. Jonathan D. Draluck, Esq., iBasis's Vice President of Business Affairs and General Counsel, a U.S. citizen, as its point of contact within the United States with the authority and responsibility for accepting and overseeing compliance with a wiretap order, pen/trap order, subpoena or other lawful demand by U.S. law enforcement authorities for the content of communications or U.S. Records. The Companies shall promptly notify the FBI, DOJ and DHS of any change in its designated point of contact. Any new point of contact shall be a resident U.S. citizen, and the Companies shall cooperate with any request by a U.S. government authority that a background check or security clearance process be completed for a designated point of contact.

The Companies agree that they will notify the FBI, DOJ, and DHS promptly if there are material changes in any of the facts as represented in this letter. All notices to be provided to the FBI, DOJ, or DHS shall be directed to the named addressees of this letter.

The Companies agree that, in the event the commitments set forth in this letter are breached, in addition to any other remedy available at law or equity, the DOJ, FBI, or DHS may request that the FCC modify, condition, revoke, cancel, or render null and void any relevant license, permit, or other authorization granted by the FCC to the Companies or any successor-in-interest to the Companies.

Nothing in this letter is intended to excuse the Companies or its subsidiaries from any obligation it may have to comply with U.S. legal requirements for the retention, preservation, or production of information, records or data, or from any applicable requirements of the Communications Assistance for Law Enforcement Act, 47 U.S.C. 1001, et seq., nor shall it constitute a waiver of (a) any obligation imposed by any U.S. Federal, state or local laws on the Company or its subsidiaries, (b) any enforcement authority available under any U.S. or state laws, (c) the sovereign immunity of the United States, or (d) any authority the U.S. government may possess (including without limitation authority pursuant to International Emergency Economic Powers Act) over the activities of the Company or its subsidiaries located within or outside the United States. Nothing in this letter is intended to or is to be interpreted to require the parties to violate any applicable U.S. law. Likewise, nothing in this letter limits the right of the United States Government to pursue criminal sanctions or charges against the Companies or its subsidiaries, and nothing in this letter provides the Companies or its subsidiaries with any relief from civil liability.

We understand that, upon execution of this letter by an authorized representative or attorney for the Companies, the DOJ, FBI, and DHS shall notify the FCC that the DOJ, FBI, and DHS have no objection to the FCC's grant of the iBasis application filed with the FCC.

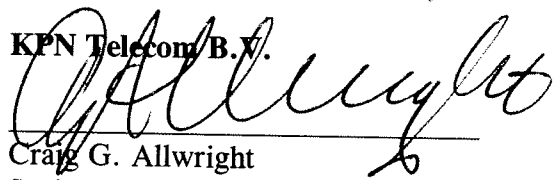
Sincerely,

iBasis, Inc.

Jonathan D. Draluck
Vice President of Business Affairs and
General Counsel

Sincerely,

KPN Telecom B.V.



Craig G. Allwright
Senior Counsel Mergers and Acquisitions
KPN Legal & Regulatory

DATED: August 22, 2006

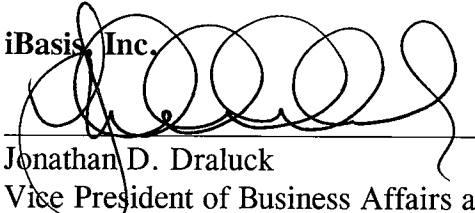
Cc:

Jon Pifer, FBI
Lou Brenner, DHS
Lonnie Kishiyama, DHS
Joe Springsteen, DOJ

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iBasis, Inc.



Jonathan D. Draluck
Vice President of Business Affairs and
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