

EXHIBIT B

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 9 GARY KREMEN

10 UNITED STATES DISTRICT COURT
 11 NORTHERN DISTRICT OF CALIFORNIA
 12 SAN JOSE DIVISION

<p>12 GARY KREMEN, 13 Plaintiff, 14 vs. 15 STEPHEN MICHAEL COHEN, et al., 16 Defendants.</p>	<p>) Case No.: C 98 20718 JW PVT)) STIPULATION RE: STANDSTILL) AGREEMENT AND SUBMISSION OF) ISSUES FOR ANCILLARY) <u>DETERMINATION</u></p>
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 18 This stipulation ("Stipulation") is entered into by and between
 19 Gary Kremen, Plaintiff in the above action ("Kremen"), on the one
 20 hand, and PACNET MX, PACNET S.A. de C.V. and PACNET Incorporated, a
 21 Nevada Corporation (collectively "PACNET Companies"), on the other
 22 hand. The parties shall hereinafter also be referred to individually
 23 as a "Party" or collectively as the "Parties".

24 This Stipulation is made with reference to the following facts:

- 25 1. Gary Kremen is the Plaintiff in the above action.
- 26 2. On October 15th, 2001, PACNET MX filed an Ex Parte
 27 Application For Temporary Restraining Order, Order to Show Cause Re:
 28 Preliminary Injunction ("OSC"), and supporting papers, asserting
 various claims against Kremen and putting at issue certain matters

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1 relating to the ownership and operation of PACNET Companies, the Pina
2 Property (defined below) and PACNET Companies' connection, if any,
3 with the Defendants in the above action and their related persons and
4 entities.

5 3. Upon service of the OSC papers, counsel for PACNET Companies
6 and counsel for Kremen commenced discussions regarding a
7 comprehensive Stipulation for the procedure for resolution of all
8 disputes between the Parties through an ancillary action in the above
9 matter.

10 4. The Parties have reached a Stipulation for an orderly
11 resolution of all outstanding issues and, by this Stipulation,
12 without adjudication of any issue of fact or law, and without waiver
13 of any claims, rights, defenses or objections, make the following
14 Stipulation, including but not limited to, a standstill agreement
15 made in lieu of the Court's ruling on the requested OSC.

16 NOW, THEREFORE, the Parties do agree as follows:

17 1.0. Kremen and PACNET Companies hereby agree to a standstill
18 agreement with regard to the certain real property located in the
19 County of San Diego, being A.P. 667-020-08-00, located on Rail Court
20 in San Ysidro, California, owned by Ernesto and Sandra Pina. The
21 property is more particularly described on the Exhibit "A" attached
22 hereto. This property will hereinafter be referred to as the "Pina
23 Property". The terms of the standstill agreement are as follows:

24 A. Kremen agrees that during the Term of this standstill
25 agreement, or further order of this Court, neither Kremen nor his
26 agents nor representatives will enter upon the premises of the Pina
27 Property without prior consent or Court Order.

28 B. PACNET Companies agree that during the Term of this

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1 standstill agreement, or further order of this Court, neither they
2 nor any parent, subsidiary, related or affiliated companies, nor any
3 officer, director, member, agent, employee, representative or
4 attorney of the foregoing shall remove any property or equipment from
5 the Pina Property, except for repair and replacement of existing
6 property or equipment, and, in the event that PACNET Companies deem
7 it necessary to effect any such repairs or replacements, PACNET
8 Companies shall give written notice to Kremen of the intended
9 activity in order to give Kremen an opportunity to raise to the Court
10 any objection that Kremen feels appropriate in the circumstances.
11 Said notice shall be given in writing by PACNET Companies' counsel to
12 counsel for Kremen and such notice shall be given at least five (5)
13 business days in advance of any intended action, unless such notice
14 is impracticable due to an emergency. The Term of the standstill
15 agreement shall be from the date of this Stipulation until final
16 determination of the matters to be submitted to the Court for
17 determination, further stipulation of the Parties or further order of
18 the Court, whichever is earlier.

19 2.0 An order was entered on September 17, 2001, in the Cohen
20 action, ordering American Registry of Internet Numbers ("ARIN") to
21 change the registration record on certain netblocks to Gary Kremen.
22 Among the netblock numbers which are the subject of the order are the
23 IP numbers 209.205.192.0 to 209.205.239.255 ("IP Numbres"). A
24 dispute exists between Gary Kremen, on the one hand, and PACNET
25 Companies, on the other hand, regarding the nature and extent of
26 PACNET Companies' interest in the IP Numbers and PACNET Companies'
27 connection and relationship with the Defendants in the above action
28 and their related entities. Kremen represents and warrants that to

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1 date, the only enforcement/ action taken by him is to deliver a copy
2 of the order to ARIN's counsel. Kremen stipulates that pending
3 further discovery in this matter he will not take any further action
4 to enforce the September 17, 2001 Order and if Kremen intends to take
5 any action on the Order, he will give PACNET Companies at least five
6 (5) days written notice to enable PACNET Companies to take such
7 action as they deem appropriate.

8 3.0 The PACNET Companies, and each of them, as set forth
9 above, and all of their officers, directors, agents and
10 representatives, hereby submit to the jurisdiction of the Court for
11 determination of all issues to be determined by the Court in the
12 proceedings that follow this Stipulation.

13 4.0 The Parties stipulate and agree that the Court shall
14 schedule a status conference for the setting of necessary hearings
15 and any trial on the matters to be determined in this proceeding
16 which shall be a proceeding ancillary to the above referenced action.
17 Prior to said status conference, the Parties will meet and confer
18 concerning the issues of fact and law to be determined by the Court
19 and the filing of any necessary pleadings in order to put at issue
20 the matters before the Court.

21 5.0 The Parties agree and stipulate that each shall be
22 entitled to take discovery in accordance with the Federal Rules of
23 Civil Procedure with regard to matters reasonably calculated to lead
24 to the discovery of admissible evidence in the ancillary matter.
25 Counsel have agreed that depositions of the PACNET Companies and
26 their employees, agents and representatives shall be held in San
27 Diego, California, at a location to be agreed upon between. Any
28 deposition of Kremen or his agents or representatives shall be in San

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1 Francisco. All such deponents shall be produced upon written notice.
 2 Such depositions include but are not limited to the deposition of
 3 Jack Brownfield, aka John "Jack" Hanna Brownfield, and as to Mr.
 4 Brownfield, counsel for PACNET Companies will use his best efforts to
 5 produce Mr. Brownfield in the Bay Area as noted without the necessity
 6 of a subpoena. In this connection Kremen contends that Mr.
 7 Brownfield is an employee, agent or representative of PACNET
 8 Companies. PACNET Companies dispute that Mr. Brownfield is an
 9 employee, agent or representative.

10 6.0 Stephen J. Usoz is designated as the attorney and agent for
 11 service of all papers to be served on any PACNET Company or any of
 12 its officers, directors, employees, agents or representatives.

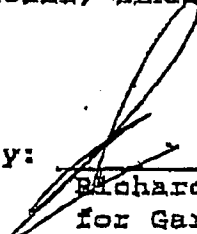
13 7.0 The Stipulation is made without prejudice to any claim,
 14 defense, right or objection of the Parties hereto, all of which are
 15 preserved.

16 8.0 Upon the filing of this Stipulation, the Court may take off
 17 calendar any proceedings with respect to the Order to Show Cause and
 18 Temporary Restraining Order filed on October 15th, 2001 by PACNET MX.

19 9.0 This Stipulation shall be presented to the Court for filing
 20 and for approval by the Court and order thereon.

21
 22 Dated: October 18th, 2001

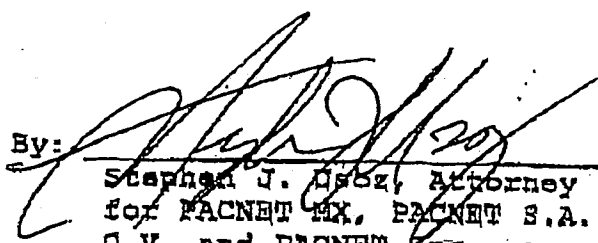
IDELL, BERMAN & SEITEL

23
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 25 By: 
 26 Richard J. Idell, Attorney
 27 for Gary Kremen

28 Dated: October 18, 2001

LAW OFFICE OF STEPHEN J. USOZ

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By: 
 Stephen J. Gsoz, Attorney
 for PACNET MX, PACNET S.A. de
 C.V. and PACNET Inc., a
 Nevada Corporation

ORDER

The Stipulation of the Parties having been presented to the Court, and the Court having read and approved of the Stipulation, and good cause appearing, the Parties are ordered to comply with the terms of the Stipulation and the Clerk of the Court shall set a status conference for the scheduling of further proceedings in this matter.

Dated: October __, 2001

United States District Court
 Judge, Honorable Judge James Ware

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DECLARATION OF SERVICE

I am employed in the County of San Francisco, State of California, my business address is c/o Idell, Berman & Seitel, 530 Bush Street, Suite 601, San Francisco, California 94108; I am over the age of 18 years and not a party to this action.

I caused the following document(s) to be served:

STIPULATION RE: STANDSTILL AGREEMENT AND SUBMISSION OF ISSUES FOR ANCILLARY DETERMINATION

on persons listed below by:

- ___ (BY HAND) Causing a true copy of the above, enclosed in a sealed envelope, to be personally delivered by a messenger on the date shown to the person(s) at the address(es) as follows:
- X (BY MAIL) Placing a true copy, enclosed in a sealed envelope for collection and mailing on the date and at the business address shown above following our ordinary business practices. I am readily familiar with this business practice for collection and processing of correspondence for mailing with the United States Postal Service. On the same day that a sealed envelope is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service with postage fully prepaid.
- X (BY FACSIMILE) I caused the said document(s) to be transmitted by facsimile machine to the number indicated after the address(s) noted below.


Date of Delivery/Deposit: October 29, 2001

Addressed as follows:

Mr. Stephen Usoz
Law Offices of Stephen Usoz
333 West Santa Clara Street, Suite 260
San Jose, CA 95113
Fax: (408) 279-1998

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: October 29, 2001



Alice K. Wu