VeriSign, Inc.

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12061 Bluemont Way

May 16, 2011

Common Stock

92343E102

VeriSign, Inc. ("VeriSign") declared a special dividend of $2.75 per share of its common stock. The dividend was paid on May 18, 2011 to shareholders of record as of the close of business on May 9, 2011.

Based on currently available information, VeriSign has concluded that the company does not have current or accumulated Earnings and Profits ("E&P"). As result, the May distribution will be entirely treated as return of capital. The per share impact to shareholders will be a return of a capital/adjustment of basis of $2.75 per share.

The amount of the special dividend was $463,446,484. The outstanding common stock at the date of the distribution was 168,629,994 shares. Consequently, the distribution was $2.75 per share.
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
In calculating VeriSign's E&P, IRC Sec. 312 was applied. In determining the impact of the distribution on the shareholder's basis, IRC 301(c)(2) is applicable.

18 Can any resulting loss be recognized? ▶
Whether a loss can be recognized will depend on the individual shareholder's facts and circumstances. Shareholders should consult with their tax advisor.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
The reportable tax year is 2011

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶
Print your name ▶
Date ▶
Title ▶
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Check if self-employed ▶
Firm’s name ▶ Firm’s EIN ▶
Firm’s address ▶ Phone no.