JOINT REQUEST FOR RECONSIDERATION AND EMERGENCY RELIEF

Pursuant to Article IV, Section 2 of the Bylaws for Internet Corporation for Assigned Names and Numbers ("ICANN"), the twenty three Requesting Parties (each identified at the end of the motion) submit this Joint Request for Reconsideration and Emergency Relief regarding the ICANN Board of Directors' vote on February 28, 2006 to approve the settlement with VeriSign. Nothing contained in this Request shall constitute a waiver of any rights, remedies or defenses any party may have now or in the future concerning this or any other subject matter.

The Board's Action and Impact to the Parties:

The Parties request that the ICANN Board reconsider and stay its February 28, 2006 approval of the settlement with VeriSign Inc. ("VeriSign").

The Parties, as well as all domain name registrants, will be adversely impacted by the settlement. The adverse consequences of the terms of the .com renewal are far-reaching and permanent. Unless the proposed agreement is amended to guarantee future competition in the operation of the .com registry and to require that any fee increases be cost-based every year, as is currently required in the existing .com agreement and every gTLD registry agreement not with VeriSign, the Parties and the Internet community will suffer. This expected detrimental impact of the settlement to the Internet community at large underscores the extent to which ICANN has established a competitive market among domain name registrars, but has failed to either develop a market with appropriate controls on the registry pricing for .com or properly regulate it as the monopoly it currently is, as the .com TLD accounts for approximately 75 percent of registered domain names in the U.S. market and approximately 47 percent of registered domains in the world market. These failures run counter to the underlying policy goals of the Memorandum of Understanding between the Department of Commerce and ICANN to privatize the technical management of the Domain Name System (DNS) "in a manner that promotes stability and security, competition, coordination, and representation." Amendment 6 to ICANN/DoC Memorandum of Understanding, approved September 16, 2003.

The Grounds for Reconsideration:

1. The ICANN Board Lacked Material Information in Deciding to Approve the Settlement

As shown below, ICANN's Board of Directors failed to consider material information before it voted to approve the settlement. Under Article IV, Section 2.2.b of the ICANN Bylaws, reconsideration requests should be granted if it is shown that a Board decision was made without the consideration of material information. Therefore, the Board should reconsider the settlement approval after having the benefit of the additional material information which is indispensable to the resolution of these critical issues.

In addition to reconsideration being compelled by ICANN's own Bylaws, the importance of all material factors that should be considered by the Board is backed by the weight of

history, for this proposal would put the .com domain registry in the hands of one U.S. operator, forever, without the checks and balances of market-based competition or even of a regulated monopoly.

a. **The ICANN Board Decision-Making Process Must be Transparent**

Transparent decision-making is not an option for ICANN: The ICANN Bylaws provide that it "shall operate to the maximum extent feasible in an open and transparent manner . . . ." Article III (Transparency), Section 1. Notwithstanding this transparency obligation, it is often difficult to determine what information ICANN Board members considered in making a decision. Indeed, minutes of the most recent ten Board meetings (after the July 28, 2005 meeting) have not even been posted. The Board's decision-making process is more transparent at the front end, than the back end. Public comments are often posted in a timely manner on ICANN's Web site. However, there is not a decision document in the case of the .com proposal that is backed by *legal* and *economic* analysis to explain how and whether specific comments were addressed.

This "information vacuum" is also reflected in the lack of documented proceedings surrounding the Board decision-making with regard to the .com settlement proposal and proposed contract extension. Although the .com litigation settlement appeared on the Board's agenda for meetings on October 12, October 24, December 4, January 10, January 23, February 21, and February 28, to date there are no minutes or any other public record of the substantive discussions between the Board and ICANN staff or among Board members about these issues.

The transcripts of the February 28, 2006 Board vote are instructive. There is no transcript of the discussion that occurred among Board members prior to approving the agreement, just the actual votes. Along with the transcript, there was a prepared statement from the 60 percent majority ("Statement") and some short individual statements. For example, Board member Hagen Hultzsch simply stated that "I vote yes, and I have made it clear to everybody why I vote yes." However, based on the limited information made available about the Board's deliberations, it is clear from the prepared statements that the Board failed to consider material information prior to approving the settlement.

b. **The ICANN Board Lacked Material Information in Considering Competition Issues**

As a result of the majority's failure to have before it key facts about VeriSign's market position and its failure to apply traditional antitrust analysis in evaluating the settlement, millions of consumers stand to pay more for .com names. Despite the enormous ramifications of this decision to the Internet community, the ICANN Board majority statement shows that the Board lacked material information related to competition and economics. Although this is understandable in that most of the Board members are not economists or experts in antitrust law, the failure to consider material information concerning the potential adverse effects that the settlement would have on competition is contrary to ICANN's core values and would be harmful to consumers. Far from

improving competition (which should lead to lower prices), the settlement gives VeriSign perpetual control of .com, by far the largest and most significant Internet registry, and allows VeriSign to raise prices without any justification by a compounded rate of 31 percent over the next six years – and perhaps without limitation thereafter.

c. The ICANN Board Did Not Consider the Effects of VeriSign's Unconstrained Monopoly Power and Lack of Consumer Choice

One of ICANN's core values is "to promote and sustain a competitive environment." *See* ICANN Bylaws Article I, Section 2.6 (Core Values). This core value is reflected in the Memorandum of Understanding between the Commerce Department and ICANN, which outlines ICANN's operating principles. Under the MOU, ICANN and the Commerce Department agreed to promote the management of the DNS in a way that will allow market mechanisms to support competition to "lower costs, promote innovation and enhance user choice." *See* Memorandum of Understanding Between the U.S. Department of Commerce and the Internet Corporation for Assigned Names and Numbers, November 25, 1998. While the majority contends that by deregulating VeriSign's pricing "we expect the registry market to become increasingly competitive," this is not supported by empirical data, basic economic theory, or settled principles in the antitrust law of several nations. In fact, these very principles suggest that competition would be harmed, rather than fostered, under the present terms.

VeriSign itself admits that registrants consider .com to be different than other TLDs in that .com "is the most well known, implies a solid, established business with a global span; [and is] worth paying more for." *The VeriSign Domain Name Registrant Profile*, Vol. 1, Issue 2, at 5, June 2004. This admission is just one piece of the overwhelming evidence that VeriSign has monopoly power – in other words, the power to raise prices unilaterally without effective constraints. Today VeriSign's prices are constrained by price caps in the current agreement. The settlement will remove this constraint and permit VeriSign to increase prices at a compound rate of 31 percent over the next six years, and more thereafter, without any cost justification or other limitations. Contrary to the majority's assumption, well-established economic theory predicts that VeriSign will raise prices as long as those price increases are profitable. Further, because VeriSign has monopoly power, it will have the ability – unchecked by regulatory oversight or market controls -- to raise .com registration prices toward the profit-maximizing monopoly level, which by definition would exceed prices in a competitive environment.

Allowing VeriSign to increase the price for .com so much that consumers would choose other TLDs that they do not currently consider to be acceptable substitutes, does not make the registry market "increasingly competitive" as the majority contends. Consumers do not view other TLDs as substitutes for .com at current prices. This is demonstrated by the fact that an overwhelmingly large number of registrants who purchase domain names in other TLDs purchase them in addition to (rather than instead of) the corresponding .com names. Moreover, even the majority concedes that "[i]t may well be that .COM offers to at least some domain name registrants some value that other registries cannot offer, and thus the competitive price for a .COM registration may well be higher than for some alternatives."

The majority's entire argument, and it is nothing more than an argument at this point, is based on an erroneous assumption: that "prices will affect consumer choices at the margin" and only at the margin. Not only did the majority make this assumption with no factual evidence, they made it without seeing the highly material factual information that is available and proves the exact opposite. As just one example, the staff could have easily provided the registration results for the many unsuccessful price competition forays of .info against .com. The information is available, is clearly material and was not considered. It shows that prices affect consumer choices long before one reaches "the margin."

Moreover, because consumers are unlikely to substitute other TLDs in the face of a price increase on .com names, they will pay much more than they do today for .com names if VeriSign is permitted to increase its prices as provided under the settlement. This is borne out by the evaluation measures used by competition authorities to assess such consumer responses in the wake of price hikes. For example, when antitrust enforcement agencies evaluate the presence of price-constraining alternatives in the United States, they use guidelines that consider how consumers would respond to a 5-10 percent increase in prices. *See U.S. Dep't of Justice & Federal Trade Commission, Horizontal Merger Guidelines Sec. 1.21 (1997)*. If a 5-10 percent increase in VeriSign's prices caused consumers to shift a substantial number of purchases away from .com to other TLDs, sufficient to make the price increase unprofitable, then other TLDs might be considered to be acceptable, price-constraining substitutes. There is no evidence, however, that any significant number of consumers would shift to other TLDs if VeriSign were to increase prices on .com names. In fact, it is highly likely that registrants would continue to pay significantly higher prices to maintain their .com names instead of switching to less desirable TLDs.

2. VeriSign's Monopoly Power Dictates That Price Regulation is the Solution to Maintaining Competition

The majority expresses concern about continuing regulation of pricing for .com domain names, but, contrary to its assumption, this settlement is not the only alternative to cost regulation. ICANN has already demonstrated that it can ensure domain name registry competition in the case of other TLDs without resorting to detailed cost analysis. ICANN's successful bid of the .net registry shows that putting a registry agreement up for bid is an efficient means of lowering prices for consumers, without detailed cost analysis. This resulted in an agreement that drops the price cap for .net from $6 to $3.50 through December 31, 2006. Because .net accounts for less than 7 million domain registrations worldwide, versus 45 million for .com, the economies of scale of operating the registry for the largest gTLD point to efficiencies that also should allow prices to fall for .com.

Instead of competitive bidding, the Board's majority in the case of the .com domain name registry would have registrants rely on "transition devices," but the measures included in the settlement will not prevent VeriSign from charging supra-competitive prices. The six-month notice period of price increases, for example, is as likely to lead

other registry operators to seek (and perhaps receive) price increases as it is to foster competition. Moreover, the "right to enter into ten-year registrations" already exists and is not a viable constraint because the overwhelming majority of registrants favor one- to two-year registrations.

Sound public policy requires competition *before* deregulation, and does not normally posit that deregulating a monopolist will lead to competition. For example, when Congress allowed local telephone companies to enter long distance markets in 1996, it required that the telephone companies first demonstrate that their own markets had become competitive. Congress did *not* deregulate first and hope that competition would emerge. ICANN was created to administer the DNS in a manner that furthers competition. Ignoring the fact that its insistence on registry competition for .net lowered prices, ICANN has abandoned competition with respect to .com names.

This policy of tying the status of competitive measures to deregulation has parallels worldwide. The European Union regulatory framework, for example, empowers the European Commission to oversee national regulatory measures under procedures that require national regulatory authorities to conduct consultations on planned measures, including the removal of regulations related to electronic communications networks or services. However, this framework, as provided under Article 7 of the Framework Directive, does not approach deregulation in a vacuum. For example, National Regulatory Authorities must conduct market analyses. Accordingly the Framework Directive notes that if a deficiency in competitive factors is shown based on an assessment of entities with significant market power, an authority "must impose appropriate regulatory obligations on such undertakings."

3. The ICANN Board Should Have Sought Material Information from the U.S. Department of Justice Prior to Approving the Agreement

Rather than rely on fallacious economic reasoning that is unsupported by available material information, the ICANN Board should have received the views of an appropriate competition authority, such as the Antitrust Division of the U.S. Department of Justice (DOJ), **prior** to voting to approve the settlement. The DOJ is an expert arbiter of whether VeriSign has monopoly power and whether the agreement would have a negative impact on competition.

ICANN fully recognizes that it requires material information from competition authorities in order to determine potential impacts to competition. Indeed, the proposed .com agreement (as well the new registry services policy) states that ICANN should "seek expert advice" on competition issues and shall "refer [significant competition] issues to the appropriate governmental competition authority . . . ." Proposed .com Registry Agreement, Section 3.1(d)(iv). ICANN did not follow these protocols, however, in evaluating the settlement.

The ICANN Board should consider all material information related to its decision to approve the settlement. At a minimum, it should have sought expert advice, including

that of the Department of Justice. While the United States Department of Commerce (DOC) may very well solicit advice from the DOJ during its review of the agreement, the ICANN Board should not place the burden solely on the DOC, a department from which ICANN is striving to gain independence.

The competitive ramifications of such agreements are not a matter of first impression for competition authorities. In a Communication from the European Commission (EC) to the Council and the European Parliament, "The Organisation and Management of the Internet - International and European Policy Issues 1998 – 2000," the EC reviewed the original MOU and stated that "[t]he Commission will ascertain whether agreements and business registration practices in the area of Internet Organisation and Management fall under the EU competition rules (Articles 81 and 82) and, where necessary, will take the appropriate action on the basis of its direct powers under the EC Treaty." Further, it stated that "the new registry system must be implemented in a correct and timely way, including acceptable rules for data protection, *competition* and the identification and traceability of commercial operations" (emphasis added). In Section 5.3 of that Communication, dealing directly with the original ICANN agreement with VeriSign, the EC stated that for the moment, its competition concerns were addressed, but that "the Commission will continue to monitor developments because of the global extent of the markets affected by these agreements, and has informed the United States Department of Commerce accordingly. These new developments, only serve to reinforce the importance of permanent monitoring of these matters by the competition authorities in both the EU and the US."

Although some ICANN staff may have had informal consultations with DOJ on this issue prior to the finalization of the settlement, the referenced conversations occurred last year and are not a substitute for a comprehensive review by antitrust experts. Indeed, Board Member Raimundo Beca, as he cast a negative vote on the settlement, observed: "[T]he role played by the DOC and the DOJ in the achievement of this agreement has not been really clarified to the Board." Over the past month, the DOJ has actively investigated the registry market and the potential impacts of the proposal on competition. The Board should be privy to the results of this investigation and solicit the DOJ's advice prior to approving the agreement.

4. ICANN Board Members Failed to Consider the Competitive Registrar Market

The Board should consider empirical evidence that accurately reflects market dynamics, not the unsupported statements by VeriSign's executives. Some Board members may have been swayed by a letter written by VeriSign CEO, Stratton Sclavos, which demonstrated a fundamental lack of familiarity with a retail business model for domain names. The letter noted that the price of .net domain names has not decreased in the last few months even though costs have gone down due to the .net competitive bid process. In fact, ICANN Board Chairman Vint Cerf purportedly made this same point in responding to a question from an Internet user.

However, this mischaracterizes the consumer impact of the .net competitive bid process and the ensuing lowering of registry rates. First, Mr. Sclavos only considered published retail rates and did not take into account wholesale prices to resellers, bundled pricing with other services, or recent pricing promotions. Indeed, when these other factors are taken into consideration, there is evidence that many registrars already have passed on .net savings to their customers.

Second, with regard to retail domain sales, most registrars sell all gTLD domain names on their storefronts for the same price per name regardless of TLD. Due to .com's dominance in the marketplace, registrars sell, on average, more than seven .com names for every one .net name. Therefore, a reduction in cost for .net names that only affects a small percentage of sales typically would not be expected to cause a change in the published retail price for all gTLD domain names. As .com accounts for over 45 million domain registrations worldwide versus 7 million for .net, however, the retail price for all domain names will increase if VeriSign were to exercise its unilateral right to raise .com fees as allowed under the settlement.

Third, and most importantly, the Majority has failed to consider the impact of the settlement on the vibrant competitive *registrar* marketplace. In the Statement, the majority observes that there is an "incredibly competitive registrar market." This is obvious considering: (1) The explosive growth in the number of registrars; (2) The ease of entry into the market, and; (3) The fact that no one registrar manages more than 20 percent of the registered gTLD domain names. Vibrant competition in the registrar marketplace means that the market is so closely constrained by competitive substitutes that prices are forced down to approach costs.

5. The ICANN Board Lacked Other Material Information When It Approved the Agreement

a. The Presumptive Renewal Provision is Very Different in the Proposed Agreement Than in the 2001 Agreement

In its Joint Statement from Affirmative Voting Board Members, the majority claims that "in truth, the renewal clause in the new agreement is little changed from the 2001 .com agreement," and that the proposed agreement "does not, in our judgment, make any substantive change."

The proposed presumptive renewal agreement is in fact quite different from the renewal provision in the 2001 agreement in four material – and, indeed, critical – ways. (1) The new agreement eliminates the requirement that VeriSign justify to ICANN its renewal in a Renewal Proposal. (2) The existing agreement allows ICANN to entertain competitive bids if VeriSign is in material breach of any provision of the agreement. However, the new agreement significantly reduces the circumstances under which ICANN could deny VeriSign a renewal by limiting claims of material breach to just three sections of the agreement, and after a court or arbitrator order. (3) The new agreement wholly eliminates ICANN's ability to solicit competitive bids if VeriSign seeks

a price increase for a renewal period. (4) Finally, ICANN cannot change many of the key terms of the registry agreement for a renewal period to bring it in substantial conformity with other gTLD agreements, a requirement without exemption in the 2001 provision.

We have attached, as Exhibit A, a chart detailing the differences between the two renewal provisions. Unfortunately, the majority, based on the published statements, was not aware of the many distinctions between the provisions. As this point was cited as one of the reasons the majority approved the agreement, the Board should reconsider its position armed with this material information that it did not have available during its earlier review.

b. ICANN Can be Equipped to be a Price Regulator

The majority failed to consider certain material information when it stated that “we firmly believe that ICANN is not equipped to be a price regulator” in response to exhortations from many diverse members of the community to require cost justification of any price increase in order to protect Internet users from monopoly pricing. The majority uses this to argue that it should not require cost justification for price increases in every year of the contract.

However, ICANN currently is a price regulator and will maintain that role for over six years under the proposed agreement. In every gTLD registry agreement, except for .net, ICANN has the responsibility to review and approve justifications for proposed registry price increases. Moreover, the proposed .com contract requires that ICANN act as a price regulator in two of the six years that VeriSign is required to justify any fee increases.

It is material information that ICANN’s agreements with all other gTLD registry operators – except for VeriSign – require ICANN to act as a price regulator. Based on this information, it would be unfounded to argue that ICANN is ill-equipped to act as a price regulator, and therefore it shouldn’t be forced into the position to approve fee increases.

The Board should also consider the option it has of obtaining professional support to discharge its price regulation obligations. Numerous third-party entities provide rate regulation services, including large accounting and consulting firms. Had the Board considered such material information, the majority may have been reluctant to approve a settlement unless VeriSign were required to justify rate increases every year of the contract, just as every other gTLD registry operator must do.

In reality, how often has ICANN been asked to fulfill this role? Never. The reason is simple. There are no cost justifiable price increases. The cost of a registry providing domain registration **decreases** with volume. This is why the price on .net dropped with a re-bidding. Apparently the Board was not given the material information of VeriSign’s own claims about the cost efficiency of the new ATLAS infrastructure the .com registry now runs on. It is available even on the VeriSign website. This would indicate that as

long as cost justification is required for price increases, there is actually little chance any registry will approach ICANN for an increase. The stated concern is not well placed.

6. **The ICANN Board's Reconsideration Committee Should Recommend that the Board Review the .Com Settlement with Guidance from Economics Experts, including the DOJ, and in Light of the other Material Information Provided in this Request**

While the requesting parties understand that the Board most likely would prefer to move on to other pressing business, the .com registry is the crown jewel of the DNS. As such, the Board should understand fully the impacts of its decision. Absent sufficient advice from the DOJ and other material information mentioned above, the Board cannot uphold its core values of promoting competition while entering into a virtually permanent renewal contract. This approach risks damage to the jewel of the .com registry and calls into question the ability of the Board to uphold the integrity, accountability and transparency that are among ICANN's founding values.

The Antitrust Division of the Department of Justice is reviewing the terms of the proposed settlement, and the ICANN Board should make its decision with the benefit of the DOJ's views. The community was unable to provide the views of the DOJ during the comment period – ICANN must solicit such input either directly or indirectly from the Department of Commerce.

Board Member Demi Getschko approved the agreement, but commented that he would have liked more time to decide the issue. The Reconsideration Committee should grant Dr. Getschko and his colleagues the additional time and the additional information, including guidance from the DOJ. There is no doubt that the community would all be better off with a more informed decision.

7. **The Board's 60% Majority Approval Should Be Stayed Pending Input from the Department of Justice**

Article IV, Section 2.3.b of the ICANN Bylaws provides that the Reconsideration Committee "determine whether a stay of the contested action pending resolution of the request is appropriate." The requesting Parties submit that there is no more clear case of a request that requires a stay of the pending action than the decision to enter into this settlement. Entering into the agreement would be a permanent and binding obligation on ICANN. Finalization of this settlement would represent an irreversible course: The Board would not be able to alter its decision based on new material information.

The Board should instruct staff not to enter into the settlement until it reviews this request and then subsequent input from the DOJ. Neither VeriSign nor ICANN would be prejudiced by a short delay for the Board to receive input from the DOJ (either directly or indirectly from the DOC if that is the DOJ's preference). The existing .com agreement does not expire until November 2007, and the litigation between VeriSign and ICANN, as well as related discovery, could be stayed during this additional review

period. Moving ahead and signing the agreement, however, would contractually obligate ICANN to the terms of the agreement. Such an action would be irreversible by ICANN and create irreparable harm to the requesting Parties and to the public-at-large.

8. Conclusion

As described above, competition issues are not simple. Just as ICANN must refer such issues to a competition authority when considering new registry services, it should have to rely on input from a competition authority when considering the surrender of its authority on the most fundamental aspect of the entire registry service – pricing. Similarly, the question of how best to ensure network security and investment is a complex one. Guarantee of a monopoly does not guarantee sound investment in the future of the Internet.

The Board's decision of February 28, 2006 to approve the settlement absent input from a competition authority was premature. The decision, without weighing the appropriate checks and balances on a monopolist, unduly risks the future of a key component of the Internet. The Board should stay the decision and revote after receiving input from the DOJ, which already has been actively investigating this matter, as well as other experts on competition and security issues.

Date: March 14, 2006

The Requesting Parties:

1. Network Solutions, LLC, 13861 Sunrise Valley Drive, Herndon, VA 20171, Jonathon L. Nevett, Vice President (jnevett@networksolutions.com) 703-668-4775 (p), 703-668-5888 (f)
2. Go Daddy.com, 14455 North Hayden Rd., Suite 226, Scottsdale, AZ 85260, Tim Ruiz, Vice President (tim@godaddy.com) 319-294-3940 (p), 480-247-4516 (f)
3. Register.com, Inc. 575 Eighth Avenue, 11th Floor, New York, NY 10038,Roni Jacobson, General Counsel, (rjacobson@register.com) ,212-798-9273 (p), 212-629-9309
4. Schlund+Partner AG, Brauerstrasse 48, 76135 Karlsruhe, Germany, Thomas Keller (tom@schlund.de), +49 721 91374 4534 (p) +49 721 91374 215 (f)
5. Wild West Domains, 14455 North Hayden Rd., Suite 226, Scottsdale, AZ 85260, Tim Ruiz, Vice President (tim@godaddy.com) 319-294-3940 (p), 480-247-4516 (f)
6. BulkRegister, LLC 10 East Baltimore Street, Baltimore, MD 21202, Attention: Eric Rice, General Manager, (erice@bulkregister.com) 410-234-3318(p), 410-735-3417(f)
7. Intercosmos Media Group dba directNIC.com, 650 Poydras Street, Suite 1150 New Orleans, LA 70130-6116, Donald Simonton, Chief Information Officer, (donny@intercosmos.com) 504-679-5170 (p), 504-566-0484 (f)

8. Moniker Online Services LLC / Moniker.com (and its 11 associated registrars), 20 SW 27th Ave., Suite 201 Pompano Beach, FL, 33069, Attention Monte Cahn, Founder/CEO (monte@moniker.com) 954-984-8445 (p), 954-969-9155 (f)

9. Domain Name Sales Inc. Box 10318 Airport Post Office, Grand Cayman, Cayman Islands B.W.I., (admin@domainnamesales.co) KY +1-345-516-7606

10. TLDs L.L.C. d/b/a SRS, Plus, 13861 Sunrise Valley Drive, Herndon, VA 20171, Paul Diaz, (pdiaz@networksolutions.com) 703-668-4600 (p), 703-668-5888 (f)

11. NameSecure, L.L.C. 13861 Sunrise Valley Drive, Herndon, VA 20171, Craig Tan (ctan@namesecure.com) 703-668-4600 (p), 703-668-5888 (f)

12. Blue Razor Domains, 14455 North Hayden Rd., Suite 226, Scottsdale, AZ 85260, Tim Ruiz, Vice President (tim@godaddy.com) 319-294-3940 (p), 480-247-4516 (f)

13. Name.com, 125 Rampart way suite 300, Denver, CO 80230, attention William Mushkin, CEO, (bill@name.com),720-249-2374 (p) 303-364-3646 (f)

14. Abr Products Inc. dba Misk.com, 973 Main St,. Suite B, Fishkill, NY 12524, Attention: Nitin Agarwal, President & Chief Architect (nitin@nitin.com) 845-896-4602x111 (p), 845-896-2535 (f)

15. Direct Information Pvt Ltd, 330, Link Way Estate, Linking Rd, Andheri(W), Mumbai - 400064, India, Attention: Bhavin Turakhia, CEO (bhavin.t@directi.com) +91-22-56797600 (p), +91-22-56797510 (f)

16. Name Intelligence, Inc. 12806 SE 22nd PL, Bellevue, WA 98005, Attention: Jay Westedal, President, jay@nameintel.com, 425.785.4325 (P), 206-337-0652 (f)

17. Rebel.com, 26 Auriga Dr. Ottawa, Ontario, Canada K2E 8B7 Attention: Dave Chiswell, CEO (dave@rebel.com) 613 225 2000

18. ! $! Bid It Win It, Inc., 5400 Vernon Ave. S., Ste. 218, Minneapolis, MN 55436, Attention: Jeff Field, President (jfield@biditwinit.com) 952-848-7626 (p), 408-228-5202 (f)

19. NameScout.com, Whitepark House, White Park Road, Bridgetown, Barbados (service@namescout.com) 613-768-5140 (p)

20. Melbourne IT Limited, Level 2, 120 King St., Melbourne, VIC 3000, Australia. Attention: Bruce Tonkin, Chief Technology Office, (bruce.tonkin@melbourneit.com.au), 61 3 8624 2400 (p), 61 3 8624 2400 (f)

21. Namebay, 27 Bd des Moulins, Monaco 98000, Monaco. Attention: Mathieu Dierstein, Member of the Board (stephane.boutinet@namebay.com) 377 97 70 61 64 (p)

22. Gandi.net, SAS, 15 place de la Nation, 75011 Paris, France. Attention: Stephan Ramoin, President & CEO (stephan@gandi.net) 33 1 703 937 60 (p), 33 1 437 318 51 (f)

23. DomainRegistry.com Inc., 3554 Hulmerville Road, Suite 108, Bensalem, PA 19020. Attention: Larry Erlich, President (erlich@DomainRegistry.com) 215-244-6700 (p), 215-244-6605 (f)

EXHIBIT A

Presumptive Renewal Provisions			
	2001 Agreement	**Proposed Agreement**	**Summary of Differences**
1	To renew the Agreement, VeriSign must submit a Renewal Proposal for ICANN's review that contains a detailed report on .com operations, any additional Registry Services or proposed improvements, or changes in price or terms of service. (§25.A)	No Renewal Proposal required.	The proposed agreement eliminates the requirement that VeriSign justify its renewal claim based on performance.
2	ICANN would not renew the Agreement and shall call for competitive bids if VeriSign is in material breach of the Agreement. (§25.B.a)	ICANN need not renew the agreement if VeriSign is found by an Arbitrator or Court to be in "fundamental and material breach" of obligations set forth in §3.1(a), (b), (d) or (e), §5.2 or §7.3, **and** VeriSign doesn't cure the breach after the arbitration or court ruling. (§IV.2.i and §IV.2.ii)	The proposed agreement severely restricts the circumstances under which ICANN could deny VeriSign renewal of the Agreement. The proposal focuses on violations of just three sections after a court or arbitrator order, whereas the existing Agreement enables competition for **any** material breach.
3	ICANN shall call for competitive bids if the maximum registration and renewal prices in VeriSign's Renewal Proposal exceed the rates in §22 (i.e., $6 per year). (§25.B.d)	ICANN cannot call for competitive bids based on a proposed price increase. VeriSign may raise prices 7% without justification in 4 of 6 years in all subsequent terms. (§VII.3.d)	ICANN's ability to instill competition in the .com registry when the dominant actor seeks to raise prices would be removed.
4	The terms of any renewal agreement shall be in substantial conformity with other gTLD contracts then in effect. (§25.B)	The terms of any renewal agreement, **except** key terms including pricing for existing registry services, approval process of new registry services, definition of security and stability, terms or conditions for renewal or termination of the agreement, ICANN's obligations to VeriSign under §3.2(a), (b) and (c), limitations on Consensus Policies or Temporary Specifications or Policies, definition of Registry Services, and terms of §7.3, shall be similar to the terms with the registry agreements for the five largest gTLDs. (§IV.2)	ICANN cannot change the renewal registry agreement to bring it inline with other gTLD agreements with regard to most of the important terms and conditions of a registry agreement. Note: Under the 2001 agreement and all non-VeriSign gTLD registry agreements, cost justification is required in order to raise registry fees. Therefore, under the 2001 agreement this cost justification requirement should be extended to any renewal agreement.

Renewal Provisions

2001 .com Agreement

Section 25. Procedure for Subsequent Agreement.

A. Registry Operator may, no earlier than twenty-four and no later than eighteen months prior to the Expiration Date, submit a written proposal to ICANN for the extension of this Agreement for an additional term of four years (the "Renewal Proposal"). The Renewal Proposal shall contain a detailed report of the Registry Operator's operation of the Registry TLD and include a description of any additional Registry Services, proposed improvements to Registry Services, or changes in price or other terms of service.

B. ICANN shall consider the Renewal Proposal for a period of no more than six months before deciding whether to call for competing proposals from potential successor registry operators for the Registry TLD. During this six month period, ICANN may request Registry Operator to provide, and Registry Operator shall provide, additional information concerning the Renewal Proposal that ICANN determines to be reasonably necessary to make its decision. Following consideration of the Renewal Proposal, Registry Operator shall be awarded a four-year renewal term unless ICANN demonstrates that: (a) Registry Operator is in material breach of this Registry Agreement, (b) Registry Operator has not provided and will not provide a substantial service to the Internet community in its performance under this Registry Agreement, (c) Registry Operator is not qualified to operate the Registry TLD during the renewal term, or (d) the maximum price for initial and renewal registrations proposed in the Renewal Proposal exceeds the price permitted under Section 22 of this Registry Agreement. The terms of the registry agreement for the renewal term shall be in substantial conformity with the terms of registry agreements between ICANN and operators of other open TLDs then in effect, provided that this Section 25 shall be included in any renewed Registry Agreement unless Registry Operator and ICANN mutually agree to alternative language.

C. In the event that ICANN fails to award a renewal registry agreement to Registry Operator within the six month period described above, Registry Operator shall have the right to challenge the reasonableness of that failure under the provisions of Section 15.

D. In the event ICANN does not award Registry Operator a renewal registry agreement according to Subsection 25(B), ICANN shall call for competitive proposals and Registry Operator shall be eligible, to the same extent as similarly situated entities, to submit a proposal in response to such a call and to be considered for such award.

Proposed .com Agreement

ARTICLE IV TERM OF AGREEMENT

Section IV.1 Term. The initial term of this Agreement shall expire on November 30, 2012. The "Expiration Date" shall be November 30, 2012, as extended by any renewal terms.

Section IV.2 Renewal. This Agreement shall be renewed upon the expiration of the term set forth in Section 4.1 above and each later term, unless the following has occurred : (i) following notice of breach to Registry Operator in accordance with Section 6.1 and failure to cure such breach within the time period prescribed in Section 6.1, an arbitrator or court has determined that Registry Operator has been in fundamental and material breach of Registry Operator's obligations set forth in Sections 3.1(a), (b), (d) or (e), Section 5.2 or Section 7.3 and (ii) following the final decision of such arbitrator or court, Registry Operator has failed to comply within ten days with the decision of the arbitrator or court, or within such other time period as may be prescribed by the arbitrator or court. Upon renewal, in the event that the terms of this Agreement are not similar to the terms generally in effect in the Registry Agreements of the 5 largest gTLDs (determined by the number of domain name registrations under management at the time of renewal), renewal shall be upon terms reasonably necessary to render the terms of this Agreement similar to such terms in the Registry Agreements for those other gTLDs. The preceding sentence, however, shall not apply to the terms of this Agreement regarding the price of Registry Services; the standards for the consideration of proposed Registry Services, including the definitions of Security and Stability and the standards applied by ICANN in the consideration process; the terms or conditions for the renewal or termination of this Agreement; ICANN's obligations to Registry Operator under Section 3.2 (a), (b), and (c); the limitations on Consensus Policies or Temporary Specifications or Policies; the definition of Registry Services; or the terms of Section 7.3.