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September 21, 2012

VIA EMAIL

Dr. Stephen D. Crocker Chairman of the Board of Directors Mr. Fadi Chehadé President and CEO ICANN 12025 Waterfront Drive, Suite 300 Los Angeles, CA 90094-2536

> Re: Comments of Microsoft Corporation on SAC053 – SSAC Report on Dotless Domains

Dear Dr. Crocker and Mr. Chehadé:

Microsoft Corporation ("Microsoft") welcomes this opportunity to provide its comments to ICANN on implementation of the recommendations contained in SAC053 – SSAC Report on Dotless Domains ("Dotless Domains Report").

Microsoft is a worldwide leader in the IT industry, with a mission to enable people and businesses throughout the world to realize their full potential. Since the company was founded in 1975, it has worked to achieve this mission by creating technology that transforms the way people work, play, and communicate. Microsoft is also an owner and champion of intellectual property rights. It maintains sizable trademark and domain name portfolios and takes pride in the worldwide recognition of multiple of its trademarks. Further, Microsoft's businesses rely heavily on the Internet and the current system of TLDs, and Microsoft has applied for 11 gTLDs. In addition, Microsoft technical personnel provided feedback to the SSAC on how current software and services respond when given a dotless domain input. As such, Microsoft is well positioned to provide meaningful comments to ICANN on implementation of the recommendations in the Dotless Domains Report.

Microsoft fully supports and endorses the Dotless Domains Report recommendations (i) against use of dotless domains; and (ii) that use of DNS resource records such as A, AAAA, and MX in the apex of a Top-Level Domain (TLD) should be contractually prohibited where appropriate and strongly discouraged in all cases. (Indeed, to be clear, Microsoft supports a prohibition, not merely discouragement.) While the operational considerations and difficulties that are likely to arise from use of dotless domains are significant, Dr. Stephen D. Crocker Mr. Fadi Chehadé September 21, 2012 Page 2

the security considerations are paramount. The Dotless Domains Report notes the considerable security risk to the privacy and integrity of HTTPS communications if dotless domains are permitted. We wish to underscore the magnitude of this security risk and its implications.

The proposed recommended contractual prohibition (and the essential measures and ICANN Compliance resources to enforce breaches of the prohibition) is necessary and should be sufficient to accomplish the goal of non-use of dotless domains in new gTLDs. To our knowledge, a contractual prohibition on use is the only vendor-neutral means of implementing the SSAC's recommendation against use of dotless domains in new gTLDs. In addition, even if all DNS resolvers were modified, the potential security risk would remain. We considered – and rejected – the possibility of a prohibition for a term shorter than the 10-year term of the new gTLD Registry Agreement. We expect that dotless host names will continue to be used as they are today, with assumptions around DNS search paths, for example, for the foreseeable future. We do, however, support revisiting the need for a contractual prohibition one year before the first new gTLD Registry Agreements are due for renewal.

Microsoft staff is available for further discussion of these issues with ICANN.

Thank you for your consideration. If you have questions or wish to discuss any of the points raised herein, please contact Russell Pangborn (russpang@microsoft.com).

Respectfully submitted, DR. Terrol

David Tennenhouse CVP, Technology Policy Group Microsoft Corporation