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May 15, 2006

Tina Dam  
Chief gTLD Registry Liaison  
ICANN  
4676 Admiralty Way, Suite 330  
Marina del Rey, CA 90292-6601  
USA

Subject: Restocking Fee

Dear Tina:

This is a request by Public Interest Registry (“PIR”) for an amendment to the .ORG Registry Agreement (the “Agreement”). Appendix G to the Agreement provides, in part: “PIR shall not be entitled to charge for any registry service not specified in this Appendix G.”

PIR requests approval of the institution of a "restocking" service fee in an amount not to exceed US\$.05 (five cents) per domain name registration, to be applied, on a per registrar basis, to registrations deleted within the five day add grace period (as specified in Appendix C, Section C11.1 of the Agreement) when the number of such deleted registrations is in excess of ninety percent (90%) of the total number of initial registrations made by the registrar over a relevant time period as determined by the registry..

The reason for the institution of this fee arises from the practice known as "domain tasting" or "domain testing". PIR believes that the growth of a secondary market in domain names, and the use of commonly available computer capabilities to test and commercialize domain names, is a fact of life in the development of the Internet.

However, PIR is deeply concerned about an unintended consequence of domain tasting - the automated registration of popular names, followed often by the misuse of these names to steer unsuspecting users to pornographic and other anti-social sites. This is a situation that has become more prevalent because of the growing use of computer programs to discover and register popular domain names, and then test them for economic value.

PIR is commencing a program of education directed primarily to its constituency of non-commercial users of the Internet - registrants in the .ORG top level domain. Many of these users are not sophisticated in the operation of the domain name system. They are not aware that a name allowed to lapse, or inadvertently not renewed, can be subject to registration and

tested for popularity by automated tools. This can result in the exploitation of the good will built up by the original registrant.

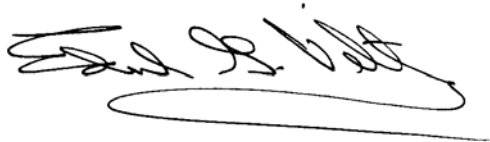
Several years ago, ICANN attempted to alleviate some of the problems experienced by users who inadvertently allowed registrations to lapse by creating the redemption grace period. While this was done with good intentions, the add grace period is most frequently being utilized differently from its intended purpose, which was to rectify honest errors in a reasonable and fair manner. Unfortunately, the add grace period has become an opportunity for unbridled free trials for domain names solely for their economic value. These trials are conducted without regard to significant operational requirements on the registry and without recourse for the original registrants. While the grace periods have generally been beneficial, they have inadvertently created the problems described above.

PIR believes a restocking service fee, combined with PIR's program of education about the risks of allowing registrations to lapse - a program focused on the risks experienced by non-commercial users and tailored to reach this audience - will serve the best interests of Internet users.

PIR believes that this request neither (i) raises any issues with respect to the security or stability of the Internet, nor (ii) raises any significant competition issues. Accordingly, PIR requests expedited consideration of this request so that the fee may be deployed with effect commencing on June 1, 2006.

Thank you for your consideration.

Yours very truly,

A handwritten signature in black ink, appearing to read "Edward Viltz", with a long horizontal flourish underneath.

Edward Viltz, President and CEO  
Public Interest Registry