



28 March 2010

Mr. Rod Beckstrom
President and Chief Executive Officer
Internet Corporation for Assigned Names and Numbers
4676 Admiralty Way, Suite 330
Marina del Rey, California 90292

Re: ICM's Initial Response to Report of Possible Process Options regarding .xxx

Dear Rod,

ICM and its counsel have reviewed the “options” presented to the Board by ICANN staff, and are dismayed to note that several of the options are in many respects substantively and procedurally inconsistent with the IRP declaration. In fact, only one option (expedited due diligence to confirm financial and technical capabilities) appears to offer the current ICANN Board a path to avoid new and ongoing violations of the organization's Articles of Incorporation and Bylaws. This is, to put it plainly, unacceptable.

While we appreciate that this is the first time that the Board has had to consider implementation of an IRP declaration, and in this regard may well believe that all options must be studied, it would be inappropriate, illegal and inconsistent with ICANN’s core values and model of self governance for ICANN to set up an evaluative process that is lacking in objectivity and that does not affirmatively give effect to the underlying IRP declaration. In our view, ICANN staff’s options paper would appear to have not been conceived with the objective of affirmatively giving full effect to the IRP declaration.

The ICANN community clearly called on the Board in Nairobi to honor the IRP declaration and move promptly to right its discriminatory, unfair and bad faith treatment of ICM. It would indeed be a disservice to urge the Board to follow a path that breaks faith with the community and threatens to prolong this costly and distracting legal dispute.

ICM and its counsel are studying the options paper and will be submitting an analysis, which we trust will be given due and careful consideration by the Board. We remain committed to working constructively and in good faith to resolve this matter, and hope that ICANN and its advisors are similarly committed.

Sincerely,

Stuart Lawley

Chairman