

26 July 2019

Mr. Zak Muscovitch General Counsel Internet Commerce Association (ICA)

RE: ICA Letter - Renewal of .org Registry Agreement

Dear Mr. Muscovitch,

Thank you for your letter of 3 July 2019 regarding the renewal of the .org Registry Agreement.

I want to assure you that the decision to renew the .org registry agreement utilizing the <u>Base gTLD Registry Agreement</u> (Base RA) form was taken with care and deep consideration by both the ICANN organization and the ICANN Board.

The Base RA was developed to support the new generic top-level domains (gTLDs) being created through the 2012 New gTLD Program. It was developed through the bottom-up multistakeholder process including multiple rounds of public comment and aligns with the underlying Generic Names Supporting Organization's (GNSO's) policy recommendations for new gTLDs. Established in 2013, the Base RA now applies to over 1,200 gTLDs. The ICANN org has consistently used the Base RA as the starting point for discussions with legacy gTLD operators about renewing their Registry Agreements. The Base RA provides additional safeguards and security and stability requirements compared to legacy agreements. Since 2014, several legacy gTLDs have renewed their agreements adopting the Base RA: cat, .jobs, .mobi, .pro, .tel, .travel, and most recently, .asia, .biz, .info, and .org.

While the Base RA does not contain price control provisions, it does contain requirements designed to protect registrants from a price perspective. These include requirements to provide registrars at least 30 days advance written notice of any price increase for initial registrations, and to provide a minimum 6-month notice for any price increases of renewals.

Additionally, these registry operators must enable registrants to renew for as many as 10 years prior to a price change taking effect. Moreover, the Base RA requires the registry operator to offer uniform pricing for renewals unless the registrant opts-in to premium pricing at the time of registration, thus preventing discriminatory pricing. Utilizing the Base RA as proposed, without additional price control provisions for .biz, .info, and .org, is consistent with the gTLDs launched via the new gTLD program and will further reduce ICANN org's role in domain pricing. ICANN's primary mission is to ensure the stable and secure operation of the DNS and other unique identifiers.



ICANN's core values, as enumerated in the <a href="Bylaws">Bylaws</a> approved by the ICANN community, instruct ICANN to introduce and promote competition in the registration of domain names and, where feasible and appropriate, depend upon market mechanisms to promote and sustain a competitive environment in the DNS market.

The Uniform Rapid Suspension (URS) system, a rights protection dispute resolution mechanism, was developed and adopted into the Base RA through a process involving extensive community input including review by the GNSO Council. While there is policy development in progress regarding rights protection mechanisms, there is currently no policy requiring or prohibiting registries from adopting URS. Further, it has been affirmed by the Board that ICANN org should not stop its work because a topic is or might be the subject of policy development discussions.

During the course of renewal negotiations with the respective registry operators for .biz, .info and .org, the ICANN org provided a briefing and held a discussion with the ICANN Board at the Board's workshop in Los Angeles (25-28 January 2019). The org presented the history of the price controls in various gTLD contracts, how the concepts of price control and price protection were considered by the community during the development of the Base gTLD Registry Agreement for the New gTLD Program, and rationale for why ICANN org recommended adopting the Base RA rather than maintaining the price controls.

After consultation with the Board at the Los Angeles workshop, and with the Board's support, ICANN's President and CEO decided to continue with the plan to complete the renewal negotiations utilizing the Base RA. After the negotiations were completed with each registry operator in February/March 2019, each agreement was posted for public comment. The ICANN org team did review and consider all 3,200+ comments received. Staff shared the summary and analysis of the public comments with the ICANN Board prior to posting the summary analysis. In addition, briefing papers were provided to the Board in advance of its workshop in June 2019 in Marrakech. The briefing papers summarized the key issues raised in the public comment process and correspondence (removal of price controls and inclusion of URS), and outlined the rationale for the recommendation to renew the agreements as proposed.

Following the discussion with the ICANN Board in Marrakech, and consistent with the Board's support, ICANN President and CEO made the decision to continue with renewal agreements as proposed, using the Base gTLD Registry Agreement. These agreements were effective on 30 June 2019.



As outlined, these decisions were taken by the ICANN organization after the appropriate consideration and oversight by the ICANN Board.

I hope that you find this information helpful.

Best regards,

Cyrus K. Namazi

Senior Vice-President Global Domains Division