

90% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 1	2	3	4	5	6	7	8	9	10	11	12	Year 1
	1						←-----SUNRISE PERIOD-----→						
New Registrations	-	-	-	-	-	-	171,429	128,571	QUIET	600,000	400,000	250,000	1,550,000
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,786	\$ 146,625	\$ 146,625	\$ 439,875	\$ 635,375	\$ 757,563	\$ 2,209,848
Operating Expenses:													
Registry Operator	-	-	-	-	-	-	42,986	75,225	75,225	225,675	325,975	388,663	1,133,748
Systems Development & Support	-	29,688	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	131,979	550,729
Customer Service	-	-	3,646	26,042	42,396	42,396	42,396	42,396	48,542	48,542	48,542	114,917	459,813
Sales & Marketing	300,000	319,271	332,813	432,813	632,813	732,813	1,132,813	1,132,813	2,140,625	2,990,625	2,890,625	2,848,750	15,886,771
General & Administrative	223,500	254,176	271,632	317,814	333,913	235,113	255,684	250,541	237,994	309,994	285,994	377,682	3,354,037
R&D	-	-	-	-	-	-	821	1,438	1,438	4,313	6,229	7,427	21,665
Operating Expenses	523,500	603,134	651,320	819,898	1,052,350	1,053,550	1,517,929	1,545,641	2,547,053	3,622,378	3,600,594	3,869,417	21,406,763
EBITDA	(523,500)	(603,134)	(651,320)	(819,898)	(1,052,350)	(1,053,550)	(1,434,143)	(1,399,016)	(2,400,428)	(3,182,503)	(2,965,219)	(3,111,855)	(19,196,914)
Depreciation & Amortization	-	4,861	14,139	16,569	17,250	17,931	17,931	17,931	17,931	18,222	18,222	18,222	179,208
EBIT	(523,500)	(607,995)	(665,459)	(836,467)	(1,069,600)	(1,071,481)	(1,452,074)	(1,416,947)	(2,418,358)	(3,200,725)	(2,983,441)	(3,130,077)	(19,376,123)
Interest	-	6,348	5,004	3,939	2,802	1,387	-	4,834	7,428	4,242	9,265	9,289	54,538
Pretax Consortium Profit (Before Rebates)	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)	(19,430,661)
Rebates	-	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Consortium Profit	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)	(19,430,661)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)	(19,430,661)
Cumulative Net Income	(523,500)	(1,137,843)	(1,808,306)	(2,648,712)	(3,721,114)	(4,793,981)	(6,246,055)	(7,667,835)	(10,093,621)	(13,298,588)	(16,291,295)	(19,430,661)	(19,430,661)
As Percent of Revenue (Accrual)													
Cost of Revenue	0%	0%	0%	0%	0%	0%	51%	51%	51%	51%	51%	51%	51%
Sales & Marketing	0%	0%	0%	0%	0%	0%	1352%	773%	1460%	680%	455%	376%	719%
G&A	0%	0%	0%	0%	0%	0%	305%	171%	162%	70%	45%	50%	152%
R&D	0%	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	0%	0%	0%	0%	0%	0%	-3%	19%	19%	39%	42%	31%	24%
Net Income	0%	0%	0%	0%	0%	0%	-1733%	-970%	-1654%	-729%	-471%	-414%	-879%

*Cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

	Year 1												Year 1
	1	2	3	4	5	6	7	8	9	10	11	12	
Current Assets:													
Cash	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,314,586	\$5,093,341	\$2,909,030	\$6,353,298	\$6,369,705	\$4,960,202	\$4,960,202
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$467,787	\$775,639	\$700,414	\$2,262,439	\$3,128,264	\$3,484,477	\$3,484,477
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$2,484	\$4,313	\$4,313	\$12,938	\$18,688	\$22,281	\$22,281
Total Current Assets	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,784,837	\$5,873,292	\$3,613,757	\$8,628,674	\$9,516,657	\$8,466,960	\$8,466,960
Fixed Assets:													
Plant, Property, & Equipment	\$175,000	\$509,000	\$596,500	\$621,000	\$645,500	\$645,500	\$645,500	\$645,500	\$656,000	\$656,000	\$656,000	\$656,000	\$656,000
Accumulated Depreciation	\$0	(\$4,861)	(\$19,000)	(\$35,569)	(\$52,819)	(\$70,750)	(\$88,681)	(\$106,611)	(\$124,542)	(\$142,764)	(\$160,986)	(\$179,208)	(\$179,208)
Total Fixed Assets	\$175,000	\$504,139	\$577,500	\$585,431	\$592,681	\$574,750	\$556,819	\$538,889	\$531,458	\$513,236	\$495,014	\$476,792	\$476,792
Total Assets	\$4,528,250	\$3,935,251	\$3,278,465	\$2,506,654	\$1,543,617	\$471,349	\$4,341,657	\$6,412,181	\$4,145,215	\$9,141,911	\$10,011,671	\$8,943,752	\$8,943,752
Current Liabilities:													
Accounts Payable	261,750	283,095	296,771	365,365	474,731	475,331	941,413	875,302	1,180,747	2,537,035	2,178,043	1,971,531	\$1,971,531
Unearned Revenue	-	-	-	-	-	-	4,854,655	8,411,839	8,265,214	15,104,839	19,322,464	21,598,027	\$21,598,027
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$1,643	\$2,875	\$2,875	\$8,625	\$12,458	\$14,854	\$14,854
Total Current Liabilities	\$261,750	\$283,095	\$296,771	\$365,365	\$474,731	\$475,331	\$5,797,711	\$9,290,016	\$9,448,836	\$17,650,499	\$21,512,965	\$23,584,412	\$23,584,412
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Equity Contributions													
Retained Earnings / (Loss) - After Tax	(523,500)	(1,137,843)	(1,808,306)	(2,648,712)	(3,721,114)	(4,793,981)	(6,246,055)	(7,667,835)	(10,093,621)	(13,298,588)	(16,291,295)	(19,430,661)	(\$19,430,661)
Total Owner Equity	\$4,266,500	\$3,652,157	\$2,981,694	\$2,141,288	\$1,068,886	(\$3,981)	(\$1,456,055)	(\$2,877,835)	(\$5,303,621)	(\$8,508,588)	(\$11,501,295)	(\$14,640,661)	(\$14,640,661)
Total Equity & Liabilities	\$4,528,250	\$3,935,251	\$3,278,465	\$2,506,654	\$1,543,617	\$471,349	\$4,341,657	\$6,412,181	\$4,145,215	\$9,141,911	\$10,011,671	\$8,943,752	\$8,943,752

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-
Accts Payable Registry Operator (Core Registratio	-	-	-	-	-	-	255,386	191,539	-	893,850	595,900	372,438	372,438
Accounts Payable as a % of Core Registry Expen	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	-	16,163	25,278	39,010	45,014	45,014	45,014	45,014	48,271	48,271	48,271	123,623	123,623
Salaries Payable as a % of Total Salary Expense	0%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor	261,750	266,932	271,493	326,355	429,717	430,317	641,013	638,750	1,132,476	1,594,914	1,533,872	1,475,471	1,475,471
Accounts Payable as a % of Ops Expense (As De	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	-	-	-	-	-	-	2,464	4,313	4,313	12,938	18,688	22,281	22,281
Other Current Assets as a % of Revenue (Accrual	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	-	-	-	-	-	-	1,643	2,875	2,875	8,625	12,458	14,854	14,854
Other Current Liabilities as a % of Revenue (Accr	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

	Year 1												Year 1
	1	2	3	4	5	6	7	8	9	10	11	12	
Cash From Operations:													
Net Income After Taxes	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)	(19,430,661)
Add-back: Depreciation & Amortization	-	4,861	14,139	16,569	17,250	17,931	17,931	17,931	17,931	18,222	18,222	18,222	179,208
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	(467,787)	(307,852)	75,225	(1,562,025)	(865,825)	(356,213)	(3,484,477)
Change in Other Current Assets	-	-	-	-	-	-	(2,464)	(1,848)	-	(8,625)	(5,750)	(3,594)	(22,281)
Change in Accounts Payable	261,750	21,345	13,676	68,594	109,365	600	466,083	(66,111)	305,445	1,356,288	(358,992)	(206,511)	1,971,531
Change in Unearned Revenue	-	-	-	-	-	-	4,854,655	3,557,184	(146,625)	6,839,625	4,217,625	2,275,563	21,598,027
Change in Other Current Liabilities	-	-	-	-	-	-	1,643	1,232	-	5,750	3,833	2,396	14,854
Total Cash Flow from Operations	(\$261,750)	(\$588,138)	(\$642,647)	(\$755,242)	(\$945,787)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,173,811)	\$3,444,268	\$16,407	(\$1,409,503)	826,202
Cash From Investing Activities:													
Capital Expenditures	(\$175,000)	(\$334,000)	(\$87,500)	(\$24,500)	(\$24,500)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0	(656,000)
Total Cash Flow from Investing Activities	(\$175,000)	(\$334,000)	(\$87,500)	(\$24,500)	(\$24,500)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0	(656,000)
Cash Flow Before Financing	(\$436,750)	(\$922,138)	(\$730,147)	(\$779,742)	(\$970,287)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,184,311)	\$3,444,268	\$16,407	(\$1,409,503)	170,202
Cash Flow From Financing Activities:													
Proceeds from Equity Contributions	\$4,790,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	4,790,000
Debt (Bank Loans)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Debt (Other L-T)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$4,790,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	4,790,000
Cash Flow from Ops, Investing & Financing	\$4,353,250	(\$922,138)	(\$730,147)	(\$779,742)	(\$970,287)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,184,311)	\$3,444,268	\$16,407	(\$1,409,503)	4,960,202
Beginning Cash Balance	\$0	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,314,586	\$5,093,341	\$2,909,030	\$6,353,298	\$6,369,705	\$0
Net Increase/(Decrease) in Cash	\$4,353,250	(\$922,138)	(\$730,147)	(\$779,742)	(\$970,287)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,184,311)	\$3,444,268	\$16,407	(\$1,409,503)	\$4,960,202
Ending Cash Balance	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,314,586	\$5,093,341	\$2,909,030	\$6,353,298	\$6,369,705	\$4,960,202	\$4,960,202

90% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 2												Year 2
	1	2	3	4	5	6	7	8	9	10	11	12	
Registrations	200,000	206,000	212,180	218,545	225,101	231,854	234,173	236,515	238,880	241,269	243,682	246,119	2,734,318
Revenue	\$ 853,870	\$ 953,120	\$ 1,056,823	\$ 1,157,887	\$ 1,264,072	\$ 1,374,994	\$ 1,487,530	\$ 1,601,152	\$ 1,715,872	\$ 1,831,697	\$ 1,948,640	\$ 2,066,708	\$ 17,312,165
Operating Expenses:													
Registry Operator	437,970	488,992	542,196	594,046	648,524	705,432	805,310	895,211	954,067	1,013,490	1,073,487	1,134,061	9,292,786
System Development & Support	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	134,141	633,438
Customer Service	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	117,344	678,000
Sales & Marketing	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,292,089	14,865,697
General & Administrative	272,323	273,072	280,827	287,387	288,205	289,048	289,337	289,925	289,925	290,223	290,524	400,516	3,541,015
	8,385	9,373	10,389	22,374	23,452	24,563	25,686	26,819	27,963	29,120	30,287	31,467	269,878
Operating Expenses	2,049,002	2,101,760	2,163,736	2,234,131	2,290,505	2,349,367	2,450,657	2,541,983	2,602,279	2,663,156	2,724,622	3,109,617	29,280,814
TDA	(1,195,332)	(1,148,640)	(1,106,913)	(1,076,244)	(1,026,433)	(974,372)	(963,127)	(940,830)	(886,407)	(831,459)	(775,982)	(1,042,909)	(11,968,649)
Depreciation & Amortization	18,222	18,222	18,222	18,319	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	222,542
Interest	(1,213,554)	(1,166,862)	(1,125,136)	(1,094,563)	(1,045,128)	(993,067)	(981,821)	(959,525)	(905,101)	(850,153)	(794,676)	(1,061,603)	(12,191,191)
Interest	7,234	6,191	6,593	7,062	7,577	8,190	8,890	8,871	8,327	8,551	8,067	6,754	92,308
Pre-tax Consortium Profit (Before Rebates)	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,068,357)	(12,283,499)
Rebates	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-tax Consortium Profit	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,068,357)	(12,283,499)
Imputed Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Imputed Consortium Net Income	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,068,357)	(12,283,499)
Relative Net Income	(20,651,449)	(21,824,503)	(22,956,231)	(24,057,856)	(25,110,561)	(26,111,819)	(27,102,530)	(28,070,926)	(28,984,354)	(29,843,059)	(30,645,803)	(31,714,160)	(31,714,160)
Percent of Revenue (Accrual)													
Cost of Revenue	51%	51%	51%	51%	51%	51%	54%	56%	56%	55%	55%	55%	54%
Sales & Marketing	145%	129%	117%	107%	98%	90%	83%	77%	72%	67%	63%	63%	86%
G&A	32%	29%	27%	25%	23%	21%	19%	18%	17%	16%	15%	19%	20%
R&D	1%	1%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Gross Margin Equivalent	43%	44%	44%	45%	45%	45%	43%	41%	42%	42%	43%	39%	43%
Net Income	-143%	-123%	-107%	-95%	-83%	-73%	-67%	-60%	-53%	-47%	-41%	-52%	-71%

Non-cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

D BALANCE SHEET

	Year 2												Year 2
	1	2	3	4	5	6	7	8	9	10	11	12	
Current Assets:													
Cash	\$4,245,587	\$4,520,965	\$4,842,387	\$5,195,853	\$5,616,281	\$6,096,241	\$6,082,713	\$5,709,960	\$5,863,704	\$5,531,952	\$4,631,333	\$4,021,545	\$4,021,545
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$3,642,407	\$3,767,192	\$3,857,186	\$3,914,295	\$3,936,459	\$3,921,837	\$4,825,676	\$5,393,730	\$5,151,406	\$6,626,777	\$7,459,341	\$7,796,091	\$7,796,091
Other Current Assets	\$25,156	\$28,118	\$31,168	\$34,309	\$37,545	\$40,878	\$44,244	\$47,644	\$51,078	\$54,546	\$58,049	\$61,587	\$61,587
Total Current Assets	\$7,913,151	\$8,316,275	\$8,730,741	\$9,144,457	\$9,590,285	\$10,058,956	\$10,952,632	\$11,151,335	\$11,066,189	\$12,213,275	\$12,148,723	\$11,879,223	\$11,879,223
Fixed Assets:													
Int., Property, & Equipment	\$656,000	\$656,000	\$659,500	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Cumulated Depreciation	(\$197,431)	(\$215,653)	(\$233,875)	(\$252,194)	(\$270,889)	(\$289,583)	(\$308,278)	(\$326,972)	(\$345,667)	(\$364,361)	(\$383,056)	(\$401,750)	(\$401,750)
Total Fixed Assets	\$458,569	\$440,347	\$425,625	\$420,806	\$402,111	\$383,417	\$364,722	\$346,028	\$327,333	\$308,639	\$289,944	\$271,250	\$271,250
Total Assets	\$8,371,720	\$8,756,622	\$9,156,366	\$9,565,263	\$9,992,396	\$10,442,372	\$11,317,355	\$11,497,362	\$11,393,522	\$12,521,914	\$12,438,667	\$12,150,473	\$12,150,473
Current Liabilities:													
Accounts Payable	1,045,541	1,055,348	1,067,336	1,082,153	1,092,868	1,103,905	1,613,781	1,491,552	1,116,511	2,005,797	1,715,126	1,573,600	\$1,573,600
Earned Revenue	23,170,857	24,717,032	26,234,483	27,728,093	29,195,059	30,633,034	31,986,608	33,254,974	34,437,314	35,532,812	36,540,645	37,459,975	\$37,459,975
Other Current Liabilities	\$16,771	\$18,745	\$20,778	\$22,873	\$25,030	\$27,252	\$29,496	\$31,763	\$34,052	\$36,364	\$38,699	\$41,058	\$41,058
Total Current Liabilities	\$24,233,169	\$25,791,125	\$27,322,597	\$28,833,119	\$30,312,958	\$31,764,191	\$33,629,885	\$34,778,288	\$35,587,876	\$37,574,973	\$38,294,470	\$39,074,633	\$39,074,633
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Contributions													
Retained Earnings / (Loss) - After Tax	(20,851,449)	(21,824,503)	(22,956,231)	(24,057,856)	(25,110,561)	(26,111,819)	(27,102,530)	(28,070,926)	(28,984,354)	(29,843,059)	(30,645,803)	(31,714,160)	(\$31,714,160)
Total Owner Equity	(\$15,861,449)	(\$17,034,503)	(\$18,166,231)	(\$19,267,856)	(\$20,320,561)	(\$21,321,819)	(\$22,312,530)	(\$23,280,926)	(\$24,194,354)	(\$25,053,059)	(\$25,855,803)	(\$26,924,160)	(\$26,924,160)
Total Equity & Liabilities	\$8,371,720	\$8,756,622	\$9,156,366	\$9,565,263	\$9,992,396	\$10,442,372	\$11,317,355	\$11,497,362	\$11,393,522	\$12,521,914	\$12,438,667	\$12,150,473	\$12,150,473
Balance Sheet Assumptions - Working Capital													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-
Accounts Payable Registry Operator (Core Registration)	297,950	306,889	316,095	325,577	335,344	345,404	854,575	731,633	355,871	1,244,430	953,025	735,406	735,406
Accounts Payable as a % of Core Registry Expenses	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accounts Payable Labor	50,684	50,684	52,088	55,533	55,533	55,533	55,533	55,533	55,533	55,533	55,533	130,885	130,885
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor)	696,907	697,775	699,153	701,042	701,991	702,967	703,673	704,386	705,106	705,833	706,567	707,309	707,309
Accounts Payable as a % of Ops Expense (As Debit)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	25,156	28,118	31,168	34,309	37,545	40,878	44,244	47,644	51,078	54,546	58,049	61,587	61,587
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	16,771	18,745	20,778	22,873	25,030	27,252	29,496	31,763	34,052	36,364	38,699	41,058	41,058
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

gTLD CONSORTIUM
Cash Flow Statement

D CASH FLOW STATEMENT

	Year 2												Year 2
	1	2	3	4	5	6	7	8	9	10	11	12	
sh From Operations:													
Income After Taxes	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,088,357)	(12,283,499)
Adjustment: Depreciation & Amortization	18,222	18,222	18,222	18,319	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	222,542
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(157,930)	(124,785)	(89,994)	(57,109)	(22,165)	14,623	(903,839)	(568,055)	242,324	(1,475,371)	(832,564)	(336,750)	(4,311,614)
Change in Other Current Assets	(2,875)	(2,961)	(3,050)	(3,142)	(3,236)	(3,333)	(3,366)	(3,400)	(3,434)	(3,468)	(3,503)	(3,538)	(39,306)
Change in Accounts Payable	(925,990)	9,806	11,989	14,817	10,715	11,037	509,876	(122,229)	(375,041)	889,286	(290,671)	(141,526)	(397,931)
Change in Unearned Revenue	1,572,830	1,546,175	1,517,451	1,493,610	1,466,966	1,437,974	1,353,574	1,268,366	1,182,340	1,095,499	1,007,832	919,330	15,861,948
Change in Other Current Liabilities	1,917	1,974	2,033	2,094	2,157	2,222	2,244	2,267	2,289	2,312	2,335	2,359	26,204
Total Cash Flow from Operations	(\$714,615)	\$275,378	\$324,922	\$366,966	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)	(921,657)
sh From Investing Activities:													
Capital Expenditures	\$0	\$0	(\$3,500)	(\$13,500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(17,000)
Total Cash Flow from Investing Activities	\$0	\$0	(\$3,500)	(\$13,500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(17,000)
Cash Flow Before Financing	(\$714,615)	\$275,378	\$321,422	\$353,466	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)	(938,657)
sh Flow From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Proceeds from Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Payments (Bank Loans)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Payments (Other L-T)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow from Ops, Investing & Financing	(\$714,615)	\$275,378	\$321,422	\$353,466	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)	(938,657)
Beginning Cash Balance	\$4,960,202	\$4,245,587	\$4,520,965	\$4,842,387	\$5,195,853	\$5,616,281	\$6,096,241	\$6,082,713	\$5,709,960	\$5,863,704	\$5,531,952	\$4,631,333	\$4,960,202
Net Increase/(Decrease) in Cash	(\$714,615)	\$275,378	\$321,422	\$353,466	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)	(\$938,657)
Ending Cash Balance	\$4,245,587	\$4,520,965	\$4,842,387	\$5,195,853	\$5,616,281	\$6,096,241	\$6,082,713	\$5,709,960	\$5,863,704	\$5,531,952	\$4,631,333	\$4,021,545	\$4,021,545

90% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 3 1	2	3	4	5	6	7	8	9	10	11	12	Year 3
Registrations	248,580	251,066	253,577	256,113	258,674	261,261	261,261	261,261	261,261	261,261	261,261	261,261	3,096,837
Revenue	\$ 2,185,958	\$ 2,306,400	\$ 2,428,046	\$ 2,550,909	\$ 2,675,001	\$ 2,800,334	\$ 2,925,643	\$ 3,050,928	\$ 3,176,189	\$ 3,301,426	\$ 3,714,138	\$ 3,743,493	\$ 34,858,464
Operating Expenses:													
Registry Operator	1,195,241	1,257,033	1,319,443	1,382,477	1,446,142	1,510,443	1,536,803	1,572,634	1,636,898	1,568,400	1,632,639	1,700,554	17,758,708
Systems Development & Support	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	136,410	660,672
Customer Service	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	119,892	708,581
Sales & Marketing	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,112,062	12,705,367
General & Administrative	302,715	303,038	303,364	303,693	304,025	304,361	304,361	304,361	304,361	304,361	304,361	414,048	3,757,048
	33,205	34,408	35,623	36,850	38,089	39,341	40,593	41,845	43,097	44,349	48,476	48,769	484,643
Operating Expenses	2,686,275	2,749,593	2,813,544	2,878,134	2,943,370	3,009,259	3,036,871	3,073,954	3,139,470	3,072,224	3,140,590	3,531,735	36,075,020
TDA	(500,317)	(443,193)	(385,497)	(327,225)	(268,369)	(208,926)	(111,229)	(23,026)	36,719	229,202	573,548	211,757	(1,216,555)
Depreciation & Amortization	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	224,333
Interest	(519,012)	(461,887)	(404,192)	(345,919)	(287,064)	(227,620)	(129,923)	(41,720)	18,025	210,508	554,854	193,063	(1,440,889)
Interest	5,865	5,803	6,101	6,403	6,709	7,020	7,333	7,213	6,777	6,727	6,685	13,035	85,671
Operating Consortium Profit (Before Rebates)	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	11,247	203,781	548,169	180,028	(1,526,559)
Rebates	-	-	-	-	-	-	-	-	2,812	50,945	137,042	45,007	235,806
Operating Consortium Profit	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	8,436	152,836	411,127	135,021	(1,762,366)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	3,374	61,134	164,451	54,008	282,988
Estimated Consortium Net Income	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	5,061	91,701	246,676	81,013	(2,045,333)
Relative Net Income	(32,239,036)	(32,706,727)	(33,117,020)	(33,469,342)	(33,763,115)	(33,997,755)	(34,135,011)	(34,183,945)	(34,178,883)	(34,087,182)	(33,840,506)	(33,759,493)	(33,759,493)
Percent of Revenue (Accrual)													
Cost of Revenue	55%	55%	54%	54%	54%	54%	53%	52%	52%	48%	44%	45%	51%
Sales & Marketing	48%	46%	43%	41%	39%	38%	36%	35%	33%	32%	28%	30%	36%
G&A	14%	13%	12%	12%	11%	11%	10%	10%	10%	9%	8%	11%	11%
R&D	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	43%	43%	44%	44%	44%	44%	46%	47%	47%	51%	55%	51%	47%
Net Income	-24%	-20%	-17%	-14%	-11%	-8%	-5%	-2%	0%	3%	7%	2%	-6%

Non-cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

D BALANCE SHEET

	Year 3												Year 3
	1	2	3	4	5	6	7	8	9	10	11	12	
Current Assets:													
Cash	\$3,979,307	\$4,183,365	\$4,390,635	\$4,600,767	\$4,813,476	\$5,028,349	\$4,946,111	\$4,647,259	\$4,612,605	\$4,583,951	\$8,938,279	\$12,181,743	\$12,181,743
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$7,931,494	\$8,030,211	\$8,092,232	\$8,117,551	\$8,106,176	\$8,058,130	\$8,546,851	\$8,867,577	\$8,713,802	\$8,812,572	\$9,857,222	\$9,469,397	\$9,469,397
Other Current Assets	\$65,160	\$68,769	\$72,415	\$76,096	\$79,815	\$83,570	\$87,326	\$91,082	\$94,837	\$98,593	\$110,973	\$111,854	\$111,854
Total Current Assets	\$11,975,961	\$12,282,346	\$12,555,281	\$12,794,434	\$12,999,467	\$13,170,049	\$13,580,288	\$13,605,917	\$13,421,244	\$13,495,117	\$18,906,474	\$21,762,993	\$21,762,993
Fixed Assets:													
Int, Property, & Equipment	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Accumulated Depreciation	(\$420,444)	(\$439,139)	(\$457,833)	(\$476,528)	(\$495,222)	(\$513,917)	(\$532,611)	(\$551,306)	(\$570,000)	(\$588,694)	(\$607,389)	(\$626,083)	(\$626,083)
Total Fixed Assets	\$252,556	\$233,861	\$215,167	\$196,472	\$177,778	\$159,083	\$140,389	\$121,694	\$103,000	\$84,306	\$65,611	\$46,917	\$46,917
Total Assets	\$12,228,517	\$12,516,207	\$12,770,448	\$12,990,906	\$13,177,244	\$13,329,133	\$13,720,677	\$13,727,611	\$13,524,244	\$13,579,422	\$18,972,085	\$21,809,910	\$21,809,910
Current Liabilities:													
Accounts Payable	1,344,199	1,357,515	1,371,142	1,385,087	1,399,358	1,413,966	1,696,156	1,630,700	1,426,208	1,518,857	2,025,980	1,905,948	\$1,905,948
Accrued Revenue	38,289,914	39,029,572	39,678,049	40,234,431	40,697,792	41,067,208	41,311,314	41,430,135	41,423,695	41,292,018	45,922,629	48,798,885	\$48,798,885
Other Current Liabilities	\$43,440	\$45,846	\$48,276	\$50,731	\$53,210	\$55,714	\$58,217	\$60,721	\$63,225	\$65,729	\$73,982	\$74,569	\$74,569
Total Current Liabilities	\$39,677,553	\$40,432,934	\$41,097,468	\$41,670,248	\$42,150,360	\$42,536,888	\$43,065,688	\$43,121,556	\$42,913,128	\$42,876,604	\$48,022,591	\$50,779,403	\$50,779,403
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Contributions													
Retained Earnings / (Loss) - After Tax	(32,239,036)	(32,706,727)	(33,117,020)	(33,469,342)	(33,763,115)	(33,997,755)	(34,135,011)	(34,183,945)	(34,178,883)	(34,087,182)	(33,840,506)	(33,759,493)	(\$33,759,493)
Total Owner Equity	(\$27,449,036)	(\$27,916,727)	(\$28,327,020)	(\$28,679,342)	(\$28,973,115)	(\$29,207,755)	(\$29,345,011)	(\$29,393,945)	(\$29,388,883)	(\$29,297,182)	(\$29,050,506)	(\$28,969,493)	(\$28,969,493)
Total Equity & Liabilities	\$12,228,517	\$12,516,207	\$12,770,448	\$12,990,906	\$13,177,244	\$13,329,133	\$13,720,677	\$13,727,611	\$13,524,244	\$13,579,422	\$18,972,085	\$21,809,910	\$21,809,910
Balance Sheet Assumptions - Working Capital													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounts Payable Registry Operator (Core Registratio	665,322	677,876	690,732	703,898	717,384	731,198	1,012,762	946,680	741,562	833,585	1,338,645	1,143,114	1,143,114
Accounts Payable as a % of Core Registry Expen	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accounts Payable Labor	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	133,662	133,662
Liabilities Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Liabilities Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor	620,567	621,330	622,100	622,878	623,664	624,458	625,084	625,710	626,336	626,962	629,025	629,172	629,172
Accounts Payable as a % of Ops Expense (As De	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	65,160	68,769	72,415	76,096	79,815	83,570	87,326	91,082	94,837	98,593	110,973	111,854	111,854
Other Current Assets as a % of Revenue (Accrual	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	43,440	45,846	48,276	50,731	53,210	55,714	58,217	60,721	63,225	65,729	73,982	74,569	74,569
Other Current Liabilities as a % of Revenue (Accr	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

gTLD CONSORTIUM
Cash Flow Statement

CASH FLOW STATEMENT

	Year 3												Year 3
	1	2	3	4	5	6	7	8	9	10	11	12	
sh From Operations:													
Net Income After Taxes	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	5,061	91,701	246,676	81,013	(2,045,333)
Adjustments:													
Depreciation & Amortization	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	224,333
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(135,403)	(98,718)	(62,020)	(25,319)	11,375	48,046	(488,721)	(320,726)	153,775	(98,771)	(1,044,650)	387,825	(1,673,306)
Change in Other Current Assets	(3,573)	(3,609)	(3,645)	(3,682)	(3,718)	(3,756)	(3,756)	(3,756)	(3,756)	(3,756)	(12,381)	(881)	(50,267)
Change in Accounts Payable	(229,401)	13,316	13,627	13,945	14,271	14,608	282,190	(65,457)	(204,492)	92,650	507,123	(120,032)	332,348
Change in Unearned Revenue	829,939	739,659	648,477	556,382	463,361	369,416	244,106	118,821	(6,440)	(131,677)	4,630,611	2,876,256	11,338,911
Change in Other Current Liabilities	2,382	2,406	2,430	2,454	2,479	2,504	2,504	2,504	2,504	2,504	8,254	587	33,511
Total Cash Flow from Operations	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464	8,160,197
sh From Investing Activities:													
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
sh Flow Before Financing	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464	8,160,197
sh Flow From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Other L-T	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
sh Flow from Ops, Investing & Financing	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464	8,160,197
Beginning Cash Balance	\$4,021,545	\$3,979,307	\$4,183,365	\$4,390,635	\$4,600,787	\$4,813,476	\$5,028,349	\$4,946,111	\$4,647,259	\$4,612,605	\$4,583,951	\$8,938,279	\$4,021,545
Net Increase/(Decrease) in Cash	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464	\$8,160,197
Ending Cash Balance	\$3,979,307	\$4,183,365	\$4,390,635	\$4,600,787	\$4,813,476	\$5,028,349	\$4,946,111	\$4,647,259	\$4,612,605	\$4,583,951	\$8,938,279	\$12,181,743	\$12,181,743

90% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 4												Year 4
	1	2	3	4	5	6	7	8	9	10	11	12	
Registrations	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	3,135,132
Revenue	\$ 3,796,805	\$ 3,898,034	\$ 4,026,097	\$ 4,154,246	\$ 4,282,483	\$ 4,410,812	\$ 4,539,236	\$ 4,665,534	\$ 4,791,844	\$ 4,918,165	\$ 5,044,497	\$ 5,170,841	\$ 53,698,595
Operating Expenses:													
Registry Operator	1,757,405	1,805,554	1,853,221	1,900,391	1,947,050	1,993,181	2,035,581	2,078,859	2,125,119	2,156,450	2,148,266	2,158,336	23,959,415
System Development & Support	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	138,793	689,268
Customer Service	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	122,568	740,692
Legal & Marketing	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	908,783	10,266,015
General & Administrative	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	426,244	3,908,368
	49,876	50,889	52,169	53,451	54,733	56,016	57,301	58,584	59,877	61,160	62,443	63,726	679,886
Operating Expenses	3,080,732	3,129,894	3,178,841	3,227,893	3,275,234	3,322,648	3,366,333	3,410,873	3,458,397	3,490,990	3,484,070	3,818,341	40,243,644
TDA	716,073	768,141	847,256	926,953	1,007,250	1,088,164	1,172,903	1,254,661	1,333,448	1,427,174	1,560,428	1,352,500	13,454,951
Depreciation & Amortization	18,694	13,833	4,556	2,125	1,444	764	764	764	764	472	472	472	45,125
EBITDA	697,379	754,307	842,700	924,828	1,005,805	1,087,400	1,172,139	1,253,897	1,332,684	1,426,702	1,559,955	1,352,028	13,409,826
EBIT	17,765	20,463	22,549	24,508	26,417	28,278	30,093	31,496	32,538	33,861	35,361	36,341	339,670
EBIT before Consortium Profit (Before Rebates)	679,613	733,844	820,151	900,320	979,388	1,059,122	1,142,047	1,222,402	1,300,146	1,392,841	1,524,594	1,315,687	13,070,155
EBIT	169,903	183,461	205,038	225,080	244,847	264,780	285,512	305,600	325,036	348,210	381,149	328,922	3,267,539
EBIT before Consortium Profit	509,710	550,383	615,113	675,240	734,541	794,341	856,535	916,801	975,109	1,044,631	1,143,446	986,765	9,802,617
Imputed Stockholder Taxes	203,884	220,153	246,045	270,096	293,817	317,737	342,614	366,721	390,044	417,852	457,378	394,706	3,921,047
Imputed Consortium Net Income	305,826	330,230	369,068	405,144	440,725	476,605	513,921	550,081	585,066	626,778	686,067	592,059	5,881,570
Relative Net Income	(33,453,667)	(33,123,437)	(32,754,369)	(32,349,225)	(31,908,500)	(31,431,896)	(30,917,975)	(30,367,894)	(29,782,828)	(29,156,050)	(28,469,982)	(27,877,923)	(27,877,923)
Percent of Revenue (Accrual)													
Cost of Revenue	46%	46%	46%	46%	45%	45%	45%	45%	44%	44%	43%	42%	45%
Sales & Marketing	22%	22%	21%	20%	20%	19%	19%	18%	18%	17%	17%	18%	19%
G&A	8%	8%	8%	8%	7%	7%	7%	7%	7%	6%	6%	8%	7%
R&D	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	52%	52%	53%	53%	53%	54%	54%	54%	55%	55%	56%	56%	54%
Net Income	8%	8%	9%	10%	10%	11%	11%	12%	12%	13%	14%	11%	11%

h flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

FD BALANCE SHEET

	Year 4												Year 4
	1	2	3	4	5	6	7	8	9	10	11	12	
Current Assets:													
Cash	\$14,031,953	\$15,462,364	\$16,805,329	\$18,114,423	\$19,390,852	\$20,634,868	\$21,597,031	\$22,311,742	\$23,219,189	\$24,247,501	\$24,919,726	\$25,839,760	\$25,839,760
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$9,164,729	\$9,034,892	\$8,995,238	\$8,948,476	\$8,896,169	\$8,839,928	\$9,281,238	\$9,579,880	\$9,488,256	\$9,400,933	\$9,888,783	\$9,650,661	\$9,650,661
Other Current Assets	\$113,453	\$116,490	\$120,332	\$124,177	\$128,024	\$131,874	\$135,726	\$139,515	\$143,305	\$147,094	\$150,884	\$154,675	\$154,675
Total Current Assets	\$23,310,136	\$24,613,747	\$25,920,899	\$27,187,077	\$28,415,046	\$29,606,669	\$31,013,995	\$32,031,137	\$32,850,750	\$33,795,528	\$34,959,393	\$35,645,096	\$35,645,096
Fixed Assets:													
Int, Property, & Equipment	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Accumulated Depreciation	(\$644,778)	(\$658,611)	(\$663,167)	(\$665,292)	(\$666,736)	(\$667,500)	(\$668,264)	(\$669,028)	(\$669,792)	(\$670,264)	(\$670,736)	(\$671,208)	(\$671,208)
Total Fixed Assets	\$28,222	\$14,389	\$9,833	\$7,708	\$6,264	\$5,500	\$4,736	\$3,972	\$3,208	\$2,736	\$2,264	\$1,792	\$1,792
Total Assets	\$23,338,358	\$24,628,136	\$25,930,732	\$27,194,785	\$28,421,310	\$29,612,169	\$31,018,732	\$32,035,109	\$32,853,958	\$33,798,264	\$34,961,657	\$35,646,887	\$35,646,887
Current Liabilities:													
Accounts Payable	1,598,311	1,559,119	1,569,684	1,580,474	1,591,492	1,602,748	1,862,566	1,802,380	1,615,791	1,618,868	1,887,470	1,877,448	\$1,877,448
Earned Revenue	50,328,079	51,324,794	52,245,196	53,090,752	53,862,968	54,563,401	55,193,656	55,717,613	56,135,459	56,447,384	56,653,581	56,754,246	\$56,754,246
Other Current Liabilities	\$75,636	\$77,660	\$80,221	\$82,784	\$85,349	\$87,916	\$90,484	\$93,010	\$95,536	\$98,063	\$100,589	\$103,116	\$103,116
Total Current Liabilities	\$52,002,026	\$52,961,573	\$53,895,102	\$54,754,010	\$55,539,810	\$56,254,065	\$57,146,706	\$57,613,003	\$57,846,787	\$58,164,314	\$58,641,640	\$58,734,811	\$58,734,811
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Contributions													
Retained Earnings / (Loss) - After Tax	(33,453,667)	(33,123,437)	(32,754,369)	(32,349,225)	(31,908,500)	(31,431,896)	(30,917,975)	(30,367,894)	(29,782,828)	(29,156,050)	(28,469,982)	(27,877,923)	(\$27,877,923)
Total Owner Equity	(\$28,663,667)	(\$28,333,437)	(\$27,964,369)	(\$27,559,225)	(\$27,118,500)	(\$26,641,896)	(\$26,127,975)	(\$25,577,894)	(\$24,992,828)	(\$24,366,050)	(\$23,679,982)	(\$23,087,923)	(\$23,087,923)
Total Equity & Liabilities	\$23,338,358	\$24,628,136	\$25,930,732	\$27,194,785	\$28,421,310	\$29,612,169	\$31,018,732	\$32,035,109	\$32,853,958	\$33,798,264	\$34,961,657	\$35,646,887	\$35,646,887
Balance Sheet Assumptions - Working Capital													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-
Accounts Payable Registry Operator (Core Registratio	1,006,619	966,921	976,848	986,995	997,372	1,007,986	1,267,163	1,206,345	1,019,124	1,021,570	1,289,540	1,203,535	1,203,535
Accounts Payable as a % of Core Registry Expen	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accounts Payable Labor	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	136,578	136,578
Liabilities Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Liabilities Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor	530,466	530,972	531,612	532,253	532,894	533,536	534,178	534,810	535,441	536,073	536,704	537,336	537,336
Accounts Payable as a % of Ops Expense (As De	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	113,453	116,490	120,332	124,177	128,024	131,874	135,726	139,515	143,305	147,094	150,884	154,675	154,675
Other Current Assets as a % of Revenue (Accrual	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	75,636	77,660	80,221	82,784	85,349	87,916	90,484	93,010	95,536	98,063	100,589	103,116	103,116
Other Current Liabilities as a % of Revenue (Accr	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

gTLD CONSORTIUM
Cash Flow Statement

D CASH FLOW STATEMENT

	Year 4												Year 4
	1	2	3	4	5	6	7	8	9	10	11	12	
sh From Operations:													
Net Income After Taxes	305,826	330,230	369,068	405,144	440,725	476,605	513,921	550,081	585,066	626,778	686,067	592,059	5,881,570
Adjustment: Depreciation & Amortization	18,694	13,833	4,556	2,125	1,444	764	764	764	764	472	472	472	45,125
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	304,667	129,838	39,654	46,762	52,307	56,241	(441,310)	(298,642)	91,624	87,323	(487,850)	238,121	(181,265)
Change in Other Current Assets	(1,599)	(3,037)	(3,842)	(3,844)	(3,847)	(3,850)	(3,853)	(3,789)	(3,789)	(3,790)	(3,790)	(3,790)	(42,820)
Change in Accounts Payable	(307,638)	(39,192)	10,566	10,789	11,019	11,256	259,818	(60,186)	(186,589)	3,077	268,602	(10,021)	(28,500)
Change in Unearned Revenue	1,529,194	996,715	920,402	845,556	772,216	700,433	630,254	523,957	417,847	311,924	206,197	100,665	7,955,360
Change in Other Current Liabilities	1,066	2,025	2,561	2,563	2,565	2,567	2,568	2,526	2,526	2,526	2,527	2,527	28,547
Total Cash Flow from Operations	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033	13,658,017
sh From Investing Activities:													
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
sh Flow Before Financing	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033	13,658,017
sh Flow From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
bt (Bank Loans)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
bt (Other L-T)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
sh Flow from Ops, Investing & Financing	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033	13,658,017
Beginning Cash Balance	\$12,181,743	\$14,031,953	\$15,462,364	\$16,805,329	\$18,114,423	\$19,390,852	\$20,634,868	\$21,597,031	\$22,311,742	\$23,219,189	\$24,247,501	\$24,919,726	\$12,181,743
Total Increase/(Decrease) in Cash	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033	\$13,658,017
Ending Cash Balance	\$14,031,953	\$15,462,364	\$16,805,329	\$18,114,423	\$19,390,852	\$20,634,868	\$21,597,031	\$22,311,742	\$23,219,189	\$24,247,501	\$24,919,726	\$25,839,760	\$25,839,760

90% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 5 1	2	3	4	5	6	7	8	9	10	11	12	Year 5
Registrations	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	3,135,132
Revenue	\$ 5,297,196	\$ 5,423,563	\$ 5,549,942	\$ 5,676,333	\$ 5,687,735	\$ 5,737,483	\$ 5,815,994	\$ 5,902,848	\$ 5,988,552	\$ 6,073,072	\$ 6,156,372	\$ 6,238,415	\$ 69,547,506
Operating Expenses:													
Industry Operator	2,180,513	2,206,042	2,230,789	2,254,732	2,330,952	2,388,629	2,432,856	2,472,430	2,512,305	2,552,493	2,548,758	2,560,116	28,670,615
Systems Development & Support	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	141,295	719,294
Customer Service	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	125,378	774,407
Sales & Marketing	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	1,043,144	11,878,352
General & Administrative	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	437,338	4,041,488
	65,483	66,747	68,011	69,275	69,389	69,886	70,671	71,540	72,397	73,242	74,075	74,895	845,611
Operating Expenses	3,670,213	3,697,006	3,723,016	3,748,224	3,824,558	3,882,732	3,927,744	3,968,187	4,008,918	4,049,952	4,047,050	4,382,166	46,929,767
TDA	1,626,983	1,726,557	1,826,925	1,928,109	1,863,177	1,854,752	1,888,249	1,934,661	1,979,634	2,023,121	2,109,322	1,856,249	22,617,739
Depreciation & Amortization	472	472	472	375	-	-	-	-	-	-	-	-	1,792
Total	1,626,511	1,726,085	1,826,453	1,927,734	1,863,177	1,854,752	1,888,249	1,934,661	1,979,634	2,023,121	2,109,322	1,856,249	22,615,947
Interest	37,683	38,925	40,029	41,012	41,910	46,921	50,968	53,393	54,989	56,860	58,960	60,978	582,627
Pre-tax Consortium Profit (Before Rebates)	1,588,828	1,687,159	1,786,424	1,886,722	1,821,268	1,807,830	1,837,282	1,881,268	1,924,645	1,966,261	2,050,362	1,795,271	22,033,320
Rebates	397,207	421,790	446,606	471,680	455,317	451,958	459,320	470,317	481,161	491,565	512,590	448,818	5,508,330
Post-tax Consortium Profit	1,191,621	1,265,369	1,339,818	1,415,041	1,365,951	1,355,873	1,377,961	1,410,951	1,443,484	1,474,695	1,537,771	1,346,453	16,524,990
Estimated Stockholder Taxes	476,648	506,148	535,927	566,017	546,380	542,349	551,184	564,381	577,394	589,878	615,109	538,581	6,609,996
Estimated Consortium Net Income	714,973	759,222	803,891	849,025	819,570	813,524	826,777	846,571	866,090	884,817	922,663	807,872	9,914,994
Relative Net Income	(27,162,951)	(26,403,729)	(25,599,838)	(24,750,813)	(23,931,243)	(23,117,719)	(22,290,943)	(21,444,372)	(20,578,281)	(19,693,464)	(18,770,801)	(17,962,929)	(17,962,929)

Percent of Revenue (Accrual)

Cost of Revenue	41%	41%	40%	40%	41%	42%	42%	42%	42%	42%	41%	41%	41%
Sales & Marketing	19%	18%	18%	17%	17%	17%	17%	17%	16%	16%	16%	17%	17%
G&A	6%	6%	6%	6%	6%	6%	6%	6%	5%	5%	5%	7%	6%
R&D	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	58%	58%	59%	59%	58%	57%	57%	57%	57%	57%	58%	57%	58%
Net Income	13%	14%	14%	15%	14%	14%	14%	14%	14%	15%	15%	13%	14%

Non-cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

10 BALANCE SHEET

	Year 5	1	2	3	4	5	6	7	8	9	10	11	12	Year 5
Current Assets:														
Cash		\$26,691,718	\$27,448,613	\$28,122,532	\$28,738,013	\$32,174,719	\$34,949,378	\$36,612,074	\$37,706,440	\$38,989,697	\$40,429,549	\$41,813,352	\$43,125,019	\$43,125,019
Accounts Receivable		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense		\$9,441,825	\$9,314,599	\$9,234,868	\$9,154,025	\$9,656,859	\$9,328,153	\$9,571,208	\$9,789,516	\$9,687,124	\$9,584,080	\$9,524,683	\$9,449,987	\$9,449,987
Other Current Assets		\$158,465	\$162,256	\$166,048	\$169,839	\$170,181	\$171,674	\$174,029	\$176,635	\$179,206	\$181,741	\$184,240	\$186,702	\$186,702
Total Current Assets		\$36,292,007	\$36,925,469	\$37,523,468	\$38,061,877	\$42,001,759	\$44,449,205	\$46,357,311	\$47,672,591	\$48,856,027	\$50,195,370	\$51,522,276	\$52,761,708	\$52,761,708
Fixed Assets:														
Int, Property, & Equipment		\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Accumulated Depreciation		(\$671,681)	(\$672,153)	(\$672,625)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)
Total Fixed Assets		\$1,319	\$847	\$375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Assets		\$36,293,327	\$36,926,316	\$37,523,843	\$38,061,877	\$42,001,759	\$44,449,205	\$46,357,311	\$47,672,591	\$48,856,027	\$50,195,370	\$51,522,276	\$52,761,708	\$52,761,708
Current Liabilities:														
Accounts Payable		1,811,059	1,792,110	1,797,968	1,803,931	2,128,026	2,027,624	2,206,502	2,118,197	1,933,206	1,937,956	1,942,810	2,023,121	\$2,023,121
Earned Revenue		56,749,575	56,639,764	56,425,015	56,105,533	58,901,522	60,634,851	61,535,732	62,091,009	62,591,632	63,039,717	63,437,440	63,787,048	\$63,787,048
Other Current Liabilities		\$105,643	\$108,171	\$110,698	\$113,226	\$113,454	\$114,449	\$116,019	\$117,757	\$119,471	\$121,161	\$122,827	\$124,468	\$124,468
Total Current Liabilities		\$58,666,278	\$58,540,045	\$58,333,681	\$58,022,690	\$61,143,002	\$62,776,924	\$63,858,254	\$64,326,963	\$64,644,308	\$65,098,834	\$65,503,077	\$65,934,637	\$65,934,637
Long-Term Liabilities:														
Bank Loans		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:														
Contributions														
Retained Earnings / (Loss) - After Tax		(27,162,951)	(26,403,729)	(25,599,838)	(24,750,813)	(23,931,243)	(23,117,719)	(22,290,943)	(21,444,372)	(20,578,281)	(19,693,464)	(18,770,801)	(17,962,929)	(\$17,962,929)
Total Owner Equity		(\$22,372,951)	(\$21,613,729)	(\$20,809,838)	(\$19,960,813)	(\$18,141,243)	(\$18,327,719)	(\$17,500,943)	(\$16,654,372)	(\$15,788,281)	(\$14,903,464)	(\$13,980,801)	(\$13,172,929)	(\$13,172,929)
Total Equity & Liabilities		\$36,293,327	\$36,926,316	\$37,523,843	\$38,061,877	\$42,001,759	\$44,449,205	\$46,357,311	\$47,672,591	\$48,856,027	\$50,195,370	\$51,522,276	\$52,761,708	\$52,761,708

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	0	-
Accounts Payable Registry Operator (Core Registry)	1,139,679	1,120,099	1,125,325	1,130,656	1,454,694	1,354,043	1,532,529	1,443,789	1,258,369	1,262,698	1,267,134	1,271,683	1,271,683	1,271,683
Accounts Payable as a % of Core Registry Expenses	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Accounts Payable Labor	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	139,639	139,639
Liabilities Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Liabilities Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor)	607,093	607,725	608,356	608,988	609,045	609,294	609,687	610,121	610,550	610,972	611,389	611,799	611,799	611,799
Accounts Payable as a % of Ops Expense (As Debit)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	158,465	162,256	166,048	169,839	170,181	171,674	174,029	176,635	179,206	181,741	184,240	186,702	186,702	186,702
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	105,643	108,171	110,698	113,226	113,454	114,449	116,019	117,757	119,471	121,161	122,827	124,468	124,468	124,468
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

gTLD CONSORTIUM
Cash Flow Statement

D CASH FLOW STATEMENT

	Year 5												Year 5
	1	2	3	4	5	6	7	8	9	10	11	12	Year 5
Cash From Operations:													
Net Income After Taxes	714,973	759,222	803,891	849,025	819,570	813,524	826,777	846,571	866,090	884,817	922,663	807,872	9,914,994
Adjustment: Depreciation & Amortization	472	472	472	375	-	-	-	-	-	-	-	-	1,792
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	208,837	127,225	79,711	80,863	(502,834)	328,706	(243,055)	(218,309)	102,392	103,045	59,396	74,696	200,674
Change in Other Current Assets	(3,791)	(3,791)	(3,791)	(3,792)	(342)	(1,492)	(2,355)	(2,606)	(2,571)	(2,536)	(2,499)	(2,461)	(32,027)
Change in Accounts Payable	(66,389)	(18,948)	5,857	5,963	324,096	(100,402)	178,878	(88,305)	(184,991)	4,751	4,853	80,311	145,673
Change in Unearned Revenue	(4,671)	(109,811)	(214,749)	(319,482)	2,795,988	1,733,329	900,881	555,277	500,623	448,085	397,724	349,608	7,032,802
Change in Other Current Liabilities	2,527	2,527	2,528	2,528	228	995	1,570	1,737	1,714	1,690	1,666	1,641	21,351
Total Cash Flow from Operations	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667	17,285,259
Cash From Investing Activities:													
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Cash Flow Before Financing	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667	17,285,259
Cash From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Proceeds from Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Repayment of Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Other Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Cash Flow from Ops, Investing & Financing	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667	17,285,259
Beginning Cash Balance	\$25,839,760	\$26,691,718	\$27,448,613	\$28,122,532	\$28,738,013	\$32,174,719	\$34,949,378	\$36,612,074	\$37,706,440	\$38,989,697	\$40,429,549	\$41,813,352	\$25,839,760
Net Increase/(Decrease) in Cash	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667	\$17,285,259
Ending Cash Balance	\$26,691,718	\$27,448,613	\$28,122,532	\$28,738,013	\$32,174,719	\$34,949,378	\$36,612,074	\$37,706,440	\$38,989,697	\$40,429,549	\$41,813,352	\$43,125,019	\$43,125,019

90% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Registrations	1,550,000	2,734,318	3,096,837	3,135,132	3,135,132	13,651,419
Revenue	\$ 2,209,848	\$ 17,312,165	\$ 34,858,464	\$ 53,698,595	\$ 69,547,506	\$ 177,626,578
Operating Expenses:						
Registry Operator	1,133,748	9,292,786	17,758,708	23,959,415	28,670,615	80,815,273
Registry Development & Support	550,729	633,438	660,672	689,268	719,294	3,253,400
Customer Service	459,813	678,000	708,581	740,692	774,407	3,361,493
Sales & Marketing	15,886,771	14,865,697	12,705,367	10,266,015	11,878,352	65,602,202
General & Administrative	3,354,037	3,541,015	3,757,048	3,908,368	4,041,488	18,601,956
	21,665	269,878	484,643	679,886	845,611	2,301,683
Operating Expenses	21,406,763	29,280,814	36,075,020	40,243,644	46,929,767	173,936,008
TDA	(19,196,914)	(11,966,649)	(1,216,555)	13,454,951	22,617,739	3,690,570
Depreciation & Amortization	179,208	222,542	224,333	45,125	1,792	673,000
Interest	(19,376,123)	(12,191,191)	(1,440,889)	13,409,826	22,615,947	3,017,570
Interest	54,538	92,308	85,671	339,670	582,627	1,154,815
Pre-tax Consortium Profit (Before Rebates)	(19,430,661)	(12,283,499)	(1,526,559)	13,070,155	22,033,320	1,862,756
Rebates	-	-	235,806	3,267,539	5,508,330	9,011,675
Pre-tax Consortium Profit	(19,430,661)	(12,283,499)	(1,762,366)	9,802,617	16,524,990	(7,148,919)
Estimated Stockholder Taxes	-	-	282,968	3,921,047	6,609,996	10,814,010
Estimated Consortium Net Income	(19,430,661)	(12,283,499)	(2,045,333)	5,881,570	9,914,994	(17,962,929)
Estimated Cumulative Net Income	(19,430,661)	(31,714,160)	(33,759,493)	(27,877,923)	(17,962,929)	(130,745,167)

Percent of Revenue (Accrual)

Cost of Revenue	51%	54%	51%	45%	41%	45%
Sales & Marketing	719%	86%	36%	19%	17%	37%
G&A	152%	20%	11%	7%	6%	10%
R&D	1%	2%	1%	1%	1%	1%
Gross Margin Equivalent	24%	43%	47%	54%	58%	47%
Net Income	-879%	-71%	-6%	11%	14%	-10%

Non-cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

LD BALANCE SHEET

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Current Assets:						
Cash	\$4,960,202	\$4,021,545	\$12,181,743	\$25,839,760	\$43,125,019	43,125,019
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$3,484,477	\$7,796,091	\$9,469,397	\$9,650,661	\$9,449,987	9,449,987
Other Current Assets	\$22,281	\$61,587	\$111,854	\$154,675	\$186,702	186,702
Total Current Assets	\$8,466,960	\$11,879,223	\$21,762,993	\$35,645,096	\$52,761,708	52,761,708
Fixed Assets:						
Intangible, Property, & Equipment	\$656,000	\$673,000	\$673,000	\$673,000	\$673,000	673,000
Accumulated Depreciation	(\$179,208)	(\$401,750)	(\$628,083)	(\$671,208)	(\$673,000)	(673,000)
Total Fixed Assets	\$476,792	\$271,250	\$46,917	\$1,792	\$0	-
Total Assets	\$8,943,752	\$12,150,473	\$21,809,910	\$35,646,887	\$52,761,708	52,761,708
Current Liabilities:						
Accounts Payable	\$1,971,531	\$1,573,600	\$1,905,948	\$1,877,448	\$2,023,121	2,023,121
Accrued Revenue	\$21,598,027	\$37,459,975	\$48,798,885	\$56,754,246	\$63,787,048	63,787,048
Other Current Liabilities	\$14,854	\$41,058	\$74,569	\$103,116	\$124,468	124,468
Total Current Liabilities	\$23,584,412	\$39,074,633	\$50,779,403	\$58,734,811	\$65,934,637	65,934,637
Long-Term Liabilities:						
Bank Loans	\$0	\$0	\$0	\$0	\$0	-
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	-
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	-
Owner Equity:						
Contributions	\$0	\$0	\$0	\$0	\$0	\$0
Retained Earnings / (Loss) - After Tax	(\$19,430,661)	(\$31,714,160)	(\$33,759,493)	(\$27,877,923)	(\$17,962,929)	(17,962,929)
Total Owner Equity	(\$19,430,661)	(\$31,714,160)	(\$33,759,493)	(\$27,877,923)	(\$17,962,929)	(17,962,929)
Total Equity & Liabilities	\$8,943,752	\$12,150,473	\$21,809,910	\$35,646,887	\$52,761,708	52,761,708

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	-	-	-	-	-
Accounts Payable Registry Operator (Core Registration)	372,438	735,406	1,143,114	1,203,535	1,271,683
Accounts Payable as a % of Core Registry Expenses	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15
Accounts Payable Labor	123,623	130,885	133,662	136,578	139,639
Salaries Payable as a % of Total Salary Expense	23.3%	23.3%	23.3%	23.3%	23.3%
Salaries Payable - Holding Days	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor)	1,475,471	707,309	629,172	537,336	611,799
Accounts Payable as a % of Ops Expense (As Debit)	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15
Other Current Assets	22,281	61,587	111,854	154,675	186,702
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	14,854	41,058	74,569	103,116	124,468
Other Current Liabilities as a % of Revenue (Accrual)	2.0%	2.0%	2.0%	2.0%	2.0%

gTLD CONSORTIUM
Cash Flow Statement

CASH FLOW STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
sh From Operations:						
Net Income After Taxes	(19,430,661)	(12,283,499)	(2,045,333)	5,881,570	9,914,994	(17,962,929)
Adjustment: Depreciation & Amortization	179,208	222,542	224,333	45,125	1,792	673,000
Change in Accounts Receivable	-	-	-	-	-	-
Change in Pre-Paid Expense	(3,484,477)	(4,311,614)	(1,673,306)	(181,265)	200,674	(9,449,987)
Change in Other Current Assets	(22,281)	(39,306)	(50,267)	(42,820)	(32,027)	(186,702)
Change in Accounts Payable	1,971,531	(397,931)	332,348	(28,500)	145,673	2,023,121
Change in Unearned Revenue	21,598,027	15,861,948	11,338,911	7,955,360	7,032,802	63,787,048
Change in Other Current Liabilities	14,854	26,204	33,511	28,547	21,351	124,468
Total Cash Flow from Operations	826,202	(921,657)	8,160,197	13,658,017	17,285,259	39,008,019
sh From Investing Activities:						
Capital Expenditures	(656,000)	(17,000)	-	-	-	(673,000)
Total Cash Flow from Investing Activities	(656,000)	(17,000)	-	-	-	(673,000)
Cash Flow Before Financing	170,202	(938,657)	8,160,197	13,658,017	17,285,259	38,164,817
sh Flow From Financing Activities:						
Proceeds from Equity Contributions	4,790,000	-	-	-	-	4,790,000
Repayment of (Bank Loans)	-	-	-	-	-	-
Repayment of (Other L-T)	-	-	-	-	-	-
Total Cash Flow From Financing Activities	4,790,000	-	-	-	-	4,790,000
Cash Flow from Ops, Investing & Financing	4,960,202	(938,657)	8,160,197	13,658,017	17,285,259	43,125,019
Beginning Cash Balance	\$0	\$4,960,202	\$4,021,545	\$12,181,743	\$25,839,760	-
Net Increase/(Decrease) in Cash	\$4,960,202	(\$938,657)	\$8,160,197	\$13,658,017	\$17,285,259	43,125,019
Ending Cash Balance	\$4,960,202	\$4,021,545	\$12,181,743	\$25,839,760	\$43,125,019	43,125,019

Headcount & Expense Input

90% CONFIDENCE LEVEL

	Cost Type	Annual Increase		Month Started
		2000 Salary	Bonus as % of Base	
EXECUTIVE MANAGEMENT				
General Manager / CEO	G&A	\$150,000	15%	2
Executive Assistant	G&A	\$45,000	10%	2
FINANCE & ACCOUNTING				
CFO	G&A	\$110,000	15%	4
Staff Accountant	G&A	\$45,000	10%	3
Accounts Operations Mgr (AVR & A/P)	G&A	\$55,000	10%	5
Administrative	G&A	\$35,000	10%	3
HUMAN RESOURCES				
Human Resources Senior Manager	G&A	\$65,000	15%	4
Human Resources Manager	G&A	\$50,000	10%	4
Administrative	G&A	\$35,000	10%	5
FACILITIES / OFFICE MANAGEMENT				
Facilities / Office Senior Manager	G&A	\$55,000	10%	15
Administrative	G&A	\$35,000	10%	16
LEGAL & BUSINESS AFFAIRS				
General Counsel	G&A	\$125,000	10%	4
SYSTEMS DEVELOPMENT & SUPPORT				
Chief Technology Officer	SYS DEV	\$175,000	20%	2
Operations and Engineering Manager	SYS DEV	\$110,000	15%	2
Senior Systems Administrator	SYS DEV	\$75,000	15%	3
Systems Administrator	SYS DEV	\$55,000	15%	3

	Year 1												
	1	2	3	4	5	6	7	8	9	10	11	12	
General Manager / CEO	-	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	35,000
Executive Assistant	-	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	8,250
CFO	-	-	-	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	25,667
Staff Accountant	-	-	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	8,250
Accounts Operations Mgr (AVR & A/P)	-	-	-	-	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	10,083
Administrative	-	-	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	6,417
Human Resources Senior Manager	-	-	-	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	15,167
Human Resources Manager	-	-	-	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	9,167
Administrative	-	-	-	-	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	6,417
Facilities / Office Senior Manager	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative	-	-	-	-	-	-	-	-	-	-	-	-	-
General Counsel	-	-	-	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	22,917
Chief Technology Officer	-	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	49,583
Operations and Engineering Manager	-	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	25,667
Senior Systems Administrator	-	-	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	17,500
Systems Administrator	-	-	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	12,833

Headcount & Expense Input

90% CONFIDENCE LEVEL

Department	Position	Salary	Rate	FTE
RESEARCH & DEVELOPMENT				
Research & Development Coordinator	R&D	\$100,000	15%	16
CUSTOMER SERVICE				
VP Policy & Registrar Relations	CUST SERV	\$130,000	15%	4
Manager, Registrar Relations	CUST SERV	\$50,000	10%	5
Customer Service Manager	CUST SERV	\$50,000	10%	4
Senior Customer Service Representative	CUST SERV	\$35,000	10%	6
Customer Service Representative	CUST SERV	\$24,000	10%	5
Customer Service Representative	CUST SERV	\$24,000	10%	5
Customer Service Representative	CUST SERV	\$24,000	10%	5
Customer Service Representative - US Satellite Office	CUST SERV	\$24,000	10%	9
Administrative	CUST SERV	\$35,000	10%	3
Administrative	CUST SERV	\$35,000	10%	4
Administrative - US Satellite Office	CUST SERV	\$35,000	10%	9
MARKETING & SALES				
Chief Marketing Officer	MKTG	\$150,000	15%	2
Marketing Manager	MKTG	\$65,000	10%	3
PR Manager	MKTG	\$65,000	10%	3
Sales Manager - US Satellite Office	MKTG	\$75,000	10%	9
Administrative	MKTG	\$35,000	10%	2

	Year 1												
	1	2	3	4	5	6	7	8	9	10	11	12	
RESEARCH & DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
CUSTOMER SERVICE	-	-	-	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	30,333
MARKETING & SALES	-	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	35,000
Total Labor Cost	55,417	88,667	133,750	154,333	154,333	154,333	154,333	165,500	165,500	165,500	165,500	423,850	

Sys Dev Headcount	2	4	4	4	4	4	4	4	4	4	4	4
Sys Dev New Hires	2	1	4	9	9	9	9	9	11	11	11	11
Cust Serv Headcount	-	1	3	5	5	5	5	5	5	5	5	5
Cust Serv New Hires	-	2	4	4	4	4	4	4	5	5	5	5
Mktg Headcount	-	2	2	-	-	-	-	-	1	-	-	-
Mktg New Hires	-	2	4	8	10	10	10	10	10	10	10	10
G&A Headcount	-	2	2	4	2	-	-	-	-	-	-	-
G&A New Hires	-	4	9	16	23	23	23	23	26	26	26	26
R&D Headcount	-	4	5	7	7	-	-	-	3	-	-	-
R&D New Hires	-	4	5	7	7	-	-	-	3	-	-	-
Total Headcount	6	13	20	27	27	27	27	27	30	30	30	30
Total New Hires	6	7	7	7	7	-	-	-	3	-	-	-

Labor Cost Type Breakout

Systems Development & Support

Systems Development & Support Labor - Straight Time

SYS DEV
25%

Fringe Rate

Fringe

Total Cost of Sales Labor

\$ -	\$ 23,750	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 105,583
25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
-	5,938	8,646	8,646	8,646	8,646	8,646	8,646	8,646	8,646	8,646	8,646	26,396
\$ -	\$ 29,688	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 131,979

Customer Service

Customer Service Labor - Straight Time

CUST SERV
25%

Fringe Rate

Fringe

Total Customer Service Labor

\$ -	\$ -	\$ 2,917	\$ 20,833	\$ 33,917	\$ 33,917	\$ 33,917	\$ 33,917	\$ 33,917	\$ 38,833	\$ 38,833	\$ 38,833	\$ 91,933
25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
-	-	729	5,208	8,479	8,479	8,479	8,479	8,479	9,708	9,708	9,708	22,983
\$ -	\$ -	\$ 3,646	\$ 26,042	\$ 42,396	\$ 42,396	\$ 42,396	\$ 42,396	\$ 42,396	\$ 48,542	\$ 48,542	\$ 48,542	\$ 114,917

Marketing

Marketing Labor - Straight Time

MKTG
25%

Fringe Rate

Fringe

Total Marketing Labor

\$ -	\$ 15,417	\$ 26,250	\$ 26,250	\$ 26,250	\$ 26,250	\$ 26,250	\$ 26,250	\$ 26,250	\$ 32,500	\$ 32,500	\$ 32,500	\$ 79,000
25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
-	3,854	6,563	6,563	6,563	6,563	6,563	6,563	6,563	8,125	8,125	8,125	19,750
\$ -	\$ 19,271	\$ 32,813	\$ 32,813	\$ 32,813	\$ 32,813	\$ 32,813	\$ 32,813	\$ 32,813	\$ 40,625	\$ 40,625	\$ 40,625	\$ 98,750

General & Administrative

G&A Labor - Straight Time

G&A
25%

Fringe Rate

Fringe

Total G&A Labor

\$ -	\$ 16,250	\$ 22,917	\$ 52,083	\$ 59,583	\$ 59,583	\$ 59,583	\$ 59,583	\$ 59,583	\$ 59,583	\$ 59,583	\$ 59,583	\$ 147,333
25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
-	4,063	5,729	13,021	14,896	14,896	14,896	14,896	14,896	14,896	14,896	14,896	36,833
\$ -	\$ 20,313	\$ 28,646	\$ 65,104	\$ 74,479	\$ 74,479	\$ 74,479	\$ 74,479	\$ 74,479	\$ 74,479	\$ 74,479	\$ 74,479	\$ 184,167

Research & Development

R&D Labor - Straight Time

R&D
25%

Fringe Rate

Fringe

Total R&D Labor

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
-	-	-	-	-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Labor with Fringe

\$ -	\$ 69,271	\$ 108,333	\$ 167,188	\$ 192,917	\$ 192,917	\$ 192,917	\$ 192,917	\$ 192,917	\$ 206,875	\$ 206,875	\$ 206,875	\$ 529,813
------	-----------	------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	------------

Headcount & Expense Input

90% CONFIDENCE LEVEL

OPERATING EXPENSES (Non-Labor):

SYSTEMS DEVELOPMENT & SUPPORT

Equipment Operating Leases
 Sun E6500 Servers
 EMC xxxx Storage Devices
 x86 Dual 1 Ghz servers
 Sun E450 Quad processor
 Cisco 7200 Routers
 Foundry BI 8000 Switches
 Oracle Enterprise (Cluster)
 Tucows Software

Remote Centers
 Rack space (Including Bandwidth Requirements)

Network Operations Center
 Rack space (Including Bandwidth Requirements)
 Total Systems Development & Support

MARKETING & SALES

Advertising & Promotion:
 Media
 Co-op Advertising Program
 Production
 Research
 Agency Fee
 Public Relations

Total Marketing & Sales

OUTSOURCED RESEARCH & DEVELOPMENT

R&D Expenditure as a Percentage of Sales (Accrual) 1.0%
 R&D Expense
 Total R&D

GENERAL & ADMINISTRATIVE

RENT EXPENSE

Headcount
 Average Space per Employee - Including Common (Sq Ft) 350
 Total Space Required (Sq Ft)

Cost per Square Foot per Month \$ 1.75

Total Rent

TELECOMMUNICATIONS EXPENSE

Headcount
 Average Monthly Long Distance Usage per Employee (In Minutes) 400
 Total Minutes
 Avg Cost Per Minute \$ 0.12
 Fixed Cost per Month \$ 20,000
 Total Telecom

MATERIALS & SUPPLIES

Headcount
 Average Monthly Materials & Supplies Cost per Employee \$ 200
 Total Materials & Supplies
 Annual Growth 4%

TRAVEL & ENTERTAINMENT

Average Number of Employees that Routinely Incur T & E 12
 Average Monthly T & E Costs per Employee \$ 6,000
 Total Travel & Entertainment
 Annual Growth 5%

Year 1	1	2	3	4	5	6	7	8	9	10	11	12
OPERATING EXPENSES (Non-Labor):												
SYSTEMS DEVELOPMENT & SUPPORT												
Equipment Operating Leases												
Sun E6500 Servers												
EMC xxxx Storage Devices												
x86 Dual 1 Ghz servers												
Sun E450 Quad processor												
Cisco 7200 Routers												
Foundry BI 8000 Switches												
Oracle Enterprise (Cluster)												
Tucows Software												
Remote Centers												
Rack space (Including Bandwidth Requirements)												
Network Operations Center												
Rack space (Including Bandwidth Requirements)												
Total Systems Development & Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MARKETING & SALES												
Advertising & Promotion:												
Media								350,000	350,000	350,000	1,000,000	1,000,000
Co-op Advertising Program											1,000,000	1,000,000
Production						100,000	100,000	100,000	1,000,000	200,000	100,000	1,000,000
Research							50,000	50,000	50,000	50,000	50,000	50,000
Agency Fee	100,000	100,000	100,000	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Public Relations	200,000	200,000	200,000	300,000	400,000	400,000	400,000	400,000	500,000	500,000	500,000	500,000
Total Marketing & Sales	\$300,000	\$300,000	\$300,000	\$400,000	\$500,000	\$700,000	\$1,100,000	\$1,100,000	\$2,100,000	\$2,950,000	\$2,850,000	\$ 2,750,000
OUTSOURCED RESEARCH & DEVELOPMENT												
R&D Expenditure as a Percentage of Sales (Accrual)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
R&D Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 821	\$ 1,438	\$ 1,438	\$ 4,313	\$ 6,229	\$ 7,427
Total R&D	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 821	\$ 1,438	\$ 1,438	\$ 4,313	\$ 6,229	\$ 7,427
GENERAL & ADMINISTRATIVE												
RENT EXPENSE												
Headcount	-	6	13	20	27	27	27	27	30	30	30	30
Average Space per Employee - Including Common (Sq Ft)	350	350	350	350	350	350	350	350	350	350	350	350
Total Space Required (Sq Ft)	-	2,100	4,650	7,000	9,450	9,450	9,450	9,450	10,500	10,500	10,500	10,500
Cost per Square Foot per Month	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent	\$ -	\$ 3,675	\$ 7,963	\$ 12,250	\$ 16,538	\$ 16,538	\$ 16,538	\$ 16,538	\$ 18,375	\$ 18,375	\$ 18,375	\$ 18,375
TELECOMMUNICATIONS EXPENSE												
Headcount	-	6	13	20	27	27	27	27	30	30	30	30
Average Monthly Long Distance Usage per Employee (In Minutes)	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	-	2,400	5,200	8,000	10,800	10,800	10,800	10,800	12,000	12,000	12,000	12,000
Avg Cost Per Minute	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Fixed Cost per Month	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Telecom	\$ 20,000	\$ 20,288	\$ 20,624	\$ 20,960	\$ 21,296	\$ 21,296	\$ 21,296	\$ 21,296	\$ 21,440	\$ 21,440	\$ 21,440	\$ 21,440
MATERIALS & SUPPLIES												
Headcount	-	6	13	20	27	27	27	27	30	30	30	30
Average Monthly Materials & Supplies Cost per Employee	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Total Materials & Supplies	\$ -	\$ 1,200	\$ 2,600	\$ 4,000	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Total Travel & Entertainment	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000
Annual Growth												

Headcount & Expense Input

90% CONFIDENCE LEVEL

SEMINARS & CONFERENCES

Average Number of Employees Routinely Attending Conferences	12
Average Number of Conferences Attended per Month	2
Average Cost per Conferences	\$ 400
Total Seminars & Conferences	
Annual Growth (In Cost)	4%

INSURANCE

Commercial Umbrella Liability	\$ 1,200 /mo.
Commercial Property	\$ 2,200 /mo.
Directors Liability	\$ 2,500 /mo.
Total Insurance	
Annual Growth	4%

FACILITY MAINTENANCE & OTHER

Utilities	\$ 600 /mo.
Facility Maintenance & Other	\$ 4,000 /mo.
Total Facility Maintenance & Other	
Annual Growth	4%

PROFESSIONAL SERVICES

Legal Services	\$ 1,200 /mo.
Financial & Accounting Services	\$ 6,000 /mo.
Other Outside Services	\$ 2,500 /mo.
Total Professional Fees	
Annual Growth	5%

TRADEMARK REVIEW

Percentage of New Registrations Challenged	2%
Number of Reviews Challenged	
Average Cost Per Trademark Review	\$ 6.00 /Review
Total Trademark Review	
Annual Growth (In Cost)	4%

SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.

Fully Outsourced and Managed Web Site Hosting	\$ 1,000 /mo.
Connectivity	\$ 1,500 /mo.
Professional Services	\$ 500 /mo.
Total Site Hosting & Connectivity	
Annual Growth	4%

OTHER GENERAL & ADMINISTRATIVE

Dues & Subscriptions	\$ 450 /mo.
Postage & Delivery	\$ 600 /mo.
Printing & Reproduction	\$ 800 /mo.
Mobile Phones	\$ 4,000 /mo.
Computer Supplies	\$ 75 per person/mo.
Licenses & Permits	\$ 300 /mo.
Recruiting Expense	
Parking	\$ 100 per person/mo.
Freight & Shipping	\$ 400 /mo.
Bank Service Charges	\$ 2,000 /mo.
Miscellaneous	\$ 5,000 /mo.
Other	\$ 2,500 /mo.
Total Other General & Administrative	
Annual Growth	4%

	Year 1												
	1	2	3	4	5	6	7	8	9	10	11	12	
	12	12	12	12	12	12	12	12	12	12	12	12	12
	2	2	2	2	2	2	2	2	2	2	2	2	2
	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600
	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200
	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900
	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
	\$ -	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600
	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
	\$ 6,000	\$ 6,000	\$ 8,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
	\$108,500	\$108,500	\$108,500	\$108,500	\$108,500	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700
	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	-	-	-	-	-	-	3,429	2,571	-	12,000	8,000	5,000	
	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,571	\$ 15,429	\$ -	\$ 72,000	\$ 48,000	\$ 30,000	
	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
	\$ -	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450
	\$ 600	\$ 600	\$ 800	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
	\$ -	\$ 450	\$ 975	\$ 1,500	\$ 2,025	\$ 2,025	\$ 2,025	\$ 2,025	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250
	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
	\$ 75,000	\$ 75,000	\$100,000	\$150,000	\$200,000	\$ 50,000							
	\$ -	\$ 600	\$ 1,300	\$ 2,000	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
	\$ -	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
	\$ 7,500	\$ 8,100	\$11,200	\$11,900	\$12,600	\$12,600	\$12,600	\$12,600	\$12,900	\$12,900	\$12,900	\$12,900	\$12,900

Headcount & Expense Input

	90% CONFIDENCE LEVEL												
	Year 2	1	2	3	4	5	6	7	8	9	10	11	12
gTLD REGISTRY EMPLOYEES													
EXECUTIVE MANAGEMENT													
General Manager / CEO	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	35,625
Executive Assistant	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	8,438
FINANCE & ACCOUNTING													
CFO	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	26,125
Staff Accountant	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	8,438
Accounts Operations Mgr (A/R & A/P)	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	10,313
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
HUMAN RESOURCES													
Human Resources Senior Manager	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	15,438
Human Resources Manager	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	9,375
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
FACILITIES / OFFICE MANAGEMENT													
Facilities / Office Senior Manager	-	-	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813
Administrative	-	-	-	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063
LEGAL & BUSINESS AFFAIRS													
General Counsel	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	23,438
SYSTEMS DEVELOPMENT & SUPPORT													
Chief Technology Officer	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	50,313
Operations and Engineering Manager	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	26,125
Senior Systems Administrator	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	17,813
Systems Administrator	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	13,063

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
RESEARCH & DEVELOPMENT												
Research & Development Coordinator	-	-	-	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750
CUSTOMER SERVICE												
VP Policy & Registrar Relations	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	30,875
Manager, Registrar Relations	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	9,375
Customer Service Manager	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	9,375
Senior Customer Service Representative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Customer Service Representative	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Customer Service Representative	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Customer Service Representative	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Customer Service Representative - US Satellite Office	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Administrative - US Satellite Office	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
MARKETING & SALES												
Chief Marketing Officer	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	35,625
Marketing Manager	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	12,188
PR Manager	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	12,188
Sales Manager - US Satellite Office	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	14,063
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Summary												
	173,775	173,775	178,588	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400	448,750
	4	4	4	4	4	4	4	4	4	4	4	4
	11	11	11	11	11	11	11	11	11	11	11	11
	5	5	5	5	5	5	5	5	5	5	5	5
	10	10	11	12	12	12	12	12	12	12	12	12
	-	-	1	1	1	1	1	1	1	1	1	1
	-	-	-	1	1	1	1	1	1	1	1	1
	28	26	27	28	28	28	28	28	28	28	28	28
	-	-	1	1	-	-	-	-	-	-	-	-
	30	30	31	33	33	33	33	33	33	33	33	33
	-	-	1	2	-	-	-	-	-	-	-	-
Labor Cost Type Breakout												
Systems Development & Support												
Systems Development & Support Labor - Straight Time	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 107,313
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	26,828
Total Cost of Sales Labor	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 134,141
Customer Service												
Customer Service Labor - Straight Time	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 40,775	\$ 93,875
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	10,194	10,194	10,194	10,194	10,194	10,194	10,194	10,194	10,194	10,194	10,194	23,469
Total Customer Service Labor	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 50,969	\$ 117,344
Marketing												
Marketing Labor - Straight Time	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 34,125	\$ 80,825
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	8,531	8,531	8,531	8,531	8,531	8,531	8,531	8,531	8,531	8,531	8,531	20,156
Total Marketing Labor	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 42,656	\$ 100,781
General & Administrative												
G&A Labor - Straight Time	\$ 62,563	\$ 62,563	\$ 67,375	\$ 70,438	\$ 70,438	\$ 70,438	\$ 70,438	\$ 70,438	\$ 70,438	\$ 70,438	\$ 70,438	\$ 158,188
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	15,641	15,641	16,844	17,609	17,609	17,609	17,609	17,609	17,609	17,609	17,609	39,547
Total G&A Labor	\$ 78,203	\$ 78,203	\$ 84,219	\$ 88,047	\$ 88,047	\$ 88,047	\$ 88,047	\$ 88,047	\$ 88,047	\$ 88,047	\$ 88,047	\$ 197,734
Research & Development												
R&D Labor - Straight Time	\$ -	\$ -	\$ -	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	-	-	-	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188	2,188
Total R&D Labor	\$ -	\$ -	\$ -	\$ 10,938	\$ 10,938	\$ 10,938	\$ 10,938	\$ 10,938	\$ 10,938	\$ 10,938	\$ 10,938	\$ 10,938
Total Labor with Fringe												
	\$ 217,219	\$ 217,219	\$ 223,234	\$ 238,000	\$ 238,000	\$ 238,000	\$ 238,000	\$ 238,000	\$ 238,000	\$ 238,000	\$ 238,000	\$ 560,938

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
OPERATING EXPENSES (Non-Labor):												
<u>SYSTEMS DEVELOPMENT & SUPPORT</u>												
Equipment Operating Leases												
Sun E6500 Servers												
EMC xxxx Storage Devices												
x86 Dual 1 Ghz servers												
Sun E450 Quad processor												
Cisco 7200 Routers												
Foundry BI 8000 Switches												
Oracle Enterprise (Cluster)												
Tucows Software												
Remote Centers												
Rack space (Including Bandwidth Requirements)												
Network Operations Center												
Rack space (Including Bandwidth Requirements)												
Total Systems Development & Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>MARKETING & SALES</u>												
Advertising & Promotion:												
Media	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947
Co-op Advertising Program	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Production	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363
Research	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318
Agency Fee	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681
Public Relations	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Marketing & Sales	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>	<u>\$ 1,191,308</u>
<u>OUTSOURCED RESEARCH & DEVELOPMENT</u>												
R&D Expenditure as a Percentage of Sales (Accrual)												
R&D Expense	\$ 8,385	\$ 9,373	\$ 10,369	\$ 11,436	\$ 12,515	\$ 13,626	\$ 14,748	\$ 15,881	\$ 17,026	\$ 18,182	\$ 19,350	\$ 20,529
Total R&D	<u>\$ 8,385</u>	<u>\$ 9,373</u>	<u>\$ 10,369</u>	<u>\$ 11,436</u>	<u>\$ 12,515</u>	<u>\$ 13,626</u>	<u>\$ 14,748</u>	<u>\$ 15,881</u>	<u>\$ 17,026</u>	<u>\$ 18,182</u>	<u>\$ 19,350</u>	<u>\$ 20,529</u>
<u>GENERAL & ADMINISTRATIVE</u>												
<u>RENT EXPENSE</u>												
Headcount	30	30	31	33	33	33	33	33	33	33	33	33
Average Space per Employee - Including Common (Sq Ft)	350	350	350	350	350	350	350	350	350	350	350	350
Total Space Required (Sq Ft)	10,500	10,500	10,850	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550
Cost per Square Foot per Month	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent	<u>\$ 18,375</u>	<u>\$ 18,375</u>	<u>\$ 18,988</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>	<u>\$ 20,213</u>
<u>TELECOMMUNICATIONS EXPENSE</u>												
Headcount	30	30	31	33	33	33	33	33	33	33	33	33
Average Monthly, Long Distance Usage per Employee (In Minutes)	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	12,000	12,000	12,400	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
Avg Cost Per Minute	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Fixed Cost per Month	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Telecom	<u>\$ 21,440</u>	<u>\$ 21,440</u>	<u>\$ 21,488</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>	<u>\$ 21,584</u>
<u>MATERIALS & SUPPLIES</u>												
Headcount	30	30	31	33	33	33	33	33	33	33	33	33
Average Monthly Materials & Supplies Cost per Employee	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208
Total Materials & Supplies	<u>\$ 6,240</u>	<u>\$ 6,240</u>	<u>\$ 6,448</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>	<u>\$ 6,864</u>
Annual Growth												
<u>TRAVEL & ENTERTAINMENT</u>												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Total Travel & Entertainment	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>	<u>\$ 75,600</u>
Annual Growth												

Headcount & Expense Input

	90% CONFIDENCE LEVEL											
	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416
Total Seminars & Conferences	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248
Commercial Property	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288
Directors Liability	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
Total Insurance	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624
Facility Maintenance & Other	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160
Total Facility Maintenance & Other	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260
Financial & Accounting Services	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Other Outside Services	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625
Total Professional Fees	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	4,000	4,120	4,244	4,371	4,502	4,637	4,683	4,730	4,778	4,825	4,874	4,922
Average Cost Per Trademark Review	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24
Total Trademark Review	\$ 24,960	\$ 25,709	\$ 26,480	\$ 27,274	\$ 28,093	\$ 28,935	\$ 29,225	\$ 29,517	\$ 29,812	\$ 30,110	\$ 30,412	\$ 30,716
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040
Connectivity	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560
Professional Services	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520
Total Site Hosting & Connectivity	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468
Postage & Delivery	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624
Printing & Reproduction	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832
Mobile Phones	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160
Computer Supplies	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475
Licenses & Permits	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312
Recruiting Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 3,000	\$ 3,000	\$ 3,100	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Freight & Shipping	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416
Bank Service Charges	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080
Miscellaneous	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200
Other	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
Total Other General & Administrative	\$ 13,296	\$ 13,296	\$ 13,396	\$ 13,596	\$ 13,596	\$ 13,596	\$ 13,596	\$ 13,596	\$ 13,596	\$ 13,596	\$ 13,596	\$ 13,596
Annual Growth												

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 3												
	1	2	3	4	5	6	7	8	9	10	11	12	
gTLD REGISTRY EMPLOYEES													
EXECUTIVE MANAGEMENT													
General Manager / CEO	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	36,281
Executive Assistant	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	8,634
FINANCE & ACCOUNTING													
CFO	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	26,606
Staff Accountant	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	8,634
Accounts Operations Mgr (A/R & A/P)	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	10,553
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716
HUMAN RESOURCES													
Human Resources Senior Manager	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	15,722
Human Resources Manager	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	9,594
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716
FACILITIES / OFFICE MANAGEMENT													
Facilities / Office Senior Manager	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216
LEGAL & BUSINESS AFFAIRS													
General Counsel	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	23,984
SYSTEMS DEVELOPMENT & SUPPORT													
Chief Technology Officer	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	51,078
Operations and Engineering Manager	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	26,606
Senior Systems Administrator	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	18,141
Systems Administrator	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	13,303

Headcount & Expense Input

90% CONFIDENCE LEVEL		Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12	
RESEARCH & DEVELOPMENT													
Research & Development Coordinator	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	
CUSTOMER SERVICE													
VP Policy & Registrar Relations	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	31,444	
Manager, Registrar Relations	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	9,594	
Customer Service Manager	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	9,594	
Senior Customer Service Representative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716	
Customer Service Representative	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605	
Customer Service Representative	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605	
Customer Service Representative	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605	
Customer Service Representative - US Satellite Office	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605	
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716	
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716	
Administrative - US Satellite Office	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716	
MARKETING & SALES													
Chief Marketing Officer	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	36,281	
Marketing Manager	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	12,472	
PR Manager	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	12,472	
Sales Manager - US Satellite Office	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	14,391	
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716	
	199,920	199,920	199,920	199,920	199,920	199,920	199,920	199,920	199,920	199,920	199,920	458,270	
	4	4	4	4	4	4	4	4	4	4	4	4	
	11	11	11	11	11	11	11	11	11	11	11	11	
	5	5	5	5	5	5	5	5	5	5	5	5	
	12	12	12	12	12	12	12	12	12	12	12	12	
	1	1	1	1	1	1	1	1	1	1	1	1	
	28	28	28	28	28	28	28	28	28	28	28	28	
	33	33	33	33	33	33	33	33	33	33	33	33	
Labor Cost Type Breakout													
Systems Development & Support													
Systems Development & Support Labor - Straight Time	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 38,128	\$ 109,128	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	9,532	9,532	9,532	9,532	9,532	9,532	9,532	9,532	9,532	9,532	9,532	27,282	
Total Cost of Sales Labor	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 47,660	\$ 136,410	
Customer Service													
Customer Service Labor - Straight Time	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 42,814	\$ 95,914	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	10,703	10,703	10,703	10,703	10,703	10,703	10,703	10,703	10,703	10,703	10,703	23,978	
Total Customer Service Labor	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 53,517	\$ 119,892	
Marketing													
Marketing Labor - Straight Time	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 35,831	\$ 82,331	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	8,958	8,958	8,958	8,958	8,958	8,958	8,958	8,958	8,958	8,958	8,958	20,583	
Total Marketing Labor	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 44,789	\$ 102,914	
General & Administrative													
G&A Labor - Straight Time	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 73,959	\$ 161,709	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	18,490	18,490	18,490	18,490	18,490	18,490	18,490	18,490	18,490	18,490	18,490	40,427	
Total G&A Labor	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 92,449	\$ 202,137	
Research & Development													
R&D Labor - Straight Time	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	\$ 9,188	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	2,297	2,297	2,297	2,297	2,297	2,297	2,297	2,297	2,297	2,297	2,297	2,297	
Total R&D Labor	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	\$ 11,484	
Total Labor with Fringe	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 249,900	\$ 572,838	

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
OPERATING EXPENSES (Non-Labor):												
SYSTEMS DEVELOPMENT & SUPPORT												
Equipment Operating Leases												
Sun E6500 Servers												
EMC xxxx Storage Devices												
x86 Dual 1 Ghz servers												
Sun E450 Quad processor												
Cisco 7200 Routers												
Foundry BI 8000 Switches												
Oracle Enterprise (Cluster)												
Tucows Software												
Remote Centers												
Rack space (Including Bandwidth Requirements)												
Network Operations Center												
Rack space (Including Bandwidth Requirements)												
Total Systems Development & Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MARKETING & SALES												
Advertising & Promotion:												
Media	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714
Co-op Advertising Program	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Production	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060
Research	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824
Agency Fee	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883
Public Relations	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667
Total Marketing & Sales	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148	\$1,009,148
OUTSOURCED RESEARCH & DEVELOPMENT												
R&D Expenditure as a Percentage of Sales (Accrual)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
R&D Expense	\$ 21,720	\$ 22,923	\$ 24,138	\$ 25,365	\$ 26,605	\$ 27,857	\$ 29,109	\$ 30,361	\$ 31,612	\$ 32,864	\$ 36,991	\$ 37,285
Total R&D	\$ 21,720	\$ 22,923	\$ 24,138	\$ 25,365	\$ 26,605	\$ 27,857	\$ 29,109	\$ 30,361	\$ 31,612	\$ 32,864	\$ 36,991	\$ 37,285
GENERAL & ADMINISTRATIVE												
RENT EXPENSE												
Headcount	33	33	33	33	33	33	33	33	33	33	33	33
Average Space per Employee - Including Common (Sq Ft)	350	350	350	350	350	350	350	350	350	350	350	350
Total Space Required (Sq Ft)	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550
Cost per Square Foot per Month	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213
TELECOMMUNICATIONS EXPENSE												
Headcount	33	33	33	33	33	33	33	33	33	33	33	33
Average Monthly Long Distance Usage per Employee (In Minutes)	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
Avg Cost Per Minute	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Fixed Cost per Month	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Telecom	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584
MATERIALS & SUPPLIES												
Headcount	33	33	33	33	33	33	33	33	33	33	33	33
Average Monthly Materials & Supplies Cost per Employee	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216
Total Materials & Supplies	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139	\$ 7,139
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615
Total Travel & Entertainment	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380
Annual Growth												

Headcount & Expense Input

	90% CONFIDENCE LEVEL											
	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433
Total Seminars & Conferences	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298
Commercial Property	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380
Directors Liability	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704
Total Insurance	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649
Facility Maintenance & Other	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326
Total Facility Maintenance & Other	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323
Financial & Accounting Services	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615
Other Outside Services	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756
Total Professional Fees	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	4,972	5,021	5,072	5,122	5,173	5,225	5,225	5,225	5,225	5,225	5,225	5,225
Average Cost Per Trademark Review	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49
Total Trademark Review	\$ 32,264	\$ 32,686	\$ 32,912	\$ 33,241	\$ 33,574	\$ 33,910	\$ 33,910	\$ 33,910	\$ 33,910	\$ 33,910	\$ 33,910	\$ 33,910
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082
Connectivity	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822	\$ 1,822
Professional Services	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541
Total Site Hosting & Connectivity	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487
Postage & Delivery	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649
Printing & Reproduction	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865
Mobile Phones	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326
Computer Supplies	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475
Licenses & Permits	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324
Recruiting Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Freight & Shipping	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433
Bank Service Charges	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163
Miscellaneous	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408
Other	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704
Total Other General & Administrative	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008	\$ 14,008
Annual Growth												

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
qTLD REGISTRY EMPLOYEES												
EXECUTIVE MANAGEMENT												
General Manager / CEO	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	36,670
Executive Assistant	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	8,841
FINANCE & ACCOUNTING												
CFO	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	27,112
Staff Accountant	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	4,341	8,841
Accountis Operations Mgr (A/R & A/P)	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	10,806
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
HUMAN RESOURCES												
Human Resources Senior Manager	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	16,020
Human Resources Manager	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	9,823
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
FACILITIES / OFFICE MANAGEMENT												
Facilities / Office Senior Manager	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376
LEGAL & BUSINESS AFFAIRS												
General Counsel	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	24,559
SYSTEMS DEVELOPMENT & SUPPORT												
Chief Technology Officer	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882	51,882
Operations and Engineering Manager	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	10,612	27,112
Senior Systems Administrator	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	18,485
Systems Administrator	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	5,306	13,556

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
RESEARCH & DEVELOPMENT												
Research & Development Coordinator	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647
CUSTOMER SERVICE												
VP Policy & Registrar Relations	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	32,041
Manager, Registrar Relations	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	9,823
Customer Service Manager	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	9,823
Senior Customer Service Representative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
Customer Service Representative	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Customer Service Representative	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Customer Service Representative	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Customer Service Representative - US Satellite Office	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
Administrative - US Satellite Office	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
MARKETING & SALES												
Chief Marketing Officer	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	36,970
Marketing Manager	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	12,770
PR Manager	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	12,770
Sales Manager - US Satellite Office	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	14,735
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
Summary												
	209,916	209,916	209,916	209,916	209,916	209,916	209,916	209,916	209,916	209,916	209,916	468,268
	4	4	4	4	4	4	4	4	4	4	4	4
	11	11	11	11	11	11	11	11	11	11	11	11
	5	5	5	5	5	5	5	5	5	5	5	5
	12	12	12	12	12	12	12	12	12	12	12	12
	1	1	1	1	1	1	1	1	1	1	1	1
	28	28	28	28	28	28	28	28	28	28	28	28
	33	33	33	33	33	33	33	33	33	33	33	33
Labor Cost Type Breakout												
Systems Development & Support												
Systems Development & Support Labor - Straight Time	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 40,035	\$ 111,035
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	10,009	10,009	10,009	10,009	10,009	10,009	10,009	10,009	10,009	10,009	10,009	27,759
Total Cost of Sales Labor	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 50,043	\$ 138,793
Customer Service												
Customer Service Labor - Straight Time	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 44,954	\$ 98,054
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	11,239	11,239	11,239	11,239	11,239	11,239	11,239	11,239	11,239	11,239	11,239	24,514
Total Customer Service Labor	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 56,193	\$ 122,568
Marketing												
Marketing Labor - Straight Time	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 37,623	\$ 84,123
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	9,406	9,406	9,406	9,406	9,406	9,406	9,406	9,406	9,406	9,406	9,406	21,031
Total Marketing Labor	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 47,029	\$ 105,154
General & Administrative												
G&A Labor - Straight Time	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 77,657	\$ 165,407
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	19,414	19,414	19,414	19,414	19,414	19,414	19,414	19,414	19,414	19,414	19,414	41,352
Total G&A Labor	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 97,072	\$ 206,759
Research & Development												
R&D Labor - Straight Time	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647	\$ 9,647
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	2,412	2,412	2,412	2,412	2,412	2,412	2,412	2,412	2,412	2,412	2,412	2,412
Total R&D Labor	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059	\$ 12,059
Total Labor with Fringe												
	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 262,395	\$ 585,333

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
OPERATING EXPENSES (Non-Labor):												
SYSTEMS DEVELOPMENT & SUPPORT												
Equipment Operating Leases												
Sun E6500 Servers												
EMC xxx Storage Devices												
x86 Dual 1 Ghz servers												
Sun E450 Quad processor												
Cisco 7200 Routers												
Foundry BI 8000 Switches												
Oracle Enterprise (Cluster)												
Tucows Software												
Remote Centers												
Rack space (Including Bandwidth Requirements)												
Network Operations Center												
Rack space (Including Bandwidth Requirements)												
Total Systems Development & Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MARKETING & SALES												
Advertising & Promotion:												
Media	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853
250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Co-op Advertising Program												
Production	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607
Research	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614
Agency Fee	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221
Public Relations	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333
Total Marketing & Sales	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629	\$ 803,629
OUTSOURCED RESEARCH & DEVELOPMENT												
R&D Expenditure as a Percentage of Sales (Accrual)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
R&D Expense	\$ 37,818	\$ 38,830	\$ 40,111	\$ 41,392	\$ 42,675	\$ 43,958	\$ 45,242	\$ 46,505	\$ 47,768	\$ 49,031	\$ 50,295	\$ 51,558
Total R&D	\$ 37,818	\$ 38,830	\$ 40,111	\$ 41,392	\$ 42,675	\$ 43,958	\$ 45,242	\$ 46,505	\$ 47,768	\$ 49,031	\$ 50,295	\$ 51,558
GENERAL & ADMINISTRATIVE												
RENT EXPENSE												
Headcount	33	33	33	33	33	33	33	33	33	33	33	33
Average Space per Employee - Including Common (Sq Ft)	350	350	350	350	350	350	350	350	350	350	350	350
Total Space Required (Sq Ft)	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550
Cost per Square Foot per Month	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213
TELECOMMUNICATIONS EXPENSE												
Headcount	33	33	33	33	33	33	33	33	33	33	33	33
Average Monthly Long Distance Usage per Employee (In Minutes)	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
Avg Cost Per Minute	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Fixed Cost per Month	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Telecom	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584
MATERIALS & SUPPLIES												
Headcount	33	33	33	33	33	33	33	33	33	33	33	33
Average Monthly Materials & Supplies Cost per Employee	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225
Total Materials & Supplies	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424	\$ 7,424
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946
Total Travel & Entertainment	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349
Annual Growth												

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450
Total Seminars & Conferences	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350
Commercial Property	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475
Directors Liability	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812
Total Insurance	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675
Facility Maintenance & Other	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499
Total Facility Maintenance & Other	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389
Financial & Accounting Services	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946
Other Outside Services	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894
Total Professional Fees	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225
Average Cost Per Trademark Review	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75
Total Trademark Review	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266	\$ 35,266
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125
Connectivity	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687
Professional Services	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562
Total Site Hosting & Connectivity	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506
Postage & Delivery	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675
Printing & Reproduction	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Mobile Phones	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499
Computer Supplies	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475
Licenses & Permits	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337
Recruiting Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Freight & Shipping	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450
Bank Service Charges	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250
Miscellaneous	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624
Other	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812
Total Other General & Administrative	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436	\$ 14,436
Annual Growth												

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
gTLD REGISTRY EMPLOYEES												
EXECUTIVE MANAGEMENT												
General Manager / CEO	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	37,694
Executive Assistant	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	9,058
FINANCE & ACCOUNTING												
CFO	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	27,642
Staff Accountant	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	9,058
Accounts Operations Mgr (A/R & A/P)	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	11,071
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
HUMAN RESOURCES												
Human Resources Senior Manager	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	16,334
Human Resources Manager	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	10,065
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
FACILITIES / OFFICE MANAGEMENT												
Facilities / Office Senior Manager	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545
LEGAL & BUSINESS AFFAIRS												
General Counsel	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	25,162
SYSTEMS DEVELOPMENT & SUPPORT												
Chief Technology Officer	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	52,726
Operations and Engineering Manager	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	27,642
Senior Systems Administrator	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	18,847
Systems Administrator	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	13,821

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 6											
	1	2	3	4	5	6	7	8	9	10	11	12
RESEARCH & DEVELOPMENT												
Research & Development Coordinator	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129
CUSTOMER SERVICE												
VP Policy & Registrar Relations	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	32,668
Manager, Registrar Relations	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	10,065
Customer Service Manager	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	10,065
Senior Customer Service Representative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Customer Service Representative	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Customer Service Representative	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Customer Service Representative	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Customer Service Representative - US Satellite Office	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Administrative - US Satellite Office	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
MARKETING & SALES												
Chief Marketing Officer	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	37,694
Marketing Manager	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	13,084
PR Manager	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	13,084
Sales Manager - US Satellite Office	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	15,097
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Summary												
	220,412	220,412	220,412	220,412	220,412	220,412	220,412	220,412	220,412	220,412	220,412	478,762
	4	4	4	4	4	4	4	4	4	4	4	4
	11	11	11	11	11	11	11	11	11	11	11	11
	5	5	5	5	5	5	5	5	5	5	5	5
	12	12	12	12	12	12	12	12	12	12	12	12
	1	1	1	1	1	1	1	1	1	1	1	1
	28	28	28	28	28	28	28	28	28	28	28	28
	33	33	33	33	33	33	33	33	33	33	33	33
Labor Cost Type Breakout												
Systems Development & Support												
Systems Development & Support Labor - Straight Time	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 42,036	\$ 113,036
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	10,509	10,509	10,509	10,509	10,509	10,509	10,509	10,509	10,509	10,509	10,509	28,259
Total Cost of Sales Labor	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545	\$ 141,295
Customer Service												
Customer Service Labor - Straight Time	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 47,202	\$ 100,302
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	11,801	11,801	11,801	11,801	11,801	11,801	11,801	11,801	11,801	11,801	11,801	25,076
Total Customer Service Labor	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 59,003	\$ 125,378
Marketing												
Marketing Labor - Straight Time	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 39,504	\$ 86,004
Fringe Rate	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%
Fringe	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	21,501
Total Marketing Labor	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 49,380	\$ 107,505
General & Administrative												
G&A Labor - Straight Time	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 81,540	\$ 169,290
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	20,385	20,385	20,385	20,385	20,385	20,385	20,385	20,385	20,385	20,385	20,385	42,323
Total G&A Labor	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 101,925	\$ 211,613
Research & Development												
R&D Labor - Straight Time	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129	\$ 10,129
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	2,532	2,532	2,532	2,532	2,532	2,532	2,532	2,532	2,532	2,532	2,532	2,532
Total R&D Labor	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662	\$ 12,662
Total Labor with Fringe	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 275,515	\$ 598,452

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
OPERATING EXPENSES (Non-Labor):												
SYSTEMS DEVELOPMENT & SUPPORT												
Equipment Operating Leases												
Sun E6500 Servers												
EMC xxx Storage Devices												
x86 Dual 1 Ghz servers												
Sun E450 Quad processor												
Cisco 7200 Routers												
Foundry BI 8000 Switches												
Oracle Enterprise (Cluster)												
Tucows Software												
Remote Centers												
Rack space (Including Bandwidth Requirements)												
Network Operations Center												
Rack space (Including Bandwidth Requirements)												
Total Systems Development & Support												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MARKETING & SALES												
Advertising & Promotion:												
Media												
	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297
Co-op Advertising Program												
	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Production												
	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530
Research												
	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474
Agency Fee												
	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005
Public Relations												
	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333
Total Marketing & Sales												
	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639	\$ 935,639
OUTSOURCED RESEARCH & DEVELOPMENT												
R&D Expenditure as a Percentage of Sales (Accrual)												
	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
R&D Expense												
	\$ 52,822	\$ 54,085	\$ 55,349	\$ 56,613	\$ 56,727	\$ 57,225	\$ 58,010	\$ 58,878	\$ 59,735	\$ 60,580	\$ 61,413	\$ 62,234
Total R&D												
	\$ 52,822	\$ 54,085	\$ 55,349	\$ 56,613	\$ 56,727	\$ 57,225	\$ 58,010	\$ 58,878	\$ 59,735	\$ 60,580	\$ 61,413	\$ 62,234
GENERAL & ADMINISTRATIVE												
RENT EXPENSE												
Headcount												
	33	33	33	33	33	33	33	33	33	33	33	33
Average Space per Employee - Including Common (Sq Ft)												
	350	350	350	350	350	350	350	350	350	350	350	350
Total Space Required (Sq Ft)												
	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550	11,550
Cost per Square Foot per Month												
	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent												
	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213	\$ 20,213
TELECOMMUNICATIONS EXPENSE												
Headcount												
	33	33	33	33	33	33	33	33	33	33	33	33
Average Monthly Long Distance Usage per Employee (In Minutes)												
	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes												
	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
Avg Cost Per Minute												
	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Fixed Cost per Month												
	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Telecom												
	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584	\$ 21,584
MATERIALS & SUPPLIES												
Headcount												
	33	33	33	33	33	33	33	33	33	33	33	33
Average Monthly Materials & Supplies Cost per Employee												
	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234
Total Materials & Supplies												
	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721	\$ 7,721
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E												
	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee												
	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293
Total Travel & Entertainment												
	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516
Annual Growth												

Headcount & Expense Input

90% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468
Total Seminars & Conferences	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404
Commercial Property	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574
Directors Liability	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925
Total Insurance	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702
Facility Maintenance & Other	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679
Total Facility Maintenance & Other	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459
Financial & Accounting Services	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293
Other Outside Services	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039
Total Professional Fees	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225
Average Cost Per Trademark Review	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02
Total Trademark Review	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677	\$ 36,677
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170
Connectivity	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755
Professional Services	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585
Total Site Hosting & Connectivity	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526
Postage & Delivery	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
Printing & Reproduction	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
Mobile Phones	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Computer Supplies	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475
Licenses & Permits	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Recruiting Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Freight & Shipping	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Bank Service Charges	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Miscellaneous	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Other	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Total Other General & Administrative	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200	\$ 13,200
Annual Growth												

90% CONFIDENCE LEVEL

gTLD CONSORTIUM
Detail P&L

P&L	Period	Year 1											
		1	2	3	4	5	6	7	8	9	10	11	12
								←-----SUNRISE PERIOD-----					
Revenue													
Monthly Growth Rate								0%	-25%	QUIET	0%	-33%	-38%
New Domains Registered	200,000							171,429	128,571		600,000	400,000	250,000
Initial Annual Subscription Terms (Enter as Integer)													
Weighted Avg. Initial Subscription Term 1	2.1 Years							2.1	2.1	2.1	2.1	2.1	2.1
Sunrise Period Subscription Term (Only)	5.0 Years							5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)								-	-	-	1,260,000	840,000	525,000
Domain Years - Sunrise Period Subscriptions (Sales Units)								857,145	642,855	-	-	-	-
New Domains Total Domain Years - (Sales Units)								857,145	642,855	-	1,260,000	840,000	525,000
New Domains Up For Renewal													
Initial Subscription Domains Up For Renewal (Term 1)								-	-	-	-	-	-
Second Renewal Period Domains Up For Renewal (Term 1)								-	-	-	-	-	-
Sunrise Subscription Terms Up For Renewal								-	-	-	-	-	-
Renewal Rate	60%							-	60%	60%	60%	60%	60%
Domains Renewed after Initial Registration (Term 1 Subscriptions)								-	-	-	-	-	-
Second Renewal Period Domains Renewed								-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)								-	-	-	-	-	-
Total Domains Renewed								-	-	-	-	-	-
Weighted Avg. Renewal Term Following Initial Reg	1.5 Years							1.5	1.5	1.5	1.5	1.5	1.5
Renewal Domain Years Term 1 Subscriptions (Sales Units)								-	-	-	-	-	-
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)								-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)								-	-	-	-	-	-
Total Domains Under Management								171,429	300,000	300,000	900,000	1,300,000	1,550,000
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)								-	-	-	1,260,000	840,000	525,000
Total Domain Years - Renewal Subscriptions (Sales Units)								-	-	-	-	-	-
Total Domain Years - From Sunrise Period Subscriptions (Sales Units)								857,145	642,855	-	-	-	-
Total Domain Years (Sales Units)								857,145	642,855	-	1,260,000	840,000	525,000
Registration Fee Per Domain Name Year	\$5.75							5.75	5.75	5.75	5.75	5.75	5.75
Total Registration Revenue Term 1 (Cash)								-	-	-	7,245,000	4,830,000	3,018,750
Total Registration Revenue Renewals Term 1 (Cash)								-	-	-	-	-	-
Total Registration Revenue Sunrise Period Subscriptions (Cash)								4,928,584	3,696,416	-	-	-	-
Total Registration Revenue (Cash)								4,928,584	3,696,416	-	7,245,000	4,830,000	3,018,750
Total Registration Revenue - Term 1 (Accrual)								-	-	-	287,500	479,167	598,958
Total Registration Revenue Renewals - Term 1 (Accrual)								-	-	-	-	-	-
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)								82,143	143,750	143,750	143,750	143,750	143,750
Total Registration Revenue (Accrual)								82,143	143,750	143,750	431,250	622,917	742,708
Transfer Activity (% of New Registrations)	2.0%							2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Total Number of Transfers								3,429	2,571	-	12,000	8,000	5,000
Incremental Domain Years Yield from Transfers	0.5 Years							0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)								1,714	1,286	-	6,000	4,000	2,500
Total Transfer Revenue (Cash)								9,857	7,393	-	34,500	23,000	14,375
Total Transfer Revenue (Accrual)								1,643	2,875	2,875	8,625	12,458	14,854
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20							34,286	25,714	-	120,000	80,000	50,000
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)								-	-	-	1,260,000	840,000	525,000
Total Sales Units - Term 1 Renewals (From Above)								-	-	-	-	-	-
Total Sales Units - Sunrise Period Subscriptions (From Above)								857,145	642,855	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)								1,714	1,286	-	6,000	4,000	2,500
Total Sales Units								858,859	644,141	-	1,266,000	844,000	527,500
Core Registry Fee per Name	\$2.95							2.95	2.95	2.95	2.95	2.95	2.95
Core Registry Fee - Term 1 (Cash)								-	-	-	1,770,000	1,180,000	737,500
Core Registry Fee - Term 1 Renewals (Cash)								-	-	-	-	-	-
Core Registry Fee - Sunrise Period Subscriptions (Cash)								505,716	379,284	-	-	-	-
Core Registry Fee - Transfers (Cash)								5,057	3,793	-	17,700	11,800	7,375
Total Core Registry Fee (Cash)								510,773	383,077	-	1,787,700	1,191,800	744,875
Core Registry Fee - Term 1 (Accrual)								-	-	-	147,500	245,833	307,292
Core Registry Fee - Term 1 Renewals (Accrual)								-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)								42,143	73,750	73,750	73,750	73,750	73,750
Core Registry Fee - Transfers								843	1,475	1,475	4,425	6,392	7,621

Core Registry Fee (Accrual)	42,986	75,225	75,225	225,675	325,975	388,663
Total Registry Operations	42,986	75,225	75,225	225,675	325,975	388,663

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	-	29,688	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	131,979
Equipment Operating Leases	-	-	-	-	-	-	-	-	-	-	-	-
Remote Centers	-	-	-	-	-	-	-	-	-	-	-	-
Network Operations Center	-	-	-	-	-	-	-	-	-	-	-	-
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-
Total Systems Development & Support	-	29,688	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	131,979
Customer Service												
Labor	-	-	3,646	26,042	42,396	42,396	42,396	42,396	48,542	48,542	48,542	114,917
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service	-	-	3,646	26,042	42,396	42,396	42,396	42,396	48,542	48,542	48,542	114,917
Marketing & Sales												
Labor	-	19,271	32,813	32,813	32,813	32,813	32,813	32,813	40,625	40,625	40,625	98,750
Advertising & Promotion:												
Media	-	-	-	-	-	-	350,000	350,000	350,000	1,000,000	1,000,000	1,000,000
Co-op Advertising	-	-	-	-	-	-	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Production	-	-	-	-	-	100,000	100,000	100,000	1,000,000	200,000	100,000	-
Research	-	-	-	-	-	-	50,000	50,000	50,000	50,000	50,000	50,000
Agency Fee	100,000	100,000	100,000	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Public Relations	200,000	200,000	200,000	300,000	400,000	400,000	400,000	400,000	500,000	500,000	500,000	500,000
Total Marketing & Sales	300,000	319,271	332,813	432,813	632,813	732,813	1,132,813	1,132,813	2,140,625	2,990,625	2,890,625	2,848,750
General & Administrative												
Labor	-	20,313	28,646	65,104	74,479	74,479	74,479	74,479	74,479	74,479	74,479	184,167
Rent	-	3,675	7,963	12,250	16,538	16,538	16,538	16,538	18,375	18,375	18,375	18,375
Telecommunications	20,000	20,288	20,624	20,960	21,296	21,296	21,296	21,296	21,440	21,440	21,440	21,440
Materials & Supplies	-	1,200	2,600	4,000	5,400	5,400	5,400	5,400	6,000	6,000	6,000	6,000
Travel & Entertainment	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
Seminars & Conferences	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600
Insurance	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900
Facility Maintenance & Other	-	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Legal Services	100,000	100,000	100,000	100,000	100,000	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Financial & Accounting Services	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Other Outside Services	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Trademark Review	-	-	-	-	-	-	20,571	15,429	-	72,000	48,000	30,000
Site Hosting, Connectivity, and Devel. & Maint.	-	-	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Other General & Administrative	7,500	8,100	11,200	11,900	12,600	12,600	12,600	12,600	12,900	12,900	12,900	12,900
Total G&A	223,500	254,176	271,632	317,814	333,913	235,113	255,684	250,541	237,994	309,994	285,994	377,682
R&D												
Labor	-	-	-	-	-	-	-	-	-	-	-	-
Outsourced R&D Efforts	-	-	-	-	-	-	821	1,438	1,438	4,313	6,229	7,427
Total R&D	-	-	-	-	-	-	821	1,438	1,438	4,313	6,229	7,427
Total Operating Expenses	523,500	603,134	651,320	819,898	1,052,350	1,053,550	1,517,929	1,545,641	2,547,053	3,622,378	3,600,594	3,869,417
Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)	(523,500)	(603,134)	(651,320)	(819,898)	(1,052,350)	(1,053,550)	(1,434,143)	(1,399,016)	(2,400,428)	(3,182,503)	(2,965,219)	(3,111,855)
Depreciation & Amortization	-	4,861	14,139	16,569	17,250	17,931	17,931	17,931	17,931	18,222	18,222	18,222
Earnings Before Interest, Taxes	(523,500)	(607,995)	(665,459)	(836,467)	(1,069,600)	(1,071,481)	(1,452,074)	(1,416,947)	(2,418,358)	(3,200,725)	(2,983,441)	(3,130,077)
Interest	-	6,348	5,004	3,939	2,802	1,387	-	4,834	7,428	4,242	9,265	9,289
Pretax Consortium Profit (Before Rebates)	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)
Rebate Pool (% of Before Tax Profits)	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Consortium Profit	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 1 Month 1	Year 1 Month 2	Year 1 Month 3	Year 1 Month 4	Year 1 Month 5	Year 1 Month 6	Year 1 Month 7	Year 1 Month 8	Year 1 Month 9	Year 1 Month 10	Year 1 Month 11	Year 1 Month 12
Current Assets:												
Cash	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,314,586	\$5,093,341	\$2,909,030	\$6,353,298	\$6,369,705	\$4,960,202
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$467,787	\$775,639	\$700,414	\$2,262,439	\$3,128,264	\$3,484,477
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$2,464	\$4,313	\$4,313	\$12,938	\$18,688	\$22,281
Total Current Assets	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,784,837	\$5,873,292	\$3,613,757	\$8,628,674	\$9,516,657	\$8,466,960
Fixed Assets:												
Plant, Property, & Equipment	\$175,000	\$509,000	\$596,500	\$621,000	\$645,500	\$645,500	\$645,500	\$645,500	\$656,000	\$656,000	\$656,000	\$656,000
Accumulated Depreciation	\$0	(\$4,861)	(\$19,000)	(\$35,569)	(\$52,819)	(\$70,750)	(\$88,681)	(\$106,611)	(\$124,542)	(\$142,764)	(\$160,986)	(\$179,208)
Total Fixed Assets	\$175,000	\$504,139	\$577,500	\$585,431	\$592,681	\$574,750	\$556,819	\$538,889	\$531,458	\$513,236	\$495,014	\$476,792
Total Assets	\$4,528,250	\$3,935,251	\$3,278,465	\$2,506,654	\$1,543,617	\$471,349	\$4,341,657	\$6,412,181	\$4,145,215	\$9,141,911	\$10,011,671	\$8,943,752
Current Liabilities:												
Accounts Payable	261,750	283,095	296,771	365,365	474,731	475,331	941,413	875,302	1,180,747	2,537,035	2,178,043	1,971,531
Unearned Revenue	\$0	\$0	\$0	\$0	\$0	\$0	4,854,655	8,411,839	8,265,214	15,104,839	19,322,464	21,598,027
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$1,643	\$2,875	\$8,625	\$12,458	\$14,854	\$14,854
Total Current Liabilities	\$261,750	\$283,095	\$296,771	\$365,365	\$474,731	\$475,331	\$5,797,711	\$9,290,016	\$9,448,836	\$17,650,499	\$21,512,965	\$23,584,412
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(523,500)	(1,137,843)	(1,808,306)	(2,648,712)	(3,721,114)	(4,793,981)	(6,246,055)	(7,667,835)	(10,093,621)	(13,298,588)	(16,291,295)	(19,430,661)
Total Owner Equity	\$4,266,500	\$3,652,157	\$2,981,694	\$2,141,288	\$1,068,886	(\$3,981)	(\$1,456,055)	(\$2,877,835)	(\$5,303,621)	(\$8,508,588)	(\$11,501,295)	(\$14,640,661)
Total Equity & Liabilities	\$4,528,250	\$3,935,251	\$3,278,465	\$2,506,654	\$1,543,617	\$471,349	\$4,341,657	\$6,412,181	\$4,145,215	\$9,141,911	\$10,011,671	\$8,943,752
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Sheet Assumptions - Working Capital												
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	-	-	-	-	-	-	255,386	191,539	-	893,850	595,900	372,438
Accounts Payable as a % of Core Registry Expense (As Defined Above)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	-	16,163	25,278	39,010	45,014	45,014	45,014	45,014	48,271	48,271	48,271	123,623
Salaries Payable as a % of Total Salary Expense	0%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operator, and D	261,750	266,932	271,493	326,355	429,717	430,317	641,013	638,750	1,132,476	1,594,914	1,533,872	1,475,471
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	-	-	-	-	-	-	2,464	4,313	4,313	12,938	18,688	22,281
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	-	-	-	-	-	-	1,643	2,875	2,875	8,625	12,458	14,854
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 1 Month 1	Year 1 Month 2	Year 1 Month 3	Year 1 Month 4	Year 1 Month 5	Year 1 Month 6	Year 1 Month 7	Year 1 Month 8	Year 1 Month 9	Year 1 Month 10	Year 1 Month 11	Year 1 Month 12
Cash From Operations:												
Net Income After Taxes	(523,500)	(614,343)	(670,462)	(840,406)	(1,072,402)	(1,072,868)	(1,452,074)	(1,421,781)	(2,425,786)	(3,204,967)	(2,992,707)	(3,139,366)
Add-back: Depreciation & Amortization	-	4,861	14,139	16,569	17,250	17,931	17,931	17,931	17,931	18,222	18,222	18,222
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	(467,787)	(307,852)	75,225	(1,562,025)	(865,825)	(356,213)
Change in Other Current Assets	-	-	-	-	-	-	(2,464)	(1,848)	-	(8,625)	(5,750)	(3,594)
Change in Accounts Payable	261,750	21,345	13,676	68,594	109,365	600	466,083	(66,111)	305,445	1,356,288	(358,992)	(206,511)
Change in Unearned Revenue	-	-	-	-	-	-	4,854,655	3,557,184	(146,825)	6,839,625	4,217,625	2,275,563
Change in Other Current Liabilities	-	-	-	-	-	-	1,643	1,232	-	5,750	3,833	2,396
Total Cash Flow from Operations	(\$261,750)	(\$588,138)	(\$642,647)	(\$755,242)	(\$945,787)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,173,811)	\$3,444,268	\$16,407	(\$1,409,503)
Cash From Investing Activities:												
Capital Expenditures	(\$175,000)	(\$334,000)	(\$87,500)	(\$24,500)	(\$24,500)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0
Total Cash Flow from Investing Activities	(\$175,000)	(\$334,000)	(\$87,500)	(\$24,500)	(\$24,500)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0
Cash Flow Before Financing	(\$436,750)	(\$922,138)	(\$730,147)	(\$779,742)	(\$970,287)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,184,311)	\$3,444,268	\$16,407	(\$1,409,503)
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions	\$4,790,000											
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$4,790,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	\$4,353,250	(\$922,138)	(\$730,147)	(\$779,742)	(\$970,287)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,184,311)	\$3,444,268	\$16,407	(\$1,409,503)
Beginning Cash Balance	\$0	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,314,586	\$5,093,341	\$2,909,030	\$6,353,298	\$6,369,705
Net Increase/(Decrease) in Cash	\$4,353,250	(\$922,138)	(\$730,147)	(\$779,742)	(\$970,287)	(\$1,054,337)	\$3,417,987	\$1,778,755	(\$2,184,311)	\$3,444,268	\$16,407	(\$1,409,503)
Ending Cash Balance	\$4,353,250	\$3,431,112	\$2,700,965	\$1,921,223	\$950,936	(\$103,401)	\$3,314,586	\$5,093,341	\$2,909,030	\$6,353,298	\$6,369,705	\$4,960,202

90% CONFIDENCE LEVEL

gTLD CONSORTIUM
Detail P&L

P&L	Period	Year 2											
		1	2	3	4	5	6	7	8	9	10	11	12
Revenue													
Monthly Growth Rate		-20.0%	3.0%	3.0%	3.0%	3.0%	3.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
New Domains Registered	200,000	200,000	206,000	212,180	218,545	225,101	231,854	234,173	236,515	238,880	241,269	243,682	246,119
Initial Annual Subscription Terms (Enter as Integer)													
Weighted Avg. Initial Subscription Term 1	2.1 Years	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Sunrise Period Subscription Term (Only)	5.0 Years	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)		420,000	432,600	445,578	458,945	472,712	486,893	491,763	496,682	501,648	506,665	511,732	516,850
Domain Years - Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		420,000	432,600	445,578	458,945	472,712	486,893	491,763	496,682	501,648	506,665	511,732	516,850
New Domains Up For Renewal													
Initial Subscription Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	-	-	-
Second Renewal Period Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	-	-	-
Sunrise Subscription Terms Up For Renewal		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Domains Renewed after Initial Registration (Term 1 Sub)		-	-	-	-	-	-	-	-	-	-	-	-
Second Renewal Period Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Weighted Avg. Renewal Term Following Initial Reg	1.5 Years	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Renewal Domain Years Term 1 Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Under Management		1,750,000	1,956,000	2,168,180	2,366,725	2,611,826	2,843,680	3,077,853	3,314,368	3,553,248	3,794,517	4,038,199	4,284,318
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)		420,000	432,600	445,578	458,945	472,712	486,893	491,763	496,682	501,648	506,665	511,732	516,850
Total Domain Years - Renewal Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years - From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		420,000	432,600	445,578	458,945	472,712	486,893	491,763	496,682	501,648	506,665	511,732	516,850
Registration Fee Per Domain Name Year	\$5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Total Registration Revenue Term 1 (Cash)		2,415,000	2,487,450	2,562,074	2,638,931	2,718,095	2,799,637	2,827,639	2,855,919	2,884,476	2,913,323	2,942,460	2,971,887
Total Registration Revenue Renewals Term 1 (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		2,415,000	2,487,450	2,562,074	2,638,931	2,718,095	2,799,637	2,827,639	2,855,919	2,884,476	2,913,323	2,942,460	2,971,887
Total Registration Revenue - Term 1 (Accrual)		694,792	793,500	895,170	999,889	1,107,750	1,218,847	1,331,055	1,444,385	1,558,848	1,674,456	1,791,220	1,909,152
Total Registration Revenue Renewals - Term 1 (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750
Total Registration Revenue (Accrual)		838,542	937,250	1,038,920	1,143,639	1,251,500	1,362,597	1,474,805	1,588,135	1,702,598	1,818,206	1,934,970	2,052,902
Transfer Activity (% of New Registrations)													
Total Number of Transfers	2.0%	4,000	4,120	4,244	4,371	4,502	4,637	4,683	4,730	4,778	4,825	4,874	4,922
Incremental Domain Years Yield from Transfers	0.5 Years	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)		2,000	2,060	2,122	2,185	2,251	2,319	2,342	2,365	2,389	2,413	2,437	2,461
Total Transfer Revenue (Cash)		11,500	11,845	12,200	12,566	12,943	13,332	13,465	13,600	13,736	13,873	14,012	14,152
Total Transfer Revenue (Accrual)		15,128	15,870	17,903	14,248	12,572	12,398	12,725	13,018	13,274	13,491	13,669	13,806
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	40,000	41,200	42,436	43,709	45,020	46,371	115,406	98,731	47,776	168,254	128,736	99,224
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)		420,000	432,600	445,578	458,945	472,712	486,893	491,763	496,682	501,648	506,665	511,732	516,850
Total Sales Units - Term 1 Renewals (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)		2,000	2,060	2,122	2,185	2,251	2,319	2,342	2,365	2,389	2,413	2,437	2,461
Total Sales Units		422,000	434,660	447,700	461,130	474,963	489,212	494,105	499,047	504,037	509,078	514,169	519,311
Core Registry Fee per Name	\$2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95
Core Registry Fee - Term 1 (Cash)		590,000	607,700	625,931	644,708	664,048	683,969	1,106,526	1,077,004	704,696	2,481,744	1,898,862	1,463,551
Core Registry Fee - Term 1 Renewals (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period Subscriptions (Cash)		-	-	-	-	-	-	505,716	379,284	-	-	-	-
Core Registry Fee - Transfers (Cash)		5,900	6,077	6,259	6,447	6,640	6,840	6,908	6,977	7,047	7,117	7,189	7,261
Total Core Registry Fee (Cash)		595,900	613,777	632,190	651,155	670,688	690,809	1,709,150	1,463,265	711,743	2,488,861	1,906,051	1,470,812
Core Registry Fee - Term 1 (Accrual)		356,458	407,100	459,261	512,987	568,324	625,321	725,032	814,782	873,507	932,819	992,724	1,053,228
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)		73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750
Core Registry Fee - Transfers		7,761	8,142	9,185	7,310	6,450	6,361	6,529	6,679	6,810	6,922	7,013	7,083

Core Registry Fee (Accrual)	437,970	488,992	542,196	594,046	648,524	705,432	805,310	895,211	954,067	1,013,490	1,073,487	1,134,061
Total Registry Operations	437,970	488,992	542,196	594,046	648,524	705,432	805,310	895,211	954,067	1,013,490	1,073,487	1,134,061

	Year 2												
	1	2	3	4	5	6	7	8	9	10	11	12	
Systems Development & Support													
Labor	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	134,141	
Equipment Operating Leases	-	-	-	-	-	-	-	-	-	-	-	-	
Remote Centers	-	-	-	-	-	-	-	-	-	-	-	-	
Network Operations Center	-	-	-	-	-	-	-	-	-	-	-	-	
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-	
Total Systems Development & Support	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	134,141	
Customer Service													
Labor	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	117,344	
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-	
Total Customer Service	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	50,969	117,344	
Marketing & Sales													
Labor	42,656	42,656	42,656	42,656	42,656	42,656	42,656	42,656	42,656	42,656	42,656	100,781	
Advertising & Promotion:													
Media	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	395,947	
Co-op Advertising	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	
Production	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	
Research	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	
Agency Fee	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	
Public Relations	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	
Total Marketing & Sales	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,233,964	1,292,089	
General & Administrative													
Labor	78,203	78,203	84,219	88,047	88,047	88,047	88,047	88,047	88,047	88,047	88,047	197,734	
Rent	18,375	18,375	18,988	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	
Telecommunications	21,440	21,440	21,488	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	
Materials & Supplies	6,240	6,240	6,448	6,864	6,864	6,864	6,864	6,864	6,864	6,864	6,864	6,864	
Travel & Entertainment	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	
Seminars & Conferences	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	
Insurance	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	
Facility Maintenance & Other	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	
Legal Services	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	
Financial & Accounting Services	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	
Other Outside Services	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	
Trademark Review	24,960	25,709	26,480	27,274	28,093	28,935	29,225	29,517	29,812	30,110	30,412	30,716	
Site Hosting, Connectivity, and Devel. & Maint.	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	
Other General & Administrative	13,296	13,296	13,396	13,596	13,596	13,596	13,596	13,596	13,596	13,596	13,596	13,596	
Total G&A	272,323	273,072	280,827	287,387	288,205	289,048	289,337	289,629	289,925	290,223	290,524	400,516	
R&D													
Labor	-	-	-	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	
Outsourced R&D Efforts	8,385	9,373	10,389	11,436	12,515	13,626	14,748	15,881	17,026	18,182	19,350	20,529	
Total R&D	8,385	9,373	10,389	22,374	23,452	24,563	25,686	26,819	27,963	29,120	30,287	31,467	
Total Operating Expenses	2,049,002	2,101,760	2,163,736	2,234,131	2,290,505	2,349,367	2,450,657	2,541,983	2,602,279	2,663,156	2,724,622	3,109,617	
Earnings Before Interest, Taxes, Depreciation & Amortization (EBIT)	(1,195,332)	(1,148,840)	(1,106,913)	(1,076,244)	(1,026,433)	(974,372)	(963,127)	(940,830)	(886,407)	(831,459)	(775,982)	(1,042,909)	
Depreciation & Amortization	18,222	18,222	18,222	18,319	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	
Earnings Before Interest, Taxes	(1,213,554)	(1,166,862)	(1,125,136)	(1,094,563)	(1,045,128)	(993,067)	(981,821)	(959,525)	(905,101)	(850,153)	(794,676)	(1,061,603)	
Interest	1.75%	7,234	6,191	6,593	7,062	7,577	8,190	8,890	8,871	8,327	8,551	8,067	6,754
Pretax Consortium Profit (Before Rebates)	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,068,357)	
Rebate Pool (% of Before Tax Profits)	25%	-	-	-	-	-	-	-	-	-	-	-	
Pretax Consortium Profit	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,068,357)	
Estimated Stockholder Taxes	40%	-	-	-	-	-	-	-	-	-	-	-	
Estimated Consortium Net Income	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,068,357)	

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 2 Month 1	Year 2 Month 2	Year 2 Month 3	Year 2 Month 4	Year 2 Month 5	Year 2 Month 6	Year 2 Month 7	Year 2 Month 8	Year 2 Month 9	Year 2 Month 10	Year 2 Month 11	Year 2 Month 12
Current Assets:												
Cash	\$4,245,587	\$4,520,965	\$4,842,387	\$5,195,853	\$5,616,281	\$6,096,241	\$6,082,713	\$5,709,960	\$5,863,704	\$5,531,952	\$4,631,333	\$4,021,545
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$3,642,407	\$3,767,192	\$3,857,186	\$3,914,295	\$3,936,459	\$3,921,837	\$4,825,676	\$5,393,730	\$5,151,406	\$6,626,777	\$7,459,341	\$7,796,091
Other Current Assets	\$25,156	\$28,118	\$31,168	\$34,309	\$37,545	\$40,878	\$44,244	\$47,644	\$51,078	\$54,546	\$58,049	\$61,587
Total Current Assets	\$7,913,151	\$8,316,275	\$8,730,741	\$9,144,457	\$9,590,285	\$10,058,956	\$10,952,632	\$11,151,335	\$11,066,189	\$12,213,275	\$12,148,723	\$11,879,223
Fixed Assets:												
Plant, Property, & Equipment	\$656,000	\$656,000	\$659,500	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Accumulated Depreciation	(\$197,431)	(\$215,653)	(\$233,875)	(\$252,194)	(\$270,889)	(\$289,583)	(\$308,278)	(\$326,972)	(\$345,667)	(\$364,361)	(\$383,056)	(\$401,750)
Total Fixed Assets	\$458,569	\$440,347	\$425,625	\$420,806	\$402,111	\$383,417	\$364,722	\$346,028	\$327,333	\$308,639	\$289,944	\$271,250
Total Assets	\$8,371,720	\$8,756,622	\$9,156,366	\$9,565,263	\$9,992,396	\$10,442,372	\$11,317,355	\$11,497,362	\$11,393,522	\$12,521,914	\$12,438,667	\$12,150,473
Current Liabilities:												
Accounts Payable	1,045,541	1,055,348	1,067,336	1,082,153	1,092,868	1,103,905	1,613,781	1,491,552	1,116,511	2,005,797	1,715,126	1,573,600
Unearned Revenue	23,170,857	24,717,032	26,234,483	27,728,093	29,195,059	30,633,034	31,986,808	33,254,974	34,437,314	35,532,812	36,540,645	37,459,975
Other Current Liabilities	\$16,771	\$18,745	\$20,778	\$22,873	\$25,030	\$27,252	\$29,496	\$31,763	\$34,052	\$36,364	\$38,689	\$41,058
Total Current Liabilities	\$24,233,169	\$25,791,125	\$27,322,597	\$28,833,119	\$30,312,958	\$31,764,191	\$33,629,885	\$34,778,288	\$35,587,876	\$37,574,973	\$38,294,470	\$39,074,633
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(20,651,449)	(21,824,503)	(22,956,231)	(24,057,856)	(25,110,561)	(26,111,819)	(27,102,530)	(28,070,926)	(28,984,354)	(29,843,059)	(30,645,803)	(31,714,160)
Total Owner Equity	(\$15,861,449)	(\$17,034,503)	(\$18,166,231)	(\$19,267,856)	(\$20,320,561)	(\$21,321,819)	(\$22,312,530)	(\$23,280,926)	(\$24,194,354)	(\$25,053,059)	(\$25,855,803)	(\$26,924,160)
Total Equity & Liabilities	\$8,371,720	\$8,756,622	\$9,156,366	\$9,565,263	\$9,992,396	\$10,442,372	\$11,317,355	\$11,497,362	\$11,393,522	\$12,521,914	\$12,438,667	\$12,150,473
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Sheet Assumptions - Working Capital												
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	297,950	306,889	316,095	325,577	335,344	345,404	854,575	731,633	355,871	1,244,430	953,025	735,406
Accounts Payable as a % of Core Registry Expense (As Defined A)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	50,684	50,684	52,088	55,533	55,533	55,533	55,533	55,533	55,533	55,533	55,533	130,885
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operat)	696,907	697,775	699,153	701,042	701,991	702,967	703,673	704,386	705,106	705,833	706,567	707,309
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	25,156	28,118	31,168	34,309	37,545	40,878	44,244	47,644	51,078	54,546	58,049	61,587
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	16,771	18,745	20,778	22,873	25,030	27,252	29,496	31,763	34,052	36,364	38,689	41,058
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 2 Month 1	Year 2 Month 2	Year 2 Month 3	Year 2 Month 4	Year 2 Month 5	Year 2 Month 6	Year 2 Month 7	Year 2 Month 8	Year 2 Month 9	Year 2 Month 10	Year 2 Month 11	Year 2 Month 12
Cash From Operations:												
Net Income After Taxes	(1,220,788)	(1,173,054)	(1,131,729)	(1,101,625)	(1,052,705)	(1,001,257)	(990,712)	(968,395)	(913,428)	(858,705)	(802,744)	(1,068,357)
Add-back: Depreciation & Amortization	18,222	18,222	18,222	18,319	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(157,930)	(124,785)	(89,994)	(57,109)	(22,165)	14,623	(903,839)	(568,055)	242,324	(1,475,371)	(832,564)	(336,750)
Change in Other Current Assets	(2,875)	(2,961)	(3,050)	(3,142)	(3,236)	(3,333)	(3,366)	(3,400)	(3,434)	(3,468)	(3,503)	(3,538)
Change in Accounts Payable	(925,990)	9,806	11,989	14,817	10,715	11,037	509,876	(122,229)	(375,041)	889,286	(290,671)	(141,526)
Change in Unearned Revenue	1,572,830	1,546,175	1,517,451	1,493,610	1,468,966	1,437,974	1,353,574	1,268,366	1,182,340	1,095,499	1,007,832	919,330
Change in Other Current Liabilities	1,917	1,974	2,033	2,094	2,157	2,222	2,244	2,267	2,289	2,312	2,335	2,359
Total Cash Flow from Operations	(\$714,615)	\$275,378	\$324,922	\$366,966	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)
Cash From Investing Activities:												
Capital Expenditures	\$0	\$0	(\$3,500)	(\$13,500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow from Investing Activities	\$0	\$0	(\$3,500)	(\$13,500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Financing	(\$714,615)	\$275,378	\$321,422	\$353,466	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	(\$714,615)	\$275,378	\$321,422	\$353,466	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)
Beginning Cash Balance	\$4,960,202	\$4,245,587	\$4,520,965	\$4,842,387	\$5,195,853	\$5,616,281	\$6,096,241	\$6,082,713	\$5,709,960	\$5,863,704	\$5,531,952	\$4,631,333
Net Increase/(Decrease) in Cash	(\$714,615)	\$275,378	\$321,422	\$353,466	\$420,428	\$479,961	(\$13,528)	(\$372,752)	\$153,744	(\$331,752)	(\$900,619)	(\$609,788)
Ending Cash Balance	\$4,245,587	\$4,520,965	\$4,842,387	\$5,195,853	\$5,616,281	\$6,096,241	\$6,082,713	\$5,709,960	\$5,863,704	\$5,531,952	\$4,631,333	\$4,021,545

90% CONFIDENCE LEVEL

gTLD CONSORTIUM
Detail P&L

P&L	Year 3												
	Period	1	2	3	4	5	6	7	8	9	10	11	12
Revenue													
Monthly Growth Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Domains Registered	200,000	248,580	251,066	253,577	256,113	258,674	261,261	261,261	261,261	261,261	261,261	261,261	261,261
Initial Annual Subscription Terms (Enter as Integer)													
Weighted Avg. Initial Subscription Term 1	2.1 Years	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Sunrise Period Subscription Term (Only)	5.0 Years	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)		522,018	527,239	532,512	537,837	543,215	548,648	548,648	548,648	548,648	548,648	548,648	548,648
Domain Years - Sunrise Period Subscriptions (Sales Uni)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		522,018	527,239	532,512	537,837	543,215	548,648	548,648	548,648	548,648	548,648	548,648	548,648
New Domains Up For Renewal													
Initial Subscription Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	600,000	400,000	
Second Renewal Period Domains Up For Renewal (Ter		-	-	-	-	-	-	-	-	-	-	-	-
Sunrise Subscription Terms Up For Renewal		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Domains Renewed after Initial Registration (Term 1 Sub		-	-	-	-	-	-	-	-	-	360,000	240,000	
Second Renewal Period Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		-	-	-	-	-	-	-	-	-	360,000	240,000	
Weighted Avg. Renewal Term Following Initial Reg	1.5 Years	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Renewal Domain Years Term 1 Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	900,000	600,000	
Renewal Domain Years From Sunrise Period Subscriptions (Sale		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)		-	-	-	-	-	-	-	-	-	900,000	600,000	
Total Domains Under Management		4,532,898	4,783,964	5,037,541	5,293,654	5,552,328	5,813,589	6,074,850	6,336,111	6,597,372	6,858,633	6,879,894	6,981,155
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)		522,018	527,239	532,512	537,837	543,215	548,648	548,648	548,648	548,648	548,648	548,648	548,648
Total Domain Years - Renewal Subscriptions (Sales Uni		-	-	-	-	-	-	-	-	-	-	900,000	600,000
Total Domain Years -From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		522,018	527,239	532,512	537,837	543,215	548,648	548,648	548,648	548,648	1,448,648	1,148,648	
Registration Fee Per Domain Name Year	\$5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Total Registration Revenue Term 1 (Cash)		3,001,604	3,031,622	3,061,942	3,092,564	3,123,489	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727
Total Registration Revenue Renewals Term 1 (Cash)		-	-	-	-	-	-	-	-	-	5,175,000	3,450,000	
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		3,001,604	3,031,622	3,061,942	3,092,564	3,123,489	3,154,727	3,154,727	3,154,727	3,154,727	8,329,727	6,604,727	
Total Registration Revenue - Term 1 (Accrual)		2,028,264	2,148,566	2,270,072	2,392,793	2,516,741	2,641,928	2,767,116	2,892,303	3,017,491	3,142,678	3,267,866	3,105,553
Total Registration Revenue Renewals - Term 1 (Accrual)		-	-	-	-	-	-	-	-	-	287,500	479,167	
Total Registration Revenue - Sunrise Period Subscriptions (Accr		143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750
Total Registration Revenue (Accrual)		2,172,014	2,292,316	2,413,822	2,536,543	2,660,491	2,785,678	2,910,866	3,036,053	3,161,241	3,286,428	3,699,116	3,728,470
Transfer Activity (% of New Registrations)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Total Number of Transfers		4,972	5,021	5,072	5,122	5,173	5,225	5,225	5,225	5,225	5,225	5,225	5,225
Incremental Domain Years Yield from Transfers	0.5 Years	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)		2,486	2,511	2,536	2,561	2,587	2,613	2,613	2,613	2,613	2,613	2,613	2,613
Total Transfer Revenue (Cash)		14,293	14,436	14,581	14,726	14,874	15,023	15,023	15,023	15,023	15,023	15,023	15,023
Total Transfer Revenue (Accrual)		13,944	14,084	14,224	14,367	14,510	14,656	14,777	14,875	14,948	14,998	15,023	15,023
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	89,716	91,413	93,151	94,932	96,755	98,623	136,801	127,841	100,028	112,506	180,989	154,476
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)		522,018	527,239	532,512	537,837	543,215	548,648	548,648	548,648	548,648	548,648	548,648	548,648
Total Sales Units - Term 1 Renewals (From Above)		-	-	-	-	-	-	-	-	-	900,000	600,000	
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Abov		2,486	2,511	2,536	2,561	2,587	2,613	2,613	2,613	2,613	2,613	2,613	2,613
Total Sales Units		524,504	529,749	535,047	540,398	545,802	551,261	551,261	551,261	551,261	551,261	1,451,261	1,151,261
Core Registry Fee per Name	\$2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95
Core Registry Fee - Term 1 (Cash)		1,323,311	1,348,345	1,373,983	1,400,241	1,427,136	1,454,989	1,512,102	1,506,368	1,475,416	1,659,464	1,607,582	1,570,521
Core Registry Fee - Term 1 Renewals (Cash)		-	-	-	-	-	-	-	-	-	1,062,000	708,000	
Core Registry Fee - Sunrise Period Subscriptions (Cash)		-	-	-	-	-	-	505,716	379,284	-	-	-	-
Core Registry Fee - Transfers (Cash)		7,333	7,406	7,481	7,555	7,631	7,707	7,707	7,707	7,707	7,707	7,707	7,707
Total Core Registry Fee (Cash)		1,330,644	1,355,751	1,381,464	1,407,796	1,434,767	1,462,396	2,025,525	1,893,359	1,483,123	1,667,171	2,677,289	2,286,228
Core Registry Fee - Term 1 (Accrual)		1,114,337	1,176,058	1,238,395	1,301,357	1,364,947	1,429,174	1,455,472	1,491,252	1,555,479	1,486,956	1,462,682	1,471,596
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	88,500	147,500	
Core Registry Fee - Sunrise Period (Accrual)		73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750
Core Registry Fee - Transfers		7,154	7,226	7,298	7,371	7,444	7,519	7,581	7,631	7,669	7,694	7,707	7,707

Core Registry Fee (Accrual)	1,195,241	1,257,033	1,319,443	1,382,477	1,446,142	1,510,443	1,536,803	1,572,634	1,636,898	1,568,400	1,632,639	1,700,554
Total Registry Operations	1,195,241	1,257,033	1,319,443	1,382,477	1,446,142	1,510,443	1,536,803	1,572,634	1,636,898	1,568,400	1,632,639	1,700,554

	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	136,410
Equipment Operating Leases	-	-	-	-	-	-	-	-	-	-	-	-
Remote Centers	-	-	-	-	-	-	-	-	-	-	-	-
Network Operations Center	-	-	-	-	-	-	-	-	-	-	-	-
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-
Total Systems Development & Support	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	47,660	136,410
Customer Service												
Labor	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	119,892
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	53,517	119,892
Marketing & Sales												
Labor	44,789	44,789	44,789	44,789	44,789	44,789	44,789	44,789	44,789	44,789	44,789	102,914
Advertising & Promotion:												
Media	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714	328,714
Co-op Advertising	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Production	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060
Research	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824
Agency Fee	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883
Public Relations	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667
Total Marketing & Sales	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,053,937	1,112,062
General & Administrative												
Labor	92,449	92,449	92,449	92,449	92,449	92,449	92,449	92,449	92,449	92,449	92,449	202,137
Rent	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213
Telecommunications	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584
Materials & Supplies	7,139	7,139	7,139	7,139	7,139	7,139	7,139	7,139	7,139	7,139	7,139	7,139
Travel & Entertainment	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380
Seminars & Conferences	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383
Insurance	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381
Facility Maintenance & Other	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975
Legal Services	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323
Financial & Accounting Services	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615
Other Outside Services	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756
Trademark Review	32,264	32,586	32,912	33,241	33,574	33,910	33,910	33,910	33,910	33,910	33,910	33,910
Site Hosting, Connectivity, and Devel. & Maint.	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245
Other General & Administrative	14,008	14,008	14,008	14,008	14,008	14,008	14,008	14,008	14,008	14,008	14,008	14,008
Total G&A	302,715	303,038	303,364	303,693	304,025	304,361	304,361	304,361	304,361	304,361	304,361	414,048
R&D												
Labor	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484
Outsourced R&D Efforts	21,720	22,923	24,138	25,365	26,605	27,857	29,109	30,361	31,612	32,864	36,991	37,285
Total R&D	33,205	34,408	35,623	36,850	38,089	39,341	40,593	41,845	43,097	44,349	48,476	48,769
Total Operating Expenses	2,686,275	2,749,593	2,813,544	2,878,134	2,943,370	3,009,259	3,036,871	3,073,954	3,139,470	3,072,224	3,140,590	3,531,735
Earnings Before Interest, Taxes, Depreciation & Amortization (EBIT)	(500,317)	(443,193)	(385,497)	(327,225)	(268,369)	(208,926)	(111,229)	(23,026)	36,719	229,202	573,548	211,757
Depreciation & Amortization	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694
Earnings Before Interest, Taxes	(519,012)	(461,887)	(404,192)	(345,919)	(287,064)	(227,620)	(129,923)	(41,720)	18,025	210,508	554,854	193,063
Interest	1.75%	5,865	5,803	6,101	6,403	6,709	7,020	7,333	7,213	6,777	6,727	6,685
Pretax Consortium Profit (Before Rebates)	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	11,247	203,781	548,169	180,028
Rebate Pool (% of Before Tax Profits)	25%	-	-	-	-	-	-	-	2,812	50,945	137,042	45,007
Pretax Consortium Profit	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	8,436	152,836	411,127	135,021
Estimated Stockholder Taxes	40%	-	-	-	-	-	-	-	3,374	61,134	164,451	54,008
Estimated Consortium Net Income	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	5,061	91,701	246,676	81,013

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET												
Period	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Current Assets:												
Cash	\$3,979,307	\$4,183,365	\$4,390,635	\$4,600,787	\$4,813,476	\$5,028,348	\$4,946,111	\$4,647,259	\$4,612,605	\$4,583,951	\$8,938,279	\$12,181,743
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$7,931,494	\$8,030,211	\$8,092,232	\$8,117,551	\$8,106,176	\$8,058,130	\$8,546,851	\$8,867,577	\$8,713,802	\$8,812,572	\$9,857,222	\$9,469,397
Other Current Assets	\$65,160	\$68,769	\$72,415	\$76,096	\$79,815	\$83,570	\$87,326	\$91,082	\$94,837	\$98,593	\$110,973	\$111,854
Total Current Assets	\$11,975,961	\$12,282,346	\$12,555,281	\$12,794,434	\$12,999,467	\$13,170,049	\$13,580,288	\$13,605,917	\$13,421,244	\$13,495,117	\$18,906,474	\$21,762,993
Fixed Assets:												
Plant, Property, & Equipment	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Accumulated Depreciation	(\$420,444)	(\$439,139)	(\$457,833)	(\$476,528)	(\$495,222)	(\$513,917)	(\$532,611)	(\$551,306)	(\$570,000)	(\$588,694)	(\$607,389)	(\$626,083)
Total Fixed Assets	\$252,556	\$233,861	\$215,167	\$196,472	\$177,778	\$159,083	\$140,389	\$121,694	\$103,000	\$84,306	\$65,611	\$46,917
Total Assets	\$12,228,517	\$12,516,207	\$12,770,448	\$12,990,906	\$13,177,244	\$13,329,133	\$13,720,677	\$13,727,611	\$13,524,244	\$13,579,422	\$18,972,085	\$21,809,910
Current Liabilities:												
Accounts Payable	1,344,199	1,357,515	1,371,142	1,385,087	1,399,358	1,413,966	1,696,156	1,630,700	1,426,208	1,518,857	2,025,980	1,905,948
Unearned Revenue	38,289,914	39,029,572	39,678,049	40,234,431	40,697,792	41,067,208	41,311,314	41,430,135	41,423,695	41,292,018	45,922,629	48,798,885
Other Current Liabilities	\$43,440	\$45,846	\$48,276	\$50,731	\$53,210	\$55,714	\$58,217	\$60,721	\$63,225	\$65,729	\$73,982	\$74,569
Total Current Liabilities	\$39,677,553	\$40,432,934	\$41,097,468	\$41,670,248	\$42,150,360	\$42,536,888	\$43,065,688	\$43,121,556	\$42,913,128	\$42,876,604	\$48,022,591	\$50,779,403
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(\$2,239,036)	(\$2,706,727)	(\$3,117,020)	(\$3,469,342)	(\$3,763,115)	(\$3,997,755)	(\$4,135,011)	(\$4,183,945)	(\$4,178,893)	(\$4,087,182)	(\$3,840,506)	(\$3,759,493)
Total Owner Equity	(\$27,449,036)	(\$27,916,727)	(\$28,327,020)	(\$28,679,342)	(\$28,973,115)	(\$29,207,755)	(\$29,345,011)	(\$29,393,945)	(\$29,388,893)	(\$29,297,182)	(\$29,050,506)	(\$28,969,493)
Total Equity & Liabilities	\$12,228,517	\$12,516,207	\$12,770,448	\$12,990,906	\$13,177,244	\$13,329,133	\$13,720,677	\$13,727,611	\$13,524,244	\$13,579,422	\$18,972,085	\$21,809,910
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Sheet Assumptions - Working Capital												
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	665,322	677,876	690,732	703,898	717,384	731,198	1,012,762	946,680	741,562	833,585	1,338,645	1,143,114
Accounts Payable as a % of Core Registry Expense (As Defined A)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	58,310	133,662
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operat)	620,587	621,330	622,100	622,878	623,664	624,458	625,084	625,710	626,336	626,962	629,025	629,172
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	65,160	68,769	72,415	76,096	79,815	83,570	87,326	91,082	94,837	98,593	110,973	111,854
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	43,440	45,846	48,276	50,731	53,210	55,714	58,217	60,721	63,225	65,729	73,982	74,569
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 3 Month 1	Year 3 Month 2	Year 3 Month 3	Year 3 Month 4	Year 3 Month 5	Year 3 Month 6	Year 3 Month 7	Year 3 Month 8	Year 3 Month 9	Year 3 Month 10	Year 3 Month 11	Year 3 Month 12
	Cash From Operations:											
Net Income After Taxes	(524,877)	(467,691)	(410,293)	(352,322)	(293,773)	(234,640)	(137,256)	(48,933)	5,061	91,701	246,676	81,013
Add-back: Depreciation & Amortization	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694	18,694
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(135,403)	(98,718)	(62,020)	(25,319)	11,375	48,046	(488,721)	(320,726)	153,775	(98,771)	(1,044,650)	387,825
Change in Other Current Assets	(3,573)	(3,609)	(3,645)	(3,682)	(3,718)	(3,756)	(3,756)	(3,756)	(3,756)	(3,756)	(12,381)	(881)
Change in Accounts Payable	(229,401)	13,316	13,627	13,945	14,271	14,608	282,190	(65,457)	(204,492)	92,650	507,123	(120,032)
Change in Unearned Revenue	829,939	739,659	648,477	556,382	463,361	369,416	244,106	118,821	(6,440)	(131,677)	4,630,611	2,876,256
Change in Other Current Liabilities	2,382	2,406	2,430	2,454	2,479	2,504	2,504	2,504	2,504	2,504	8,254	587
Total Cash Flow from Operations	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464
Cash From Investing Activities:												
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Financing	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464
Beginning Cash Balance	\$4,021,545	\$3,979,307	\$4,183,365	\$4,390,635	\$4,600,787	\$4,813,476	\$5,028,349	\$4,946,111	\$4,647,259	\$4,612,605	\$4,583,951	\$8,938,279
Net Increase/(Decrease) in Cash	(\$42,238)	\$204,058	\$207,270	\$210,152	\$212,689	\$214,873	(\$82,239)	(\$298,852)	(\$34,653)	(\$28,654)	\$4,354,327	\$3,243,464
Ending Cash Balance	\$3,979,307	\$4,183,365	\$4,390,635	\$4,600,787	\$4,813,476	\$5,028,349	\$4,946,111	\$4,647,259	\$4,612,605	\$4,583,951	\$8,938,279	\$12,181,743

Core Registry Fee (Accrual)	1,757,405	1,805,554	1,853,221	1,900,391	1,947,050	1,993,181	2,035,581	2,078,859	2,125,119	2,156,450	2,148,266	2,158,336
Total Registry Operations	1,757,405	1,805,554	1,853,221	1,900,391	1,947,050	1,993,181	2,035,581	2,078,859	2,125,119	2,156,450	2,148,266	2,158,336

	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	138,793
Equipment Operating Leases	-	-	-	-	-	-	-	-	-	-	-	-
Remote Centers	-	-	-	-	-	-	-	-	-	-	-	-
Network Operations Center	-	-	-	-	-	-	-	-	-	-	-	-
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-
Total Systems Development & Support	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	50,043	138,793
Customer Service												
Labor	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	122,568
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	56,193	122,568
Marketing & Sales												
Labor	47,029	47,029	47,029	47,029	47,029	47,029	47,029	47,029	47,029	47,029	47,029	105,154
Advertising & Promotion:												
Media	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853	221,853
Co-op Advertising	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Production	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607
Research	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614
Agency Fee	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221
Public Relations	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333
Total Marketing & Sales	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	850,658	908,783
General & Administrative												
Labor	97,072	97,072	97,072	97,072	97,072	97,072	97,072	97,072	97,072	97,072	97,072	206,759
Rent	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213
Telecommunications	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584
Materials & Supplies	7,424	7,424	7,424	7,424	7,424	7,424	7,424	7,424	7,424	7,424	7,424	7,424
Travel & Entertainment	83,349	83,349	83,349	83,349	83,349	83,349	83,349	83,349	83,349	83,349	83,349	83,349
Seminars & Conferences	10,799	10,799	10,799	10,799	10,799	10,799	10,799	10,799	10,799	10,799	10,799	10,799
Insurance	6,637	6,637	6,637	6,637	6,637	6,637	6,637	6,637	6,637	6,637	6,637	6,637
Facility Maintenance & Other	5,174	5,174	5,174	5,174	5,174	5,174	5,174	5,174	5,174	5,174	5,174	5,174
Legal Services	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389
Financial & Accounting Services	6,946	6,946	6,946	6,946	6,946	6,946	6,946	6,946	6,946	6,946	6,946	6,946
Other Outside Services	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894
Trademark Review	35,266	35,266	35,266	35,266	35,266	35,266	35,266	35,266	35,266	35,266	35,266	35,266
Site Hosting, Connectivity, and Devel. & Maint.	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375
Other General & Administrative	14,436	14,436	14,436	14,436	14,436	14,436	14,436	14,436	14,436	14,436	14,436	14,436
Total G&A	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	316,557	426,244
R&D												
Labor	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059
Outsourced R&D Efforts	37,818	38,830	40,111	41,392	42,675	43,958	45,242	46,505	47,768	49,031	50,295	51,558
Total R&D	49,876	50,889	52,169	53,451	54,733	56,016	57,301	58,584	59,827	61,090	62,353	63,617
Total Operating Expenses	3,080,732	3,129,894	3,178,841	3,227,293	3,275,234	3,322,648	3,366,333	3,410,873	3,458,397	3,490,990	3,484,070	3,816,341
Earnings Before Interest, Taxes, Depreciation & Amortization (EBIT)	716,073	768,141	847,256	926,953	1,007,250	1,088,164	1,172,903	1,254,661	1,333,448	1,427,174	1,560,428	1,352,500
Depreciation & Amortization	18,694	13,833	4,556	2,125	1,444	764	764	764	764	472	472	472
Earnings Before Interest, Taxes	697,379	754,307	842,700	924,828	1,005,805	1,087,400	1,172,139	1,253,897	1,332,684	1,426,702	1,559,955	1,352,028
Interest	1.75%	17,765	20,463	22,549	24,508	26,417	28,278	30,093	31,496	32,538	33,861	35,361
Pretax Consortium Profit (Before Rebates)	679,613	733,844	820,151	900,320	979,388	1,059,122	1,142,047	1,222,402	1,300,146	1,392,841	1,524,594	1,315,687
Rebate Pool (% of Before Tax Profits)	25%	169,903	183,461	205,038	225,080	244,847	264,780	285,512	305,600	325,036	348,210	381,149
Pretax Consortium Profit	509,710	550,383	615,113	675,240	734,541	794,341	856,535	916,801	975,109	1,044,631	1,143,446	986,765
Estimated Stockholder Taxes	40%	203,884	220,153	246,045	270,096	293,817	317,737	342,614	366,721	390,044	417,852	457,378
Estimated Consortium Net Income	305,826	330,230	369,068	405,144	440,725	476,605	513,921	550,081	585,066	626,778	686,067	592,059

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 4 Month 1	Year 4 Month 2	Year 4 Month 3	Year 4 Month 4	Year 4 Month 5	Year 4 Month 6	Year 4 Month 7	Year 4 Month 8	Year 4 Month 9	Year 4 Month 10	Year 4 Month 11	Year 4 Month 12
Current Assets:												
Cash	\$14,031,953	\$15,462,364	\$16,805,329	\$18,114,423	\$19,390,852	\$20,634,868	\$21,597,031	\$22,311,742	\$23,219,189	\$24,247,501	\$24,919,726	\$25,839,760
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$9,164,729	\$9,034,892	\$8,995,238	\$8,948,476	\$8,896,169	\$8,839,928	\$9,281,238	\$9,579,880	\$9,488,256	\$9,400,933	\$9,888,783	\$9,650,661
Other Current Assets	\$113,453	\$116,490	\$120,332	\$124,177	\$128,024	\$131,874	\$135,726	\$139,515	\$143,305	\$147,094	\$150,884	\$154,675
Total Current Assets	\$23,310,136	\$24,613,747	\$25,920,899	\$27,187,077	\$28,415,046	\$29,606,669	\$31,013,995	\$32,031,137	\$32,850,750	\$33,795,528	\$34,959,393	\$35,645,096
Fixed Assets:												
Plant, Property, & Equipment	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Accumulated Depreciation	(\$644,778)	(\$658,611)	(\$663,167)	(\$668,292)	(\$668,736)	(\$667,500)	(\$668,264)	(\$669,028)	(\$673,922)	(\$670,264)	(\$670,736)	(\$671,208)
Total Fixed Assets	\$28,222	\$14,389	\$9,833	\$7,708	\$6,264	\$5,500	\$4,736	\$3,972	\$3,208	\$2,736	\$2,264	\$1,792
Total Assets	\$23,338,358	\$24,628,136	\$25,930,732	\$27,194,785	\$28,421,310	\$29,612,169	\$31,018,732	\$32,035,109	\$32,853,958	\$33,798,264	\$34,961,657	\$35,646,887
Current Liabilities:												
Accounts Payable	1,598,311	1,559,119	1,569,684	1,580,474	1,591,492	1,602,748	1,862,566	1,802,380	1,615,791	1,618,868	1,887,470	1,877,448
Unearned Revenue	50,328,079	51,324,794	52,245,196	53,090,752	53,862,968	54,563,401	55,193,856	55,717,613	56,135,459	56,447,384	56,653,581	56,754,246
Other Current Liabilities	\$75,636	\$77,660	\$80,221	\$82,784	\$85,349	\$87,916	\$90,484	\$93,010	\$95,536	\$98,063	\$100,589	\$103,116
Total Current Liabilities	\$52,002,026	\$52,961,573	\$53,895,102	\$54,754,010	\$55,539,810	\$56,254,065	\$57,146,706	\$57,613,003	\$57,846,787	\$58,164,314	\$58,641,640	\$58,734,811
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(\$3,453,667)	(\$3,123,437)	(\$2,754,369)	(\$2,349,225)	(\$1,908,500)	(\$1,431,896)	(\$30,917,975)	(\$30,367,894)	(\$29,782,828)	(\$29,156,050)	(\$28,469,982)	(\$27,877,923)
Total Owner Equity	(\$28,663,667)	(\$28,333,437)	(\$27,964,369)	(\$27,559,225)	(\$27,118,500)	(\$26,641,896)	(\$26,127,975)	(\$25,577,894)	(\$24,992,828)	(\$24,366,050)	(\$23,679,982)	(\$23,087,923)
Total Equity & Liabilities	\$23,338,358	\$24,628,136	\$25,930,732	\$27,194,785	\$28,421,310	\$29,612,169	\$31,018,732	\$32,035,109	\$32,853,958	\$33,798,264	\$34,961,657	\$35,646,887
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Sheet Assumptions - Working Capital												
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	1,006,619	966,921	976,846	986,995	997,372	1,007,986	1,267,163	1,206,345	1,019,124	1,021,570	1,289,540	1,203,535
Accounts Payable as a % of Core Registry Expense (As Defined A)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	61,226	136,578
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operat	530,466	530,972	531,612	532,253	532,894	533,536	534,178	534,810	535,441	536,073	536,704	537,336
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	113,453	116,490	120,332	124,177	128,024	131,874	135,726	139,515	143,305	147,094	150,884	154,675
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	75,636	77,660	80,221	82,784	85,349	87,916	90,484	93,010	95,536	98,063	100,589	103,116
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

	Period											
	Year 4 Month 1	Year 4 Month 2	Year 4 Month 3	Year 4 Month 4	Year 4 Month 5	Year 4 Month 6	Year 4 Month 7	Year 4 Month 8	Year 4 Month 9	Year 4 Month 10	Year 4 Month 11	Year 4 Month 12
Cash From Operations:												
Net Income After Taxes	305,826	330,230	369,068	405,144	440,725	476,605	513,921	550,081	585,066	626,778	686,067	592,059
Add-back: Depreciation & Amortization	18,694	13,833	4,556	2,125	1,444	764	764	764	764	472	472	472
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	304,667	129,838	39,654	46,762	52,307	56,241	(441,310)	(298,642)	91,624	87,323	(487,850)	238,121
Change in Other Current Assets	(1,599)	(3,037)	(3,842)	(3,844)	(3,847)	(3,850)	(3,853)	(3,789)	(3,789)	(3,790)	(3,790)	(3,790)
Change in Accounts Payable	(307,638)	(39,192)	10,566	10,789	11,019	11,256	259,818	(60,186)	(186,589)	3,077	268,602	(10,021)
Change in Unearned Revenue	1,529,194	986,715	920,402	845,556	772,216	700,433	630,254	523,957	417,847	311,924	206,197	100,665
Change in Other Current Liabilities	1,066	2,025	2,561	2,563	2,565	2,567	2,568	2,526	2,526	2,526	2,527	2,527
Total Cash Flow from Operations	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033
Cash From Investing Activities:												
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Financing	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033
Beginning Cash Balance	\$12,181,743	\$14,031,953	\$15,462,364	\$16,805,329	\$18,114,423	\$19,390,852	\$20,634,868	\$21,597,031	\$22,311,742	\$23,219,189	\$24,247,501	\$24,919,726
Net Increase/(Decrease) in Cash	\$1,850,211	\$1,430,411	\$1,342,964	\$1,309,094	\$1,276,429	\$1,244,015	\$962,164	\$714,710	\$907,448	\$1,028,312	\$672,225	\$920,033
Ending Cash Balance	\$14,031,953	\$15,462,364	\$16,805,329	\$18,114,423	\$19,390,852	\$20,634,868	\$21,597,031	\$22,311,742	\$23,219,189	\$24,247,501	\$24,919,726	\$25,839,760

90% CONFIDENCE LEVEL

**gTLD CONSORTIUM
Detail P&L**

P&L	Year 5												
	Period	1	2	3	4	5	6	7	8	9	10	11	12
Revenue													
Monthly Growth Rate		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Domains Registered	200,000	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261	261,261
Initial Annual Subscription Terms (Enter as Integer)													
Weighted Avg. Initial Subscription Term 1	2.1 Years	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Sunrise Period Subscription Term (Only)	5.0 Years	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)		548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648
Domain Years - Sunrise Period Subscriptions (Sales Units)													
New Domains Total Domain Years - (Sales Units)		548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648
New Domains Up For Renewal													
Initial Subscription Domains Up For Renewal (Term 1)		246,119	248,580	251,066	253,577	256,113	258,674	261,261	261,261	261,261	261,261	261,261	261,261
Second Renewal Period Domains Up For Renewal (Term 1)		-	-	-	-	360,000	240,000	150,000	120,000	123,308	131,127	135,061	135,061
Sunrise Subscription Terms Up For Renewal		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Domains Renewed after Initial Registration (Term 1 Sub)		147,671	149,148	150,640	152,146	153,668	155,204	156,757	156,757	156,757	156,757	156,757	156,757
Second Renewal Period Domains Renewed		-	-	-	-	216,000	144,000	90,000	72,000	74,160	76,385	78,676	81,036
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		147,671	149,148	150,640	152,146	369,668	299,204	246,757	228,757	230,917	233,141	235,433	237,793
Weighted Avg. Renewal Term Following Initial Reg	1.5 Years	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Renewal Domain Years Term 1 Subscriptions (Sales Units)		369,179	372,870	376,599	380,366	924,170	748,011	616,892	571,892	577,292	582,854	588,582	594,482
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)		369,179	372,870	376,599	380,366	924,170	748,011	616,892	571,892	577,292	582,854	588,582	594,482
Total Domains Under Management		9,183,821	9,345,650	9,506,484	9,666,315	9,661,130	9,742,922	9,839,678	9,948,435	10,055,752	10,161,585	10,255,891	10,368,623
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)		548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648
Total Domain Years - Renewal Subscriptions (Sales Units)		369,179	372,870	376,599	380,366	924,170	748,011	616,892	571,892	577,292	582,854	588,582	594,482
Total Domain Years - From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		917,827	921,518	925,247	929,014	1,472,818	1,296,659	1,165,540	1,120,540	1,125,940	1,131,502	1,137,230	1,143,131
Registration Fee Per Domain Name Year	\$5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Total Registration Revenue Term 1 (Cash)		3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727	3,154,727
Total Registration Revenue Renewals Term 1 (Cash)		2,122,776	2,144,003	2,165,444	2,187,102	5,313,975	4,301,063	3,547,126	3,288,376	3,319,426	3,351,408	3,384,347	3,418,274
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		5,277,503	5,298,729	5,320,171	5,341,828	8,468,701	7,455,790	6,701,853	6,443,103	6,474,153	6,506,134	6,539,073	6,573,000
Total Registration Revenue - Term 1 (Accrual)		3,229,271	3,236,527	3,242,603	3,247,488	3,251,170	3,253,637	3,254,877	3,254,877	3,254,877	3,254,877	3,254,877	3,254,877
Total Registration Revenue Renewals - Term 1 (Accrual)		1,909,152	2,028,264	2,148,566	2,270,072	2,277,793	2,325,074	2,402,345	2,489,199	2,574,903	2,659,423	2,742,723	2,824,766
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750
Total Registration Revenue (Accrual)		5,282,174	5,408,541	5,534,919	5,661,310	5,672,713	5,722,461	5,800,971	5,887,826	5,973,530	6,058,050	6,141,349	6,223,393
Transfer Activity (% of New Registrations)													
Total Number of Transfers	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Incremental Domain Years Yield from Transfers	0.5 Years	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)		2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613
Total Transfer Revenue (Cash)		15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023
Total Transfer Revenue (Accrual)		15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023	15,023
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	154,010	151,355	152,064	152,787	196,724	183,077	207,278	195,246	170,104	170,691	171,292	171,909
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)		548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648	548,648
Total Sales Units - Term 1 Renewals (From Above)		369,179	372,870	376,599	380,366	924,170	748,011	616,892	571,892	577,292	582,854	588,582	594,482
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)		2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613
Total Sales Units		920,439	924,131	927,860	931,626	1,475,430	1,299,272	1,168,152	1,123,152	1,128,552	1,134,114	1,139,843	1,145,743
Core Registry Fee per Name	\$2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95
Core Registry Fee - Term 1 (Cash)		1,614,771	1,615,504	1,616,245	1,616,993	1,617,749	1,618,512	1,618,512	1,618,512	1,618,512	1,618,512	1,618,512	1,618,512
Core Registry Fee - Term 1 Renewals (Cash)		656,881	616,987	626,897	636,811	1,283,932	1,081,867	933,123	882,075	899,176	908,520	917,148	917,148
Core Registry Fee - Sunrise Period Subscriptions (Cash)		-	-	-	-	-	-	505,716	379,284	-	-	-	-
Core Registry Fee - Transfers (Cash)		7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707
Total Core Registry Fee (Cash)		2,279,359	2,240,198	2,250,649	2,261,311	2,909,388	2,708,086	3,065,057	2,887,579	2,516,739	2,525,395	2,534,269	2,543,367
Core Registry Fee - Term 1 (Accrual)		1,603,556	1,607,170	1,610,077	1,612,266	1,613,727	1,614,450	1,615,116	1,615,724	1,616,275	1,616,766	1,617,198	1,617,570
Core Registry Fee - Term 1 Renewals (Accrual)		495,499	517,415	539,255	561,009	635,768	692,721	736,283	775,249	814,573	854,269	890,103	921,089
Core Registry Fee - Sunrise Period (Accrual)		73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750	73,750
Core Registry Fee - Transfers		7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707	7,707

Core Registry Fee (Accrual)	2,180,513	2,206,042	2,230,789	2,254,732	2,330,952	2,388,629	2,432,856	2,472,430	2,512,305	2,552,493	2,548,758	2,560,116
Total Registry Operations	2,180,513	2,206,042	2,230,789	2,254,732	2,330,952	2,388,629	2,432,856	2,472,430	2,512,305	2,552,493	2,548,758	2,560,116

	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	141,295
Equipment Operating Leases	-	-	-	-	-	-	-	-	-	-	-	-
Remote Centers	-	-	-	-	-	-	-	-	-	-	-	-
Network Operations Center	-	-	-	-	-	-	-	-	-	-	-	-
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-
Total Systems Development & Support	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	52,545	141,295
Customer Service												
Labor	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	125,378
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	59,003	125,378
Marketing & Sales												
Labor	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	49,380	107,505
Advertising & Promotion:												
Media	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297
Co-op Advertising	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Production	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530
Research	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474
Agency Fee	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005
Public Relations	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333
Total Marketing & Sales	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	985,019	1,043,144
General & Administrative												
Labor	101,925	101,925	101,925	101,925	101,925	101,925	101,925	101,925	101,925	101,925	101,925	211,613
Rent	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213	20,213
Telecommunications	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584	21,584
Materials & Supplies	7,721	7,721	7,721	7,721	7,721	7,721	7,721	7,721	7,721	7,721	7,721	7,721
Travel & Entertainment	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516
Seminars & Conferences	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231
Insurance	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902
Facility Maintenance & Other	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381
Legal Services	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459
Financial & Accounting Services	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293
Other Outside Services	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039
Trademark Review	36,677	36,677	36,677	36,677	36,677	36,677	36,677	36,677	36,677	36,677	36,677	36,677
Site Hosting, Connectivity, and Devel. & Maint.	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510
Other General & Administrative	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
Total G&A	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	327,650	437,338
R&D												
Labor	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662
Outsourced R&D Efforts	52,822	54,085	55,349	56,613	56,727	57,225	58,010	58,878	59,735	60,580	61,413	62,234
Total R&D	65,483	66,747	68,011	69,275	69,389	69,886	70,671	71,540	72,397	73,242	74,075	74,895
Total Operating Expenses	3,670,213	3,697,006	3,723,016	3,748,224	3,824,558	3,882,732	3,927,744	3,968,187	4,008,918	4,049,952	4,047,050	4,382,166
Earnings Before Interest, Taxes, Depreciation & Amortization (EBIT)	1,626,983	1,726,557	1,826,925	1,928,109	1,863,177	1,854,752	1,888,249	1,934,661	1,979,634	2,023,121	2,109,322	1,856,249
Depreciation & Amortization	472	472	472	375	-	-	-	-	-	-	-	-
Earnings Before Interest, Taxes	1,626,511	1,726,085	1,826,453	1,927,734	1,863,177	1,854,752	1,888,249	1,934,661	1,979,634	2,023,121	2,109,322	1,856,249
Interest	37,683	38,925	40,029	41,012	41,910	46,921	50,968	53,393	54,989	56,860	58,960	60,978
Pretax Consortium Profit (Before Rebates)	1,588,828	1,687,159	1,786,424	1,886,722	1,821,268	1,807,830	1,837,282	1,881,268	1,924,645	1,966,261	2,050,362	1,795,271
Rebate Pool (% of Before Tax Profits)	397,207	421,790	446,606	471,680	455,317	451,958	459,320	470,317	481,161	491,565	512,590	448,818
Pretax Consortium Profit	1,191,621	1,265,369	1,339,818	1,415,041	1,365,951	1,355,873	1,377,961	1,410,951	1,443,484	1,474,695	1,537,771	1,346,453
Estimated Stockholder Taxes	476,648	506,148	535,927	566,017	546,380	542,349	551,184	564,381	577,394	589,878	615,109	538,581
Estimated Consortium Net Income	714,973	759,222	803,891	849,025	819,570	813,524	826,777	846,571	866,090	884,817	922,663	807,872

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 5 Month 1	Year 5 Month 2	Year 5 Month 3	Year 5 Month 4	Year 5 Month 5	Year 5 Month 6	Year 5 Month 7	Year 5 Month 8	Year 5 Month 9	Year 5 Month 10	Year 5 Month 11	Year 5 Month 12
Current Assets:												
Cash	\$26,691,718	\$27,448,613	\$28,122,532	\$28,738,013	\$32,174,719	\$34,949,378	\$36,612,074	\$37,706,440	\$38,989,697	\$40,429,549	\$41,813,352	\$43,125,019
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$9,441,825	\$9,314,599	\$9,234,888	\$9,154,025	\$9,656,859	\$9,328,153	\$9,571,208	\$9,789,516	\$9,687,124	\$9,584,080	\$9,524,683	\$9,449,987
Other Current Assets	\$158,465	\$162,256	\$166,048	\$169,839	\$170,181	\$171,674	\$174,029	\$176,635	\$179,206	\$181,741	\$184,240	\$186,702
Total Current Assets	\$36,292,007	\$36,925,469	\$37,523,468	\$38,061,877	\$42,001,759	\$44,449,205	\$46,357,311	\$47,672,591	\$48,856,027	\$50,195,370	\$51,522,276	\$52,761,708
Fixed Assets:												
Plant, Property, & Equipment	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000	\$673,000
Accumulated Depreciation	(\$671,681)	(\$672,153)	(\$672,625)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)	(\$673,000)
Total Fixed Assets	\$1,319	\$847	\$375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Assets	\$36,293,327	\$36,926,316	\$37,523,843	\$38,061,877	\$42,001,759	\$44,449,205	\$46,357,311	\$47,672,591	\$48,856,027	\$50,195,370	\$51,522,276	\$52,761,708
Current Liabilities:												
Accounts Payable	1,811,059	1,792,110	1,797,968	1,803,931	2,128,026	2,027,624	2,206,502	2,118,197	1,933,206	1,937,956	1,942,810	2,023,121
Unearned Revenue	56,749,575	56,639,764	56,425,015	56,105,533	58,901,522	60,634,851	61,535,732	62,091,009	62,591,632	63,039,717	63,437,440	63,787,048
Other Current Liabilities	\$105,643	\$108,171	\$110,698	\$113,226	\$113,454	\$114,449	\$116,019	\$117,757	\$119,471	\$121,161	\$122,827	\$124,468
Total Current Liabilities	\$58,666,273	\$58,540,045	\$58,333,681	\$58,022,690	\$61,143,002	\$62,776,924	\$63,858,254	\$64,326,963	\$64,644,308	\$65,098,834	\$65,503,077	\$65,934,637
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(27,162,951)	(26,403,729)	(25,599,838)	(24,750,813)	(23,931,243)	(23,117,719)	(22,290,943)	(21,444,372)	(20,578,281)	(19,693,464)	(18,770,801)	(17,962,929)
Total Owner Equity	\$22,372,951	\$21,613,729	\$20,809,838	\$19,960,813	\$19,141,243	\$18,327,719	\$17,500,943	\$16,654,372	\$15,788,281	\$14,903,464	\$13,980,801	\$13,172,929
Total Equity & Liabilities	\$36,293,327	\$36,926,316	\$37,523,843	\$38,061,877	\$42,001,759	\$44,449,205	\$46,357,311	\$47,672,591	\$48,856,027	\$50,195,370	\$51,522,276	\$52,761,708
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Holding Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	1,139,679	1,120,099	1,125,325	1,130,656	1,454,694	1,354,043	1,532,529	1,443,789	1,258,369	1,262,698	1,267,134	1,271,683
Accounts Payable as a % of Core Registry Expense (As Defined A)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	64,287	139,639
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operat)	607,093	607,725	608,356	608,988	609,045	609,294	609,687	610,121	610,550	610,972	611,389	611,799
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	158,465	162,256	166,048	169,839	170,181	171,674	174,029	176,635	179,206	181,741	184,240	186,702
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	105,643	108,171	110,698	113,226	113,454	114,449	116,019	117,757	119,471	121,161	122,827	124,468
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 5	Year 5	Year 5	Year 5	Year 5	Year 5	Year 5	Year 5	Year 5	Year 5	Year 5	Year 5
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Cash From Operations:												
Net Income After Taxes	714,973	759,222	803,891	849,025	819,570	813,524	826,777	846,571	866,090	884,817	922,663	807,872
Add-back: Depreciation & Amortization	472	472	472	375	-	-	-	-	-	-	-	-
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	208,837	127,225	79,711	80,863	(502,834)	328,706	(243,055)	(218,309)	102,392	103,045	59,396	74,696
Change in Other Current Assets	(3,791)	(3,791)	(3,791)	(3,792)	(342)	(1,492)	(2,355)	(2,608)	(2,571)	(2,536)	(2,499)	(2,461)
Change in Accounts Payable	(66,389)	(18,948)	5,857	5,963	324,096	(100,402)	178,878	(88,305)	(184,991)	4,751	4,853	80,311
Change in Unearned Revenue	(4,671)	(109,811)	(214,749)	(319,482)	2,795,988	1,733,329	900,881	555,277	500,623	448,085	397,724	349,608
Change in Other Current Liabilities	2,527	2,527	2,528	2,528	228	995	1,570	1,737	1,714	1,690	1,666	1,641
Total Cash Flow from Operations	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667
Cash From Investing Activities:												
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Financing	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667
Beginning Cash Balance	\$25,839,760	\$26,691,718	\$27,448,613	\$28,122,532	\$28,738,013	\$32,174,719	\$34,949,378	\$36,612,074	\$37,706,440	\$38,989,697	\$40,429,549	\$41,813,352
Net Increase/(Decrease) in Cash	\$851,958	\$756,896	\$673,919	\$615,480	\$3,436,706	\$2,774,659	\$1,662,696	\$1,094,366	\$1,283,257	\$1,439,852	\$1,383,803	\$1,311,667
Ending Cash Balance	\$26,691,718	\$27,448,613	\$28,122,532	\$28,738,013	\$32,174,719	\$34,949,378	\$36,612,074	\$37,706,440	\$38,989,697	\$40,429,549	\$41,813,352	\$43,125,019

367856.01-NYS1A