



August 15, 2005

Dr. Paul Twomey
Chief Executive Officer
Internet Corporation for Assigned Names and Numbers
4676 Admiralty Way, Suite 330
Marina del Rey, California 90292

Dear Dr. Twomey:

We have reviewed the communication from Government Advisory Committee (GAC) Chairman Tarmizi regarding the ICANN Board's approval, scheduled for Tuesday, 16 August, of ICM Registry's agreement with ICANN for a sponsored top-level domain for the community of responsible webmasters in the online adult entertainment industry. We also understand that the United States Department of Commerce (DOC) recently expressed a concern that certain points of view may not have received adequate consideration in this process.

The ICANN Board's determination, on 1 June 2005, that the ICM Registry application met the Board-issued eligibility criteria for a sponsored top-level domain (sTLD), was the culmination of a long and thorough review process. This matter has been before ICANN for five years, and very actively and publicly debated for the past 18 months. Before the Board instructed the staff to enter into contract negotiations with ICM Registry, ICANN solicited views on our application and provided many opportunities for concerned stakeholders to express their views on it. We are, to say the very least, disappointed that concerns that should have been raised and addressed weeks and months ago are being raised in the final days before the Board is scheduled to approve the agreement negotiated with staff. We offered, in connection with the ICANN meeting in December of last year, the Spring meeting in Argentina, and the most recent meeting in Luxembourg, to meet with the GAC and/or interested members of the GAC to discuss the sTLD. We also understand that the DOC received the bulk of the emails that underlie the Department's concerns many weeks ago.

Nevertheless, we are keenly aware of the need for all stakeholders to feel that they have had an adequate and meaningful opportunity to express their views, and to know that these views have been carefully considered. Therefore, to preserve the integrity of the ICANN process, we request that the Board defer final approval of the ICM Registry

Agreement until its September board call, during which time ICM commits to address the concerns expressed by the DOC and Mr. Tarmizi.

To that end, ICM Registry renews its offer to meet with the GAC, or with individual countries to discuss and resolve the concerns that Chairman Tarmizi anticipates will be expressed shortly. ICM Registry has formally requested a meeting with senior officials in the US Department of Commerce, including Assistant Secretary Michael D. Gallagher and newly appointed Secretary David A. Sampson, to discuss any concerns they are hearing, and to provide information on the ways in which the sTLD will contribute to making the Internet a more family-friendly environment. And, of course, ICM Registry will, as it has done throughout this process, respond fully and in detail to any questions from ICANN.

The instantly recognizable label of the new TLD permit responsible members of the online adult-entertainment community to engage in self-regulation to make the Internet safer for families, children, and consumers. The TLD will help Internet users avoid sites that do not interest them. We very much regret that further delay will consume resources that would otherwise be available to support the International Foundation for Online Responsibility's commitment to bring together child safety experts, the sponsored community, and those concerned with free expression in order to provide families, children and consumers with more new tools, technology and educational resources to support them online; to develop and implement best practices for responsible webmasters, and to provide additional funding and tools to combat online child pornography.

The voluntary labeling of adult-oriented websites is critical to the responsible growth of the Internet. The TLD to be operated by ICM Registry unquestionably meets the criteria established by ICANN for new sponsored top-level domains. Creation of a TLD for responsible adult webmasters is also fully consistent with ICANN's mandate, articulated both in the ICANN mission statement and the MOU with the Commerce Department, to promote innovation and competition, and to facilitate bottom-up decision-making while maintaining the stability and security of the domain name system. Nonetheless, ICM Registry believes that it is appropriate to take the above-mentioned steps to respond to the concerns now being expressed before the .xxx sTLD is included in the Internet's authoritative root.

Sincerely,

Stuart Lawley
Chairman of the Board