

COMMERCE, ICANN AND VERISIGN AGREEMENT IN PRINCIPLE

The Department of Commerce, ICANN, and VeriSign have agreed in principle on the following additional terms to be included in the ICANN and VeriSign Registry Agreements and related agreements, subject to final legal documentation. All other terms of the Agreements remain unchanged.

- The .net registry agreement will expire on June 30, 2005. The expiration date, however, is conditioned on the development of competition in the new top level domain registry market and continued competition in the registrar marketplace, as measured by objective standards. Under the terms of the .net registry agreement, ICANN will assess market conditions at two points within the agreement - - as of December 31, 2002, and March 31, 2004. If the objective measurements of competition are not met, then the expiration date of the .net agreement would be accelerated to November 10, 2003, or January 1, 2005, respectively. VeriSign is also required to be in compliance with the safeguard provisions preserving the separation between its registrar and registry businesses according to independent audits.
- Recognition by VeriSign that any approval by the Department of Commerce of the new registry agreements is not intended to confer antitrust immunity on VeriSign with respect to the registry agreements.
- Requirement for mandatory independent annual audits of safeguard provisions preserving the separation between VeriSign's registrar and registry businesses, the full results to be submitted to ICANN and by ICANN to the Departments of Commerce and Justice, and summary results made available to the public by ICANN.
- Preservation of the Department's ability to obtain access to registry data held in escrow for the .com, .net, and .org registries during the period of transition to full private sector management.
- Preservation of the Department's ability to approve any future material amendments of the new .com, .net, and .org registry agreements during the transition period.
- Preservation of the Department's responsibility to approve any successor registry for .com, .net or .org during the transition period.
- Recognition that in the event of any inconsistency between a registry agreement and the Cooperative Agreement between the Department of Commerce and VeriSign, the Cooperative Agreement controls.