



December 16, 2013

Dear Cherine and Members of the NGPC:

Thank you for the opportunity to provide Dot Registry LLC's thoughts on GAC advice.

Dot Registry LLC is the only Community Applicant for the "corporate identifier" strings (.corp, .inc, .llp and .llc). In developing our applications, we spent months in dialog with all Secretaries of State to determine the best approach to operate a registry for these sensitive strings. As a result, we have established the most restrictive registration and enforcement policies of any applicant for these TLDs. The lack of restrictive policies and protection mechanisms by other applicants, coupled with the recent proposal from the NGPC; which stops short of requiring these types of policies and protections as asked for by the Government Advisory Committee (GAC) in their Beijing Communiqué, concerns us.

In developing the new gTLD program, ICANN placed significant emphasis on fraud and abuse mitigation mechanisms to reduce such criminal activity on the Internet today. In our application responses to these types of safeguard questions, we outlined a rigid pre-verification process for anyone attempting to register a domain in any of our TLDs. These registration policies were developed in cooperation with U.S. Secretaries of State and with the National Association of Secretaries of State (NASS). Through extensive work with these offices, we were able to develop a system of security protocols and verification to combat fraud and consumer harm by potential criminal registrants in these TLDs. Our pre-verification system is a safety and security mechanism requested by the U.S. Secretaries of State, who are under Oath of Office and act as regulators for corporate registrations in the United States.

The NGPC's proposal is a step back from what the GAC has asked for related to the registry operation of these strings. By only requiring registrants to affirm, and not verify, that they have the proper credentials necessary to register a corporate domain, only encourages fraudsters and criminals to use these types of TLDs for nefarious activity. To understand shortcomings of self affirmation, we would ask you to look at Whois Accuracy where registrants are supposed to attest that the information they supply is accurate and complete. In ICANN's recent compliance findings, you will see that WHOIS Inaccuracy remains a substantial industry wide problem. As such, under the current NGPC proposal, a criminal can tick the box that they have met the necessary credentials to register a corporate domain without fear or worry of verification or validation. While the 2013 RAA does provide some new safeguards against false Whois information, through additional verification requirements, these requirements fall short as there are no "universal" methods in place for global address verification. Enforcement will continue to be reactive versus taking a proactive and preemptive approach. In our application, we have taken measures to address this preventable situation.

As members of the NGPC and the ICANN Board of Directors, you have the power to put appropriate safeguards in place to prevent fraud and consumer harm; however, your proposal to the GAC stops



considerably short of that. This presents a problem for ICANN and its role in protecting the security and stability of the Internet and that of the public interest.

During remarks in June of 2013, ICANN CEO Fadi Chehadé described the relationship between ICANN and new gTLD Registries as one of Licensor and Licensee. As such, ICANN has the requisite authority to not only grant registry licenses, but the responsibility to ensure their operation is in a secure and stable manner which protects the public interest<sup>1</sup>. In considering a more stringent requirements approach, you have affirmatively decided against requiring them and are creating a scenario where these TLDs could become incubators ripe for fraud, criminal activity and consumer harm. This approach is nowhere near in the best interest of the public or consumer confidence and is counter productive to what the GAC and the community has asked for. NASS' President recently raised similar concerns in a letter to the Federal Trade Commission.<sup>2</sup>

Another shortfall of the NGPC proposal, in responding to GAC advice, is by not requiring relationships with applicable key regulators. By only requiring registry operators to post contact information as opposed to requiring them to have ongoing, established relationships with the regulators responsible for these corporate registrations, you have ignored the spirit and the intent of the GAC advice in a critical area. When U.S. Secretaries of State and Attorney Generals begin to investigate claims of fraud and abuse, and try to determine how this was possible in the first place, they will undoubtedly turn to ICANN for answers. ICANN will need to answer why the NGPC proposal chose to water down GAC advice instead of proactively putting in real protections.

We also remain concerned that the NGPC proposal does not appropriately address the GAC Advice which stated "...that in those cases where a community, which is clearly impacted by a set of new gTLD applications in contention, has expressed a collective and clear opinion on those applications, such opinion should be duly taken into account, together with all other relevant information..."

Recently, NASS<sup>3</sup> has told ICANN that corporate identifier TLDs should be run as community registries and on several occasions individual Secretaries of States<sup>4</sup>. While we are confident in the prospects of CPE, ICANN's refusal to acknowledge these requests is troubling and exhibits a disregard for the offices these key public officials hold and the role they serve in corporate identifiers within their jurisdiction.

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<sup>1</sup> See section 3 of the Affirmation of Commitments <http://www.icann.org/en/about/agreements/aoc/affirmation->

<sup>2</sup> Letter from Tennessee Secretary of State Tre Hargett to FTC Commissioners. <http://dotregistry.org/pdf/11-15-2013-Tre-Hargett.pdf>

<sup>3</sup> Email from Leslie Reynolds to ICANN Board, regarding resolution by the National Association of Secretaries of State Regarding the Issuance of New gTLDs with Corporate Identifiers <http://www.icann.org/en/news/correspondence/reynolds-to-icann-board-26jul13-en>

<sup>4</sup> Correspondence to ICANN <http://dotregistry.org/about/correspondence>



As the only community applicant for these sensitive corporate identifier TLDs, we understand the tremendous responsibility that comes with operating these registries. For this reason, we have worked hand in glove with U.S. Secretaries of State to ensure our operating policies reflect the needs and wishes of the community we seek to serve. Allowing registries to operate in any manner other than the parameters set forth in our community application is a disservice to the community, the regulators and consumers who have come to expect security and trust in the new gTLD program and operability of the Internet.

We urge you to strengthen your proposal to ensure that corporate identifier TLDs require stringent registrant verification, have ongoing working relationships with appropriate regulators and reflect the wishes of the community as embodied by the numerous communications you have received from the U.S. Secretaries of State and NASS.

Sincerely

A handwritten signature in blue ink, appearing to read "S. Jolles", with a long horizontal flourish extending to the left.

Shaul Jolles

CEO