Response To Request For Proposal

Volume 3 - Description of TLD Policies

October 2000

ICM Registry

The Internet Content Management Registry (ICMR)

T ABLE OF C ONTENTS

I N T R O D U C T I O N

General

ICM Registry is pleased to provide this response to your Request for Proposal (RFP) for New Top Level Domain Registries.

This Proposal is provided bound in four separate volumes as specified in ICANN's Unsponsored TLD Application Form.

Volume 1 – ICM Registry's Application Transmittal contains two (2) parts:

- Part #1:, Unsponsored TLD Application Transmittal form, one hardcopy original plus one (1) CD in MS-Word 97 format and in HTML format.
- Part #2: Statement of Request Confidential treatment of Materials Submitted Form, one original hardcopy.

Volume 2 – Registry Operator's Proposal contains two (2) parts:

- Sub Volume 2.1: Business Capabilities and Plan, one hardcopy original;
- Sub Volume 2.2: Technical Capabilities and Plan, one hardcopy original..

Volume 3 – This volume Description of '.XXX' and '.KIDS' TLD Policies, one hardcopy original.

Volume 4 – Registry Operator's Fitness Disclosure, one hardcopy original.

This volume, Proposal Volume 3, Description of '.XXX' and '.KIDS' TLD Policies includes the signed Description of TLD Policies cover sheet and one (1) diskette containing:

Diskette No.	CD Label	Contents
1	The Internet Content Management Registry Response to Request for Proposal New TLD Application	Volume 1 - Part #1; Volume 2; Annexes; and Volume 3

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Description of TLD Policies

[INSTRUCTION: For sponsored TLDs, this part of the application is to be completed by the sponsoring organization. For unsponsored TLDs, the registry operator should complete this part of the application. Please refer to the Detailed Application Instructions for more information on the requirements for new TLD applications.

The operation of a TLD involves the implementation of policies on a very large number of topics. Applicants are urged to use their response to this part of the application to demonstrate their detailed knowledge of what topics are involved and their careful analysis and clear articulation of the policies they propose on these topics.

Please place the legend "CONFIDENTIAL" on any part of your description that you have listed in item F3.1 of your Statement of Requested Confidential Treatment of Materials Submitted.

Section III of this application applies only to applicants for restricted TLDs. Ordinarily, restricted TLDs should be sponsored.]

I. GENERAL TLD POLICIES (Required for all TLDs. Note that two special policy areas--

policies during the start-up period and restrictions on who may register within the TLD and for what purpose--are covered in sections II and III below.)

E1. In General. Please provide a full and detailed description of all policies to be followed in the TLD (other than those covered in response to items E11-E21). If the TLD's policy on a particular topic is proposed to be identical to that reflected by a particular version of any of the following documents, it is sufficient for your response to identify the topic, to give a brief summary of the policy, and for the details to reference the document and section:

>   ?? ICANN Registrar Accreditation Agreement

>   ?? NSI Registrar License and Agreement

>   ?? ICANN-NSI Registry Agreement

>   ?? Uniform Dispute Resolution Policy

Your response should comprehensively describe policies on all topics to be followed in connection with the proposed TLD. The following items (E2-E10) are examples only and should not limit your description.

E2. TLD String. Please identify the TLD string(s) you are proposing. For format requirements for TLD strings, see the answer to FAQ #5.

E3. Naming conventions. Describe the naming conventions and structure within the TLD. E.g., will registrants have names registered at the second level (directly under the TLD, as in

registered-name.com), or will the TLD be organized with sub-domains so that registered domain names are created at a lower level (as in registered-name.travel.com)?

E4. Registrars. Describe in detail the policies for selection of, and competition among, registrars. Will domain-name holders deal through registrars, directly with the registry operator, or some combination of the two? What are the respective roles, functions, and responsibilities for the registry operator and registrars? If registrars are to be employed, how and by whom will they be selected or accredited? If the number of registrars will be restricted, what number of registrars will be selected? Have the qualifying registrars already been selected? On what basis will selections among those seeking to be registrars be made, and who will make them? If registrars are to be used, what mechanisms will be used to ensure that TLD policies are implemented?

E5. Intellectual Property Provisions. Describe the policies for protection of intellectual property. Your response should address at least the following questions, as appropriate to the TLD:

E5.1. What measures will be taken to discourage registration of domain names that infringe intellectual property rights?

E5.2. If you are proposing pre-screening for potentially infringing registrations, how will the pre-screening be performed?

E5.3. What registration practices will be employed to minimize abusive registrations?

E5.4. What measures do you propose to comply with applicable trademark and anti-cybersquatting legislation?

E5.5. Are you proposing any special protections (other than during the start-up period) for famous trademarks?

E5.6. How will complete, up-to-date, reliable, and conveniently provided WHOIS data be maintained, updated, and accessed concerning registrations in the TLD?

E6. Dispute Resolution. Describe the policies for domain name and other dispute resolution. If you are proposing variations to the policies followed in .com, .net, and .org, consider the following questions:

E6.1. To what extent are you proposing to implement the Uniform Dispute Resolution Policy?

E6.2. Please describe any additional, alternative, or supplemental dispute resolution procedures you are proposing.

E7. Data Privacy, Escrow, and WHOIS. Describe the proposed policies on data privacy, escrow and WHOIS service.

E8. Billing and Collection. Describe variations in or additions to the policies for billing and collection.

E9. <u>Services and Pricing</u>. What registration services do you propose to establish charges for and, for each such service, how much do you propose to charge?

E10. <u>Other</u>. Please describe any policies concerning topics not covered by the above questions.

II. REGISTRATION POLICIES DURING THE START-UP PERIOD (Required for all TLDs)

E11. In this section, you should thoroughly describe all policies (including implementation details) that you propose to follow during the start-up phase of registrations in the TLD, to the extent they differ from the General TLD Policies covered in items E1-E9. The following questions highlight some of the areas that should be considered for start-up policies:

E12. How do you propose to address the potential rush for registration at the initial opening of the TLD? How many requested registrations do you project will be received by the registry operator within the first day, week, month, and quarter? What period do you believe should be considered the TLD's "start-up period," during which special procedures should apply?

E13. Do you propose to place limits on the number of registrations per registrant? Per registrar? If so, how will these limits be implemented?

E14. Will pricing mechanisms be used to dampen a rush for registration at the initial opening of the TLD? If so, please describe these mechanisms in detail.

E15. Will you offer any "sunrise period" in which certain potential registrants are offered the opportunity to register before registration is open to the general public? If so, to whom will this opportunity be offered (those with famous marks, registered trademarks, second-level domains in other TLDs, pre-registrations of some sort, etc.)? How will you implement this?

III. REGISTRATION RESTRICTIONS (Required for restricted TLDs only)

E16. As noted in the New TLD Application Process Overview, a restricted TLD is one with enforced restrictions on (1) who may apply for a registration within the domain, (2) what uses may be made of those registrations, or (3) both. In this section, please describe in detail the restrictions you propose to apply to the TLD. Your description should define the criteria to be employed, the manner in which you propose they be enforced, and the consequences of violation of the restrictions. Examples of matters that should be addressed are:

E17. Describe in detail the criteria for registration in the TLD. Provide a full explanation of the reasoning behind the specific policies chosen.

E18. Describe the application process for potential registrants in the TLD.

E19. Describe the enforcement procedures and mechanisms for ensuring registrants meet the registration requirements.

E20. Describe any appeal process from denial of registration.

E21. Describe any procedure that permits third parties to seek cancellation of a TLD registration for failure to comply with restrictions.

IV. CONTEXT OF THE TLD WITHIN THE DNS (Required for all TLDs)

E22. This section is intended to allow you to describe the benefits of the TLD and the reasons why it would benefit the global Internet community or some segment of that community. Issues you might consider addressing include:

E23. What will distinguish the TLD from existing or other proposed TLDs? How will this distinction be beneficial?

E24. What community and/or market will be served or targeted by this TLD? To what extent is that community or market already served by the DNS?

E25. Please describe in detail how your proposal would enable the DNS to meet presently unmet needs.

E26. How would the introduction of the TLD enhance the utility of the DNS for Internet users? For the community served by the TLD?

E27. How would the proposed TLD enhance competition in domain-name registration services, including competition with existing TLD registries?

V. VALUE OF PROPOSAL AS A PROOF OF CONCEPT (Required for all TLDs)

E28. Recent experience in the introduction of new TLDs is limited in some respects. The current program of establishing new TLDs is intended to allow evaluation of possible additions and enhancements to the DNS and possible methods of implementing them. Stated differently, the current program is intended to serve as a "proof of concept" for ways in which the DNS might evolve in the longer term. This section of the application is designed to gather information regarding what specific concept(s) could be evaluated if the proposed TLD is introduced, how you propose the evaluation should be done, and what information would be learned that might be instructive in the long-term management of the DNS. Well-considered and articulated responses to this section will be positively viewed in the selection process. Matters you should discuss in this section include:

E29. What concepts are likely to be proved/disproved by evaluation of the introduction of this TLD in the manner you propose?

E30. How do you propose that the results of the introduction should be evaluated? By what criteria should the success or lack of success of the TLD be evaluated?

E31. In what way would the results of the evaluation assist in the long-range management of the DNS?

E32. Are there any reasons other than evaluation of the introduction process that this particular TLD should be included in the initial introduction?

By signing this application through its representative, the Applicant attests that the information contained in this Description of TLD Policies, and all referenced supporting documents, are true and accurate to the best of Applicant's knowledge.

Signature

Jason Hendeles
Name (please print)

Founder, President
Title

The Internet Content Management Registry (ICM Registry, Inc.)
Name of Applicant Entity

October 2, 2000
Date

Comments concerning the layout, construction and functionality of this site
should be sent to webmaster@icann.org.

Page Updated 15-August-00.

I.   GENERAL TLD POLICIES

Executive Summary

Many organizations are seeking a solution to protect children from adult-oriented content sites. To address this need, ICM Registry is proposing the addition of two new TLDs: .XXX and .KIDS respectfully. It would seem somewhat incongruous that a company would propose two TLDs which, at first glance, seem to be worlds apart. However, while .XXX as a TLD is a means of dealing with the issue of protecting children, there is in addition a growing need for a TLD that represents a welcoming home for child-appropriate content. For this reason, .KIDS provides a means of making the Internet a safe environment for children's entertainment and education.

The .XXX and .KIDS TLDs are readily recognizable and will likely not be confused with existing TLDs. Internet users who want to avoid adult content sites will be able to filter them out more easily through the adoption of the .XXX TLD. Organizations providing adult content want to conduct business in a socially responsible manner. The use of the .XXX TLD will give these organizations more assurance that the people they are reaching are indeed the audience they wish to target. And Internet users who want a guarantee that sites are not harmful to children will be able to filter them out more easily through the adoption of the .KIDS TLD.

The difference and value of the Internet Content Management Registry's (ICM Registry) proposal for both .XXX and .KIDS is found in its use of Policy Advisory Boards. Care has been taken to avoid the imposition of a policing role on the Internet, while recognizing the need for a framework that balances competing public interests in establishing norms, and maintaining appropriate values.

The ICM REGISTRY proposal addresses the protection of intellectual property rights. ICM Registry has worked closely with leading intellectual property protection organizations to develop a variety of intellectual-property protection programs which it intends to implement in its management of the .XXX and .KIDS registries.

In its proposal for .XXX and .KIDS as new top level domains, ICM Registry has positioned itself as a specialized service provider in a unique market niche. ICM Registry's proposal is built on a coalition of partnerships with existing registry operators, other providers of Internet support services and investors. The financial strength, expertise and experience of ICM Registry and its highly reputable partners will result in a stable and sustainable registry service.

E1. General

This section provides a full and detailed description of all policies that will be followed for the TLDs that ICM Registry is proposing.

E2. TLD String

Please identify the TLD string(s) you are proposing. For format requirements for TLD strings, see the answer to FAQ #5.

ICM Registry is proposing the following TLDs:

? ".XXX"; and

? ".KIDS".

ICM Registry is proposing to subsidize the operation of the .KIDS TLD as a separate non-profit organization if the .XXX TLD is accepted. Under the current financial projections, ICM Registry will allocate $6.00 to the .KIDS registry for each registered .XXX domain name.

Upon information and belief, there may be multiple third party submissions for a green space top level domain for children. In such a scenario, ICM Registry is willing to work with these entities to financially fund their operation or provide the necessary technical support. If ICANN rejects ICM REGISTRY Registry's effort to operate or financially sponsor a .KIDS registry (or related green space), then ICM REGISTRY Registry will donate the money ear marked for these efforts to an acceptable non-profit organization. In the alternative, the money can be set aside in a trust fund until a future non-profit organization is established.

E3. Naming Conventions

Describe the naming conventions and structure within the TLD. E.g., will registrants have names registered at the second level (directly under the TLD, as in registered-name.com), or will the TLD be organized with sub-domains so that registered domain names are created at a lower level (as in registered-name.travel.com)?

Dual Co-Existent Naming System

ICM Registry proposes a dual co-existent naming system that will incorporate both second and third level domain name registrations. To facilitate this system, certain second level domains will be reserved by the registry to provide third level domain name registrations.

Reserved Second Level Domain Names

All two-letter domains will be reserved to replicate the existing country code top level domain system, whereas a limited number of additional second level domains will be reserved to create a directory listing service within the top-level domain (e.g., vid.XXX for adult content videos, .tel.XXX for adult content telephone services, bar.XXX for adult night clubs, etc). Reserving certain second level domains provides a hierarchical structure for the TLD name space.

Registrations

The multi-level domain name registrations (second and third level) will be offered as a single package. The domain name registrant is only required to register a second level domain at the initial registration, and replicate that domain name as a third level domain in any relevant second level domain at their convenience.

The idea of this dual co-existent naming system was conceived to bridge the gap between the United States' general population which lives primarily in a second level-world (domain-name.com), and the rest of the world which lives in a third level domain world, (e.g. domain-name.co.uk). ICM Registry believes this concept is an example of the creative solutions that should be experimented with during the proof of concept stage.

This dual co-existent naming system is technically viable, and demonstrates the potential creative uses of the domain name system. However, if the ICANN technical staff judge that this dual co-existent naming system should not be used at this time, then ICM Registry will reserve the second level domain name for future use and roll-out the new top-level domain with second domain name registrations only. ICM Registry and its technical staff and subcontractors are willing to discuss this option in greater detail should the ICANN staff have any questions.

E4. Registrars

Describe in detail the policies for selection of, and competition among, registrars.

ICM Registry will not have a separate accreditation process. All ICANN accredited registrars will be eligible to provide registrar services in the .XXX registry, provided that they demonstrate the necessary technical requirements. ICM Registry believes this current model, as used in the .COM, .ORG and .NET TLDs, has provided healthy competition in the market place among registrars and will continue to do so. This competition will only serve to benefit consumers.

Will domain-name holders deal through registrars, directly with the registry operator, or some combination of the two?

The nature of the contractual relationship between registrant, registrar and registry will be set forth in two legal documents.

?? The Domain Name Registrant Service Agreement (DNRSA) that primarily sets forth the requirements and obligations that exist between the domain name registrant and the registration authorities (e.g., mandatory compliance to the URDP and adherence to the nature of the charter); and

?? The Registrar License Agreement (RLA) that sets forth the responsibilities and obligations that exist between registrar and registry. The document is nearly identical to the current RCA between ICANN accredited registrars and VeriSign Global Registry Services (VGRS).

Domain name holders will deal directly with an ICANN accredited registrar, since they are the ultimate customers of the registrars. The registry is merely providing a service

that registrars resell to their customers. However, there are certain circumstances that will require registry interaction with the domain name registrant.

The first circumstance is during the contemplated auction process. As will be discussed in detail later in this document, ICM Registry is planning to use an auction-based system for the first six months of operation. This auction system is designed to minimize domain name speculation and the land rush phenomenon associated with the roll-out of the new top level domain. To provide the security for this auction system, while guaranteeing it remains open and transparent, the auction system will have to be centralized. Although potential domain name registrants will be dealing with an ICM Registry's contractor during this phase, the domain name registrant will have to designate an ICANN accredited registrar prior to placing its first bid. Should the domain name registrant prevail in the auction, the designated registrar will register the name with the registry on behalf of its customer. The auction process will also be used for expired domain names.

The second circumstance in which the registry envisions interacting with the domain name registrant is in connection with investigating and enforcing charter violations when the registrar of record refuses to take action in a timely manner.

The final circumstance in which domain name registrants will interact with ICM Registry is in connection with expired domain names. Under the current Shared Registry System (SRS) model, various third parties have developed software applications to ping the SRS in attempts to secure domain names seconds after they are released into the available domain name pool.

ICM Registry believes the proliferation of such services potentially compromises the stability of the registry operator and proposes all expired names be pooled for auction, similar to the initial start-up phase. If there are no offers tendered for certain domain names during the auction, those domain names will be deleted at an announced date and time. This will ensure all domain name registrants are on an equal footing in terms of securing an expired domain name.

What are the respective roles, functions, and responsibilities for the registry operator and registrars?

ICM Registry will provide the same service as VeriSign Global Registry Services (VGRS), with the following provisos:

?? The registry will provide a secure auction system for domain name registrants to bid on domain names during the initial roll-out phase of the new top level domain and in connection with expired domains. This auction system is designed to serve several functions: preventing a land rush phenomenon during the initial roll-out that might compromise the stability of the registry infrastructure; maximizing intellectual property protection; and providing all Internet users with the ability to obtain expired domain names on an equal basis.

?? Although the registry will maintain and run this auction, a successful domain name registrant will still have to register and pay for the domain name through an ICANN accredited registrar.

? The registry will provide an escrow service to the registrars. This escrow service will be part of a registry-based WHOIS. This registry-based WHOIS will have adequate measures and safeguards to protect individual privacy, while allowing law enforcement and intellectual property owners the ability to conduct proper investigations. Additional details of the policy and technical aspects of this registry-based WHOIS are described in section E7.

ICANN accredited registrars will have the same roles and functions as they do with the current VGRS SRS. The only differences will be that:

? WHOIS data will be provided to the registry for escrowing and inclusion into the registry maintained WHOIS; and

? Because of the auction system, registrars will be encouraged to provide value-added services in connection with the bidding process.

If registrars are to be employed, how and by whom will they be selected or accredited?

ICM Registry will defer to the ICANN staff in the manner of selecting and accrediting registrars.

If the number of registrars will be restricted, what number of registrars will be selected?

The number of registrars will not be restricted.

Have the qualifying registrars already been selected?

Yes. All ICANN accredited registrars are eligible to provide registrar services in this registry.

On what basis will selections among those seeking to be registrars be made, and who will make them?

There will be no basis of selecting registrars. All ICANN accredited registrars are eligible.

If registrars are to be used, what mechanisms will be used to ensure that TLD policies are implemented?

An agreement similar to the VGRS-Registrar License and Agreement will be signed with all registrars. ICM Registry will also in conjunction with registrars enforce the TLD's charter policies.

E5. Intellectual Property Provisions

Describe the policies for protection of intellectual property. Your response should address at least the following questions, as appropriate to the TLD:

E5.1. What measures will be taken to discourage registration of domain names that infringe intellectual property rights?

One of the key concerns raised by ICANN has been the protection of Intellectual property rights. ICM Registry has developed relationships with leading intellectual property protection organizations to develop a variety of intellectual-property protection programs. Some of these strategies include:

?? The use of a "Sunrise Program" to allow qualifying trademark owners the ability to pre-register its trademark as a domain name;

?? Adoption of the Domain-Name Dispute-Resolution Policy ("UDRP") as defined by ICANN;

?? Posting all registrations for a minimum 30 day review period, during which time, trademark holders will have an opportunity to notify a domain name registrant of their intention to file a UDRP;

?? Offering a free registration watch service to qualifying trademark owners to protect their brands from abuse; and

?? Providing a WHOIS data watch service to notify domain name registrants when any information contained in the WHOIS fields has changed. This service will be provided by a third party contractor for resale by the registrar to the domain name registrant.

The free domain name registration watch service is offered to trademark owners and their counsel. Subscribers will be required to complete a web-based form requesting such information as the mark, registration number, country and date of registration, and appropriate contact information. These marks will then be cross-referenced against the .XXX zone files and all pending domain name registrations (auctions/30-day waiting period) to identify any domain names that contain the trademark string. If there is a match, there will be an automated e-mail generated and sent to the designated contact.

E5.2. If you are proposing pre-screening for potentially infringing registrations, how will the pre-screening be performed?

Initial Roll-Out Phase

During the initial roll-out phase, an auction process will be employed that will require each domain name registration to undergo a thirty (30) day review period. This will provide intellectual property owners with the opportunity to police their marks.

Post Roll-Out Phase

Following the initial roll-out phase, ICM Registry will shift to a first-come first-serve model for initial domain name registrations as is currently employed by the SRS. However, there will still be a mandatory thirty (30) day waiting period prior to any domain name being added to the zone file.

In connection with previously registered domain names that have expired, ICM Registry proposes these domain names be pooled for auction. If there are no offers tendered for certain domain names during the auction, those names will be deleted at an announced date and time, in excess of thirty (30) days, in order to put all domain name registrants on an equal footing in terms of being able to secure that domain name before it is deleted.

ICM Registry will work with established trademark and brand management organizations to ensure all its members have access to the domain names pending registration during the thirty (30) day period.

E5.3. What registration practices will be employed to minimize abusive registrations?

ICM Registry believes the following practices will minimize abusive registrations:

- ?? An auction based system, which prevents speculators from employing the use of automated scripts to register domain names in bulk, while providing an adequate notice period to the intellectual property community. The auction process will be used during the initial roll-out and for expired domain names;

- ?? Prepayment of the domain name prior to the domain name being added to the zone file;

- ?? The use of the Sunrise Program to black-list certain domain name registrations that potential infringe upon the rights of national trademark owners;

- ?? The use of a free domain name watch service for qualifying trademark owners;

- ?? The use of the ICANN UDRP;

- ?? The incorporation of a thirty (30) day waiting period prior to domain names being added to the zone file; and

- ?? Requiring a two-year term for initial domain name registrations.

E5.4. What measures do you propose to comply with applicable trademark and anti-cybersquatting legislation?

ICM Registry believes the procedures outlined in E5.1 through E5.3 will not only minimize abusive domain name registrations but will also guarantee compliance with applicable trademark and anti-cybersquatting legislation.

E5.5. Are you proposing any special protections (other than during the start-up period) for famous trademarks?

During the start-up phase, ICM Registry will provide a Sunrise Program that will afford narrowed, crafted protection to qualifying national trademark owners. In addition, the

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ICM Registry's plans to offer a free domain name watch service to national trademark owners as discussed in Section E5.1.

E5.6. How will complete, up-to-date, reliable, and conveniently provided WHOIS data be maintained, updated, and accessed concerning registrations in the TLD?

ICM Registry plans to provide publicly accessible, centralized WHOIS data which it will obtain in connection with the escrow services it plans to offer to registrars. The specifics of this centralized WHOIS feature are set forth in greater detail in section E.7.

ICM Registry will undertake to sample WHOIS data to guarantee its accuracy as part of the charter enforcement guidelines. Any WHOIS inaccuracies or irregularities uncovered during this sampling will be forwarded to the registrar of record to investigate and correct. Failure to remedy inaccurate data in a timely fashion will result in the domain name being deleted.

As mentioned above, ICM Registry will provide a WHOIS data watch service to notify a domain name registrant of any changes in the WHOIS data fields. This feature is particularly useful in light of the current sex.com litigation in which a domain name was allegedly transferred from a domain name registrant without the registrant's authority..

Although currently not reflected in company's balance sheet, ICM Registry is exploring the option of accessing a fee each time a domain name registrant changes any field in the WHOIS data. Modified records will be tracked and a separate sampling check will be employed to verify the accuracy of the data.

ICM Registry is also waiting for guidance from the ICANN WHOIS Taskforce with regard to technical considerations involving WHOIS data, and is closely following the international privacy directives involving WHOIS data. In light of these dynamic situations, ICM Registry stands ready to modify its WHOIS and privacy policies to meet the technical or legal directives established by the appropriate governing bodies.

E6. Dispute Resolution

Describe the policies for domain name and other dispute resolution. If you are proposing variations to the policies followed in .com, .net, and .org, consider the following questions:

E6.1. To what extent are you proposing to implement the Uniform Dispute Resolution Policy?

ICM Registry intends to adopt the current UDRP to handle abusive domain name registrations.

> *E6.2. Please describe any additional, alternative, or supplemental dispute resolution procedures you are proposing.*

Due to the nature of the .XXX top-level domain, as well as the potential for diluting or tarnishing an intellectual property owner's mark, ICM Registry proposes the following enhancements to the UDRP:

?? During the Sunrise Program (discussed in detail in section E.15) intellectual property owners will be provided with two types of domain name registrations black list registrations and use registrations. Black list registrations are instances in which a trademark owner is registering a domain name that will have no primary or secondary DNS (i.e., it will not appear in the zone files, but it cannot be registered by a third party). Use registrations are those in which the trademark owner is seeking to use the domain name in commerce.

?? There will be the need for enhancements to the UDRP to resolve disputes arising from this Sunrise Program. The most significant enhancement will be the procedure for resolving disputes between trademark owners who wish their names to be black-listed during the Sunrise Program, and among third parties who feel they have a bona fide claim to use a particular mark in commerce. This procedure is necessary because providing the trademark community with carte blanche to black list the entire top-level domain would mean the name space would not grow. The details of the modifications necessary to the UDRP are set forth in Section E.15.

?? In light of apparent inadequate protection for common law mark holders, ICM Registry proposed an enhanced Sunrise Program for common law mark holders. This program is set forth in Section E15.

ICM Registry would also like to request from ICANN the opportunity to incorporate into the Domain Name Registrant Agreement for the .XXX registry on a trial basis during the roll-out process, a term that imposes a loser pay provision into the UDRP rules. This loser pay provision would be limited exclusively to the administrative fees associated with the UDRP process (not legal fees). ICM Registry strongly believes that this type of provision needs to be experimented with to see if it acts as a deterrent to abusive domain name registrations.

Although ICM Registry strongly believes that these modifications to the UDRP can be made in a timely fashion and would be the most prudent course of action, ICM Registry believes that the .XXX top-level could still be part of the proof of concept stage using the existing UDRP and legal remedies.

E7. Data Privacy, Escrow, and WHOIS

> *Describe the proposed policies on data privacy, escrow and WHOIS service.*

ICM Registry recognizes the importance of balancing individual privacy rights with the rights of intellectual property owners, law enforcement, and other interested third parties to have access to the WHOIS data for legitimate uses. ICM Registry is currently waiting for guidance from the ICANN WHOIS and Escrow Taskforces with regard to these

important issues. ICM Registry is also closely following the international privacy directives involving WHOIS data.

In light of these dynamic situations, ICM Registry stands ready to modify its WHOIS, escrow and privacy policies to meet the technical or legal directives established by ICANN or a competent governing body. However, until such directives or policy decisions are made, ICM Registry proposes the following policy guidelines:

Data Privacy

ICM Registry will implement the data privacy policy as documented in ICANN-NSI Registry Agreement (http://www.icann.org/nsi/nsi-registry-agreement-04nov99.htm) in the Handling of Personal Data section.

ICM Registry will notify registrars who are sponsoring registrations of the purposes for which personal data is submitted. ICM Registry will also provide information on the recipients (or categories of recipients) of such personal data, and the mechanism for access to and correction of data. ICM Registry will take reasonable steps to protect personal data from loss, misuse, unauthorized disclosure, alteration or destruction. ICM Registry will not use or authorize the use of personal data in a way that is incompatible with the notice provided to registrars.

As ICM Registry will only use ICANN-accredited registrars, the registrars will be required to implement the data privacy policies as defined in the Registrar Accreditation Agreement, Approved 9, 1999, Section II J b to f, and Section II R.

Data Escrow

ICM Registry will implement the data escrow policy as documented in ICANN-NSI Registry Agreement (http://www.icann.org/nsi/nsi-registry-agreement-04nov99.htm) in the following sections:

?? Section 7, Data Escrow; and

?? Following sections that are referred to in Section 7:

- Section 13, Resolution of Disputes Under this Agreement,
- Section 14, Termination, and
- Section 22, Designation of Successor Registry.

ICM Registry will deposit into escrow all registry data on a schedule and in an electronic format. The escrow will be maintained, at ICM Registry's expense, by a reputable escrow agent mutually approved by ICM Registry and ICANN. The escrow will be held under an agreement among ICANN, ICM Registry, the United States Department of Commerce, and the escrow agent.

In addition, ICM Registry will require all ICANN accredited registrars who enter into a contractual relationship with ICM Registry to escrow their WHOIS data with ICM Registry or a designated agent at the frequency and format decided by the ICANN taskforces. This escrowed data will be used in connection with the centralized WHOIS that the registry will maintain.

WHOIS Service

ICM Registry will implement the WHOIS policy as documented in ICANN-NSI Registry Agreement (http://www.icann.org/nsi/nsi-registry-agreement-04nov99.htm).

ICM Registry will provide an interactive web page and a port 43 WHOIS service that will offer free public query-based access to the up-to-date registry database. However, unlike the current NSI WHOIS query interface, ICM Registry will provide the user generating the query with all the WHOIS information associated with that record. There will thus be no need for the user to then query the appropriate registrar to get the necessary WHOIS data that they seek.

ICM Registry contemplates providing a subscription service that will allow subscribers to run complex queries across multiple fields. ICM Registry will closely monitor subscriber usage to ensure this feature is not being abused or used for inappropriate purposes.

To ensure operational stability of the registry, ICM Registry may temporarily limit access, in which case ICM Registry will immediately notify ICANN of the nature of and reason for the limitation. ICM Registry will not continue the limitation for longer than three business days.

E8. Billing and Collection

Describe variations in or additions to the policies for billing and collection.

Billing and Collection of Recurring Domain Registration Fees in General

IMC Registry will invoice registrars monthly in arrears for each month's registration fees. All registration fees will be due immediately upon receipt of IMC Registry's invoice pursuant to a letter of credit, deposit account, or other acceptable credit terms agreed by the parties.

Billing and Collection in Connection With Domain Names Registered During an Auction

For those names registered during an auction process (either initial rollout or non-renewed domain names), the ICANN accredited registrar designated by the domain name registrant will be required to collect the required payment from the successful bidder. The total amount of the auction price will appear on the registrar's invoice, minus its auction commission. Details of the domain name auction process are set forth in Section E18.

Billing and Collection in Connection With Domain Names Registered NOT Through an Auction

For those names registered on a first-come first-serve basis, ICM Registry will bill the registrar a set price as is the current practice with NSI.

Billing and Collection in Connection With Domain Names Registered During the Sunrise Program

Registrars will be required to provide payment for domain name registered during the Sunrise Program, depending upon the type of registration: black list (flat fee); uncontested use application (flat fee) or competing use applications (auction model). See Section E.15 for a detailed description of the Sunrise Program, the various types of registrations available to trademark owners, and how claims will be resolved among competing trademark owners and third parties.

E9. Services and Pricing

What registration services do you propose to establish charges for and, for each such service, how much do you propose to charge?

Domain Name Registration Service

Registrar License Fee

To encourage Registrars to deal with ICM REGISTRY Registry, the license of the Registry Protocol APIs and Software will be free.

Sunrise Program Registration Fees for Qualified National Trademark Owners

Qualifying registrars will collect the fees from the trademark owners. They will be allowed to apply a surcharge to fees that are quoted in the next paragraphs.

Trademark owners will remit through a qualifying registrar a registry fee of $10 to have their trademark black-listed for the initial grant of the registry license, estimated to be four years. If the registry license is extended by ICANN, the trademark owner will be required to provide evidence of its continued rights to the mark and pay a similar black-listing fee.

Trademark owners seeking an uncontested use application, will pay a registry fee of $28 US for the first year and a two-year registration fee of $ 56 US (in addition to any registrar surcharges). For multiple trademark owners seeking a use application for the same mark, an auction model will be utilized to determine the prevailing domain name registrant. The starting bid in all domain name auctions is $75 US for a two year registration. The final auction price will include all registration fees (registry and registrar).

Sunrise Program Registration Fees for Qualified Common Law Trade Owners

The annual registration fees associated with common law trademarks participating in the Sunrise Program will start at a minimum of $1,000 US per year. See Section E.15 for further detail on the sliding scale price associated with these domain names.

Initial Rollout & Expired Domain Name Registration Fees

As mentioned above an auction model will be employed for all domain name registrations during the initial roll-out, and for those domain names that are not renewed. All auction bids will begin at $75 for a two-year domain name registration. The registrar of the winning bidder will be required to pay the registry the auction price minus its ten (10) percent commission. Please refer to E18 for details on the auction process and how it fits with the entire registration process.

Initial Domain Name Registration Fees Post Sunrise and Initial Rollout

For domain names registered under a pure first-come first-serve model, the registrar will remit to the registry a fee of $ 56 US for a two-year domain name registration.

Annual Registration Fees

After the initial two-year registration, the registrar will remit to the registry an annual registration fee of $ 28 US.

Other Services Fees

ICM Registry will charge the following fees for other services:

Other Services	Fees in US Dollars
WHOIS data watch service to notify domain name registrants when any information contained in the WHOIS fields has changed. This service will be provided by a third party contractor for resale by the registrar to the domain name registrant.	To be determined by third party vendor
Enhanced WHOIS service that will allow subscribers the ability to run complex queries across multiple fields. ICM Registry will closely monitor subscribers usage to ensure that this feature is not being abused	Subscription fee will not exceed $200 annually
Registration watch service to qualifying trademark owners to protect their brands from abuse. This service will inform trademark owners when someone is trying to register a domain name incorporating their trademark or a sub-sting.	Free for a limited number of trademarks (<20). Bulk watch service will be provided on a cost recovery basis
Public query-based access to registry data base	No costs

E10. Other Policies

Please describe any policies concerning topics not covered by the above questions.

ICM Registry recognizes that in order for this registry to fulfill its mission to the Internet community, the registry must solicit input from experts from around the world in the area of child safety and the adult content industry. With this in mind, ICM Registry proposes to create a Policy Advisory Board (PAB) for each registry with representatives with diverse viewpoints, similar to the current composition of the Child Online Protection Act

(COPA) Commission that with will provide recommendations on how to promote the responsible growth of each respective TLD space

The PAB will have an advisory role to the each registry similar to that of the relationship between ICANN and the Government Advisory Committee (GAC). It is estimated that the PAB will be composed of twenty people (approximately the size of the DNSO Names Counsel) and that there will be proportional representation from each of the five ICANN geographic regions.

In preparing this registry proposal bid, ICM Registry has been in contact with numerous people involved with promoting child safety and the adult content industry that have expressed an interest in serving on these boards.

It is envisioned that the PABs will play a vital role in the development of policy within the respective TLDs. It is hoped that through consensus building efforts lead by the PABs that Codes of Conduct can be established in the respective .KIDS and .XXX TLDs that will further enhance the branding and consumer confidence in each chartered space.

II. REGISTRATION POLICIES DURING THE START-UP PERIOD

E11. General

This section describes all policies (including implementation details) that ICM Registry proposes during the start-up phase of registration in the TLDs.

E12. Potential Rush for Registration

How do you propose to address the potential rush for registration at the initial opening of the TLD?

An auction model will be used (detailed in section E18) during the initial opening of the TLD. Please see section E14 for the reasons ICM Registry believes this process will control the rush for registrations.

How many requested registrations do you project will be received by the registry operator within the first day, week, month, and quarter?

During the Sunrise Program, ICM Registry estimates to register the following amount of registrations:

- Approximately 10,000 black listing registrations from Qualified National Trademarks owners;

- Negligible use registrations (<100) from Qualified National Trademarks owners; and

- Approximately 500 Qualified Common Law Trademarks.

No registrations are expected during the first month of operations following the Sunrise Program as an auction model will be used. This model includes a built-in 30 day period before a registration can be added to the zone files.

For the first quarter, ICRM Registry estimates approximately 50,000 active domain name registrations (25,000 registrations a month).

What period do you believe should be considered the TLD's "start-up period," during which special procedures should apply?

ICM REGISTRY Registry estimates being able to move to a traditional first-come first-serve registry model within six (6) months of going live. However, this date may have to be adjusted accordingly to account for demand and system resources. Any such decision to adjust this date would be done with sufficient notice to the Internet community and all other interested third parties.

E13. Limits on the Number of Registrations

Do you propose to place limits on the number of registrations per registrant? Per registrar? If so, how will these limits be implemented?

ICM Registry will not limit the number of registrations per registrant and per registrar at any time, including during the start-up period. As discussed in Sections E12 and E14, the auction model will be sufficient to manage the expected rush for domain name registrations after the initial opening of the TLDs.

E14. Pricing Mechanisms

Will pricing mechanisms be used to dampen a rush for registration at the initial opening of the TLD? If so, please describe these mechanisms in detail.

ICM Registry will use an auction model during the start-up period. Please refer to Section E18 for more details on this model. This process will have the following advantages during the initial opening of the TLDs:

?? There will be no significant advantage to be first, as there will be a 30 day period for organizations to bid.

?? Some organizations may not choose to bid if they feel the prices will be too high.

E15. Sunrise Period

Will you offer any "sunrise period" in which certain potential registrants are offered the opportunity to register before registration is open to the general public? If so, to whom will this opportunity be offered (those with famous marks, registered trademarks, second-level domains in other TLDs, pre-registrations of some sort, etc.)? How will you implement this?

ICM Registry will permit the following organizations to pre-register domain names prior to the new top-level domain going live:

?? Qualified National Trademark Owners; and

?? Qualified Common Law Trademark Owners

Sunrise Program for Qualified National Trademark Owners

Eligibility to Participate in Sunrise Period

The owner of any valid registered trademark or service mark having national effect (explicit inclusion of EU marks) would be eligible to seek to register that mark, and that mark alone, as a domain name during the Sunrise Period, provided the national registration for that mark was issued prior to August 1, 2000. The domain name registration would be confined to a single registration corresponding to a trademark. In addition, the Sunrise Program domain name registrations would have to be identical to

the material textual element of the registered trademark, excluding disclaimed words associated with design marks.

Overview

The Sunrise Program is broken down into the following three periods

Announcement Period: At least ninety (90) days prior to the TLD being added to the root server system, ICM Registry in co-ordination with the intellectual property community will make a general public announcement with the estimated go-live date. This announcement period will last for a minimum of thirty (30) days, although it can be extended. However, under no circumstance will the registration period begin until the trademark community has had at least 30 days public notice.

Registration Period: Following the announcement period and at least sixty (60) days prior to the TLD being added to the root server system, ICM Registry will begin the registration period. During this time it will begin processing domain name registrations among eligible trademark owners through ICANN accredited registrars. This registration period is scheduled to last for a minimum of thirty (30) days.

Two types of domain name registration requests will be processed, black list registrations and use registrations. Black list registrations are ones in which a trademark owner is registering a domain name that will have no primary or secondary DNS associated with it (i.e. it will not appear in the zone files, but it cannot be registered by a third party). Use registrations are those in which the trademark owner is seeking to use the domain name in commerce. The priority of how to resolve disputes between trademark owners with conflicting claims is explained below in more detail.

Cooling Off Period: After the registration period, there will be a minimum thirty (30) day cooling off period in which trademark owners will have the opportunity to investigate any fraud by domain name registrants and initiate a challenge (see below). This cooling off period will also serve to provide ICM Registry with the opportunity to make any necessary modifications to the registry software prior to opening the registrations to the general public.

Required Additional WHOIS Data

In order to register a domain name during this Sunrise Period, a registrant must electronically acknowledge that it is the owner of a valid, national trademark registration issued prior to August 1, 2000. In addition, the registrant must supply the following: the name of the trademark; date of registration; country of registration, and registration number. Neither the registrar nor the registry will be required to verify any information provided by the registrant prior to registering the domain name. These additional data elements will be maintained in a modified WHOIS database to provide the public at large with the ability to investigate any domain names registered during this Sunrise Program. This is to afford potentially aggrieved trademark owners the ability to independently verify the information provided by the registrant.

Priority During Registration Period

As mentioned above, during the Sunrise Program registration period there will be two types of domain name applications (1) black list and (2) use requests and the following scenarios.

Scenario Number One: A trademark owner requests a black list registration, and there are no other requests matching this domain name received during the Sunrise Program.

Outcome Number One: Upon the remittance of the registry processing fee that domain name will be entered into the registry database, but will not appear in the zone files. The length of this black list registration will last four years, the estimated length of the initial contract with ICANN. A third party may wish to challenge a black list registration at any time during the registration period. It is not likely that this challenge would be used against arbitrary or fanciful trademarks, but in situations where the owner of a trademark seeks to black list a mark that is descriptive or generic in nature.

For example, if Xerox Corp. submits a black list registration for the mark XEROX, there is little possibility that any third party would be able to establish a legitimate use to register the domain name XEROX. However, there could be a situation in which a trademark registration encompasses a descriptive or generic mark. The concierge.com UDRP decision (FA0093547) is a good example. In this case, there were competing trademark claims over the domain name, which two panelist stated was a generic word. Obviously, this policy recognizes there are competing interests with regard to trademark rights and the ability to use a generic or descriptive word as a domain name. It is believed this challenge process will guarantee trademark owners are not granted a monopoly over the use of a trademark in commerce, while at the same time it will prevent the use of a trademark by a third party in a confusing manner. ICM Registry will work with the ICANN staff and the accredited dispute providers to modify the language associated with the UDRP to handle these types of challenges.

Scenario Number Two: A plurality of trademark owners request black list registration during the Sunrise Program for the same domain name.

Outcome Number Two: Each trademark owner will have to submit a registry processing fee. However, the domain name will be black listed as soon as the first trademark owners submits the required fee. The method and duration of the black list registration are the same as outlined in Scenario One. The reason each trademark owner will be required to submit a registry processing fee, is so that in the case of a third party challenge all trademark owners can be notified to collectively oppose the challenge procedure as outlined in Scenario One.

Scenario Number Three: A plurality of trademark owners submit competing registration requests for both black list and use registrations for the same domain name.

Outcome Number Three: If there is a single trademark owner requesting a use registration, that registration request will be processed. Because this domain name will be active in the zone files, the domain name registrant will have to pay a recurring annual registry fee. The trademark owner(s) who requested a black list registration will have the opportunity to file a UDRP proceeding to challenge the use registration. As noted above ICM Registry will work with ICANN and the dispute providers in modifying the existing

UDRP rules to handle these types of challenges. If there are multiple trademark owners seeking to register a domain name during the Sunrise Program, an auction system will be employed to determine who is entitled to the registration.

Challenges

Any trademark owner or third party may challenge the basis of a domain name registration taking place during the Sunrise Program. If a trademark owner independently verifies the information provided by the domain name registrant and believes it to be erroneous, the owner may file a challenge with the registrar for that domain name along with the submission of a challenge fee. The registrar will then request proof of its valid national trademark registration from the domain name registrant. If the domain name registrant is unable to provide evidence of a valid national trademark registered prior to August 1, 2000, the registrar will cancel the domain name registration with no refund to the original domain name registrant and will promptly return the domain name to the available pool. However, if the information provided by the domain name registrant is accurate the challenging party will forfeit the challenging fee.

Should a particular registrar decide it does not wish to undertake a determination of what is or is not a valid national trademark, that registrar may designate a third party to undertake this responsibility. If that registrar is unable to find a suitable third party, ICM Registry will by default undertake this responsibility.

Sunrise Program for Qualified Common Law Trademark Owners

ICM Registry will permit Qualified Common Law Trademark Owners the ability to pre-register their trademark during the Sunrise Program.

Eligibility to Participate in Sunrise Period

During the ICM REGISTRY Registry's consensus building efforts within the adult content industry, one concern raised by its members were limitations regarding the Sunrise Program and common law mark holders. The adult-content industry explained about their trademark and service mark applications being rejected by various national trademark offices on scandalous and moral statutory provisions.

Being responsive to the needs of the community for which this domain is designed to serve, ICR Registry proposes a program for Qualified Common Law Trademark Owners.

Under this program, an interested common law mark owner would seek a determination from an administrative panel with expertise in trademark law regarding its claim seeking common law mark protection. ICM REGISTRY Registry plans to contact existing ICANN accredited dispute providers to potentially oversee these ex parte administrative proceedings.

In order to minimize the number of applicants seeking this special qualification, the mark owner must pay an estimated administrative fee of approximately $1,000 US and agree to a minimum annual registry fee of $1,000 US.

This annual registration fee may be increased up to a maximum of $10,000 if there is a determination by an administrative panel that the common law mark is inherently weak in light of extensive third party uses. Moreover, if it is determined that the mark is generic or entitled to no trademark protection, then the domain name will be either auctioned off during the initial period or registered on a first-come first-serve basis after the completion of the auction period.

Although this program is primarily designed for the adult content industry, any other common law mark owner meeting the qualifications of the charter may seek this protection.

III. REGISTRATION RESTRICTIONS

E16. General

This section describes in detail the restrictions ICM Registry proposes to apply to the TLDs. We define the criteria to be employed, the manner in which you propose they be enforced, and the consequences of violation of the restrictions.

E17. Criteria for Registration in the TLDs

Describe in detail the criteria for registration in the TLD. Provide a full explanation of the reasoning behind the specific policies chosen.

ICM Registry proposes that the .XXX TLD be created exclusively for the adult content industry, whereas the .KIDS TLD will be a green space devote to children twelve years of age and under free of material harmful to minors.

ICM Registry proposes broadly defined parameters regarding charter criteria for each TLD and will work closely with the respective Policy Advisory Boards to develop refined consensus based charter criteria.

The figure on the next page illustrates how the following components of the PAB will interface with Registry management:

?? Kids Registry Advisory Board; and
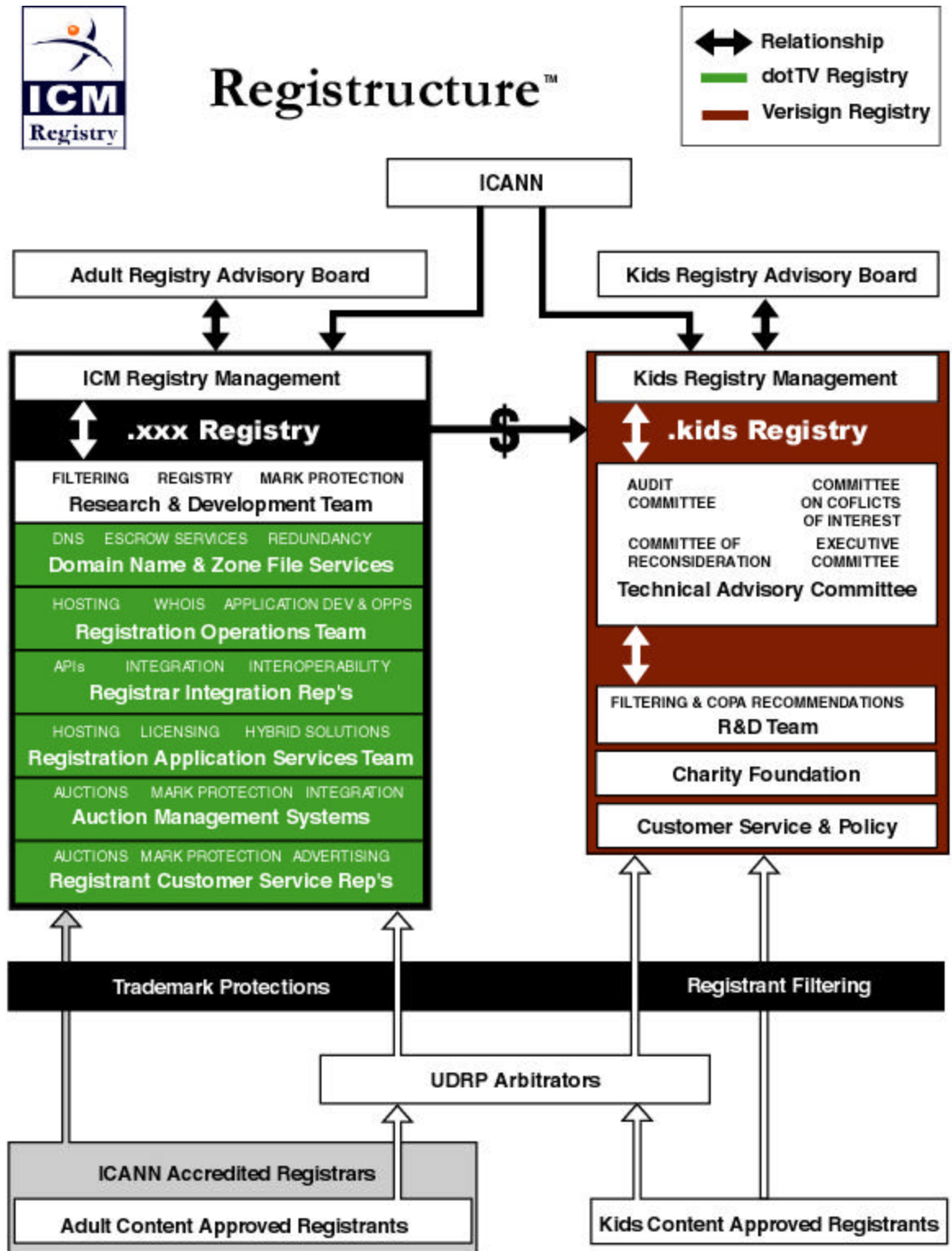
?? Adult Registry Advisory Board.

Figure 1: Registructure

E18. Application Process for Potential Registrants

Describe the application process for potential registrants in the TLD.

ICM Registry will use different application processes:

- ?? An auction model during initial roll-out (first six months) and for expired domain names; and

- ?? First-come, first-served basis during normal operations.

Application Process during Roll-Out and for Expired Domain Names

The figure on the next page provides details of the application process during initial roll-out. The auction model will also be used when a domain name has expired. The f application process can be summarized as follows:

- ?? Registrant contacts ICANN authorized Registrar to register domain names.

- ?? Registrar verifies whether the names are available.

- ?? Registrar submits requested domain names to ICM Registry.

- ?? ICM Registry verifies whether the name is available.

- ?? If the name is available, it is put up for auction by an automated and fair process (akin to eBay auctions) for a period of 30 days.

- ?? The requested domain name is awarded to the highest bidder after authenticated payment is made (up to 7 days). In the case were the .KIDS TLD decided to use the auction model , ICM Registry would defer to the .KIDS' PAB any additional verifications that may be necessary:

Registrar provides name availability (e.g., though his web site)

Registrar checks Service Agreement and verifies name availability

Errors are found
Registrant is contacted

Registry notifies registrant

Registry confirms registrant deposit and referral fees are apportioned to the appropriate registry

Errors are found
Registrant is contacted

Verify:
? ?Name is available
? ?Application meets content criteria

Errors are found
Registrar is contacted

Begin 30-day auction period

Receive & post high bids Notify registrants via email

Review Mark Holder claim and evaluate auction status

Claim is confirmed valid & auction ends – registrants & registrars are notified via email

No bids are received in the last five minutes of the auction

A bid is received – auction is extended by 2 hours

Notify winning and losing registrants & registrars via email

Registrar confirms registrant payment within 7 day waiting period

Errors are found
Registrant is contacted

Receive ICM REGISTRY % of payment & update WHOIS data base within 48 hours

Legend

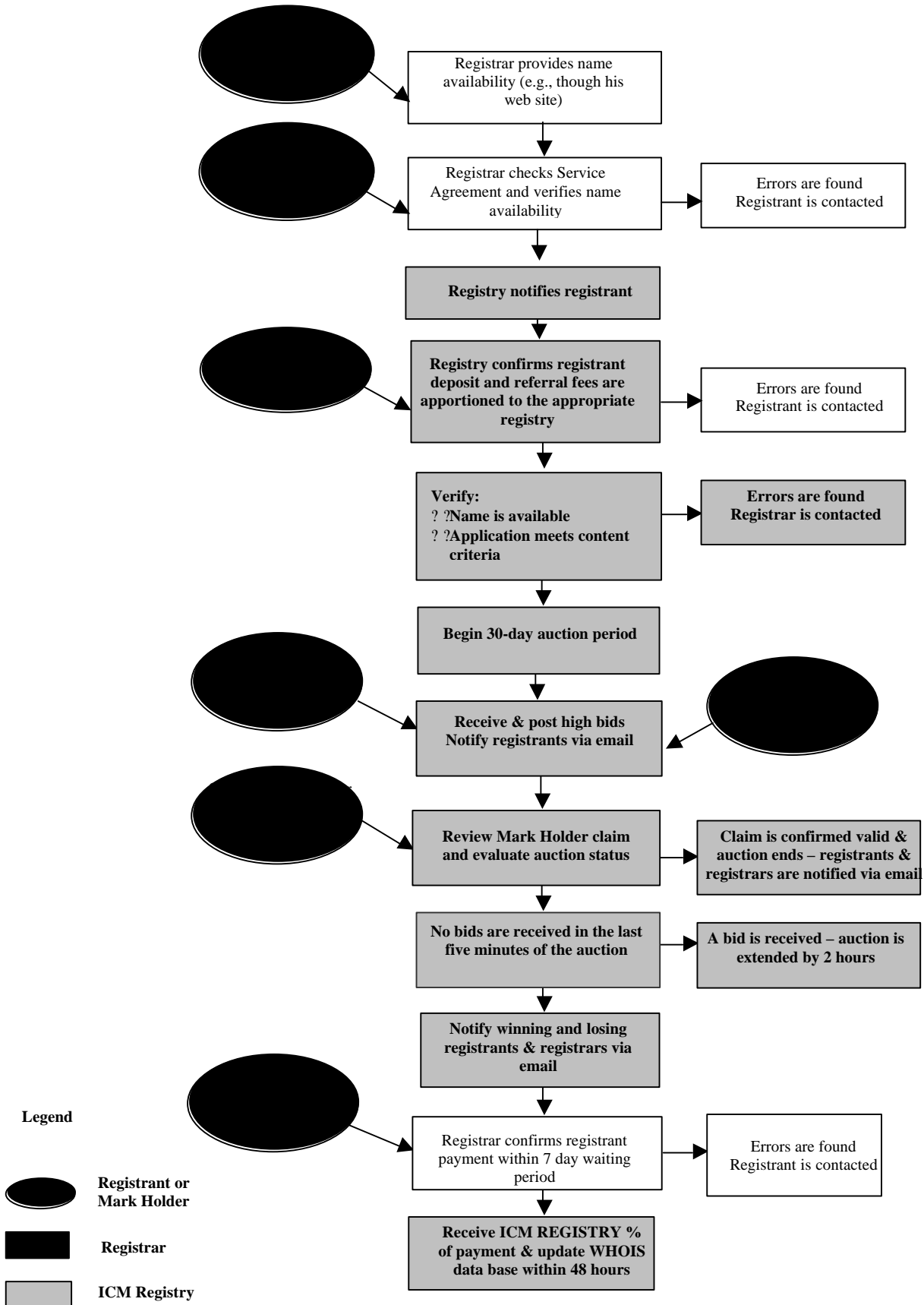**Registrant or Mark Holder**

Registrar

ICM Registry

Figure 2: Auction Process

ICM Registry's Auction Model has the following benefits:

?? Provides trademark protection.

?? Minimizes potential for disputes and litigation.

?? Addresses first-come first-served issues in assignment of domain names.

?? Minimizes cybersquatting.

?? Provides fair valuation of domain names.

?? Provides orderly domain name assignment during start-up period.

?? Provides voluntary self-selection of registrant.

Application Process during Normal Operations

Except as noted above, the normal application process will be on a first-come, first-served basis. Registrants will deal directly with the ICANN accredited registrars for the entire application process. The application process will usually be performed through the registrar Web site as follows:

?? Registrant verifies with registrar if the name is available, using a search facility on the registrar Web site;

?? Registrant prepares the service agreement on-line and provides payment information;

?? Registrar verifies that:

- The name is available; and
- The service agreement complies with the Policy Approval Board (PAB) policies.

?? Registrar confirms registrant payment;

?? Registrar advises registrant that the domain name has been registered; and

?? Registrar advises ICM Registry;

?? ICM Registry updates WHOIS data base (must respect 30 day waiting period)

E19. Enforcement Procedures and Mechanisms

Describe the enforcement procedures and mechanisms for ensuring registrants meet the registration requirements.

ICM Registry will use a variety of enforcement mechanisms both on the front end and back end registration process. The front-end mechanism will require the domain name registrant to electronically affirm that the domain name will be used exclusively in connection with adult related content. On the back-end, the registry will employ a host of algorithms to identify questionable WHOIS data, i.e. checksum values, address verification, etc. while maintaining a publicly accessible site to report charter violations.

ICM Registry further recommends incorporating into the domain name registrant service agreement a provision that if a domain name registrant knowingly provides false WHOIS

information, they will be denied the opportunity to correct the information and the domain name will be immediately cancelled. This draconian measure is not designed to punish innocent domain name administration oversight (change of address that has not be updated, etc.).

See Section E21 for charter enforcement violations that ICM Registry may resolve at its own discretion.

ICM Registry will maintain a web page to inform both domain name registrants and third parties of the processes which one can employ to report/defend charter violations. ICM Registry will act in a commercially reasonable manner to investigate alleged charter violations. Any reports of illegal activity (clearly outside the scope of both ICM Registry and ICANN) will be turned over to the appropriate law enforcement authorities.

In the case of an actual charter violation, the domain name registrant will be given a short period of time (less than two weeks) to remedy the violation. If the violation has not been remedied within the allotted time, the domain name will be placed on "Registry Hold" and subject to cancellation.

E20. Appeal Process from Denial of Registration

Describe any appeal process from denial of registration.

In any situation where a registrant is denied a domain name registration, the registrant will be eligible to file an administrative proceeding with a qualified dispute provider to challenge the rejection. In any such challenge, the domain name registrant will bear all fees associated with this challenge, estimated to be approximately $1,000 US.

E21. Third Party Cancellation of TLD Registration

Describe any procedure that permits third parties to seek cancellation of a TLD registration for failure to comply with restrictions.

In the case of charter violations where there is no genuine issue of material fact, ICM Registry reserves the right to take immediate action (i.e., placing a domain name on hold or canceling it) if it is so justified. This reservation of rights will be incorporated into the domain name registrant service agreement along with other provisions that limit the damages associated with such action.

In any situation where a third party seeks to cancel a domain name for a purely charter violation (no underlying intellectual property issues), and ICM Registry makes the determination that there is a genuine issue of material fact between the domain name registrant and the third party, then the third party will have the opportunity to seek an administrative proceeding to make a final determination. The domain name registrant

will be bound to submit to the authority of this administrative proceeding under the terms of the domain name registrant service agreement. However, the third party will have to bear all costs and fees associated with this administrative proceeding, estimated to be approximately $1,000 US.

IV. CONTEXT OF THE TLDS WITHIN THE DNS

E22. General

This section describes the benefits of the .XXX and .KIDS TLDs and the reasons why they would benefit the entire global community (both online and offline).

ICM REGISTRY Registry believes the solution to children safeguarding on the Internet involves attacking the problem from both ends. Therefore, we have worked in conjunction with organizations that have traditionally been diametrically opposed to one another in reaching what ICM Registry believes is an industry lead, market driven, non-governmental solution to complex problem that needs to be addressed NOW.

E23. Distinctions with other TLDs

What will distinguish the TLD from existing or other proposed TLDs? How will this distinction be beneficial?

.XXX TLD

ICM Registry proposes to create a voluntary "branded name" .XXX TLD. As the Internet continues to struggle with the organization and distribution of content, there has been a groundswell of support for an exclusive generic top-level domain name dedicated to managing explicit content. Support is provided at all levels including government, user group, industry and Internet users/citizens. ICM Registry believes that there is significant momentum in the marketplace to find alternative ways of shielding children from sexually explicit material.

ICM Registry has spent significant time and resources to gain support from the main stakeholders. We were able to build a consensus and close the gaps between adult content providers and child advocacy groups. The support from both groups is considered essential.

The following Table identifies how this distinction will be beneficial to the main stakeholders.

Stakeholders	Benefits
Parents and Children	They will be able to screen most adult-oriented sites as filtering software/ browsers and search engines are enhanced to incorporate the new TLD. This means: ?? Ability to find what they looking for (e.g., Barbie will return sites that are related to the Mattel toy instead of nude pictures); ?? More peace of mind for parents; and ?? Enhanced protection for children.
Businesses/ Governments	Enhancement to filtering software/ browsers and search engines will also benefit organizations that will be able to screen most adult-oriented sites. This translate in the following benefits: ?? Increase in productivity as less employees will waste valuable time surfing the net for adult material; ?? Organizations will not have to discipline workers and create morale problems; and ?? Will minimize potential legal exposure.
Internet Users in General	Internet users who are <u>not</u> interested in adult-oriented material will obtain the following benefits: ?? Ability to find what they looking for and minimizing problems of ending on adult material sites by mistake
Users of Adult Material	More choice Quicker to find desired sites
Trademark Owners	Will obtain trademark protection though: ?? ICM Registry's Sunrise program; ?? Auction model; ?? Watch services (i.e., domain name registration and change in WHOIS data); and ?? 30-day waiting period for domain name registration. ?? Black-list defensive registrations
Qualified Adult-Oriented Providers (ACPs)	The availability to obtain protection for their existing common law trademark (please section E15 for eligibility criteria)
Adult-Oriented Content Providers	An easy to way to advertise (Yellow Page type of advantages) More revenues They will obtain following benefits from auction model that will be used during the initial roll-out period and for expired domain names: ?? Minimize potential for disputes and litigation ?? Address First-come first-served issues in assignment of domain names ?? Minimize cybersquatting ?? Provide fair valuation of domain names ?? Provide orderly domain name assignment during start-up period ?? Provide voluntary self-selection of registrant

Stakeholders	Benefits
	Will be less subject to litigation as Internet users will not be able to claim ignorance as .XXX is internationally link to adult content
Registrars	The auction model that will be used during the initial roll-out will provide the following benefits: ?? Will assist registrars in handling the expected large number of requests. ?? Will provide more revenues as they will obtain a percentage of the revenues from the auctions The ICM Registry's system is designed to accommodate the automated administration of large volumes of domain name registrations and registration service providers. This means: ?? Faster registration time, ?? Significantly less customer service overhead, and ?? Dramatically reduced hardware infrastructure costs
ICANN	By adopting this industry lead, market driven solution, ICANN remain a technical oversight body and avoid the situation of being requested/mandated by a national government to create such an adult content space.
Organizations that belong to the Policy Advisory Board (PAB)	As discussed in Section E17, ICM Registry will create an open, transparent Policy Advisory Board (PAB) that will develop registration policies. This proposal provides the following benefits for the organizations belonging to the PAB: ?? They will influence directly the registration policies of TLD; ?? They will not have to rely on legislation; and ?? They will be involved in any dispute concerning these policies.

.KIDS TLD

ICM Registry is proposing .KIDS TLD to protect minors from harmful content. It is considered by many organizations, including the COPA commission to be an important part in the total package designed to safeguard children. The .KIDS TLD will:

?? Ensure maximum protection of children accessing .KIDS sites by screening registrants through registration criteria (see Sections E17 to E19)Policy Board;

?? Will be operated on a non-profit basis.

Benefits

The .KIDS TLD will provide similar benefits to those identified above for the .XXX TLD as these two TLDs are complimentary. Please refer to the above table for the benefits that .KIDS will provide to the following stakeholders:

?? Parents and children;

?? Internet users in general;

?? Organizations that belong to the Policy Advisory Board (PAB);

?? Trade mark owners;

?? Registrars; and

?? ICANN.

E24. Community and Market Targeted

What community and/or market will be served or targeted by this TLD? To what extent is that community or market already served by the DNS?

.XXX TLD

Community

The .XXX TLD will provide Internet users a recognizable brand that will help them more easily identify adult-oriented content and web sites. The community can be divided in the following groups:

?? Internet users who want to access adult content sites; and

?? Those who want to avoid them (e.g., children) or want other Internet users to avoid them (e.g., parents)

Market

The market for the TLD is the Adult-Oriented Content Providers (ACPs).

Currently, adult content sites are found throughout the generic and country code TLDs. By offering a .XXX domain, adult sites wishing to be recognized as adult content sites will be able to transition/co-locate to the .XXX domain; this will offer enhanced product branding to those who want it. It will also open up more creative directory services if the dual co-existent naming system discussed in Section E3 is adopted..

For those who wish to have web-site names that are more descriptive of the adult content than their current .COM one, this evolution of additional TLD names, especially the .XXX one, will be a boon. Sites could then be re-named with more descriptive names in a TLD that is more descriptive of their content. ICM Registry strongly believes based on market research that there is a huge demand for .XXX domain names, especially since the adult content sites are a significant number of the Internet web-sites.

According to Datamonitor, consumer spending in the adult Internet industry generated approximately $1.0 billion in sales in 1999, and is expected to generate $3.12 billion by 2003. In addition, Datamonitor estimates that adult entertainment accounts for the majority of spending for online content (including subscription and pay-on-demand services).

.KIDS TLD

Community

The .KIDS TLD will serve children under 12 years of age and their parents. This limit of 12 years is considered very important as parents have different standards for teenagers as to what kind of material they can access. Thus by restricting the .KIDS TLD to children 12 years and under, the Policy Board will be able to develop policies for this TLD that are clear and meets the approval of the vast majority of parents.

Market

The TLD will be marketed to organizations such as:

?? Educational organizations;

?? Games and toys manufacturers and retailers; and

?? Clothes manufacturers and retailers.

E25. Unmet Needs by DNS

Please describe in detail how your proposal would enable the DNS to meet presently unmet needs.

General Unmet Needs

No Feasible and Practical Solution to Safeguarding Children

At this time, there is no feasible and practical solution to safeguarding children on the Internet. All attempts to regulate adult content (The Communication Decency Act & The Child Online Protection Act) have been failures to date as they were successfully challenged on constitutional grounds.

In the most recent COPA commission hearing in Washington, D.C. an important concern raised by one of the commissioners was the misappropriation of funds initially ear marked for safeguarding children.

Under the financial structure set forth in ICM Registry's business plan $6.00 per year per domain will be set aside for the creation of a non-profit .KIDS TLD. If ICANN rejects ICM REGISTRY Registry's effort to operate or financially sponsor a .KIDS registry (or related green space), then ICM REGISTRY Registry will donate the money ear marked for these efforts to an acceptable non-profit organization. In the alternative, the money can be set-aside in a trust fund until a future non-profit organization is established.

ICM Registry believes that the above solution is feasible and practical for the following reasons: The initiative is:

?? Industry-lead;

?? Market-driven; and

✍ Non-regulatory.

Industry Driven Initiative: ICM registry has developed this creative solution and has sought the support of many organizations concerned with this issue. The problem to date has been the inability for groups traditionally diametrically opposed to one another to work toward a universal goal - safeguarding children.

Market-Driven Initiative: The introduction of .XXX is the most logical choice for a chartered top-level domain to meet the needs of the global community, both online and offline.

 For example, the administrator that oversees the sex.com site, claims that his site gets between 70 million and 120 million hits a day and is only second to Yahoo!'s 144 million daily hits
(http://www.business2.com/content/magazine/indepth/1999/02/01/19485?page=2)

Non-Regulatory Initiative: ICRM Registry's solution is not mandated by the laws or regulations of a national government, it is industry lead and market driven thereby significantly minimizes the potential legal challenges.

Name Scarcity

The extreme scarcity of available web-site naming conventions within a reasonable number of letters is a serious problem. The highly popular ".COM" TLD extension which currently makes up 85% of all main names is so short of names that there are no more combinations of six letters or less available; names must now be abnormally lengthy to make them unique and adequately descriptive.

.XXX TLD Specific Unmet Needs

ICM Registry's proposal will enable the DNS to meet many unmet needs by providing a home for adult-oriented sites.

Stakeholders	Unmet Needs	How ICM Registry will Meet Unmet Needs
ICANN	ICANN needs to find a solution to the adult-oriented sites as the Citizen's Groups and governments remain dissatisfied with lack of resolution by the Internet community ?? More than 300K adult sites operate today ?? Adult content is undifferentiated in the generic and country TLDs / no home exists for this content ?? No solution exist under the current TLD structure	Create a home for adult-oriented sites
Parents, Citizens,	Filtering software is not reliable (e.g.,	This will enable filtering software to be

Stakeholders	Unmet Needs	How ICM Registry will Meet Unmet Needs
Governments and Businesses	Net Nanny)	much more reliable as all sites with a XXX TLD could be automatically filtered.
Businesses	Solution to cybersquatting	The Auction Model will be used during the initial roll–out and for expired domain names. This will minimize cybersquatting by: ?? Preventing speculators from employing the use of automated scripts to register domain names in bulk, and ?? Providing an adequate notice period to the intellectual property community
Businesses	Trade mark violations are rampant	Will be minimized by: ?? Using special procedures during sunrise period (see Section 15) ?? During registration, trade marks will be checked
Organizations that support online child protection	Organizations such as the Child Online Protection (COPA) commission do not have a direct influence on registration policies	ICM Registry will create an open, transparent Policy Advisory Board (PAB) that will develop registration policies.
Internet Users in General	Do not want to obtain list of pornographic sites when doing searches for sexual material that is not pornographic (e.g., sites that deal with marital sexual problems) Do not want to end up on pornographic sites by mistake	Create a home for adult-oriented sites

.KIDS TLD Specific Unmet Needs

Unmet Needs

There is no TLD that guarantees parents that their children will <u>not</u> be exposed to inappropriate material which:

?? Are sexual in nature;

?? Contain violent or hateful material; and

?? Advocate the use of weapons or harmful substances such as alcohol, tobacco, or illegal drugs.

How the ICM Registry's Proposal will Meet these Needs

The ICM Registry proposal will ensure maximum protection of children accessing .KIDS sites by working with the Policy Board to adopt appropriate registration criteria. (see Sections E17 to E19 for details)

E26. Utility of DNS to Internet Users/Community

How would the introduction of the TLD enhance the utility of the DNS for Internet users? For the community served by the TLD?

.XXX TLD

The introduction of the TLD will enhance the utility of the Domain Name System (DNS) for Internet users and the community served by the TLD as follows:

Stakeholders	Utility
Internet Users in General	Will be able to readily recognize the use of the .XXX TLD. ?? XXX is internationally recognized symbol to identify adult content material (e.g., movies, literature, Internet sites) ?? XXX is multilingual ?? It is a symbol that is used for advertising on the Internet and in public locations (e.g., movie theatres, movie rental stores) ?? It is an name easy to remember Will not confuse the label with existing TLDs. ?? No existing TLD contains a letter repeated 3 times ?? XXX TLD is not an abbreviation for a word ?? Is very distinct phonetically from existing TLDs. In fact, the tendency is to spell out the three (3) Xs when referring to the label Will not confuse it with names reserved by RFCs (or documents that are nearly RFCs), notably ".local" (from the HTTP State Management draft) and those names listed in RFC 2606. Will assist users in remembering or locating domain names within the TLD
Internet Users who want to avoid adult content sites	Will be able to procure software that provides more filtering capability ?? Will provide more peace of mind to parents ?? Will protect children from adult oriented material ?? Aggravations of going to pornographic sites by mistake
Internet Users who want to access adult-content material	Will speed up the identification of desired sites using the proposed dual co-existent naming system for directory services.

.KIDS TLD

The introduction of the TLD will enhance the utility of the Domain Name System (DNS) for Internet users and the community served by the TLD as follows:

Stakeholders	Utility
Internet Users in General	Will be able to readily recognize the use of the .KIDS TLD.
	?? KIDS is a word used on a day-to-day basis in English communities
	?? It is among the first words learnt when learning English
	?? It is a name easy to remember
	Will not confuse the label with existing TLDs.
	?? Is very distinct phonetically from existing TLDs.
	Will not confuse it with names reserved by RFCs (or documents that are nearly RFCs), notably ".local" (from the HTTP State Management draft) and those names listed in RFC 2606.
	Will assist users in remembering or locating domain names within the TLD
Community Served by TLD	Will guarantee parents and children that the sites are not harmful to children
	Will speed up the identification of desired sites

E27. Enhancement to Competition in Domain-Name Registration Services

How would the proposed TLD enhance competition in domain-name registration services, including competition with existing TLD registries?

Most people intimately involved in the ICANN process agree that the long-term growth of the domain name space will be in the area of chartered TLDs. Because a DNS with 50 competing and undifferentiated generic top level domains would be of little value to the Internet community, and would likely lead to increased consumer confusion.

This being the case, the chartered TLDs that ICANN approves as proof of concept needs to be successful from both a financial as well a broad consumer acceptance stand point. ICM Registry strongly believes that the .XXX TLD is the strongest potential candidate on both issues, because of the high degree of adult content Internet traffic.

ICANN would be hard pressed to find another high-profile TLD to test the creative trademark protection mechanisms set forth in this proposal. These mechanisms would be fatal to the operation of a smaller more price sensitive registry that lacked the high volume of users. Therefore, the commercial and financial success of .XXX will not only provide the immediate return on investment by subsidizing the operation of a .KIDS registry, but it will be an investment in the future of the DNS by creating market acceptance (financial and consumer) for chartered TLDs.

The alternative for ICANN is to play it safe and adopt a narrowly defined charter with little or no risk, take for example .BANC. Most financial institutions are highly likely to leave the .COM space or heavily advertise or market the .BANC space, so both the commercial and consumer success in this TLD would be questionable. Having this type of chartered TLD be the pioneer for all other chartered TLDS would be disastrous. It is a widely accepted fact that the adult content industry has been responsible for

revolutionizing the market place, either with VCRs in the 80's, or the use of computers and the Internet in the 90's. Logic and economics dictate that the adult content industry should be part of this pioneering effort to expand the domain name space, since it has the ability to demonstrate the commercial viability of a chartered TLD.

V. VALUE OF PROPOSAL AS A PROOF OF CONCEPT

E28. General

This section discusses concepts and strategies that need to be addressed and resolved prior to introducing ICM Registry's proposed TLDs.

E29. Concepts to be Proved/Disproved by Evaluation of TLD Introduction

What concepts are likely to be proved/disproved by evaluation of the introduction of this TLD in the manner you propose?

The concepts discussed in this section apply to both the .XXX and .KIDS TLD since they are so intimately linked. Please also refer to Annex 1 ICM Registry's Business Plan for additional detail on the concepts addressed below.

Concept 1 – Voluntary XXX TLD is a Starting Solution to Protecting Children from Adult-Oriented Internet Content

Safeguarding children from adult oriented content through the .KIDs and .XXX domain is the primary concept the ICM Registry TLD submission will prove. But this process must be voluntary and meet the concerns of the broader Internet marketplace.

In order to realize this goal, ICM Registry's Chief Policy Officer, Michael Palage continues to be in dialogue with industry leading companies, organizations, and individuals in order to build a consensus driven solution.

The following organizations represent the most vocal representatives in the consensus building process:

- ?? Child safety advocacy groups

- ?? The civil libertarians

- ?? Democracy advocacy groups

- ?? The adult content industry

ICM Registry is confident that a consensus driven solution is imminent. The key concerns remaining involve defining clear policies and procedures.

There have been many proposed solutions that have attempted to safeguard children online including legislation, hardware and software. ICM Registry offers a dynamic new way for Internet users to both rate and manage their Internet content.

At the last hearings in Washington D.C, September 18, 2000, the COPA Commission discussed the issue of creating Harmful to Minor (HTM) Top Level Domains. There were several commissioners who expressed their viewpoint that co-existing Top Level Domains might be a valuable tool in helping safeguard children. ICM Registry is

confident that our solution coupled with our proprietary filtering technology will address both the concerns of the COPA Commission and bring a dynamic new way of rating Internet content.

Concept 2 – A Registry can Oversee Charter Violations

ICM Registry will initiate a pro-actively strategy to minimize the distribution of potentially harmful material. Under the terms and conditions set out in its registration agreement, the company will set out registration policy's and guidelines under the direction and influence of the dominant stakeholders. This agreement will be subject to change from time to time in order continue to be responsive to the needs of the greater Internet community. Historically, VRGS (formerly Network Solutions) refrained from actively disseminating their customers online content, however, ICM Registry will take an active role in managing its domain space.

In connection with the .XXX Policy Advisory Board, ICM Registry proposes to host regular industry workshops on: child safety issues; adult industry concerns and consumer privacy.

Similarly, the .KIDS Policy Advisory Board will initiate a pro-active role in developing programs to protecting children's interests.

Concept 3 – The Auction Model as a Balanced Solution

Cybersquatting and trademark and copyright violations are major issues that ICM Registry continues to evaluate and address. ICM Registry is proposing to use the 30-day auction model during the initial sunrise period and in the event a registration expires. The ICM Registry auction is a fair solution to the concerns of both the trademark community and the Internet marketplace as a whole. ICM Registry's dynamic auction process offers trademark holders and registrants the time and means to protect their registration from abuse.

Key benefits to this process include:

- ?? registered trademark holders must produce legitimate documentation in order to qualify their rights

- ?? non-registered mark holders which includes common law mark holders will also have rights

- ?? cybersquating and abusive registrations are significantly reduced

- ?? ICM Registry model can be applied independently

One of the most enticing aspects of the ICM Registry auction model is that it allows for the fair access and valuation of domain registrations in an open and transparent manner.

Please refer to Section E15 for details of this program.

The introduction of ICM Registry's new TLDs will verify that the service is an effective intellectual-property protection program

Concept 4 – Centralized WHOIS Data Base is a Practical Alternative

ICM Registry intends to aggregate the 130 different country code WHOIS databases and the more than 60 different registrar WHOIS databases. This consolidation of domain name information will both enhance the Internet and enable the company to launch its proprietary domain filtering technology.

Concept 5 – Multi-Level Domain Registrations (2nd and 3rd Level) is Effective and Technically Viable

ICM Registry proposes to handle multi-domain registrations, that is second and third levels (please see Section E3 for details). The effectiveness and technical viability of this concept will be tested by the introduction of the TLDs.

Concept 6–WHOIS Record Watch Service is an Effective Intellectual-Property Protection Program

ICM Registry will provide a WHOIS data watch service to notify domain name registrants when any information contained in the WHOIS fields has changed. This service will be provided by a third party contractor for resale by the registrar to the domain name registrant.

In addition, IRM Registry will offer a service to trade mark owners whereby they will be notified when someone tries to register domain name that incorporate their trade marks or sub-strings.

The introduction of the TLDs will verify if this service is an effective intellectual-property protection program

E30. Proposal to Evaluate Results of the Introduction

> *How do you propose that the results of the introduction should be evaluated? By what criteria should the success or lack of success of the TLD be evaluated?*

Result to be Evaluated	Criteria
Criteria Related to the Concepts to Be Proved (see Section E 30)	
Concept 1 – Voluntary XXX TLD is a Solution to Protect Children from Adult-Oriented Content Sites	Number of complaints from interested organizations and parents
	How many legislation laws passed or in preparation that still trying to find ways to solve this problem

Result to be Evaluated	Criteria
Concept 2 – A Registry can Oversee Charter Violations	Number of charter challenges and how they were resolved. Number of charter violations
Concept 3 – the Auction Model is an Effective Mechanism to Minimize Cybersqatting, and Trademark Copyright Violations	Number of lawsuits
Concept 4 – Centralized WHOIS Data Base is a Practical Alternative	Number of complaints
Concept 5 – Multi-Level Domain Registrations (2nd and 3rd Level) is Effective and Technically Viable	Number of complaints from registrars and registrants Number of registrations at the second and third levels
Concept 6 – Sunrise Program is an effective intellectual-property protection program	
Concept 7– .WHOIS Data Watch Service is an effective intellectual-property protection program	

E31. In What Way the Results of the Evaluation will assist in the Long-Range Management of the DNS

In what way would the results of the evaluation assist in the long-range management of the DNS?

The results of the evaluation will assist in the long-range management of the DNS as follows:

- ✍ Determining the commercial viability of chartered TLDs.

- ✍ Technological solutions to help safeguard child from inappropriate content on the Internet.

- ✍ Demonstrate the effective use of an auction model with adequate intellectual property safeguards. Specifically in connection with the roll-out of a new top-level domain and in the re-licensing of domain names that were not renewed.

- ✍ Evaluate the proposed expansion of the UDRP to consider a loser pays fee.

- ✍ Evaluation of the Sunrise Program for nationally registered marks and common law marks.

- ✍ Use of a dual co-existent naming system to create a directory system.

E32. Reasons to Include the TLDs in the Initial Introduction

Are there any reasons other than evaluation of the introduction process that this particular TLD should be included in the initial introduction?

There is immediate demand for the service ICM Registry is proposing.

By operating .XXX, adult-oriented content will be provided with a clearly identifiable "home" for those who wish to access this content, By the same token, that content can be easily filtered or screened by parents. A separate TLD clearly enables choice by adult users, while making all Internet users aware of the nature of a site's content simply by its address. Providing access without censorship while protecting the rights of those who do not wish to be exposed to such content helps resolve the criticism various interest groups have directed at the Internet's current structure and processes.

While .XXX as a TLD is a means of dealing with the issue of protecting children, there is in addition a growing need for a TLD that represents a welcoming home for child-appropriate content. For this reason, .XXX will propose to operate .KIDS on a non-profit basis in order to provide a means of making the Internet a safe environment for children's entertainment and education.

ICM Registry's proposal is to provide parents with the assurance that there is a welcoming and safe place on the Internet for their children. The ICM Registry processes respond to the issues being addressed by the Commission on the Child On-Line Child Protection Act (COPA) of the U.S. Congress. At the request of Congress, that Commission is examining:

- the need for a common resource for parents to use to help protect minors;
- provision of a means for filtering services;
- provision of systems to rate content;
- the establishment of a domain name which enables the identification of material harmful to minors;
- use of existing or the creation of new methods to screen content and reduce access by minors to adult-oriented material.

The concept of a specialized domain for adult material equipped with the proposed mechanisms for registration provides an opportunity for the adult-oriented industry to establish its own response to the concerns at the heart of COPA. At the same time, these same mechanisms address the concerns of such groups as the Center for Democracy in Technology, which argue that the Internet should be a medium of free expression and continue to provide adult services to those who want them.

ICM Registry requests a meeting with ICANN to discuss this proposal and why it is important that .XXX and .KIDs be included in the initial TLD introduction period.