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**VIA FACIMILE (310-823-9358)
AND ELECTRONIC MAIL**

Dr. Paul Twomey
President and Chief Executive Officer
ICANN
4676 Admiralty Way, Suite 330
Marina Del Rey, California 90292

Re: Notice of New Service and Request for Preliminary Determination

Dear Dr. Twomey:

Pursuant to section 3.1(d)(iv) of the .com and .net Registry Agreements, VeriSign hereby notifies ICANN of a proposed new Registry Service, as more fully described in the completed ICANN form, attached as Appendix A. VeriSign hereby requests ICANN to make the preliminary determinations and take such other actions as may be required by the .com and .net Registry Agreements.

Please do not hesitate to contact me should you have any questions or require additional information concerning this matter. Thank you.

Best regards,

Kevin C. Golden
Vice President, Associate General Counsel
VeriSign, Inc.

cc: John Jeffrey, General Counsel

Appendix A

Proposed Service: DNS Update Service

Technical Description of Proposed Service:

Background

As part of our contractual obligation to ICANN, VeriSign, Inc. ("VeriSign") makes copies of the zone file available twice daily. The service is contractually required and the data is provided to anyone who makes a request through the Zone File Access Agreement.

In September 2004, VeriSign implemented Rapid Zone Updates, which means that VeriSign currently updates the zone file and propagates this update within three minutes. (Prior to this change, the zone file was updated twice per day.)

Since moving to rapid zone updates, we have been approached by a number of brand monitoring, fraud protection and anti-phishing companies, some who are also registrars, who have requested that VRSN create a service which provides a delta report of changes to the rapid zone updates throughout the day. Additionally, it has been requested that this service be created with a contractual process and a fee to deter those who today abuse the data provided in the twice daily zone update report.

Technical Description

The proposed service ("Service") will provide customers with incremental updates of certain data associated with the .com and .net TLDs. VeriSign will update the data set for customers every five minutes. The data set consists of domain name, name server, IP address additions, deletions and modifications. VeriSign will make this data available to customers through an aggregated file stored on a secure FTP server that customers can access directly. This aggregated file will consist of consecutive files of incremental data.

The Service is available for contracted recipients to download incremental updates every 5 minutes. The Service can be utilized by recipients to build brand protection and fraud detection services for their customers. The files are available via a File Transfer Protocol (ftp) server. The recipient must authenticate their username and password logon to the ftp server and may download the incremental updates at a frequency determined by the recipient based on their intended use of the updates. The files will remain on the ftp server for 24 hours before being overwritten.

The following is an example of Rapid Zone Update file named 1234-5678.rzu:

```
md5sum 12dfkjsdfkl sdfwerawr13242dasdf
id 1234-5678
#####
add can020.ccsnet.net A
add can020.ccsnet.net A 204.124.166.98
add can020.ccsnet.net A 204.124.166.98
add can020.ccsnet.net A 204.124.1.1
add superhorse.com NS
add parker-company.com NS ns1.comstar.net
add southernil.com NS ns1.intertek.net
add southernil.com NS ns2.intertek.net
add southernil.com NS ns1.savvis.net
delete can020.ccsnet.net A
```

delete southernil.com
add ns1.hydra-999.com A 65.3.2.251
delete ns1.hydra-999.com A 65.3.2.252
delete ns1.hydra-999.com A 65.3.2.251
add ns1.hydra-999.com A 65.3.2.252
rename ns1.hydra-999.com newname.hydra-999.com

Consultation:

a. If the registry is a sponsored TLD, what were the nature and content of these consultations with the sponsored TLD community?

Not Applicable

b. Were consultations with gTLD registrars or the registry constituency appropriate? Which registrars were consulted? What were the nature and content of the consultation?

The concept for this Service was developed per registrar request. VeriSign account managers have discussed the concept with the registrar community during on site visits and during VeriSign's "Registrar Days" events. All feedback received was utilized in developing the Service. VeriSign's account managers received uniformly positive responses from the Registrar community related to this offering.

c. Were consultations with other constituency groups appropriate? Which groups were consulted? What were the nature and content of the consultation?

VeriSign has received requests for incremental updates to the relevant data from registrars providing brand protection tools as well as registrars interested in providing anti-phishing and anti-pharming services. Additionally, non-registrar companies who provide these services have asked for this tool as a way of providing early detection and notification products for sale to their customers.

This data apparently would be useful to help detect the existence of domain names that may have been registered to facilitate illegal activities, such as phishing and spoofing. For example, a privately held Internet security firm with a client base of over half of the Fortune 50 made such a request.

d. Were consultations with end users appropriate? Which groups were consulted? What were the nature and content of the consultation?

VeriSign consulted with users of zone data, as referenced in the responses in sections b and c.

e. Who would endorse the introduction of this service? What were the nature and content of these consultations?

Please see the answers to subsections b and c above.

f. Who would object the introduction of this service? What were (or would be) the nature and content of these consultations?

From the discussions to date with registrars or Zone File Access users, none has raised objections to this Service. Because the Service could be used to speed detection of spamming, phishing, pharming attacks, and other nefarious activity, those organizations and individuals who engage in this type of activity would be the most likely to object to this Service. Requestors of this data have indicated that they will utilize this data to build services to offer to their customers, including anti-phishing and trademark protection.

Timeline:

Please describe the timeline for implementation of the proposed new registry service

VeriSign would be ready to launch the Service within 30 days.

Business Description:

Describe how the proposed service will be offered.

To initiate access to the Service, customers will download and execute a service agreement containing, among other things, appropriate restrictions on use of the Service for marketing activities. Before executing a service agreement, in an effort to deter would-be abusers from utilizing the service, VeriSign will confirm the customer's identity and take such other steps as VeriSign deems appropriate to ensure the effectiveness of its remedies under the service agreement and its ability to prevent improper uses of the Service. Customers will be provided with instructions as to the file format and the directory structure of the FTP server.

The Service will be available under a two-tiered model. The first tier will be available exclusively to accredited .com and .net registrars for limited internal purposes, such as facilitating the administration of .com and .net registrations. The first tier service would be subject to an appropriate uniform license and agreement for all registrars. The second tier service is suitable for those registrars and other customers desiring greater flexibility, such as the ability to use the Service in connection with, or as part of, their value added service offerings. The second tier service is subject to an agreement containing, among other things, a broader, royalty-bearing license.

Examples:

Tier I: A registrar could sign up for the first tier service and use the Service to obtain a quick confirmation that its requested modifications to a particular domain name registration have in fact been made.

Tier II: A registrar offering time-sensitive trademark monitoring services could sign up under the terms of the second tier. Such a registrar could use the Service to identify recently registered domain names so that they could be run against the registrar's watch list of customer trademarks. The registrar could then quickly alert the customer of any matches or take other appropriate action depending on the nature of the service offered to its customer.

Describe quality assurance plan or testing of Proposed Service:

VeriSign has demonstrated the ability to deliver scalable and reliable registry services. The rigorous development processes, extensive suite of quality assurance tests, and performance testing will be applied to maintain the functionality, data integrity and data accuracy of the Service.

Please list any relevant RFCs or White Papers on the proposed service and explain how those papers are relevant.

VeriSign has consulted the IETF Best Current Practice Index at Request for Comments RFC-Editor.org and reviewed the recommended practices and protocols. These references were consulted, not based on concerns about stability or security, but rather to better understand how the proposed Service could improve security on the Internet. The documents reviewed include:

- BCP #106 Randomness Requirements for Security (<ftp://ftp.rfc-editor.org/in-notes/bcp/bcp106.txt>)
- BCP #72 Guidelines for Writing RFC Text on Security Considerations (<ftp://ftp.rfc-editor.org/in-notes/bcp/bcp72.txt>)
- BCP #61 Strong Security Requirements for Internet Engineering Task Force Standard Protocols (<ftp://ftp.rfc-editor.org/in-notes/bcp/bcp61.txt>)
- BCP #42 Domain Name System (DNS) IANA Considerations (<ftp://ftp.rfc-editor.org/in-notes/bcp/bcp42.txt>)

We have also reviewed the possible impact of the proposed Service on the operation of DNS infrastructure and on the users of DNS for any effects on DNS operations and the neutrality of DNS protocols, as well as end-to-end design principles and layering. The Service will not have any adverse impact on the operation of the DNS infrastructure and the neutrality of DNS protocols. The Service provides incremental data that is accessed proactively by the customer on a separate designated FTP server that does not interface with any of the DNS architecture managed by VeriSign or elsewhere on the Internet.

Contractual Provisions

List the relevant contractual provisions impacted by the Proposed Service:

The Service would be an additional Registry Service with no modifications required to other contractual provisions.

What effect, if any, will the Proposed Service have on Whois?

None

What effect, if any, will the Proposed Service have on the price of a domain name registration?

None

Contract Amendments

Please describe or provide the necessary contractual amendments for the proposed service:

None

Benefits of Service

Describe the benefits of the Proposed Service

The proposed Service is intended to help address the problem in the online industry of phishing, fraud, and identity theft. This worldwide problem is growing rapidly and threatening electronic commerce, financial services, and other services provided on the Internet. Criminal organizations utilize a variety of techniques to lure unsuspecting Internet users into revealing confidential information, including the method of the registration of misleading domain names that are similar to those of legitimate organizations.

The use of misleading domain names for illicit purposes is on the rise. In October 2006, the Anti-Phishing Working Group reported that "In summer and early fall, the number of phishing spoof sites soared, driving the number of unique phishing URLs to 37,444 in October, a 757 percent increase over the 4367 reported by the APWG in October 2005 - and up some 236 percent from the 11,121 detected just six months before in April, 2006."¹ Phishing attacks can occur very quickly. The average phishing site is online for only 5.5 days, and the most damage is rendered within the first 24 hours of the attack.

VeriSign currently propagates changes to DNS registrations within 3 minutes. The proposed Service would better enable customers to keep pace with the rapid rate at which these changes occur. According to several firms that provide anti-phishing services, access to such current information would improve their anti-phishing capabilities. We believe that these services will provide a useful tool to online security companies, ISPs, search engines, financial service companies, and other stakeholders in Internet services and security.

For these reasons, we believe that the Service not only would meet a real demand, but would also help make the Internet more safe and secure. We anticipate offering the Service to Registrar and non-registrar customers. This Service offering would in no way affect the availability or terms

¹ http://www.antiphishing.org/reports/apwg_report_september_october_2006.pdf

under which VeriSign provides access to the TLD Zone Files pursuant to its .com and .net Registry Agreements with ICANN.

Competition

Do you believe your proposed new Registry Service would have any positive or negative effects on competition?

The Service would have no negative effects on competition. To the contrary, VeriSign believes that the Service will encourage innovation in the industry, enhance the security services offered in the marketplace, better enable providers of security services to differentiate their services and compete more effectively, and give consumers more choices.

How would you define the markets in which your proposed Registry Service would compete?

VeriSign plans to offer the proposed Service to Parties whom contract for the service. These parties may include registrars and non-registrars including recipients of the current zone file or new customers.

What companies/entities provide services or products that are similar in substance or effect to your proposed Registry Service?

VeriSign understands that other TLD registry operators may choose to offer expedited data services which are similar to the proposed Service.

In view of your status as a registry operator, would the introduction of your proposed Registry Service potentially impair the ability of other companies/entities that provide similar products or services to compete?

No

Do you propose to work with a vendor or contractor to provide the proposed Registry Service? If so, what is the name of the vendor/contractor, and describe the nature of the services the vendor/contractor would provide.

No

Have you communicated with any of the entities whose products or services might be affected by the introduction of your proposed Registry Service? If so, please describe the communications.

We have communicated with a number of firms, as described in item c of the Consultation section, above.

Do you have any documents that address the possible effects on competition of your proposed Registry Service? If so, please submit them with your application. (ICANN will keep the documents confidential).

We have no documents to submit.

Security and Stability

Does the proposed service alter the storage and input of Registry Data?

No

Please explain how the proposed service will affect the throughput, response time, consistency or coherence of the responses to Internet servers or end systems:

The Service will have no impact on throughput, response time, consistency or coherence of the responses to Internet servers or end systems.

Have technical concerns been raised about the proposed service, and if so, how do you intend to address those concerns?

No

Other Issues

Are there any Intellectual Property considerations raised by the Proposed Service?

To the extent of our knowledge, the Service will not interfere with the intellectual property rights of any third parties.

Does the proposed service contain intellectual property exclusive to your gTLD registry?

(1) Trademark or similar rights may exist or arise with respect to trade names or terminology used in connection with the proposed Service. (2) Copyright protection may exist or arise in connection with code written or materials created in connection with the proposed service. (3) Certain information or processes related to the service may be confidential to VeriSign and/or subject to trade secret protection. (4) VeriSign is not aware of the issuance of any patents by any party with respect to the service.

List Disclaimers provided to potential customers regarding the Proposed Service

We expect to include in the agreement governing the service certain industry standard disclaimers such as a disclaimer of all warranties with respect to the data.

Any other relevant information to include with this request.

Not Applicable