



June 26, 2006

Dr. Paul Twomey
4676 Admiralty Way
Suite 330
Marina del Ray, CA 90292

Dear Paul,

This letter provides an important update on recent progress made between NeuLevel and ICANN on the renegotiation of the .BIZ gTLD registry agreement. We request that you share this letter with the entire ICANN Board and advise them we are available to answer any questions that might arise.

As you may know, NeuLevel has been working with ICANN for more than a year to renegotiate the existing .BIZ agreement. As of late last week, we reached final agreement on all points and we feel strongly that the proposed agreement is a positive development for both parties, for the ICANN community as a whole, and for the stability and security of the DNS. We expect that the agreement will be posted for public comment during the ICANN meeting this week in Marrakech, and we wanted to take this opportunity to share our thoughts on this important and welcome development.

NeuLevel first requested renegotiation of the .BIZ contract in 2003 to include a presumptive renewal clause that would help us better compete in the marketplace and to ensure our capacity for long-term investment in the .BIZ registry infrastructure. Subsequently, at the Mar Del Plata ICANN Meeting in April of 2005, NeuLevel and other existing registry operators were invited by ICANN to renegotiate our original agreements, to bring them in line with more recent agreements, and to ensure that all registries were being treated equitably by ICANN.

Since that time, we have been negotiating with ICANN staff and working hard to reach a fair and reasonable update to the 2001 .BIZ agreement. We believe these negotiations have now resulted in an agreement that reflects NeuLevel's continued commitment to ICANN and to the long-term security and stability of the DNS. Concurrently, this proposed agreement also begins to address the competitive imbalance in our marketplace by ensuring equitable treatment of gTLD registries as required by ICANN's bylaws and our existing agreement – a key concern of NeuLevel as we attempt to compete in the current marketplace.

Specifically, we have negotiated terms that are consistent with contractual updates to recently concluded agreements, including presumptive renewal, elimination of fixed pricing, and a new fee structure. Presumptive renewal will help to secure NeuLevel's long-term involvement and investment in the gTLD community and the DNS, and to help us compete with other gTLD registry operators. We have increased our fees to ICANN in recognition of the key role registries must play in supporting ICANN's operations and the important and challenging issues that lie ahead for the community.

This proposed agreement is entirely consistent with ICANN's charter, by-laws, and our existing agreement, and the community will be well-served by its approval. When the proposed .BIZ agreement is approved (after the appropriate public comment period and Board review), NeuLevel will be better positioned to compete fairly with other registries that already have comparable terms. We will be better positioned to make additional long-term investments in the registry infrastructure, which will in turn enhance the security and stability of the DNS. Without this agreement, NeuLevel would be forced to operate the .BIZ registry at a severe competitive disadvantage to the dominant registry operator with 85% gTLD market share (and growing) and our capacity for long-term investment in the .BIZ registry infrastructure would be compromised.

We look forward to discussing the proposed .BIZ agreement with the community, including Members of the ICANN Board, and responding to any questions generated during the public comment period. NeuLevel has a team in Marrakech that is available to discuss the proposed .BIZ agreement with you, with members of the ICANN Board, and with any other interested parties.

We look forward to the immediate posting of the agreement for public comment.

Sincerely,

Richard Tindal
Vice President
NeuLevel, Inc.