



November 29, 2001

Mr. Elliot Noss  
President and CEO  
Tucows, Inc.  
96 Mowat Avenue  
Toronto, Ontario M6K 3M1

Re: Domain Name Transfer Request Between  
Tucows, Inc. and the VeriSign Registrar

Dear Mr. Noss:

We are in receipt of Tucows' November 8, 2001 letter to Ms. Russo of VeriSign Global Registry Services (the "Registry") wherein you represent that the VeriSign Registrar is "denying transfers in contravention of Exhibit B of the VeriSign Registry-Registrar Agreement . . . and the clarification issued earlier this year by Louis Touton of ICANN." The VeriSign Registrar is in contravention of neither.

Your letter merely represents Tucows' self-serving interpretation of Exhibit B to the Registry-Registrar Agreement, and your mischaracterization of Mr. Touton's letter, interpretations that continue to oppose even the most minimal action to protect domain name registrants from fraudulent and unauthorized domain name registration transfers. Tucows' maintenance of this position, especially in light of documented cases of fraudulent and unauthorized transfers is unreasonable and inconsistent with Tucows' own June 7, 2001 paper entitled "Tucows Inc.'s Position on the Unilateral Limitation of Registrant Rights by ICANN Accredited Registrars" ("White Paper"). Apparently, Tucows finds some benefit in an interpretation of Exhibit B to the Registry-Registrar Agreement that facilitates, rather than discourages, fraudulent and unauthorized transfers. The VeriSign Registrar does not. Therein lies the root of the dispute between Tucows and the VeriSign Registrar and, we suggest, the true motivation for your letter to the Registry. How could anyone favor "slamming" over the protection of registrants' authority over their own domain name registrations? We find your position indefensible. More importantly, your position supports tampering with the care of registrants' digital identities. Such a position is destructive to people's trust of the Internet.

Although that may matter little to Tucows, it is of prime importance to Verisign and, we believe, to ICANN.

In your letter, Tucows contends that the VeriSign Registrar is denying domain name transfers “simply because it has notified the Registered Name holder of the request and has not received a response.” Tucows’ statement is incorrect. The VeriSign Registrar does not deny domain name change of registrar transfers in the authorization context unless it has an adequate reason for believing that the Registered Name Holder has not authorized the transfer, a condition expressly recognized by Mr. Touton and included in Exhibit B. Moreover, while Tucows’ White Paper claims that a losing registrar is not “empowered to do anything except ensure that its account with the client is settled prior to the termination of the relationship,” confirming/informing a registrant of a transfer request is not inconsistent with Exhibit B, as recognized by Mr. Touton. Such confirmations are minimal benchmarks of responsible business practices which are designed to protect consumers from unauthorized transfers (slamming). Tucows acknowledged as much in its White Paper in referencing the practices of the Canadian telecommunications industry to prevent slamming in the telephone carrier context. Tucows’ objection to VeriSign engaging in such a practice, therefore, at best appears disingenuous. Such a practice, contrary to holding a “domain name, and the consumer hostage” as Tucows suggests, is the same type of non-invasive, anti-slamming practice designed to protect the consumer which is employed by the Canadian telecommunications industry. In fact, the practice employed by the VeriSign Registrar is less invasive than the anti-slamming safeguards employed in the telecommunications industry, as Tucows confirmed in its White Paper in describing the VeriSign Registrar’s action as a “trivial exercise.” Such a “trivial exercise” cannot, therefore, inhibit the transfer process as Tucows contends. As this letter demonstrates, we believe there is a need for “non-trivial”, more substantive safeguards against tampering with something as vital as a registrant’s digital identity. We intend to move forcefully and rapidly in that direction.

In your letter, Tucows references a request from a “client” to transfer all of “its” domain names to Tucows. Tucows then requested the transfer of the domain names on October 16, 2001 by transmitting a transfer command to the Registry. As you know, however, the transmission of a transfer command constitutes a representation on the part of the gaining Registrar that “(1) the requisite authorization has been obtained from the Registered Name holder listed in the database of the losing Registrar, and (2) the losing registrar will be provided with a copy of the authorization if and when requested.” Registry-Registrar Agreement, Exhibit B. However, Tucows did not obtain the purported authorization for the transfer until October 17, 2001, the day after it requested the transfer through the Registry. Tucows’ transfer practices, therefore, are by its own admission in violation of Exhibit B and fully warrant denial of the request by the VeriSign Registrar.

Tucows claims that the VeriSign Registrar then “nacked” the transfers. In response to which, Tucows contacted the VeriSign Registrar. At that point, you claim that the VeriSign Registrar requested a notarized transfer document from your “client” authorizing the transfer.

We actually have no interest in or knowledge of your “client;” we care about the current registrant, the party whose digital identity is at risk. Your letter does not indicate whether the post-transfer authorization document described in your letter was ever produced to the VeriSign Registrar based on this request, as required by Exhibit B and consistent with the representation inherent in Tucows’ transmission of a transfer request that it had and would produce such a document upon request. We, again, request a copy of such documentation. Moreover, your letter does not identify the domain names at issue in this example. Without those domain names, we cannot confirm your story or whether the registrant for those domain names complied with the terms of the VeriSign Registrar’s Service Agreement with respect to the maintenance of valid contact information.

Your letter does reference four domain names (\*\*\*\*\*.com, \*\*\*\*\*.com, \*\*\*\*\*.com, and \*\*\*\*\*.com) and requests the immediate transfer of those domain names from the VeriSign Registrar to Tucows. Tucows' claims that the transfer of those domain names was denied because the VeriSign Registrar did not receive a response confirming the transfer request. Those domain names were transferred to Tucows on November 9, 2001 based on Tucows' request of November 7, 2001. We can only assume that you were unaware that this transfer was in process when you wrote your November 8, 2001 letter demanding the transfer. In any event, your request that the Registry transfer any domain names, including the four you listed, without the approval of the losing registrar, is wholly inappropriate.

Finally, your letter references ten domain names<sup>1</sup> for which transfers were denied and requests that the Registry compel the VeriSign Registrar to produce information with respect to the reasons for these denials, claiming that the VeriSign Registrar to date has failed to do so. You have, however, misstated the actual nature of your requests and the VeriSign Registrar's earlier response. On August 30, 2001, Tucows forwarded an e-mail to the VeriSign Registrar requesting the reasons for the denial of the transfers for 65 domain names by September 4, 2001, which included the ten domain names for which Tucows again requests information in its November 8, 2001 letter. On September 4, 2001, the VeriSign Registrar provided you with the information you requested.

Apparently unsatisfied with the information that the VeriSign Registrar provided, on September 5, 2001, Tucows requested a “complete history” for all denials issued by the VeriSign Registrar for the transfer of several domain names, including the ten listed in your November 8, 2001 letter. Tucows apparently could not reconcile the fact that those domain names were in an unpaid status with the record expiration dates in WHOIS. On September 10, 2001, the VeriSign Registrar again responded that it had provided a timely and complete response to Tucows’ request for the reason for denial of the transfers. Tucows’ additional request, however, required

<sup>1</sup> The names listed are as follows : \*\*\*\*\*.com, \*\*\*\*\*.com, \*\*\*\*\*.com,  
\*\*\*\*\*.com, \*\*\*\*\*.com, \*\*\*\*\*.com, \*\*\*\*\*.com, \*\*\*\*\*.com,  
\*\*\*\*\*.net, and \*\*\*\*\*.com.

review of archived data and certain more specific payment information. Such payment information is proprietary and not normally disclosed. Accordingly, and consistent with the express terms of Exhibit B, we requested that Tucows provide the express authorization for the transfers at issue from the individual with the apparent authority to legally bind the registrant. The VeriSign Registrar has never received that information from Tucows. Thus, in this context, Tucows' demand for such information is wholly inappropriate, and shows a disregard for the registrant's rights and privacy. Moreover, Tucows' request that the Registry suspend the VeriSign Registrar's access based on the misrepresentations and unfounded accusations in your November 8, 2001 letter is equally unfair and unfortunate. We advise Tucows to cease and desist from any further attempts to interfere with our agreement with the Registry. We will not tolerate such interference and will hold Tucows fully responsible for any damages resulting from such action. The only violation of Exhibit B that Tucows has demonstrated is its own.

Tucows' continued marketing campaign against the VeriSign Registrar, and its current efforts to interfere with the VeriSign Registrar's contractual relationship with the Registry, all to protest the most benign efforts to protect registrants from documented fraudulent and unauthorized transfers, and thereby protect the credibility of and trust in the Internet and ICANN, is highly questionable. For example, the following domain names were transferred to Tucows from the VeriSign Registrar in the last few months: \*\*\*\*\*.com, \*\*\*\*\*.net, \*\*\*\*\*.com and \*\*\*\*\*.com. In each case, the registrant claims that the transfer was not authorized. Accordingly, the VeriSign Registrar has requested that Tucows reverse the transfers. Tucows has refused unless the VeriSign Registrar agrees to indemnify Tucows. Such a request is absurd and demonstrates Tucows' abuse and exploitation of the transfer process to the detriment of consumers. It is hard to imagine anyone expecting indemnification for having permitted the unauthorized tampering with another's digital identity.

Historical survey data that the VeriSign Registrar already has produced to ICANN demonstrated that Tucows' transfer practices invite fraudulent and unauthorized transfers. The fact that fraudulent and unauthorized transfers continue under Tucows' transfer practices, even with confirmation of the transfer request by the losing registrar, and Tucows' admission that it transmits transfer requests prior to obtaining required authentication documentation, confirms the flaw in Tucows' transfer practices and the need for more dramatic steps to prevent fraudulent and unauthorized transfers. Moreover, the continuation of these practices suggests that Tucows not only invites such fraudulent and unauthorized transfers, but condones them. In light of these facts, and Tucows' unwillingness to reverse fraudulent and unauthorized transfers without indemnification, the VeriSign Registrar is considering suspending all transfers to Tucows for which the VeriSign Registrar does not first receive from Tucows written express authorization from an individual with the apparent authority to bind the Registered Name holder. We remain available to discuss such an agreement at your earliest convenience. Tucows may feed off other registrars, but you must first have the consumer's authorization to do it. How difficult, then, is it to produce that authorization?

The VeriSign Registrar has attempted to work productively with Tucows to resolve these and other issues between its businesses and has been largely successful in this regard. In fact, over the past several months we have spent numerous hours attempting to reach an amicable resolution of transfer authorization process issues with Tucows, a resolution we have reached with several other registrars. Your most recent letter, however, and the nature of the accusations and request to suspend the VeriSign Registrar's access to the Registry, has damaged that working relationship and will make future discussions more difficult.

Sincerely,

W.G. Champion Mitchell  
Executive Vice President & General Manager  
VeriSign Registrar

cc: Louis Touton, ICANN  
Herb Hribar, VGRS  
B. Davis, Esq.  
B. Beckwith, Verisign Registrar  
Ross W. Rader, Tucows

\* indicates domain names redacted