



VERISIGN®

## Frequently Asked Questions

**Q: Why have Verisign and the DOC amended their Cooperative Agreement as opposed to extending the agreement as is, or allowing it to expire all together?**

A: The DOC and Verisign concluded it was mutually beneficial to modify and extend the Cooperative Agreement, with the DOC determining the terms are in the public interest.

**Q: What are the significant changes made in Amendment 35?**

A: The amendment provides Verisign the pricing flexibility to change its *.com* Registry Agreement with ICANN to increase wholesale *.com* prices. Specifically, Verisign can pursue with ICANN an up to 7% percent increase in the price for *.com* domain names, in each of the last four years of the six-year term of the *.com* Registry Agreement. The changes also affirm that the vertical integration restrictions on Verisign's ability to own a registrar apply to the *.com* registry. And lastly, the amendment confirms that Verisign will operate the *.com* registry in a content neutral manner with a commitment from Verisign to participate in ICANN processes that promote the development of content neutral policies for the operation of the DNS, such as trusted notifier programs.

**Q: Why has the DOC permitted Verisign the ability to modify the registry agreement to include price increases for *.com*?**

A: *.com* has been subject to a price freeze since 2012. The DOC concluded that the pricing flexibility is appropriate at this time given the six-year price freeze and changing market conditions. The pricing flexibility structure set forth in the amendment to the Cooperative Agreement is similar to the *.com* pricing restrictions in place prior to the 2012 freeze.

**Q: What is the rationale for price increases in last 4 of every 6-year period with increases permitted only after the first two years of each six-year period?**

A: The DOC determined that it was reasonable to provide Verisign with the ability to seek price increases via the *.com* Registry Agreement with ICANN in the last 4 of every 6-year period up to 7%. The U.S. Government determined that the timeframe was reasonable in order to provide registrants time to plan for the changes. The *.com* Registry Agreement also continues to require six-month notice prior to implementation of a fee increase.

**Q: Why has Verisign agreed to operate in a content neutral manner?**

A: Verisign does not independently determine whether to register or resolve a domain name based on website or domain name content. Verisign has agreed to continue operating in this manner going forward and work within ICANN processes that promoted the development of content neutral policies for the operation of the DNS.

**Q: Why did the DOC and Verisign feel it was necessary now to clarify that the vertical integration prohibition was only meant to apply to .com?**

A: The DOC and Verisign discussed the vertical integration restriction and agreed that the restrictions in the Cooperative Agreement are limited to the *.com* TLD.

**Q: Does Verisign need to obtain NTIA approval when changes are made to the .com Registry Agreement with ICANN?**

A: Yes under certain circumstances. While typical renewals of the registry agreement will not require further DOC approval, any further changes to the pricing section; changes to the vertical integration provisions, the functional or performance specifications (including the SLAs), the conditions for renewal or termination or Whois as set forth in the agreement, would require further DOC approval.

**Q: Isn't this the last step in the complete privatization of the DNS?**

A: The IANA stewardship transition was completed in 2016. The changes the DOC and Verisign made to the Cooperative Agreement are unrelated to the IANA stewardship transition.

**Q: Does Verisign still have the right under the CA to seek to remove the price restrictions altogether or obtain under the registry agreement a “cost-justified price increase” due to Consensus Policies or because of extraordinary expenses related to attacks?**

A: Yes.