

50% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 1	2	3	4	5	6	7	8	9	10	11	12	Year 1
	1						←-----SUNRISE PERIOD-----→						
New Registrations	-	-	-	-	-	-	400,000	300,000	QUIET	900,000	600,000	375,000	2,575,000
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195,500	\$ 342,125	\$ 342,125	\$ 782,000	\$ 1,075,250	\$ 1,258,531	\$ 3,995,531
Operating Expenses:													
Registry Operator	-	-	-	-	-	-	100,300	175,525	175,525	401,200	551,650	645,681	2,049,881
Systems Development & Support	18,229	37,500	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	121,042	565,833
Customer Service	-	-	3,646	26,042	42,396	42,396	42,396	42,396	48,542	48,542	48,542	114,917	459,813
Sales & Marketing	300,000	319,271	332,813	432,813	632,813	732,813	1,482,813	1,482,813	2,490,625	4,990,625	4,890,625	4,848,750	22,936,771
General & Administrative	224,373	254,524	270,495	320,583	342,150	243,350	291,350	279,350	245,969	353,969	317,969	411,282	3,555,366
R&D	-	-	-	-	-	-	1,955	3,421	3,421	7,820	10,753	12,585	39,955
Operating Expenses	542,602	611,294	650,182	822,666	1,060,588	1,061,788	1,962,043	2,026,734	3,007,311	5,845,385	5,862,768	6,154,257	29,607,619
EBITDA	(542,602)	(611,294)	(650,182)	(822,666)	(1,060,588)	(1,061,788)	(1,766,543)	(1,684,609)	(2,665,186)	(5,063,385)	(4,787,518)	(4,895,725)	(25,612,087)
Depreciation & Amortization	-	5,139	14,417	16,569	17,347	18,125	18,125	18,125	18,125	18,417	18,417	18,417	181,222
EBIT	(542,602)	(616,433)	(664,599)	(839,236)	(1,077,935)	(1,079,913)	(1,784,668)	(1,702,734)	(2,683,311)	(5,081,802)	(4,805,934)	(4,914,142)	(25,793,310)
Interest	-	6,313	4,952	3,900	2,755	1,325	-	13,579	21,935	17,816	25,724	25,201	123,500
Pretax Consortium Profit (Before Rebates)	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,668)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)	(25,916,809)
Rebates	-	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Consortium Profit	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,668)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)	(25,916,809)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,668)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)	(25,916,809)
Cumulative Net Income	(542,602)	(1,165,348)	(1,834,900)	(2,678,035)	(3,758,726)	(4,839,964)	(6,624,632)	(8,340,945)	(11,046,191)	(16,145,809)	(20,977,467)	(25,916,809)	(25,916,809)
As Percent of Revenue (Accrual)													
Cost of Revenue	0%	0%	0%	0%	0%	0%	51%	51%	51%	51%	51%	51%	51%
Sales & Marketing	0%	0%	0%	0%	0%	0%	758%	433%	728%	638%	455%	385%	574%
G&A	0%	0%	0%	0%	0%	0%	149%	82%	72%	45%	30%	33%	89%
R&D	0%	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	0%	0%	0%	0%	0%	0%	27%	36%	36%	43%	45%	39%	35%
Net Income	0%	0%	0%	0%	0%	0%	-913%	-502%	-791%	-652%	-449%	-392%	-649%

*Cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

	Year 1												Year 1
	1	2	3	4	5	6	7	8	9	10	11	12	
Current Assets:													
Cash	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$9,311,556	\$15,040,926	\$12,216,346	\$17,639,020	\$17,280,520	\$14,856,621	\$14,856,621
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$1,091,500	\$1,809,825	\$1,634,300	\$3,914,650	\$5,150,700	\$5,622,331	\$5,622,331
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$5,750	\$10,063	\$10,063	\$23,000	\$31,625	\$37,016	\$37,016
Total Current Assets	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$10,408,806	\$16,860,813	\$13,860,709	\$21,576,670	\$22,462,845	\$20,515,968	\$20,515,968
Fixed Assets:													
Plant, Property, & Equipment	\$185,000	\$519,000	\$598,500	\$624,500	\$652,500	\$652,500	\$652,500	\$652,500	\$663,000	\$663,000	\$663,000	\$663,000	\$663,000
Accumulated Depreciation	\$0	(\$5,139)	(\$19,556)	(\$36,125)	(\$53,472)	(\$71,597)	(\$89,722)	(\$107,847)	(\$125,972)	(\$144,389)	(\$162,806)	(\$181,222)	(\$181,222)
Total Fixed Assets	\$185,000	\$513,861	\$578,944	\$588,375	\$599,028	\$580,903	\$562,778	\$544,653	\$537,028	\$518,611	\$500,194	\$481,778	\$481,778
Total Assets	\$4,513,838	\$3,909,743	\$3,251,303	\$2,477,742	\$1,507,762	\$427,124	\$10,971,584	\$17,405,466	\$14,397,737	\$22,095,281	\$22,963,039	\$20,997,745	\$20,997,745
Current Liabilities:													
Accounts Payable	266,440	285,092	296,202	365,778	476,488	477,088	1,472,966	1,318,724	1,358,365	4,005,340	3,491,881	3,169,383	\$3,169,383
Unearned Revenue	-	-	-	-	-	-	11,327,500	19,627,625	19,285,500	29,422,750	35,627,000	38,918,156	\$38,918,156
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$5,750	\$10,063	\$10,063	\$23,000	\$31,625	\$37,016	\$37,016
Total Current Liabilities	\$266,440	\$285,092	\$296,202	\$365,778	\$476,488	\$477,088	\$12,806,216	\$20,956,411	\$20,653,928	\$33,451,090	\$39,150,506	\$42,124,555	\$42,124,555
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Equity Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings / (Loss) - After Tax	(542,802)	(1,165,348)	(1,834,900)	(2,678,035)	(3,758,726)	(4,839,964)	(6,624,632)	(8,340,945)	(11,046,191)	(16,145,809)	(20,977,467)	(25,916,809)	(\$25,916,809)
Total Owner Equity	\$4,247,398	\$3,624,652	\$2,955,100	\$2,111,965	\$1,031,274	(\$49,964)	(\$1,834,632)	(\$3,550,945)	(\$6,256,191)	(\$11,355,809)	(\$16,187,467)	(\$21,126,809)	(\$21,126,809)
Total Equity & Liabilities	\$4,513,838	\$3,909,743	\$3,251,303	\$2,477,742	\$1,507,762	\$427,124	\$10,971,584	\$17,405,466	\$14,397,737	\$22,095,281	\$22,963,039	\$20,997,745	\$20,997,745

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-
Accts Payable Registry Operator (Core Registry)	-	-	-	-	-	-	595,900	446,925	-	1,340,775	893,850	558,656	558,656
Accounts Payable as a % of Core Registry Expen	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	4,253	17,986	25,278	39,861	47,080	47,080	47,080	47,080	50,337	50,337	50,337	125,616	125,616
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor)	262,187	267,106	270,925	325,917	429,409	430,009	829,986	824,719	1,308,029	2,614,228	2,547,694	2,485,111	2,485,111
Accounts Payable as a % of Ops Expense (As De	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	-	-	-	-	-	-	5,750	10,063	10,063	23,000	31,625	37,016	37,016
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	-	-	-	-	-	-	5,750	10,063	10,063	23,000	31,625	37,016	37,016
Other Current Liabilities as a % of Revenue (Accrual)	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3.0%

**gTLD CONSORTIUM
Cash Flow Statement**

gTLD CASH FLOW STATEMENT

	Year 1												Year 1
	1	2	3	4	5	6	7	8	9	10	11	12	
Cash From Operations:													
Net Income After Taxes	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,668)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)	(25,916,809)
Add-back: Depreciation & Amortization	-	5,139	14,417	16,569	17,347	18,125	18,125	18,125	18,125	18,417	18,417	18,417	181,222
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	(1,091,500)	(718,325)	175,525	(2,280,350)	(1,236,050)	(471,631)	(5,622,331)
Change in Other Current Assets	-	-	-	-	-	-	(5,750)	(4,313)	-	(12,938)	(8,625)	(5,391)	(37,016)
Change in Accounts Payable	266,440	18,652	11,111	69,575	110,711	600	995,878	(154,242)	39,641	2,646,974	(513,459)	(322,498)	3,169,383
Change in Unearned Revenue	-	-	-	-	-	-	11,327,500	8,300,125	(342,125)	10,137,250	6,204,250	3,291,156	38,918,156
Change in Other Current Liabilities	-	-	-	-	-	-	5,750	4,313	-	12,938	8,625	5,391	37,016
Total Cash Flow from Operations	(\$276,162)	(\$598,956)	(\$644,024)	(\$756,991)	(\$952,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,814,080)	\$5,422,674	(\$358,500)	(\$2,423,899)	10,729,621
Cash From Investing Activities:													
Capital Expenditures	(\$185,000)	(\$334,000)	(\$77,500)	(\$28,000)	(\$28,000)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0	(663,000)
Total Cash Flow from Investing Activities	(\$185,000)	(\$334,000)	(\$77,500)	(\$28,000)	(\$28,000)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0	(663,000)
Cash Flow Before Financing	(\$461,162)	(\$932,956)	(\$721,524)	(\$784,991)	(\$980,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,824,580)	\$5,422,674	(\$358,500)	(\$2,423,899)	10,066,621
Cash Flow From Financing Activities:													
Proceeds from Equity Contributions	\$4,790,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	4,790,000
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Debt (Bank Loans)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Debt (Other L-T)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$4,790,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	4,790,000
Cash Flow from Ops, Investing & Financing	\$4,328,838	(\$932,956)	(\$721,524)	(\$784,991)	(\$980,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,824,580)	\$5,422,674	(\$358,500)	(\$2,423,899)	14,856,621
Beginning Cash Balance	\$0	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$9,311,556	\$15,040,926	\$12,216,346	\$17,639,020	\$17,280,520	\$0
Net Increase/(Decrease) in Cash	\$4,328,838	(\$932,956)	(\$721,524)	(\$784,991)	(\$980,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,824,580)	\$5,422,674	(\$358,500)	(\$2,423,899)	\$14,856,621
Ending Cash Balance	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$9,311,556	\$15,040,926	\$12,216,346	\$17,639,020	\$17,280,520	\$14,856,621	\$14,856,621

50% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 2 1	2	3	4	5	6	7	8	9	10	11	12	Year 2
Registrations	300,000	313,500	327,608	342,350	357,756	373,855	379,463	385,155	390,932	396,796	402,748	408,789	4,378,952
Revenue	\$ 1,401,323	\$ 1,551,671	\$ 1,711,789	\$ 1,870,488	\$ 2,039,591	\$ 2,218,719	\$ 2,401,307	\$ 2,586,547	\$ 2,774,475	\$ 2,965,128	\$ 3,158,543	\$ 3,354,756	\$ 28,034,338
Operating Expenses:													
Registry Operator	718,940	796,075	878,222	959,642	1,046,399	1,138,299	1,330,308	1,499,094	1,595,510	1,693,323	1,792,553	1,893,219	15,341,584
System Development & Support	45,391	45,391	45,391	45,391	45,391	45,391	45,391	73,222	73,222	216,908	629,527	707,339	2,017,951
Customer Service	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	123,797	755,438
Operations & Marketing	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,750,292	20,364,134
General & Administrative	295,880	297,565	306,222	319,455	321,378	327,792	328,492	329,202	329,923	330,655	357,828	478,894	4,023,284
	39,955	14,013	15,517	28,055	29,642	70,708	72,500	74,326	76,178	78,057	79,964	81,898	660,814
Operating Expenses	2,849,755	2,902,633	2,994,941	3,102,132	3,192,399	3,331,779	3,526,279	3,725,433	3,824,422	4,088,532	4,609,461	5,035,439	43,163,205
TDA	(1,448,432)	(1,350,962)	(1,283,152)	(1,231,644)	(1,152,808)	(1,113,060)	(1,124,973)	(1,138,886)	(1,049,946)	(1,103,404)	(1,450,918)	(1,680,683)	(15,128,867)
Depreciation & Amortization	18,417	18,708	18,708	18,806	19,278	19,278	20,667	20,667	20,667	20,667	20,667	29,000	245,528
Interest	(1,466,849)	(1,369,670)	(1,301,860)	(1,250,449)	(1,172,085)	(1,132,338)	(1,145,639)	(1,159,553)	(1,070,613)	(1,124,070)	(1,471,584)	(1,709,683)	(15,374,395)
Interest	21,666	20,006	21,101	22,387	23,818	25,465	27,200	27,317	26,174	26,827	26,699	24,358	293,016
Operating Consortium Profit (Before Rebates)	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)	(15,667,411)
Rebates	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Consortium Profit	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)	(15,667,411)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)	(15,667,411)
Relative Net Income	(27,405,324)	(28,795,000)	(30,117,980)	(31,390,797)	(32,586,700)	(33,744,502)	(34,917,342)	(36,104,211)	(37,200,998)	(38,351,896)	(39,850,179)	(41,584,221)	(41,584,221)
Percent of Revenue (Accrual)													
Cost of Revenue	51%	51%	51%	51%	51%	51%	55%	58%	58%	57%	57%	56%	55%
Sales & Marketing	121%	109%	99%	90%	83%	76%	70%	65%	61%	57%	54%	52%	73%
G&A	21%	19%	18%	17%	16%	15%	14%	13%	12%	11%	11%	14%	14%
R&D	3%	1%	1%	1%	1%	3%	3%	3%	3%	3%	3%	2%	2%
Gross Margin Equivalent	45%	46%	46%	46%	46%	47%	43%	39%	40%	36%	23%	22%	38%
Net Income	-106%	-90%	-77%	-68%	-59%	-52%	-49%	-46%	-40%	-39%	-47%	-52%	-56%

Non-cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

12 MONTH BALANCE SHEET

	Year 2												Year 2
	1	2	3	4	5	6	7	8	9	10	11	12	
Current Assets:													
Cash	\$13,718,177	\$14,469,062	\$15,350,832	\$16,332,082	\$17,461,511	\$18,651,665	\$18,731,338	\$17,947,754	\$18,395,762	\$18,308,141	\$16,702,627	\$15,925,192	\$15,925,192
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$5,797,242	\$5,935,240	\$6,033,126	\$6,093,516	\$6,113,051	\$6,088,653	\$8,248,955	\$9,667,430	\$9,236,702	\$11,380,632	\$12,558,067	\$12,989,084	\$12,989,084
Other Current Assets	\$41,328	\$45,835	\$50,544	\$55,465	\$60,608	\$65,982	\$71,437	\$76,974	\$82,593	\$88,297	\$94,087	\$99,963	\$99,963
Total Current Assets	\$19,556,747	\$20,450,136	\$21,434,502	\$22,481,063	\$23,635,170	\$24,806,319	\$27,051,730	\$27,692,158	\$27,715,057	\$29,777,071	\$29,354,781	\$29,014,240	\$29,014,240
Fixed Assets:													
Int, Property, & Equipment	\$673,500	\$673,500	\$677,000	\$694,000	\$694,000	\$744,000	\$744,000	\$744,000	\$744,000	\$744,000	\$1,044,000	\$1,044,000	\$1,044,000
Accumulated Depreciation	(\$199,639)	(\$218,347)	(\$237,056)	(\$255,861)	(\$275,139)	(\$294,417)	(\$315,083)	(\$335,750)	(\$356,417)	(\$377,083)	(\$397,750)	(\$426,750)	(\$426,750)
Total Fixed Assets	\$473,861	\$455,153	\$439,944	\$438,139	\$418,861	\$449,583	\$428,917	\$408,250	\$387,583	\$366,917	\$646,250	\$617,250	\$617,250
Total Assets	\$20,030,608	\$20,905,289	\$21,874,446	\$22,919,202	\$24,054,031	\$25,255,903	\$27,480,646	\$28,100,408	\$28,102,641	\$30,143,988	\$30,001,031	\$29,631,490	\$29,631,490
Current Liabilities:													
Accounts Payable	1,448,020	1,456,003	1,480,497	1,510,094	1,534,800	1,572,024	2,761,624	2,476,372	1,601,265	2,938,806	2,560,546	2,314,294	\$2,314,294
Accrued Revenue	41,156,583	43,408,451	45,671,366	47,954,439	50,255,322	52,572,399	54,774,927	56,861,273	58,829,781	60,678,780	62,406,577	64,011,453	\$64,011,453
Other Current Liabilities	\$41,328	\$45,835	\$50,544	\$55,465	\$60,608	\$65,982	\$71,437	\$76,974	\$82,593	\$88,297	\$94,087	\$99,963	\$99,963
Total Current Liabilities	\$42,645,932	\$44,910,289	\$47,202,406	\$49,519,999	\$51,850,731	\$54,210,405	\$57,607,988	\$59,414,619	\$60,513,639	\$63,705,883	\$65,061,210	\$66,425,710	\$66,425,710
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Contributions													
Retained Earnings / (Loss) - After Tax	(27,405,324)	(28,795,000)	(30,117,960)	(31,390,797)	(32,586,700)	(33,744,502)	(34,917,342)	(36,104,211)	(37,200,998)	(38,351,896)	(39,850,179)	(41,584,221)	(\$41,584,221)
Total Owner Equity	(\$22,615,324)	(\$24,005,000)	(\$25,327,960)	(\$26,600,797)	(\$27,796,700)	(\$28,954,502)	(\$30,127,342)	(\$31,314,211)	(\$32,410,998)	(\$33,561,896)	(\$35,060,179)	(\$36,794,221)	(\$36,794,221)
Total Equity & Liabilities	\$20,030,608	\$20,905,289	\$21,874,446	\$22,919,202	\$24,054,031	\$25,255,903	\$27,480,646	\$28,100,408	\$28,102,641	\$30,143,988	\$30,001,031	\$29,631,490	\$29,631,490
Balance Sheet Assumptions - Working Capital													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-
Accounts Payable Registry Operator (Core Registry)	446,925	467,037	488,054	510,016	532,967	556,950	1,745,305	1,458,785	582,391	1,918,627	1,484,994	1,162,118	1,162,118
Accounts Payable as a % of Core Registry Expense	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accounts Payable Labor	56,273	56,273	57,677	62,271	62,271	71,458	71,458	71,458	71,458	71,458	112,292	187,571	187,571
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor)	944,822	932,693	934,766	937,808	939,562	943,615	944,861	946,129	947,415	948,721	963,261	984,605	984,605
Accounts Payable as a % of Ops Expense (As De)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	41,328	45,835	50,544	55,465	60,608	65,982	71,437	76,974	82,593	88,297	94,087	99,963	99,963
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	41,328	45,835	50,544	55,465	60,608	65,982	71,437	76,974	82,593	88,297	94,087	99,963	99,963
Other Current Liabilities as a % of Revenue (Accrual)	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3.0%

gTLD CONSORTIUM
Cash Flow Statement

D CASH FLOW STATEMENT

	Year 2												Year 2
	1	2	3	4	5	6	7	8	9	10	11	12	
cash From Operations:													
Net Income After Taxes	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)	(15,667,411)
Adjustment: Depreciation & Amortization	18,417	18,708	18,708	18,806	19,278	19,278	20,667	20,667	20,667	20,667	20,667	29,000	245,528
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(174,910)	(137,999)	(97,886)	(60,390)	(19,535)	24,398	(2,160,302)	(1,418,475)	430,728	(2,143,931)	(1,177,434)	(431,018)	(7,366,753)
Change in Other Current Assets	(4,313)	(4,507)	(4,709)	(4,921)	(5,143)	(5,374)	(5,455)	(5,537)	(5,620)	(5,704)	(5,790)	(5,876)	(62,947)
Change in Accounts Payable	(1,721,363)	7,983	24,494	29,598	24,706	37,224	1,189,600	(285,252)	(875,107)	1,337,541	(378,260)	(248,252)	(855,089)
Change in Unearned Revenue	2,238,427	2,251,868	2,262,915	2,283,073	2,300,883	2,317,077	2,202,528	2,086,346	1,968,507	1,848,999	1,727,797	1,604,877	25,093,297
Change in Other Current Liabilities	4,313	4,507	4,709	4,921	5,143	5,374	5,455	5,537	5,620	5,704	5,790	5,876	62,947
Total Cash Flow from Operations	(\$1,127,944)	\$750,885	\$885,270	\$998,250	\$1,129,429	\$1,240,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,305,514)	(\$777,435)	1,449,572
cash From Investing Activities:													
Capital Expenditures	(\$10,500)	\$0	(\$3,500)	(\$17,000)	\$0	(\$50,000)	\$0	\$0	\$0	\$0	(\$300,000)	\$0	(381,000)
Total Cash Flow from Investing Activities	(\$10,500)	\$0	(\$3,500)	(\$17,000)	\$0	(\$50,000)	\$0	\$0	\$0	\$0	(\$300,000)	\$0	(381,000)
cash Flow Before Financing	(\$1,138,444)	\$750,885	\$881,770	\$981,250	\$1,129,429	\$1,190,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,605,514)	(\$777,435)	1,068,572
cash Flow From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Proceeds from Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Proceeds from Other L-T	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
cash Flow from Ops, Investing & Financing	(\$1,138,444)	\$750,885	\$881,770	\$981,250	\$1,129,429	\$1,190,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,605,514)	(\$777,435)	1,068,572
Beginning Cash Balance	\$14,856,621	\$13,718,177	\$14,469,062	\$15,350,832	\$16,332,082	\$17,461,511	\$18,651,685	\$18,731,338	\$17,947,754	\$18,395,762	\$18,308,141	\$16,702,627	\$14,856,621
Net Increase/(Decrease) in Cash	(\$1,138,444)	\$750,885	\$881,770	\$981,250	\$1,129,429	\$1,190,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,605,514)	(\$777,435)	\$1,068,572
Ending Cash Balance	\$13,718,177	\$14,469,062	\$15,350,832	\$16,332,082	\$17,461,511	\$18,651,685	\$18,731,338	\$17,947,754	\$18,395,762	\$18,308,141	\$16,702,627	\$15,925,192	\$15,925,192

50% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 3 1	2	3	4	5	6	7	8	9	10	11	12	Year 3
Registrations	414,921	421,145	427,462	433,874	440,382	446,988	449,223	451,469	453,726	455,995	458,275	460,566	5,314,026
Revenue	\$ 3,553,912	\$ 3,756,056	\$ 3,961,231	\$ 4,169,484	\$ 4,380,861	\$ 4,595,409	\$ 4,810,991	\$ 5,027,610	\$ 5,245,272	\$ 5,463,982	\$ 6,114,993	\$ 6,192,061	\$ 57,271,864
Operating Expenses:													
Industry Operator	1,817,603	1,738,641	1,656,182	1,570,070	1,480,141	1,386,225	1,096,274	854,090	757,986	439,190	192,681	-	12,989,084
Systems Development & Support	640,546	640,546	640,546	640,546	640,546	640,546	640,546	640,546	664,546	664,546	664,546	742,359	7,860,366
Former Service	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	126,668	789,891
Advertising & Marketing	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,520,675	17,608,727
General & Administrative	372,809	373,617	374,437	375,269	376,114	376,971	377,261	377,553	377,846	378,140	378,436	499,046	4,637,498
Other	86,376	333,172	88,367	90,389	92,440	94,523	96,637	98,782	100,938	103,104	105,281	107,468	1,397,477
Operating Expenses	4,440,177	4,608,818	4,282,375	4,199,117	4,112,085	4,021,109	3,733,561	3,493,814	3,424,159	3,107,824	2,863,788	2,996,216	45,283,043
TDA	(886,265)	(852,763)	(321,144)	(29,632)	268,777	574,301	1,077,429	1,533,796	1,821,113	2,356,158	3,251,206	3,195,846	11,988,821
Depreciation & Amortization	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	348,000
Interest	(915,265)	(881,763)	(350,144)	(58,632)	239,777	545,301	1,048,429	1,504,796	1,792,113	2,327,158	3,222,206	3,166,846	11,640,821
Interest	23,224	24,750	28,160	31,674	35,473	39,213	42,818	46,053	48,956	51,628	53,905	66,820	492,672
Pre-tax Consortium Profit (Before Rebates)	(938,490)	(906,512)	(378,304)	(90,306)	204,304	506,088	1,005,612	1,458,743	1,743,158	2,275,530	3,168,301	3,100,025	11,148,150
Rebates	-	-	-	-	51,076	126,522	251,403	364,686	435,789	568,883	792,075	775,006	3,365,440
Pre-tax Consortium Profit	(938,490)	(906,512)	(378,304)	(90,306)	153,228	379,566	754,209	1,094,057	1,307,368	1,706,648	2,376,226	2,325,019	7,782,709
Estimated Stockholder Taxes	-	-	-	-	61,291	151,826	301,684	437,823	522,947	682,659	950,490	930,008	4,036,528
Estimated Consortium Net Income	(938,490)	(906,512)	(378,304)	(90,306)	91,937	227,740	452,525	656,434	784,421	1,023,989	1,425,735	1,395,011	3,744,181
Relative Net Income	(42,522,710)	(43,429,223)	(43,807,526)	(43,897,833)	(43,805,896)	(43,578,156)	(43,125,631)	(42,469,196)	(41,684,775)	(40,660,787)	(39,235,051)	(37,840,040)	(37,840,040)
Percent of Revenue (Accrual)													
Cost of Revenue	51%	46%	42%	38%	34%	30%	23%	17%	14%	8%	3%	0%	23%
Sales & Marketing	41%	39%	37%	35%	33%	32%	30%	29%	28%	27%	24%	25%	31%
G&A	10%	10%	9%	9%	9%	8%	8%	8%	7%	7%	6%	8%	8%
R&D	2%	9%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Gross Margin Equivalent	31%	37%	42%	47%	52%	56%	64%	70%	73%	80%	86%	88%	64%
Net Income	-26%	-24%	-10%	-2%	2%	5%	9%	13%	15%	19%	23%	23%	7%

Non-cash flows include financing flows.

**gTLD CONSORTIUM
Balance Sheet**

FD BALANCE SHEET

	Year 3												Year 3
	1	2	3	4	5	6	7	8	9	10	11	12	Year 3
Current Assets:													
Cash	\$16,971,098	\$19,309,515	\$21,719,352	\$24,324,034	\$26,888,634	\$29,360,741	\$31,578,950	\$33,569,530	\$35,401,720	\$36,963,507	\$45,819,688	\$51,890,976	\$51,890,976
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$11,171,481	\$9,432,840	\$7,776,659	\$6,206,589	\$4,726,447	\$3,340,222	\$2,243,948	\$1,389,858	\$631,872	\$192,681	\$0	\$0	\$0
Other Current Assets	\$105,928	\$111,982	\$118,126	\$124,363	\$130,694	\$137,119	\$143,577	\$150,067	\$156,589	\$163,144	\$182,669	\$184,977	\$184,977
Total Current Assets	\$28,248,507	\$28,854,336	\$29,614,137	\$30,654,986	\$31,745,775	\$32,838,083	\$33,966,475	\$35,109,455	\$36,190,181	\$37,319,332	\$46,002,357	\$52,075,954	\$52,075,954
Fixed Assets:													
Intangible, Property, & Equipment	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000
Accumulated Depreciation	(\$455,750)	(\$484,750)	(\$513,750)	(\$542,750)	(\$571,750)	(\$600,750)	(\$629,750)	(\$658,750)	(\$687,750)	(\$716,750)	(\$745,750)	(\$774,750)	(\$774,750)
Total Fixed Assets	\$588,250	\$559,250	\$530,250	\$501,250	\$472,250	\$443,250	\$414,250	\$385,250	\$356,250	\$327,250	\$298,250	\$269,250	\$269,250
Total Assets	\$28,836,757	\$29,413,586	\$30,144,387	\$31,156,236	\$32,218,025	\$33,281,333	\$34,380,725	\$35,494,705	\$36,546,431	\$37,646,582	\$46,300,607	\$52,345,204	\$52,345,204
Current Liabilities:													
Accounts Payable	971,969	1,095,771	973,779	975,205	976,654	978,124	979,326	980,544	981,768	982,999	984,235	1,060,756	\$1,060,756
Earned Revenue	65,491,571	66,845,057	68,070,008	69,164,500	70,126,573	70,954,246	71,593,453	72,043,291	72,302,849	72,371,226	79,578,754	84,149,510	\$84,149,510
Other Current Liabilities	\$105,928	\$111,982	\$118,126	\$124,363	\$130,694	\$137,119	\$143,577	\$150,067	\$156,589	\$163,144	\$182,669	\$184,977	\$184,977
Total Current Liabilities	\$66,569,467	\$68,052,809	\$69,161,913	\$70,264,069	\$71,233,921	\$72,069,489	\$72,716,355	\$73,173,901	\$73,441,206	\$73,517,369	\$80,745,658	\$85,395,243	\$85,395,243
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Contributions													
Retained Earnings / (Loss) - After Tax	(42,522,710)	(43,429,223)	(43,807,526)	(43,897,833)	(43,805,896)	(43,578,156)	(43,125,631)	(42,469,196)	(41,684,775)	(40,660,787)	(39,235,051)	(37,840,040)	(\$37,840,040)
Total Owner Equity	(\$37,732,710)	(\$38,639,223)	(\$39,017,526)	(\$39,107,833)	(\$39,015,896)	(\$38,788,156)	(\$38,335,631)	(\$37,679,196)	(\$36,894,775)	(\$35,870,787)	(\$34,445,051)	(\$33,050,040)	(\$33,050,040)
Total Equity & Liabilities	\$28,836,757	\$29,413,586	\$30,144,387	\$31,156,236	\$32,218,025	\$33,281,333	\$34,380,725	\$35,494,705	\$36,546,431	\$37,646,582	\$46,300,607	\$52,345,204	\$52,345,204
Balance Sheet Assumptions - Working Capital													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-
Accounts Payable Registry Operator (Core Registration)	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable as a % of Core Registry Expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accounts Payable Labor	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	193,185	193,185
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor)	854,063	977,865	855,872	857,299	858,747	860,217	861,419	862,638	863,862	865,093	866,329	867,571	867,571
Accounts Payable as a % of Ops Expense (As Debit)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	105,928	111,982	118,126	124,363	130,694	137,119	143,577	150,067	156,589	163,144	182,669	184,977	184,977
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	105,928	111,982	118,126	124,363	130,694	137,119	143,577	150,067	156,589	163,144	182,669	184,977	184,977
Other Current Liabilities as a % of Revenue (Accrual)	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%

gTLD CONSORTIUM
Cash Flow Statement

D CASH FLOW STATEMENT

	Year 3												Year 3
	1	2	3	4	5	6	7	8	9	10	11	12	
sh From Operations:													
Net Income After Taxes	(938,490)	(906,512)	(378,304)	(90,306)	91,937	227,740	452,525	656,434	784,421	1,023,989	1,425,735	1,395,011	3,744,181
Adjustment: Depreciation & Amortization	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	348,000
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	1,817,603	1,738,641	1,656,182	1,570,070	1,480,141	1,386,225	1,096,274	854,090	757,986	439,190	192,681	-	12,989,084
Change in Other Current Assets	(5,964)	(6,054)	(6,145)	(6,237)	(6,330)	(6,425)	(6,458)	(6,490)	(6,522)	(6,555)	(19,525)	(2,308)	(85,014)
Change in Accounts Payable	(1,342,325)	123,802	(121,992)	1,427	1,448	1,470	1,202	1,218	1,224	1,230	1,236	76,521	(1,253,537)
Change in Unearned Revenue	1,480,117	1,353,486	1,224,952	1,094,492	962,073	827,673	639,207	449,837	259,558	68,377	7,207,528	4,570,756	20,138,056
Change in Other Current Liabilities	5,964	6,054	6,145	6,237	6,330	6,425	6,458	6,490	6,522	6,555	19,525	2,308	85,014
Total Cash Flow from Operations	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288	35,965,784
sh From Investing Activities:													
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
sh Flow Before Financing	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288	35,965,784
sh Flow From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Net (Bank Loans)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Net (Other L-T)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
sh Flow from Ops, Investing & Financing	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288	35,965,784
Beginning Cash Balance	\$15,925,192	\$16,971,098	\$19,309,515	\$21,719,352	\$24,324,034	\$26,888,634	\$29,360,741	\$31,578,950	\$33,569,530	\$35,401,720	\$36,963,507	\$45,819,688	\$15,925,192
Net Increase/(Decrease) in Cash	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288	\$35,965,784
Ending Cash Balance	\$16,971,098	\$19,309,515	\$21,719,352	\$24,324,034	\$26,888,634	\$29,360,741	\$31,578,950	\$33,569,530	\$35,401,720	\$36,963,507	\$45,819,688	\$51,890,976	\$51,890,976

50% CONFIDENCE LEVEL

**CONSORTIUM gTLD
Summary P&L**

	Year 4 1	2	3	4	5	6	7	8	9	10	11	12	Year 4
Registrations	462,869	465,183	467,509	469,847	472,196	474,557	476,930	479,315	481,712	484,121	486,542	488,975	5,709,756
Revenue	\$ 6,306,171	\$ 6,493,265	\$ 6,723,881	\$ 6,955,909	\$ 7,189,367	\$ 7,424,275	\$ 7,660,652	\$ 7,893,147	\$ 8,126,831	\$ 8,361,710	\$ 8,597,792	\$ 8,835,083	\$ 90,568,082
Operating Expenses:													
Registry Operator	-	-	-	-	-	-	-	-	-	-	-	-	-
Systems Development & Support	804,835	804,835	804,835	804,835	804,835	804,835	804,835	804,835	804,835	804,835	804,835	882,648	9,735,833
Customer Service	63,308	63,308	63,308	63,308	63,308	63,308	63,308	63,308	63,308	63,308	63,308	129,683	826,066
Sales & Marketing	1,309,701	1,309,701	1,309,701	1,309,701	1,309,701	1,309,701	1,309,701	1,309,701	1,309,701	1,309,701	1,309,701	1,367,826	15,774,543
General & Administrative	402,356	402,668	402,982	403,298	403,615	403,933	404,254	404,576	404,899	405,224	405,551	526,192	4,969,549
Operating Expenses	2,696,819	2,697,902	3,209,014	2,699,673	2,701,861	2,704,486	2,707,127	2,709,783	2,712,456	2,715,145	2,717,796	3,043,087	33,315,150
TDA	3,609,352	3,795,363	3,514,866	4,256,236	4,487,505	4,719,789	4,953,526	5,183,364	5,414,375	5,646,566	5,879,996	5,791,996	57,252,932
Depreciation & Amortization	29,000	26,639	17,361	15,208	14,431	13,653	13,653	13,653	13,653	13,361	13,361	13,361	197,333
EBITDA	3,580,352	3,768,724	3,497,505	4,241,027	4,473,075	4,706,136	4,939,873	5,169,711	5,400,722	5,633,204	5,866,635	5,778,635	57,055,599
Interest	75,674	81,408	86,402	91,448	96,112	101,183	106,296	111,459	116,543	121,549	126,476	131,325	1,245,875
Income tax Consortium Profit (Before Rebates)	3,504,677	3,687,316	3,411,103	4,149,579	4,376,963	4,604,953	4,833,577	5,058,252	5,284,179	5,511,656	5,740,159	5,647,310	55,809,724
Rebates	876,169	921,829	852,776	1,037,395	1,094,241	1,151,238	1,208,394	1,264,563	1,321,045	1,377,914	1,435,040	1,411,827	13,952,431
Income tax Consortium Profit	2,628,508	2,765,487	2,558,327	3,112,184	3,282,722	3,453,715	3,625,183	3,793,689	3,963,134	4,133,742	4,305,119	4,235,482	41,857,293
Imputed Stockholder Taxes	1,051,403	1,106,195	1,023,331	1,244,874	1,313,089	1,381,486	1,450,073	1,517,476	1,585,254	1,653,497	1,722,048	1,694,193	16,742,917
Imputed Consortium Net Income	1,577,105	1,659,292	1,534,996	1,867,311	1,969,633	2,072,229	2,175,110	2,276,213	2,377,881	2,480,245	2,583,072	2,541,289	25,114,376
Relative Net Income	(36,262,935)	(34,603,643)	(33,068,646)	(31,201,336)	(29,231,702)	(27,159,473)	(24,984,364)	(22,708,151)	(20,330,270)	(17,850,025)	(15,266,953)	(12,725,664)	(12,725,664)
Percent of Revenue (Accrual)													
Cost of Revenue	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sales & Marketing	21%	20%	19%	19%	18%	18%	17%	17%	16%	16%	15%	15%	17%
G&A	6%	6%	6%	6%	6%	5%	5%	5%	5%	5%	5%	6%	5%
R&D	2%	2%	9%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Gross Margin Equivalent	87%	88%	88%	88%	89%	89%	89%	90%	90%	90%	91%	90%	89%
Net Income	25%	26%	23%	27%	27%	28%	28%	29%	29%	30%	30%	29%	28%

Non-cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

D BALANCE SHEET

	Year 4												Year 4
	1	2	3	4	5	6	7	8	9	10	11	12	
Current Assets:													
Cash	\$55,822,601	\$59,247,141	\$62,707,164	\$65,905,142	\$69,382,620	\$72,888,748	\$76,429,031	\$79,915,236	\$83,347,608	\$86,726,235	\$90,051,537	\$93,253,907	\$93,253,907
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Assets	\$188,397	\$194,005	\$200,920	\$207,877	\$214,877	\$221,920	\$229,007	\$235,978	\$242,984	\$250,027	\$257,105	\$264,219	\$264,219
Total Current Assets	\$56,010,998	\$59,441,147	\$62,908,084	\$66,113,019	\$69,597,496	\$73,110,667	\$76,658,038	\$80,151,214	\$83,590,592	\$86,976,261	\$90,308,642	\$93,518,127	\$93,518,127
Fixed Assets:													
Int, Property, & Equipment	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000
Accumulated Depreciation	(\$803,750)	(\$830,389)	(\$847,750)	(\$862,958)	(\$877,389)	(\$891,042)	(\$904,694)	(\$918,347)	(\$932,000)	(\$945,361)	(\$958,722)	(\$972,083)	(\$972,083)
Total Fixed Assets	\$340,250	\$313,611	\$296,250	\$281,042	\$266,611	\$252,958	\$239,306	\$225,653	\$212,000	\$198,639	\$185,278	\$171,917	\$171,917
Total Assets	\$56,351,248	\$59,754,758	\$63,204,334	\$66,394,060	\$69,864,108	\$73,363,626	\$76,897,343	\$80,376,866	\$83,802,592	\$87,174,900	\$90,493,920	\$93,690,043	\$93,690,043
Current Liabilities:													
Accounts Payable	942,314	942,856	1,198,412	943,741	944,835	946,148	947,468	948,796	950,132	951,477	952,803	1,029,415	\$1,029,415
Accrued Revenue	86,693,472	88,431,539	90,083,649	91,653,778	93,146,098	94,565,032	95,915,232	97,110,243	98,149,745	99,033,421	99,760,966	100,332,073	\$100,332,073
Other Current Liabilities	\$188,397	\$194,005	\$200,920	\$207,877	\$214,877	\$221,920	\$229,007	\$235,978	\$242,984	\$250,027	\$257,105	\$264,219	\$264,219
Total Current Liabilities	\$87,824,183	\$89,568,401	\$91,482,981	\$92,805,396	\$94,305,810	\$95,733,099	\$97,091,707	\$98,295,017	\$99,342,862	\$100,234,925	\$100,970,873	\$101,625,707	\$101,625,707
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:													
Contributions													
Retained Earnings / (Loss) - After Tax	(\$36,262,935)	(\$34,603,643)	(\$33,068,646)	(\$31,201,336)	(\$29,231,702)	(\$27,159,473)	(\$24,984,364)	(\$22,708,151)	(\$20,330,270)	(\$17,850,025)	(\$15,266,953)	(\$12,725,664)	(\$12,725,664)
Total Owner Equity	(\$31,472,935)	(\$29,813,643)	(\$28,278,646)	(\$26,411,336)	(\$24,441,702)	(\$22,369,473)	(\$20,194,364)	(\$17,918,151)	(\$15,540,270)	(\$13,060,025)	(\$10,476,953)	(\$7,935,664)	(\$7,935,664)
Total Equity & Liabilities	\$56,351,248	\$59,754,758	\$63,204,334	\$66,394,060	\$69,864,108	\$73,363,626	\$76,897,343	\$80,376,866	\$83,802,592	\$87,174,900	\$90,493,920	\$93,690,043	\$93,690,043
Balance Sheet Assumptions - Working Capital													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-
Accounts Payable Registry Operator (Core Registratio	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable as a % of Core Registry Expens	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Accounts Payable Labor	140,121	140,121	140,121	140,121	140,121	140,121	140,121	140,121	140,121	140,121	140,121	215,400	215,400
Liabilities Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Liabilities Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor	802,193	802,735	1,058,291	803,620	804,714	806,027	807,347	808,675	810,012	811,356	812,682	814,015	814,015
Accounts Payable as a % of Ops Expense (As De	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	188,397	194,005	200,920	207,877	214,877	221,920	229,007	235,978	242,984	250,027	257,105	264,219	264,219
Other Current Assets as a % of Revenue (Accrual	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	188,397	194,005	200,920	207,877	214,877	221,920	229,007	235,978	242,984	250,027	257,105	264,219	264,219
Other Current Liabilities as a % of Revenue (Accr	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3.0%

gTLD CONSORTIUM
Cash Flow Statement

D CASH FLOW STATEMENT

	Year 4												Year 4
	1	2	3	4	5	6	7	8	9	10	11	12	Year 4
sh From Operations:													
Net Income After Taxes	1,577,105	1,659,292	1,534,996	1,867,311	1,969,633	2,072,229	2,175,110	2,276,213	2,377,881	2,480,245	2,583,072	2,541,289	25,114,376
Adjustment: Depreciation & Amortization	29,000	26,639	17,361	15,208	14,431	13,653	13,653	13,653	13,653	13,361	13,361	13,361	197,333
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Other Current Assets	(3,419)	(5,609)	(6,915)	(6,957)	(7,000)	(7,043)	(7,087)	(6,971)	(7,006)	(7,042)	(7,078)	(7,115)	(79,242)
Change in Accounts Payable	(118,442)	542	255,556	(254,671)	1,094	1,312	1,320	1,328	1,336	1,344	1,326	76,612	(31,342)
Change in Unearned Revenue	2,543,962	1,738,067	1,652,110	1,570,129	1,492,320	1,418,934	1,350,200	1,195,011	1,039,502	883,676	727,544	571,108	16,182,563
Change in Other Current Liabilities	3,419	5,609	6,915	6,957	7,000	7,043	7,087	6,971	7,006	7,042	7,078	7,115	79,242
Total Cash Flow from Operations	\$4,031,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370	41,462,931
sh From Investing Activities:													
Capital Expenditures	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(100,000)
Total Cash Flow from Investing Activities	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(100,000)
sh Flow Before Financing	\$3,931,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370	41,362,931
sh Flow From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
bt (Bank Loans)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
bt (Other L-T)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
sh Flow from Ops, Investing & Financing	\$3,931,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370	41,362,931
Beginning Cash Balance	\$51,890,976	\$55,822,601	\$59,247,141	\$62,707,164	\$65,905,142	\$69,382,620	\$72,888,748	\$76,429,031	\$79,915,236	\$83,347,608	\$86,726,235	\$90,051,537	\$51,890,976
Total Increase/(Decrease) in Cash	\$3,931,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370	\$41,362,931
Ending Cash Balance	\$55,822,601	\$59,247,141	\$62,707,164	\$65,905,142	\$69,382,620	\$72,888,748	\$76,429,031	\$79,915,236	\$83,347,608	\$86,726,235	\$90,051,537	\$93,253,907	\$93,253,907

50% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 5												Year 5
	1	2	3	4	5	6	7	8	9	10	11	12	Year 5
Registrations	491,420	493,877	496,346	498,828	501,322	503,829	506,348	508,880	511,424	513,981	516,551	519,134	6,061,940
Revenue	\$ 9,073,589	\$ 9,313,316	\$ 9,554,271	\$ 9,796,460	\$ 9,910,516	\$ 10,068,945	\$ 10,260,972	\$ 10,462,900	\$ 10,664,113	\$ 10,864,528	\$ 11,064,063	\$ 11,262,626	\$ 122,296,299
Operating Expenses:													
Registry Operator	-	-	-	-	-	-	-	-	-	-	-	-	-
Terms Development & Support	945,739	948,139	948,139	948,139	948,139	948,139	948,139	948,139	948,139	948,139	948,139	948,139	1,025,951
Customer Service	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	132,848
Sales & Marketing	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	14,992,306
General & Administrative	428,858	429,203	429,550	429,898	430,248	430,600	430,954	431,309	431,666	432,025	432,386	432,742	5,289,760
Operating Expenses	2,827,445	2,832,551	2,835,270	2,838,949	2,842,627	2,846,306	2,849,985	2,853,664	2,857,343	2,861,022	2,864,701	2,868,380	35,246,147
TDA	6,246,143	6,480,765	6,719,000	6,143,512	7,072,162	7,227,842	7,417,106	7,616,257	7,815,971	8,014,444	8,211,697	8,065,254	87,050,152
Depreciation & Amortization	13,361	15,847	15,847	15,750	15,278	15,278	13,889	13,889	13,889	13,889	13,889	13,889	166,361
EBITDA	6,232,782	6,464,918	6,703,153	6,127,762	7,056,884	7,212,564	7,403,217	7,602,368	7,802,082	8,000,555	8,197,808	8,079,698	86,883,791
EBIT	135,995	140,364	144,915	149,390	153,849	165,606	175,307	182,992	189,920	196,873	203,857	210,879	2,049,947
EBITDA less Consortium Profit (Before Rebates)	6,096,787	6,324,553	6,558,238	5,978,371	6,903,036	7,046,958	7,227,910	7,419,376	7,612,162	7,803,682	7,993,951	7,868,819	84,833,844
EBITDA less Rebates	1,524,197	1,581,138	1,639,559	1,494,593	1,725,759	1,761,740	1,806,977	1,854,844	1,903,041	1,950,921	1,998,488	1,967,205	21,208,461
EBITDA less Consortium Profit	4,572,590	4,743,415	4,918,678	4,483,779	5,177,277	5,285,219	5,420,932	5,564,532	5,709,122	5,852,762	5,995,463	5,901,614	63,625,383
Estimated Stockholder Taxes	1,829,036	1,897,366	1,967,471	1,793,511	2,070,911	2,114,087	2,168,373	2,225,813	2,283,649	2,341,105	2,398,185	2,360,646	25,450,153
Estimated Consortium Net Income	2,743,554	2,846,049	2,951,207	2,690,267	3,106,366	3,171,131	3,252,559	3,338,719	3,425,473	3,511,657	3,597,278	3,540,968	38,175,230
Relative Net Income	(9,982,110)	(7,136,061)	(4,184,854)	(1,494,587)	1,611,779	4,782,911	6,035,470	11,374,189	14,799,662	18,311,319	21,908,597	25,449,566	25,449,566

Percent of Revenue (Accrual)

Cost of Revenue	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sales & Marketing	14%	13%	13%	13%	13%	12%	12%	12%	12%	11%	11%	12%	12%
G&A	5%	5%	4%	4%	4%	4%	4%	4%	4%	4%	4%	5%	4%
R&D	2%	2%	2%	10%	2%	2%	1%	1%	1%	1%	1%	1%	2%
Gross Margin Equivalent	90%	90%	90%	90%	90%	91%	91%	91%	91%	91%	91%	91%	91%
Net Income	30%	31%	31%	27%	31%	31%	32%	32%	32%	32%	33%	31%	31%

Flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

D BALANCE SHEET

	Year 5													Year 5
	1	2	3	4	5	6	7	8	9	10	11	12		
Current Assets:														
Cash	\$96,249,904	\$99,370,494	\$102,438,931	\$105,496,217	\$113,558,250	\$120,210,589	\$125,480,048	\$130,230,929	\$134,998,455	\$139,787,639	\$144,602,833	\$149,374,168	\$149,374,168	
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Current Assets	\$271,370	\$278,558	\$285,783	\$293,044	\$296,461	\$301,210	\$306,967	\$313,020	\$319,052	\$325,060	\$331,042	\$336,994	\$336,994	
Total Current Assets	\$96,521,275	\$99,649,052	\$102,724,713	\$105,789,261	\$113,854,711	\$120,511,799	\$125,787,014	\$130,543,949	\$135,317,507	\$140,112,699	\$144,933,875	\$149,711,163	\$149,711,163	
Fixed Assets:														
Intangible, Property, & Equipment	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	
Accumulated Depreciation	(\$985,444)	(\$1,001,292)	(\$1,017,139)	(\$1,032,889)	(\$1,048,167)	(\$1,063,444)	(\$1,077,333)	(\$1,091,222)	(\$1,105,111)	(\$1,119,000)	(\$1,132,889)	(\$1,138,444)	(\$1,138,444)	
Total Fixed Assets	\$258,556	\$242,708	\$226,861	\$211,111	\$195,833	\$180,556	\$166,667	\$152,778	\$138,889	\$125,000	\$111,111	\$105,556	\$105,556	
Total Assets	\$96,779,830	\$99,891,761	\$102,951,574	\$106,000,372	\$114,050,545	\$120,692,354	\$125,953,681	\$130,696,727	\$135,456,396	\$140,237,699	\$145,044,986	\$149,816,718	\$149,816,718	
Current Liabilities:														
Accounts Payable	954,127	955,480	956,839	1,365,679	958,381	959,756	961,137	962,526	963,275	964,246	965,387	1,041,857	\$1,041,857	
Accrued Revenue	100,746,443	101,003,784	101,103,806	101,046,237	106,393,923	109,858,478	111,860,107	113,256,991	114,584,407	115,847,073	117,049,960	118,198,301	\$118,198,301	
Other Current Liabilities	\$271,370	\$278,558	\$285,783	\$293,044	\$296,461	\$301,210	\$306,967	\$313,020	\$319,052	\$325,060	\$331,042	\$336,994	\$336,994	
Total Current Liabilities	\$101,971,940	\$102,237,821	\$102,346,428	\$102,704,959	\$107,648,765	\$111,119,444	\$113,128,211	\$114,532,537	\$115,866,734	\$117,136,380	\$118,346,389	\$119,577,152	\$119,577,152	
Long-Term Liabilities:														
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Owner Equity:														
Contributions														
Retained Earnings / (Loss) - After Tax	(9,982,110)	(7,136,061)	(4,184,854)	(1,494,587)	1,611,779	4,782,911	8,035,470	11,374,189	14,799,662	18,311,319	21,908,597	25,449,566	\$25,449,566	
Total Owner Equity	(\$5,192,110)	(\$2,346,061)	\$605,146	\$3,295,413	\$6,401,779	\$9,572,911	\$12,825,470	\$16,164,189	\$19,589,662	\$23,101,319	\$26,698,597	\$30,239,566	\$30,239,566	
Total Equity & Liabilities	\$96,779,830	\$99,891,761	\$102,951,574	\$106,000,372	\$114,050,545	\$120,692,354	\$125,953,681	\$130,696,727	\$135,456,396	\$140,237,699	\$145,044,986	\$149,816,718	\$149,816,718	
Balance Sheet Assumptions - Working Capital														
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	-	
Accounts Payable Registry Operator (Core Registry)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accounts Payable as a % of Core Registry Expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15	
Salaries Payable Labor	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	239,541	239,541	
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%	
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7	
Accounts Payable (All OPS Expense Excluding Labor)	789,865	791,217	792,577	1,201,416	794,119	795,494	796,875	798,264	799,013	799,984	801,125	802,316	802,316	
Accounts Payable as a % of Ops Expense (As Debit)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	15	
Other Current Assets	271,370	278,558	285,783	293,044	296,461	301,210	306,967	313,020	319,052	325,060	331,042	336,994	336,994	
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Other Current Liabilities	271,370	278,558	285,783	293,044	296,461	301,210	306,967	313,020	319,052	325,060	331,042	336,994	336,994	
Other Current Liabilities as a % of Revenue (Accrual)	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3.0%	

gTLD CONSORTIUM
Cash Flow Statement

CASH FLOW STATEMENT

	Year 5												Year 5
	1	2	3	4	5	6	7	8	9	10	11	12	
From Operations:													
Net Income After Taxes	2,743,554	2,846,049	2,951,207	2,690,267	3,106,366	3,171,131	3,252,559	3,338,719	3,425,473	3,511,657	3,597,278	3,540,968	38,175,230
Adjustment: Depreciation & Amortization	13,361	15,847	15,847	15,750	15,278	15,278	13,889	13,889	13,889	13,889	13,889	13,889	166,361
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Other Current Assets	(7,151)	(7,188)	(7,224)	(7,261)	(3,417)	(4,749)	(5,757)	(6,054)	(6,032)	(6,008)	(5,982)	(5,953)	(72,775)
Change in Accounts Payable	(75,288)	1,353	1,360	408,839	(407,297)	1,375	1,382	1,389	749	972	1,141	76,470	12,442
Change in Unearned Revenue	414,370	257,341	100,023	(57,570)	5,347,686	3,464,555	2,001,629	1,396,885	1,327,415	1,262,666	1,202,887	1,148,341	17,866,228
Change in Other Current Liabilities	7,151	7,188	7,224	7,261	3,417	4,749	5,757	6,054	6,032	6,008	5,982	5,953	72,775
Total Cash Flow from Operations	\$3,095,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335	56,220,261
From Investing Activities:													
Capital Expenditures	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(100,000)
Total Cash Flow from Investing Activities	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(100,000)
Cash Flow Before Financing	\$2,995,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335	56,120,261
From Financing Activities:													
Proceeds from Equity Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Proceeds from Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Repayment of Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Net Change in Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Cash Flow from Ops, Investing & Financing	\$2,995,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335	56,120,261
Beginning Cash Balance	\$93,253,907	\$96,249,904	\$99,370,494	\$102,438,931	\$105,496,217	\$113,558,250	\$120,210,589	\$125,480,048	\$130,230,929	\$134,998,455	\$139,787,639	\$144,602,833	\$93,253,907
Net Increase/(Decrease) in Cash	\$2,995,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335	\$56,120,261
Ending Cash Balance	\$96,249,904	\$99,370,494	\$102,438,931	\$105,496,217	\$113,558,250	\$120,210,589	\$125,480,048	\$130,230,929	\$134,998,455	\$139,787,639	\$144,602,833	\$149,374,168	\$149,374,168

50% CONFIDENCE LEVEL

CONSORTIUM gTLD
Summary P&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Registrations	2,575,000	4,378,952	5,314,026	5,709,756	6,061,940	24,039,674
Revenue	\$ 3,995,531	\$ 28,034,338	\$ 57,271,864	\$ 90,568,082	\$ 122,296,299	\$ 302,166,114
Operating Expenses:						
Registry Operator	2,049,881	15,341,584	12,989,084	-	-	30,380,550
System Development & Support	565,833	2,017,951	7,860,366	9,735,833	11,453,078	31,633,061
Customer Service	459,813	755,438	789,891	826,066	864,051	3,695,258
Sales & Marketing	22,936,771	20,364,134	17,608,727	15,774,543	14,992,306	91,676,480
General & Administrative	3,555,366	4,023,284	4,637,498	4,969,549	5,289,760	22,475,457
	39,955	660,814	1,397,477	2,009,159	2,646,952	6,754,356
Operating Expenses	29,607,619	43,163,205	45,283,043	33,315,150	35,246,147	186,615,163
TDA	(25,612,087)	(15,128,867)	11,988,821	57,252,932	87,050,152	115,550,951
Depreciation & Amortization	181,222	245,528	348,000	197,333	166,361	1,138,444
Interest	(25,793,310)	(15,374,395)	11,640,821	57,055,599	86,883,791	114,412,507
Interest	123,500	293,016	492,672	1,245,875	2,049,947	4,205,010
Pre-tax Consortium Profit (Before Rebates)	(25,916,809)	(15,667,411)	11,148,150	55,809,724	84,833,844	110,207,497
Rebates	-	-	3,365,440	13,952,431	21,208,461	38,526,332
Pre-tax Consortium Profit	(25,916,809)	(15,667,411)	7,782,709	41,857,293	63,625,383	71,681,165
Estimated Stockholder Taxes	-	-	4,038,528	16,742,917	25,450,153	46,231,599
Estimated Consortium Net Income	(25,916,809)	(15,667,411)	3,744,181	25,114,376	38,175,230	25,449,566
Relative Net Income	(25,916,809)	(41,584,221)	(37,840,040)	(12,725,664)	25,449,566	(92,617,168)

Percent of Revenue (Accrual)

Cost of Revenue	51%	55%	23%	0%	0%	10%
Sales & Marketing	574%	73%	31%	17%	12%	30%
G&A	89%	14%	8%	5%	4%	7%
R&D	1%	2%	2%	2%	2%	2%
Gross Margin Equivalent	35%	38%	64%	89%	91%	21%
Net Income	-649%	-56%	7%	28%	31%	8%

Non-cash flows include financing flows.

gTLD CONSORTIUM
Balance Sheet

TD BALANCE SHEET

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Current Assets:						
Cash	\$14,856,621	\$15,925,192	\$51,890,976	\$93,253,907	\$149,374,168	149,374,168
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	-
Prepaid Expense	\$5,622,331	\$12,989,084	\$0	\$0	\$0	0
Other Current Assets	\$37,016	\$99,963	\$184,977	\$264,219	\$336,994	336,994
Total Current Assets	\$20,515,968	\$29,014,240	\$52,075,954	\$93,518,127	\$149,711,163	149,711,163
Fixed Assets:						
Intangible, Property, & Equipment	\$663,000	\$1,044,000	\$1,044,000	\$1,144,000	\$1,244,000	1,244,000
Accumulated Depreciation	(\$181,222)	(\$428,750)	(\$774,750)	(\$972,083)	(\$1,138,444)	(1,138,444)
Total Fixed Assets	\$481,778	\$617,250	\$269,250	\$171,917	\$105,556	105,556
Total Assets	\$20,997,745	\$29,631,490	\$52,345,204	\$93,690,043	\$149,816,718	149,816,718
Current Liabilities:						
Accounts Payable	\$3,169,383	\$2,314,294	\$1,060,756	\$1,029,415	\$1,041,857	1,041,857
Accrued Revenue	\$38,918,156	\$64,011,453	\$84,149,510	\$100,332,073	\$118,198,301	118,198,301
Other Current Liabilities	\$37,016	\$99,963	\$184,977	\$264,219	\$336,994	336,994
Total Current Liabilities	\$42,124,555	\$66,425,710	\$85,395,243	\$101,625,707	\$119,577,152	119,577,152
Long-Term Liabilities:						
Bank Loans	\$0	\$0	\$0	\$0	\$0	-
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	-
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	-
Owner Equity:						
Contributions						
Retained Earnings / (Loss) - After Tax	(\$25,916,809)	(\$41,584,221)	(\$37,840,040)	(\$12,725,664)	\$25,449,566	25,449,566
Total Owner Equity	(\$21,126,809)	(\$36,794,221)	(\$33,050,040)	(\$7,935,664)	\$30,239,566	30,239,566
Total Equity & Liabilities	\$20,997,745	\$29,631,490	\$52,345,204	\$93,690,043	\$149,816,718	149,816,718

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	-	-	-	-	-
Accounts Payable Registry Operator (Core Registration)	558,656	1,162,118	-	-	-
Accounts Payable as a % of Core Registry Expense	50.0%	50.0%	0.0%	0.0%	0.0%
Accounts Payable - Holding Days	15	15	15	15	15
Accounts Payable Labor	125,616	187,571	193,185	215,400	239,541
Accounts Payable as a % of Total Salary Expense	23.3%	23.3%	23.3%	23.3%	23.3%
Accounts Payable - Holding Days	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor)	2,485,111	964,605	867,571	814,015	802,316
Accounts Payable as a % of Ops Expense (As Debit)	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15
Other Current Assets	37,016	99,963	184,977	264,219	336,994
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	37,016	99,963	184,977	264,219	336,994
Other Current Liabilities as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%

gTLD CONSORTIUM
Cash Flow Statement

D CASH FLOW STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Cash From Operations:						
Net Income After Taxes	(25,916,809)	(15,667,411)	3,744,181	25,114,376	38,175,230	25,449,566
Adjustment: Depreciation & Amortization	181,222	245,528	348,000	197,333	166,361	1,138,444
Change in Accounts Receivable	-	-	-	-	-	-
Change in Pre-Paid Expense	(5,622,331)	(7,366,753)	12,989,084	-	-	(0)
Change in Other Current Assets	(37,016)	(62,947)	(85,014)	(79,242)	(72,775)	(336,994)
Change in Accounts Payable	3,169,383	(855,089)	(1,253,537)	(31,342)	12,442	1,041,857
Change in Unearned Revenue	38,918,156	25,093,297	20,138,056	16,182,563	17,866,228	118,198,301
Change in Other Current Liabilities	37,016	62,947	85,014	79,242	72,775	336,994
Total Cash Flow from Operations	10,729,621	1,449,572	35,965,784	41,462,931	56,220,261	145,828,168
Cash From Investing Activities:						
Capital Expenditures	(663,000)	(381,000)	-	(100,000)	(100,000)	(1,244,000)
Total Cash Flow from Investing Activities	(663,000)	(381,000)	-	(100,000)	(100,000)	(1,244,000)
Cash Flow Before Financing	10,066,621	1,068,572	35,965,784	41,362,931	56,120,261	134,517,548
Cash Flow From Financing Activities:						
Proceeds from Equity Contributions	4,790,000	-	-	-	-	4,790,000
Repayments (Bank Loans)	-	-	-	-	-	-
Repayments (Other L-T)	-	-	-	-	-	-
Total Cash Flow From Financing Activities	4,790,000	-	-	-	-	4,790,000
Cash Flow from Ops, Investing & Financing	14,856,621	1,068,572	35,965,784	41,362,931	56,120,261	149,374,168
Beginning Cash Balance	\$0	\$14,856,621	\$15,925,192	\$51,890,976	\$93,253,907	-
Net Increase/(Decrease) in Cash	\$14,856,621	\$1,068,572	\$35,965,784	\$41,362,931	\$56,120,261	149,374,168
Ending Cash Balance	\$14,856,621	\$15,925,192	\$51,890,976	\$93,253,907	\$149,374,168	149,374,168

Headcount & Expense Input

50% CONFIDENCE LEVEL

RESEARCH & DEVELOPMENT				
Senior Architecture Design	R&D	\$100,000	15%	18
Database Administrator/Developer	R&D	\$60,000	15%	18
Database Administrator/Developer	R&D	\$60,000	15%	18
Java Developers	R&D	\$80,000	15%	18

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-

Headcount & Expense Input

50% CONFIDENCE LEVEL

Position	Category	Salary	Rate	FTE
Java Developers	R&D	\$80,000	15%	18
Java Developers	R&D	\$80,000	15%	18
CUSTOMER SERVICE				
VP Policy & Registrar Relations	CUST SERV	\$130,000	15%	4
Manager, Registrar Relations	CUST SERV	\$50,000	10%	5
Customer Service Manager	CUST SERV	\$50,000	10%	4
Senior Customer Service Representative	CUST SERV	\$35,000	10%	5
Customer Service Representative	CUST SERV	\$24,000	10%	5
Customer Service Representative	CUST SERV	\$24,000	10%	5
Customer Service Representative	CUST SERV	\$24,000	10%	5
Customer Service Representative - US Satellite Office	CUST SERV	\$24,000	10%	9
Customer Service Representative - Pacific Rim Satellite Office	CUST SERV	\$24,000	10%	13
Administrative	CUST SERV	\$35,000	10%	3
Administrative	CUST SERV	\$35,000	10%	4
Administrative - Pacific Rim Satellite Office	CUST SERV	\$35,000	10%	13
Administrative - US Satellite Office	CUST SERV	\$35,000	10%	9
MARKETING & SALES				
Chief Marketing Officer	MKTG	\$150,000	15%	2
Marketing Manager	MKTG	\$65,000	10%	3
PR Manager	MKTG	\$65,000	10%	3
Sales Manager - US Satellite Office	MKTG	\$75,000	10%	9
Sales Manager - Pacific Rim Satellite Office	MKTG	\$75,000	10%	13
Administrative	MKTG	\$35,000	10%	2

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
Java Developers	-	-	-	-	-	-	-	-	-	-	-	-
Java Developers	-	-	-	-	-	-	-	-	-	-	-	-
CUSTOMER SERVICE												
VP Policy & Registrar Relations	-	-	-	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	30,333
Manager, Registrar Relations	-	-	-	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	9,167
Customer Service Manager	-	-	-	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	9,167
Senior Customer Service Representative	-	-	-	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	6,417
Customer Service Representative	-	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	4,400
Customer Service Representative	-	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	4,400
Customer Service Representative	-	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	4,400
Customer Service Representative - US Satellite Office	-	-	-	-	-	-	-	-	2,000	2,000	2,000	4,400
Customer Service Representative - Pacific Rim Satellite Office	-	-	-	-	-	-	-	-	-	-	-	4,400
Administrative	-	-	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	6,417
Administrative	-	-	-	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	6,417
Administrative - Pacific Rim Satellite Office	-	-	-	-	-	-	-	-	-	-	-	-
Administrative - US Satellite Office	-	-	-	-	-	-	-	-	2,917	2,917	2,917	6,417
MARKETING & SALES												
Chief Marketing Officer	-	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	35,000
Marketing Manager	-	-	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	11,917
PR Manager	-	-	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	11,917
Sales Manager - US Satellite Office	-	-	-	-	-	-	-	-	6,250	6,250	6,250	13,750
Sales Manager - Pacific Rim Satellite Office	-	-	-	-	-	-	-	-	-	-	-	-
Administrative	-	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	6,417

	14,583	61,667	86,667	136,667	161,417	161,417	161,417	161,417	172,583	172,583	172,583	430,683
Total Labor Cost	-	-	-	-	-	-	-	-	-	-	-	-
Sys Dev Headcount	1	3	4	4	4	4	4	4	4	4	4	4
Sys Dev New Hires	1	2	1	1	4	9	9	9	11	11	11	11
Cust Serv Headcount	-	-	1	3	5	-	-	9	2	-	-	-
Cust Serv New Hires	-	-	1	4	4	4	4	4	5	5	5	5
Mktg Headcount	-	2	4	4	4	4	4	4	5	5	5	5
Mktg New Hires	-	2	2	-	-	-	-	-	1	-	-	-
G&A Headcount	-	2	4	9	12	12	12	12	12	12	12	12
G&A New Hires	-	2	2	5	3	-	-	-	-	-	-	-
R&D Headcount	-	-	-	-	-	-	-	-	-	-	-	-
R&D New Hires	-	-	-	-	-	-	-	-	-	-	-	-
Total HC (Excluding Sys Dev and R&D)	-	4	9	17	25	25	25	25	28	28	28	28
Total New Hire (Excluding Sys Dev)	-	4	5	8	8	-	-	-	3	-	-	-
Total Headcount	1	7	13	21	29	29	29	29	32	32	32	32
Total New Hires	1	6	6	8	8	-	-	-	3	-	-	-

Labor Cost Type Breakout

Systems Development & Support

Systems Development & Support Labor - Straight Time	SYS DEV	\$ 14,583	\$ 30,000	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 34,583	\$ 96,833
Fringe Rate	25%	3,646	7,500	8,646	8,646	8,646	8,646	8,646	8,646	8,646	8,646	8,646	24,208
Total Cost of Sales Labor		\$ 18,229	\$ 37,500	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 43,229	\$ 121,042

Customer Service

Customer Service Labor - Straight Time	CUST SERV	\$ -	\$ -	\$ 2,917	\$ 20,833	\$ 33,917	\$ 33,917	\$ 33,917	\$ 33,917	\$ 38,833	\$ 38,833	\$ 38,833	\$ 91,933
Fringe Rate	25%	-	-	729	5,208	8,479	8,479	8,479	8,479	9,708	9,708	9,708	22,983
Total Customer Service Labor		\$ -	\$ -	\$ 3,646	\$ 26,042	\$ 42,396	\$ 42,396	\$ 42,396	\$ 42,396	\$ 48,542	\$ 48,542	\$ 48,542	\$ 114,917

Marketing

Marketing Labor - Straight Time	MKTG	\$ -	\$ 15,417	\$ 26,250	\$ 26,250	\$ 26,250	\$ 26,250	\$ 26,250	\$ 26,250	\$ 32,500	\$ 32,500	\$ 32,500	\$ 79,000
Fringe Rate	25%	-	3,854	6,563	6,563	6,563	6,563	6,563	6,563	8,125	8,125	8,125	19,750
Total Marketing Labor		\$ -	\$ 19,271	\$ 32,813	\$ 32,813	\$ 32,813	\$ 32,813	\$ 32,813	\$ 32,813	\$ 40,625	\$ 40,625	\$ 40,625	\$ 98,750

General & Administrative

G&A Labor - Straight Time	G&A	\$ -	\$ 16,250	\$ 22,917	\$ 55,000	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 162,917
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Headcount & Expense Input

50% CONFIDENCE LEVEL

Fringe Rate	25%
Fringe	
Total G&A Labor	
Research & Development	
R&D Labor - Straight Time	R&D
Fringe Rate	25%
Fringe	
Total R&D Labor	

Total Labor with Fringe

OPERATING EXPENSES (Non-Labor):

SYSTEMS DEVELOPMENT & SUPPORT

Equipment Operating Leases

Sun E6500 Servers
 EMC xxxx Storage Devices
 x86 Dual 1 Ghz servers
 Sun E450 Quad processor
 Cisco 7200 Routers
 Foundry BI 8000 Switches
 Oracle Enterprise (Cluster)
 Tucows Software

Remote Centers

Rack space (Including Bandwidth Requirements)

Network Operations Center

Rack space (Including Bandwidth Requirements)
 Total Systems Development & Support

MARKETING & SALES

Advertising & Promotion:

Media

Co-op Advertising Program

Production

Research

Agency Fee

Public Relations

Total Marketing & Sales

OUTSOURCED RESEARCH & DEVELOPMENT

R&D Expenditure as a Percentage of Sales (Accrual)

R&D Expense

Total R&D

GENERAL & ADMINISTRATIVE

RENT EXPENSE

Headcount

Average Space per Employee - Including Common (Sq Ft)

Total Space Required (Sq Ft)

Cost per Square Foot per Month

Total Rent

TELECOMMUNICATIONS EXPENSE

Headcount

Average Monthly Long Distance Usage per Employee (In Minutes)

Total Minutes

Avg Cost Per Minute

Fixed Cost per Month

Total Telecom

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	-	4,063	5,729	13,750	16,667	16,667	16,667	16,667	16,667	16,667	16,667	40,729
Total G&A Labor	\$ -	\$ 20,313	\$ 28,646	\$ 68,750	\$ 83,333	\$ 83,333	\$ 83,333	\$ 83,333	\$ 83,333	\$ 83,333	\$ 83,333	\$ 203,646
Research & Development												
R&D Labor - Straight Time	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	-	-	-	-	-	-	-	-	-	-	-	-
Total R&D Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Labor with Fringe	\$ 18,229	\$ 77,083	\$ 108,333	\$ 170,833	\$ 201,771	\$ 201,771	\$ 201,771	\$ 201,771	\$ 215,729	\$ 215,729	\$ 215,729	\$ 538,354

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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								700,000	700,000	700,000	2,000,000	2,000,000	2,000,000
											2,000,000	2,000,000	2,000,000
							100,000	100,000	100,000	1,000,000	200,000	100,000	50,000
							50,000	50,000	50,000	50,000	50,000	50,000	50,000
100,000	100,000	100,000	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
200,000	200,000	200,000	300,000	400,000	400,000	400,000	400,000	400,000	500,000	500,000	500,000	500,000	
\$300,000	\$300,000	\$300,000	\$400,000	\$600,000	\$700,000	\$700,000	\$1,450,000	\$1,450,000	\$2,450,000	\$4,950,000	\$4,950,000	\$4,850,000	\$ 4,750,000

	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,955	\$ 3,421	\$ 3,421	\$ 7,820	\$ 10,753	\$ 12,585
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,955	\$ 3,421	\$ 3,421	\$ 7,820	\$ 10,753	\$ 12,585

	1	7	13	21	29	29	29	29	32	32	32	32
350	350	350	350	350	350	350	350	350	350	350	350	350
350	2,450	4,550	7,350	10,150	10,150	10,150	10,150	10,150	11,200	11,200	11,200	11,200
\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
\$ 525	\$ 3,675	\$ 6,825	\$ 11,025	\$ 15,225	\$ 15,225	\$ 15,225	\$ 15,225	\$ 15,225	\$ 16,800	\$ 16,800	\$ 16,800	\$ 16,800

	1	7	13	21	29	29	29	29	32	32	32	32
400	400	400	400	400	400	400	400	400	400	400	400	400
400	2,800	5,200	8,400	11,600	11,600	11,600	11,600	11,600	12,800	12,800	12,800	12,800
\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
\$ 20,048	\$ 20,336	\$ 20,624	\$ 21,008	\$ 21,392	\$ 21,392	\$ 21,392	\$ 21,392	\$ 21,392	\$ 21,536	\$ 21,536	\$ 21,536	\$ 21,536

Headcount & Expense Input

50% CONFIDENCE LEVEL

MATERIALS & SUPPLIES

Headcount	
Average Monthly Materials & Supplies Cost per Employee	\$ 200
Total Materials & Supplies	
Annual Growth	4%

TRAVEL & ENTERTAINMENT

Average Number of Employees that Routinely Incur T & E	12
Average Monthly T & E Costs per Employee	\$ 6,000
Total Travel & Entertainment	
Annual Growth	5%

SEMINARS & CONFERENCES

Average Number of Employees Routinely Attending Conferences	12
Average Number of Conferences Attended per Month	2
Average Cost per Conferences	\$ 400
Total Seminars & Conferences	
Annual Growth (In Cost)	4%

INSURANCE

Commercial Umbrella Liability	\$ 1,200 /mo.
Commercial Property	\$ 2,200 /mo.
Directors Liability	\$ 2,500 /mo.
Total Insurance	
Annual Growth	4%

FACILITY MAINTENANCE & OTHER

Utilities	\$ 600 /mo.
Facility Maintenance & Other	\$ 4,000 /mo.
Total Facility Maintenance & Other	
Annual Growth	4%

PROFESSIONAL SERVICES

Legal Services	\$ 1,200 /mo.
Financial & Accounting Services	\$ 6,000 /mo.
Other Outside Services	\$ 2,500 /mo.
Total Professional Fees	
Annual Growth	5%

TRADEMARK REVIEW

Percentage of New Registrations Challenged	2%
Number of Reviews Challenged	
Average Cost Per Trademark Review	\$ 6.00 /Review
Total Trademark Review	
Annual Growth (In Cost)	4%

SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.

Fully Outsourced and Managed Web Site Hosting	\$ 1,000 /mo.
Connectivity	\$ 1,500 /mo.
Professional Services	\$ 500 /mo.
Total Site Hosting & Connectivity	
Annual Growth	4%

OTHER GENERAL & ADMINISTRATIVE

Dues & Subscriptions	\$ 450 /mo.
Postage & Delivery	\$ 600 /mo.

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
MATERIALS & SUPPLIES												
Headcount	1	7	13	21	29	29	29	29	32	32	32	32
Average Monthly Materials & Supplies Cost per Employee	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Total Materials & Supplies	\$ 200	\$ 1,400	\$ 2,600	\$ 4,200	\$ 5,800	\$ 5,800	\$ 5,800	\$ 5,800	\$ 6,400	\$ 6,400	\$ 6,400	\$ 6,400
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Total Travel & Entertainment	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000
Annual Growth												
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Total Seminars & Conferences	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Commercial Property	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200
Directors Liability	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Total Insurance	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900	\$ 5,900
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
Facility Maintenance & Other	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Total Facility Maintenance & Other	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Financial & Accounting Services	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Other Outside Services	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Total Professional Fees	\$ 108,500	\$ 108,500	\$ 108,500	\$ 108,500	\$ 108,500	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Average Cost Per Trademark Review	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
Total Trademark Review	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Connectivity	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Professional Services	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Total Site Hosting & Connectivity	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450
Postage & Delivery	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600

Headcount & Expense Input

	50% CONFIDENCE LEVEL											
	Year 2 1	2	3	4	5	6	7	8	9	10	11	12
gTLD REGISTRY EMPLOYEES												
EXECUTIVE MANAGEMENT												
General Manager / CEO	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	35,625
Executive Assistant	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	8,438
FINANCE & ACCOUNTING												
CFO	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	26,125
Staff Accountant	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	8,438
Accounts Operations Mgr (AVR & A/P)	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	10,313
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
HUMAN RESOURCES												
Human Resources Senior Manager	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	15,438
Human Resources Manager	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	9,375
Human Resources Manager	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	9,375
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
FACILITIES / OFFICE MANAGEMENT												
Facilities / Office Senior Manager	-	-	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813
Facilities / Office Manager	-	-	-	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938
Administrative	-	-	-	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063
LEGAL & BUSINESS AFFAIRS												
General Counsel	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	10,938	23,438
SYSTEMS DEVELOPMENT & SUPPORT												
Chief Technology Officer	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	15,313	41,563
Operations & Engineering Mgr	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	26,125
Senior Systems Admin Mgr	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	17,813
Systems Administrator	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	13,063
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	5,250
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	5,250
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	5,250
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	5,250
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	5,250
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	3,500
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	3,500
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	3,500
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	3,500
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	3,500
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	7,000
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	7,000
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	7,000
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
RESEARCH & DEVELOPMENT												
Senior Architecture Design	-	-	-	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750
Database Administrator/Developer	-	-	-	-	-	5,250	5,250	5,250	5,250	5,250	5,250	5,250
Database Administrator/Developer	-	-	-	-	-	5,250	5,250	5,250	5,250	5,250	5,250	5,250
Java Developers	-	-	-	-	-	7,000	7,000	7,000	7,000	7,000	7,000	7,000

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
Java Developers	-	-	-	-	-	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Java Developers	-	-	-	-	-	7,000	7,000	7,000	7,000	7,000	7,000	7,000
CUSTOMER SERVICE												
VP Policy & Registrar Relations	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	30,875
Manager, Registrar Relations	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	9,375
Customer Service Manager	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	9,375
Senior Customer Service Representative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Customer Service Representative	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Customer Service Representative	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Customer Service Representative	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Customer Service Representative - US Satellite Office	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Customer Service Representative - Pacific Rim Satellite Office	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	4,500
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Administrative - Pacific Rim Satellite Office	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
Administrative - US Satellite Office	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
MARKETING & SALES												
Chief Marketing Officer	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	35,625
Marketing Manager	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	12,188
PR Manager	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	5,688	12,188
Sales Manager - US Satellite Office	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	14,063
Sales Manager - Pacific Rim Satellite Office	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	6,563	14,063
Administrative	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563

	192,938	192,938	197,750	213,500	213,500	245,000	245,000	245,000	245,000	245,000	385,000	643,100
	4	4	4	4	4	4	4	4	4	4	4	34
	13	13	13	13	13	13	13	13	13	13	13	13
	2	6	6	6	6	6	6	6	6	6	6	6
	1	12	13	15	15	15	15	15	15	15	15	15
	-	-	1	2	-	-	-	-	-	-	-	-
	-	-	-	1	1	6	6	6	6	6	6	6
	31	31	32	34	34	34	34	34	34	34	34	34
	3	-	1	2	-	-	-	-	-	-	-	-
	35	35	36	39	39	44	44	44	44	44	74	74
	3	-	1	3	-	5	-	-	-	-	30	-

Labor Cost Type Breakout

Systems Development & Support

Systems Development & Support Labor - Straight Time	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 36,313	\$ 176,313	\$ 238,563
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	9,078	44,078	59,641
Total Cost of Sales Labor	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 45,391	\$ 220,391	\$ 298,203

Customer Service

Customer Service Labor - Straight Time	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 45,938	\$ 99,038
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	24,759
Total Customer Service Labor	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 57,422	\$ 123,797

Marketing

Marketing Labor - Straight Time	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 40,688	\$ 87,188
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	10,172	10,172	10,172	10,172	10,172	10,172	10,172	10,172	10,172	10,172	10,172	10,172	21,797
Total Marketing Labor	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 50,859	\$ 108,984

General & Administrative

G&A Labor - Straight Time	\$ 70,000	\$ 70,000	\$ 74,813	\$ 81,813	\$ 81,813	\$ 81,813	\$ 81,813	\$ 81,813	\$ 81,813	\$ 81,813	\$ 81,813	\$ 81,813	\$ 178,063
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Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 2												
	1	2	3	4	5	6	7	8	9	10	11	12	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	17,500	17,500	18,703	20,453	20,453	20,453	20,453	20,453	20,453	20,453	20,453	20,453	
Total G&A Labor	\$ 87,500	\$ 87,500	\$ 93,516	\$ 102,266	\$ 102,266	\$ 102,266	\$ 102,266	\$ 102,266	\$ 102,266	\$ 102,266	\$ 102,266	\$ 222,578	
Research & Development													
R&D Labor - Straight Time	\$ -	\$ -	\$ -	\$ 8,750	\$ 8,750	\$ 40,250	\$ 40,250	\$ 40,250	\$ 40,250	\$ 40,250	\$ 40,250	\$ 40,250	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	-	-	-	2,188	2,188	10,063	10,063	10,063	10,063	10,063	10,063	10,063	
Total R&D Labor	\$ -	\$ -	\$ -	\$ 10,938	\$ 10,938	\$ 50,313	\$ 50,313	\$ 50,313	\$ 50,313	\$ 50,313	\$ 50,313	\$ 50,313	
Total Labor with Fringe	\$ 241,172	\$ 241,172	\$ 247,188	\$ 266,875	\$ 266,875	\$ 306,250	\$ 306,250	\$ 306,250	\$ 306,250	\$ 306,250	\$ 481,250	\$ 803,875	
OPERATING EXPENSES (Non-Labor):													
SYSTEMS DEVELOPMENT & SUPPORT													
Equipment Operating Leases													
Sun E8500 Servers												78,984	78,984
EMC xxxx Storage Devices												36,180	36,180
x86 Dual 1 Ghz servers												6,679	6,679
Sun E450 Quad processor												48,982	48,982
Cisco 7200 Routers											43,639	43,639	43,639
Foundry BI 8000 Switches											71,247	71,247	71,247
Oracle Enterprise (Cluster)												66,794	66,794
Tucows Software								27,831	27,831	27,831	27,831	27,831	27,831
Remote Centers											28,800	28,800	28,800
Rack space (Including Bandwidth Requirements)											28,800	28,800	28,800
Network Operations Center													
Rack space (Including Bandwidth Requirements)									24,000	24,000	24,000	24,000	24,000
Total Systems Development & Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,831	\$ 51,831	\$ 195,517	\$ 433,136	\$ 433,136
MARKETING & SALES													
Advertising & Promotion:													
Media	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	
Co-op Advertising Program	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	
Production	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	
Research	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	
Agency Fee	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	
Public Relations	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	
Total Marketing & Sales	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	\$1,641,308	
OUTSOURCED RESEARCH & DEVELOPMENT													
R&D Expenditure as a Percentage of Sales (Accrual)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
R&D Expense	\$ 39,955	\$ 14,013	\$ 15,517	\$ 17,118	\$ 18,705	\$ 20,366	\$ 22,187	\$ 24,013	\$ 25,885	\$ 27,745	\$ 29,651	\$ 31,585	
Total R&D	\$ 39,955	\$ 14,013	\$ 15,517	\$ 17,118	\$ 18,705	\$ 20,366	\$ 22,187	\$ 24,013	\$ 25,885	\$ 27,745	\$ 29,651	\$ 31,585	
GENERAL & ADMINISTRATIVE													
RENT EXPENSE													
Headcount	35	35	36	39	39	44	44	44	44	44	74	74	
Average Space per Employee - Including Common (Sq Ft)	350	350	350	350	350	350	350	350	350	350	350	350	
Total Space Required (Sq Ft)	12,250	12,250	12,600	13,650	13,650	15,400	15,400	15,400	15,400	15,400	25,900	25,900	
Cost per Square Foot per Month	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	
Total Rent	\$ 18,375	\$ 18,375	\$ 18,900	\$ 20,475	\$ 20,475	\$ 23,100	\$ 23,100	\$ 23,100	\$ 23,100	\$ 23,100	\$ 38,850	\$ 38,850	
TELECOMMUNICATIONS EXPENSE													
Headcount	35	35	36	39	39	44	44	44	44	44	74	74	
Average Monthly Long Distance Usage per Employee (In Minutes)	400	400	400	400	400	400	400	400	400	400	400	400	
Total Minutes	14,000	14,000	14,400	15,600	15,600	17,600	17,600	17,600	17,600	17,600	29,600	29,600	
Avg Cost Per Minute	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	
Fixed Cost per Month	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Total Telecom	\$ 21,680	\$ 21,680	\$ 21,728	\$ 21,872	\$ 21,872	\$ 22,112	\$ 22,112	\$ 22,112	\$ 22,112	\$ 22,112	\$ 23,552	\$ 23,552	

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
MATERIALS & SUPPLIES												
Headcount	35	35	36	39	39	44	44	44	44	44	74	74
Average Monthly Materials & Supplies Cost per Employee	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208
Total Materials & Supplies	\$ 7,280	\$ 7,280	\$ 7,488	\$ 8,112	\$ 8,112	\$ 9,152	\$ 9,152	\$ 9,152	\$ 9,152	\$ 9,152	\$ 15,392	\$ 15,392
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Total Travel & Entertainment	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600	\$ 75,600
Annual Growth												
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conference	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416
Total Seminars & Conferences	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984	\$ 9,984
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248
Commercial Property	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288	\$ 2,288
Directors Liability	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
Total Insurance	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136	\$ 6,136
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624
Facility Maintenance & Other	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160
Total Facility Maintenance & Other	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784	\$ 4,784
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260	\$ 1,260
Financial & Accounting Services	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Other Outside Services	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625
Total Professional Fees	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185	\$ 10,185
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	6,000	6,270	6,552	6,847	7,155	7,477	7,589	7,703	7,819	7,936	8,055	8,176
Average Cost Per Trademark Review	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24	\$ 6.24
Total Trademark Review	\$ 37,440	\$ 39,125	\$ 40,885	\$ 42,725	\$ 44,648	\$ 46,657	\$ 47,357	\$ 48,067	\$ 48,798	\$ 49,520	\$ 50,263	\$ 51,017
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040
Connectivity	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560	\$ 1,560
Professional Services	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520	\$ 520
Total Site Hosting & Connectivity	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120	\$ 3,120
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468
Postage & Delivery	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
RESEARCH & DEVELOPMENT												
Senior Architecture Design	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188	9,188
Database Administrator/Developer	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Database Administrator/Developer	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Java Developers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
Java Developers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Java Developers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
CUSTOMER SERVICE												
VP Policy & Registrar Relations	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	11,944	31,444
Manager, Registrar Relations	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	9,594
Customer Service Manager	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	4,594	9,594
Senior Customer Service Representative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716
Customer Service Representative	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605
Customer Service Representative	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605
Customer Service Representative	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605
Customer Service Representative - US Satellite Office	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605
Customer Service Representative - Pacific Rim Satellite Office	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	4,605
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716
Administrative - Pacific Rim Satellite Office	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716
Administrative - US Satellite Office	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716
MARKETING & SALES												
Chief Marketing Officer	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	36,281
Marketing Manager	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	12,472
PR Manager	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	12,472
Sales Manager - US Satellite Office	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	14,391
Sales Manager - Pacific Rim Satellite Office	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	14,391
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	6,716

404,250	404,250	404,250	404,250	404,250	404,250	404,250	404,250	404,250	404,250	404,250	404,250	682,350
34	34	34	34	34	34	34	34	34	34	34	34	34
13	13	13	13	13	13	13	13	13	13	13	13	13
6	6	6	6	6	6	6	6	6	6	6	6	6
15	15	15	15	15	15	15	15	15	15	15	15	15
6	6	6	6	6	6	6	6	6	6	6	6	6
34	34	34	34	34	34	34	34	34	34	34	34	34
74	74	74	74	74	74	74	74	74	74	74	74	74

Labor Cost Type Breakout

Systems Development & Support

Systems Development & Support Labor - Straight Time	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 185,128	\$ 247,378
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	46,282	46,282	46,282	46,282	46,282	46,282	46,282	46,282	46,282	46,282	46,282	61,845
Total Cost of Sales Labor	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 231,410	\$ 309,223

Customer Service

Customer Service Labor - Straight Time	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 48,234	\$ 101,334
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	12,059	25,334
Total Customer Service Labor	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 60,293	\$ 126,668

Marketing

Marketing Labor - Straight Time	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 42,722	\$ 89,222
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	10,680	10,680	10,680	10,680	10,680	10,680	10,680	10,680	10,680	10,680	10,680	22,305
Total Marketing Labor	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 53,402	\$ 111,527

General & Administrative

G&A Labor - Straight Time	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 85,903	\$ 182,153
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Headcount & Expense Input

	50% CONFIDENCE LEVEL											
	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476	\$ 21,476
Total G&A Labor	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379	\$ 107,379
Research & Development												
R&D Labor - Straight Time	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263	\$ 42,263
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566	\$ 10,566
Total R&D Labor	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829	\$ 52,829
Total Labor with Fringe	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313	\$ 505,313
OPERATING EXPENSES (Non-Labor):												
SYSTEMS DEVELOPMENT & SUPPORT												
Equipment Operating Leases												
Sun E8500 Servers	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984
EMC xxxx Storage Devices	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180
x86 Dual 1 Ghz servers	6,679	6,679	6,679	6,679	6,679	6,679	6,679	6,679	6,679	6,679	6,679	6,679
Sun E450 Quad processor	48,982	48,982	48,982	48,982	48,982	48,982	48,982	48,982	48,982	48,982	48,982	48,982
Cisco 7200 Routers	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639
Foundry BI 8000 Switches	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247
Oracle Enterprise (Cluster)	66,794	66,794	66,794	66,794	66,794	66,794	66,794	66,794	66,794	66,794	66,794	66,794
Tucows Software	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831
Remote Centers												
Rack space (Including Bandwidth Requirements)	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800
Network Operations Center												
Rack space (Including Bandwidth Requirements)	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Total Systems Development & Support	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136	\$ 433,136
MARKETING & SALES												
Advertising & Promotion:												
Media	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714
Co-op Advertising Program	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Production	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060
Research	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824
Agency Fee	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883
Public Relations	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667
Total Marketing & Sales	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148	\$ 1,409,148
OUTSOURCED RESEARCH & DEVELOPMENT												
R&D Expenditure as a Percentage of Sales (Accrual)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
R&D Expense	\$ 33,548	\$ 280,343	\$ 35,539	\$ 37,561	\$ 39,612	\$ 41,695	\$ 43,809	\$ 45,954	\$ 48,110	\$ 50,276	\$ 52,453	\$ 54,640
Total R&D	\$ 33,548	\$ 280,343	\$ 35,539	\$ 37,561	\$ 39,612	\$ 41,695	\$ 43,809	\$ 45,954	\$ 48,110	\$ 50,276	\$ 52,453	\$ 54,640
GENERAL & ADMINISTRATIVE												
RENT EXPENSE												
Headcount	74	74	74	74	74	74	74	74	74	74	74	74
Average Space per Employee - Including Common (Sq Ft)	350	350	350	350	350	350	350	350	350	350	350	350
Total Space Required (Sq Ft)	25,900	25,900	25,900	25,900	25,900	25,900	25,900	25,900	25,900	25,900	25,900	25,900
Cost per Square Foot per Month	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
Total Rent	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850
TELECOMMUNICATIONS EXPENSE												
Headcount	74	74	74	74	74	74	74	74	74	74	74	74
Average Monthly Long Distance Usage per Employee (In Minutes)	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600	29,600
Avg Cost Per Minute	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Fixed Cost per Month	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Telecom	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552	\$ 23,552

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
<u>MATERIALS & SUPPLIES</u>												
Headcount	74	74	74	74	74	74	74	74	74	74	74	74
Average Monthly Materials & Supplies Cost per Employee	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216
Total Materials & Supplies	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008	\$ 16,008
Annual Growth												
<u>TRAVEL & ENTERTAINMENT</u>												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615
Total Travel & Entertainment	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380	\$ 79,380
Annual Growth												
<u>SEMINARS & CONFERENCES</u>												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433
Total Seminars & Conferences	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383	\$ 10,383
Annual Growth (In Cost)												
<u>INSURANCE</u>												
Commercial Umbrella Liability	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298	\$ 1,298
Commercial Property	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380	\$ 2,380
Directors Liability	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704	\$ 2,704
Total Insurance	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381	\$ 6,381
Annual Growth												
<u>FACILITY MAINTENANCE & OTHER</u>												
Utilities	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649
Facility Maintenance & Other	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326
Total Facility Maintenance & Other	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975
Annual Growth												
<u>PROFESSIONAL SERVICES</u>												
Legal Services	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323	\$ 1,323
Financial & Accounting Services	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615	\$ 6,615
Other Outside Services	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756	\$ 2,756
Total Professional Fees	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694	\$ 10,694
Annual Growth												
<u>TRADEMARK REVIEW</u>												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	8,298	8,423	8,549	8,677	8,808	8,940	8,984	9,029	9,075	9,120	9,166	9,211
Average Cost Per Trademark Review	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49	\$ 6.49
Total Trademark Review	\$ 53,653	\$ 54,661	\$ 55,461	\$ 56,313	\$ 57,158	\$ 58,015	\$ 58,306	\$ 58,597	\$ 58,890	\$ 59,185	\$ 59,480	\$ 59,776
Annual Growth (In Cost)												
<u>SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.</u>												
Fully Outsourced and Managed Web Site Hosting	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082	\$ 1,082
Connectivity	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622	\$ 1,622
Professional Services	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541	\$ 541
Total Site Hosting & Connectivity	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245	\$ 3,245
Annual Growth												
<u>OTHER GENERAL & ADMINISTRATIVE</u>												
Dues & Subscriptions	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487	\$ 487
Postage & Delivery	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649

Headcount & Expense Input

50% CONFIDENCE LEVEL		Year 4											
		1	2	3	4	5	6	7	8	9	10	11	12
RESEARCH & DEVELOPMENT													
Senior Architecture Design		9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647	9,647
Database Administrator/Developer		5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788
Database Administrator/Developer		5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788
Java Developers		7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
Java Developers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Java Developers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
CUSTOMER SERVICE												
VP Policy & Registrar Relations	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	12,541	32,041
Manager, Registrar Relations	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	9,823
Customer Service Manager	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	4,823	9,823
Senior Customer Service Representative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,676
Customer Service Representative	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Customer Service Representative	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Customer Service Representative	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Customer Service Representative - US Satellite Office	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Customer Service Representative - Pacific Rim Satellite Office	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	2,315	4,715
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,676
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,676
Administrative - Pacific Rim Satellite Office	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,676
Administrative - US Satellite Office	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,676
MARKETING & SALES												
Chief Marketing Officer	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	14,470	36,970
Marketing Manager	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	12,770
PR Manager	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	6,270	12,770
Sales Manager - US Satellite Office	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	14,735
Sales Manager - Pacific Rim Satellite Office	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	7,235	14,735
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,676

	480,414	480,414	480,414	480,414	480,414	480,414	480,414	480,414	480,414	480,414	480,414	738,514
44	44	44	44	44	44	44	44	44	44	44	44	44
10	-	-	-	-	-	-	-	-	-	-	-	-
13	13	13	13	13	13	13	13	13	13	13	13	13
6	6	6	6	6	6	6	6	6	6	6	6	6
15	15	15	15	15	15	15	15	15	15	15	15	15
6	6	6	6	6	6	6	6	6	6	6	6	6
34	34	34	34	34	34	34	34	34	34	34	34	34
84	84	84	84	84	84	84	84	84	84	84	84	84
10	-	-	-	-	-	-	-	-	-	-	-	-

Labor Cost Type Breakout

Systems Development & Support

Systems Development & Support Labor - Straight Time	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 250,336	\$ 312,586
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	62,584	62,584	62,584	62,584	62,584	62,584	62,584	62,584	62,584	62,584	62,584	78,147
Total Cost of Sales Labor	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 312,921	\$ 390,733

Customer Service

Customer Service Labor - Straight Time	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 50,646	\$ 103,746
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	25,937
Total Customer Service Labor	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 63,308	\$ 129,683

Marketing

Marketing Labor - Straight Time	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 44,858	\$ 91,358
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	11,214	11,214	11,214	11,214	11,214	11,214	11,214	11,214	11,214	11,214	11,214	22,839
Total Marketing Labor	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 56,072	\$ 114,197

General & Administrative

G&A Labor - Straight Time	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 90,198	\$ 186,448
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Headcount & Expense Input

50% CONFIDENCE LEVEL		Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	22,550	22,550	22,550	22,550	22,550	22,550	22,550	22,550	22,550	22,550	22,550	22,550	
Total G&A Labor	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 112,748	\$ 233,060	
Research & Development													
R&D Labor - Straight Time	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	\$ 44,376	
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
Fringe	11,094	11,094	11,094	11,094	11,094	11,094	11,094	11,094	11,094	11,094	11,094	11,094	
Total R&D Labor	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	\$ 55,470	
Total Labor with Fringe	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 600,518	\$ 923,143	
OPERATING EXPENSES (Non-Labor):													
SYSTEMS DEVELOPMENT & SUPPORT													
Equipment Operating Leases													
Sun E6500 Servers	105,312	105,312	105,312	105,312	105,312	105,312	105,312	105,312	105,312	105,312	105,312	105,312	
EMC xxx Storage Devices	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	
x86 Dual 1 Ghz servers	7,681	7,681	7,681	7,681	7,681	7,681	7,681	7,681	7,681	7,681	7,681	7,681	
Sun E450 Quad processor	58,166	58,166	58,166	58,166	58,166	58,166	58,166	58,166	58,166	58,166	58,166	58,166	
Cisco 7200 Routers	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	
Foundry BI 8000 Switches	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	
Oracle Enterprise (Cluster)	89,059	89,059	89,059	89,059	89,059	89,059	89,059	89,059	89,059	89,059	89,059	89,059	
Tucows Software	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	
Remote Centers													
Rack space (Including Bandwidth Requirements)	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	
Network Operations Center													
Rack space (Including Bandwidth Requirements)	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	
Total Systems Development & Support	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	\$ 494,315	
MARKETING & SALES													
Advertising & Promotion:													
Media	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	
Co-op Advertising Program	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	
Production	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	
Research	19,514	19,514	19,514	19,514	19,514	19,514	19,514	19,514	19,514	19,514	19,514	19,514	
Agency Fee	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	
Public Relations	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	
Total Marketing & Sales	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	\$1,253,629	
OUTSOURCED RESEARCH & DEVELOPMENT													
R&D Expenditure as a Percentage of Sales (Accrual)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
R&D Expense	\$ 61,150	\$ 61,921	\$ 572,719	\$ 63,062	\$ 64,933	\$ 67,239	\$ 69,559	\$ 71,894	\$ 74,243	\$ 76,607	\$ 78,931	\$ 81,268	
Total R&D	\$ 61,150	\$ 61,921	\$ 572,719	\$ 63,062	\$ 64,933	\$ 67,239	\$ 69,559	\$ 71,894	\$ 74,243	\$ 76,607	\$ 78,931	\$ 81,268	
GENERAL & ADMINISTRATIVE													
RENT EXPENSE													
Headcount	84	84	84	84	84	84	84	84	84	84	84	84	
Average Space per Employee - Including Common (Sq Ft)	350	350	350	350	350	350	350	350	350	350	350	350	
Total Space Required (Sq Ft)	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	29,400	
Cost per Square Foot per Month	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	
Total Rent	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	\$ 44,100	
TELECOMMUNICATIONS EXPENSE													
Headcount	84	84	84	84	84	84	84	84	84	84	84	84	
Average Monthly Long Distance Usage per Employee (In Minutes)	400	400	400	400	400	400	400	400	400	400	400	400	
Total Minutes	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	33,600	
Avg Cost Per Minute	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	
Fixed Cost per Month	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Total Telecom	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	\$ 24,032	

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
MATERIALS & SUPPLIES												
Headcount	84	84	84	84	84	84	84	84	84	84	84	84
Average Monthly Materials & Supplies Cost per Employee	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225
Total Materials & Supplies	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898	\$ 18,898
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946
Total Travel & Entertainment	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349	\$ 83,349
Annual Growth												
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450
Total Seminars & Conferences	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799	\$ 10,799
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350
Commercial Property	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475	\$ 2,475
Directors Liability	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812	\$ 2,812
Total Insurance	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637	\$ 6,637
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675
Facility Maintenance & Other	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499
Total Facility Maintenance & Other	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174	\$ 5,174
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389	\$ 1,389
Financial & Accounting Services	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946	\$ 6,946
Other Outside Services	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894	\$ 2,894
Total Professional Fees	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229	\$ 11,229
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	9,257	9,304	9,350	9,397	9,444	9,491	9,539	9,586	9,634	9,682	9,731	9,780
Average Cost Per Trademark Review	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75
Total Trademark Review	\$ 62,480	\$ 62,792	\$ 63,106	\$ 63,422	\$ 63,739	\$ 64,057	\$ 64,378	\$ 64,700	\$ 65,023	\$ 65,348	\$ 65,675	\$ 66,004
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125
Connectivity	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687	\$ 1,687
Professional Services	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562	\$ 562
Total Site Hosting & Connectivity	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506	\$ 506
Postage & Delivery	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675	\$ 675

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
RESEARCH & DEVELOPMENT												
Senior Architecture Design	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129	10,129
Database Administrator/Developer	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Database Administrator/Developer	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Java Developers	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
Java Developers	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103
Java Developers	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103
CUSTOMER SERVICE												
VP Policy & Registrar Relations	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	13,168	32,668
Manager, Registrar Relations	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	10,065
Customer Service Manager	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	10,065
Senior Customer Service Representative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Customer Service Representative	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Customer Service Representative	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Customer Service Representative	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Customer Service Representative - US Satellite Office	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Customer Service Representative - Pacific Rim Satellite Office	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	4,831
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Administrative - Pacific Rim Satellite Office	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
Administrative - US Satellite Office	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045
MARKETING & SALES												
Chief Marketing Officer	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	37,694
Marketing Manager	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	13,084
PR Manager	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	13,084
Sales Manager - US Satellite Office	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	15,097
Sales Manager - Pacific Rim Satellite Office	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	15,097
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	7,045

	563,185	563,185	563,185	563,185	563,185	563,185	563,185	563,185	563,185	563,185	563,185	821,285
54	54	54	54	54	54	54	54	54	54	54	54	54
10	-	-	-	-	-	-	-	-	-	-	-	-
13	13	13	13	13	13	13	13	13	13	13	13	13
6	6	6	6	6	6	6	6	6	6	6	6	6
15	15	15	15	15	15	15	15	15	15	15	15	15
6	6	6	6	6	6	6	6	6	6	6	6	6
34	34	34	34	34	34	34	34	34	34	34	34	34
94	94	94	94	94	94	94	94	94	94	94	94	94
10	-	-	-	-	-	-	-	-	-	-	-	-

Labor Cost Type Breakout

Systems Development & Support

Systems Development & Support Labor - Straight Time	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 321,603	\$ 383,853
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	80,401	80,401	80,401	80,401	80,401	80,401	80,401	80,401	80,401	80,401	80,401	95,963
Total Cost of Sales Labor	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 479,816

Customer Service

Customer Service Labor - Straight Time	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 53,178	\$ 106,278
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	13,295	13,295	13,295	13,295	13,295	13,295	13,295	13,295	13,295	13,295	13,295	26,570
Total Customer Service Labor	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 66,473	\$ 132,848

Marketing

Marketing Labor - Straight Time	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 47,101	\$ 93,601
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	11,775	11,775	11,775	11,775	11,775	11,775	11,775	11,775	11,775	11,775	11,775	23,400
Total Marketing Labor	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 58,876	\$ 117,001

General & Administrative

G&A Labor - Straight Time	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 94,708	\$ 190,958
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Headcount & Expense Input

50% CONFIDENCE LEVEL		Year 5											
		1	2	3	4	5	6	7	8	9	10	11	12
Fringe Rate		25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe		23,677	23,677	23,677	23,677	23,677	23,677	23,677	23,677	23,677	23,677	23,677	23,677
Total G&A Labor		\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385	\$ 118,385
Research & Development													
R&D Labor - Straight Time		\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594	\$ 46,594
Fringe Rate		25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe		11,649	11,649	11,649	11,649	11,649	11,649	11,649	11,649	11,649	11,649	11,649	11,649
Total R&D Labor		\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243	\$ 58,243
Total Labor with Fringe		\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 703,981	\$ 1,026,606
OPERATING EXPENSES (Non-Labor):													
SYSTEMS DEVELOPMENT & SUPPORT													
Equipment Operating Leases													
Sun E6500 Servers		131,640	131,640	131,640	131,640	131,640	131,640	131,640	131,640	131,640	131,640	131,640	131,640
EMC xxxx Storage Devices		36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180	36,180
x86 Dual 1 Ghz servers		7,848	7,848	7,848	7,848	7,848	7,848	7,848	7,848	7,848	7,848	7,848	7,848
Sun E450 Quad processor		61,228	61,228	61,228	61,228	61,228	61,228	61,228	61,228	61,228	61,228	61,228	61,228
Cisco 7200 Routers		43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639
Foundry BI 8000 Switches		71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247
Oracle Enterprise (Cluster)		111,323	111,323	111,323	111,323	111,323	111,323	111,323	111,323	111,323	111,323	111,323	111,323
Tucows Software		27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831
Remote Centers													
Rack space (Including Bandwidth Requirements)		28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800
Network Operations Center													
Rack space (Including Bandwidth Requirements)		28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800
Total Systems Development & Support		\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535	\$ 548,535
MARKETING & SALES													
Advertising & Promotion:													
Media		368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297
Co-op Advertising Program		500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Production		98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530
Research		18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474
Agency Fee		117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005
Public Relations		83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333
Total Marketing & Sales		\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639	\$ 1,185,639
OUTSOURCED RESEARCH & DEVELOPMENT													
R&D Expenditure as a Percentage of Sales (Accrual)		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
R&D Expense		\$ 83,617	\$ 85,978	\$ 88,351	\$ 905,681	\$ 90,736	\$ 93,133	\$ 95,543	\$ 97,965	\$ 99,105	\$ 100,689	\$ 102,610	\$ 104,629
Total R&D		\$ 83,617	\$ 85,978	\$ 88,351	\$ 905,681	\$ 90,736	\$ 93,133	\$ 95,543	\$ 97,965	\$ 99,105	\$ 100,689	\$ 102,610	\$ 104,629
GENERAL & ADMINISTRATIVE													
RENT EXPENSE													
Headcount		94	94	94	94	94	94	94	94	94	94	94	94
Average Space per Employee - Including Common (Sq Ft)		350	350	350	350	350	350	350	350	350	350	350	350
Total Space Required (Sq Ft)		32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900
Cost per Square Foot per Month		\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
Total Rent		\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350	\$ 49,350
TELECOMMUNICATIONS EXPENSE													
Headcount		94	94	94	94	94	94	94	94	94	94	94	94
Average Monthly Long Distance Usage per Employee (In Minutes)		400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes		37,600	37,600	37,600	37,600	37,600	37,600	37,600	37,600	37,600	37,600	37,600	37,600
Avg Cost Per Minute		\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Fixed Cost per Month		\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Telecom		\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512	\$ 24,512

Headcount & Expense Input

50% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
MATERIALS & SUPPLIES												
Headcount	94	94	94	94	94	94	94	94	94	94	94	94
Average Monthly Materials & Supplies Cost per Employee	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234
Total Materials & Supplies	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993	\$ 21,993
Annual Growth												
TRAVEL & ENTERTAINMENT												
Average Number of Employees that Routinely Incur T & E	12	12	12	12	12	12	12	12	12	12	12	12
Average Monthly T & E Costs per Employee	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293
Total Travel & Entertainment	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516	\$ 87,516
Annual Growth												
SEMINARS & CONFERENCES												
Average Number of Employees Routinely Attending Conferences	12	12	12	12	12	12	12	12	12	12	12	12
Average Number of Conferences Attended per Month	2	2	2	2	2	2	2	2	2	2	2	2
Average Cost per Conferences	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468	\$ 468
Total Seminars & Conferences	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231	\$ 11,231
Annual Growth (In Cost)												
INSURANCE												
Commercial Umbrella Liability	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404	\$ 1,404
Commercial Property	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574	\$ 2,574
Directors Liability	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925	\$ 2,925
Total Insurance	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902	\$ 6,902
Annual Growth												
FACILITY MAINTENANCE & OTHER												
Utilities	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702	\$ 702
Facility Maintenance & Other	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679	\$ 4,679
Total Facility Maintenance & Other	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381	\$ 5,381
Annual Growth												
PROFESSIONAL SERVICES												
Legal Services	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459	\$ 1,459
Financial & Accounting Services	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293	\$ 7,293
Other Outside Services	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039	\$ 3,039
Total Professional Fees	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790	\$ 11,790
Annual Growth												
TRADEMARK REVIEW												
Percentage of New Registrations Challenged	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Number of Reviews Challenged	9,626	9,678	9,927	9,977	10,026	10,077	10,127	10,176	10,228	10,280	10,331	10,383
Average Cost Per Trademark Review	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02	\$ 7.02
Total Trademark Review	\$ 68,887	\$ 69,332	\$ 69,879	\$ 70,027	\$ 70,377	\$ 70,729	\$ 71,083	\$ 71,438	\$ 71,795	\$ 72,154	\$ 72,515	\$ 72,878
Annual Growth (In Cost)												
SITE HOSTING, CONNECTIVITY, DEVEL. & MAINT.												
Fully Outsourced and Managed Web Site Hosting	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170
Connectivity	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755	\$ 1,755
Professional Services	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585	\$ 585
Total Site Hosting & Connectivity	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510	\$ 3,510
Annual Growth												
OTHER GENERAL & ADMINISTRATIVE												
Dues & Subscriptions	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526
Postage & Delivery	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600

50% CONFIDENCE LEVEL

gTLD CONSORTIUM
Detail P&L

P&L	Period	Year 1											
		1	2	3	4	5	6	7	8	9	10	11	12
Revenue								← SUNRISE PERIOD →					
Monthly Growth Rate								0%	-25%	QUIET	0%	-33%	-38%
New Domains Registered	300,000							400,000	300,000		900,000	600,000	375,000
Initial Annual Subscription Terms (Enter as Integer)													
Weighted Avg. Initial Subscription Term 1	2.1 Years							2.1	2.1	2.1	2.1	2.1	2.1
Sunrise Period Subscription Term (Only)	5.0 Years							5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)								-	-	-	1,890,000	1,260,000	787,500
Domain Years - Sunrise Period Subscriptions (Sales Units)								2,000,000	1,500,000	-	-	-	-
New Domains Total Domain Years - (Sales Units)								2,000,000	1,500,000	-	1,890,000	1,260,000	787,500
New Domains Up For Renewal													
Initial Subscription Domains Up For Renewal (Term 1)								-	-	-	-	-	-
Second Renewal Period Domains Up For Renewal (Term 1)								-	-	-	-	-	-
Sunrise Subscription Terms Up For Renewal								-	-	-	-	-	-
Renewal Rate	70%							-	70%	70%	70%	70%	70%
Domains Renewed after Initial Registration (Term 1 Subscriptions)								-	-	-	-	-	-
Second Renewal Period Domains Renewed								-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)								-	-	-	-	-	-
Total Domains Renewed								-	-	-	-	-	-
Weighted Avg. Renewal Term Following Initial Reg	1.5 Years							1.5	1.5	1.5	1.5	1.5	1.5
Renewal Domain Years Term 1 Subscriptions (Sales Units)								-	-	-	-	-	-
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)								-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)								-	-	-	-	-	-
Total Domains Under Management								400,000	700,000	700,000	1,600,000	2,200,000	2,575,000
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)								-	-	-	1,890,000	1,260,000	787,500
Total Domain Years - Renewal Subscriptions (Sales Units)								-	-	-	-	-	-
Total Domain Years - From Sunrise Period Subscriptions (Sales Units)								2,000,000	1,500,000	-	-	-	-
Total Domain Years (Sales Units)								2,000,000	1,500,000	-	1,890,000	1,260,000	787,500
Registration Fee Per Domain Name Year (Cash)	\$5.75							5.75	5.75	5.75	5.75	5.75	5.75
Total Registration Revenue Term 1 - (Cash)								-	-	-	10,867,500	7,245,000	4,528,125
Total Registration Revenue Renewals Term 1 (Cash)								-	-	-	-	-	-
Total Registration Revenue Sunrise Period Subscriptions (Cash)								11,500,000	8,625,000	-	-	-	-
Total Registration Revenue (Cash)								11,500,000	8,625,000	-	10,867,500	7,245,000	4,528,125
Total Registration Revenue - Term 1 (Accrual)								-	-	-	431,250	718,750	898,438
Total Registration Revenue Renewals - Term 1 (Accrual)								-	-	-	-	-	-
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)								191,667	335,417	335,417	335,417	335,417	335,417
Total Registration Revenue (Accrual)								191,667	335,417	335,417	766,667	1,054,167	1,233,854
Transfer Activity (% of New Registrations)	2.0%							2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Total Number of Transfers								8,000	6,000	-	18,000	12,000	7,500
Incremental Domain Years Yield from Transfers	0.5 Years							0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)								4,000	3,000	-	9,000	6,000	3,750
Total Transfer Revenue (Cash)								23,000	17,250	-	51,750	34,500	21,563
Total Transfer Revenue (Accrual)								3,833	6,708	6,708	15,333	21,083	24,677
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20							80,000	60,000	-	180,000	120,000	75,000
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)								-	-	-	1,890,000	1,260,000	787,500
Total Sales Units - Term 1 Renewals (From Above)								-	-	-	-	-	-
Total Sales Units - Sunrise Period Subscriptions (From Above)								2,000,000	1,500,000	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)								4,000	3,000	-	9,000	6,000	3,750
Total Sales Units								2,004,000	1,503,000	-	1,899,000	1,266,000	791,250
Core Registry Fee per Name	\$2.95							2.95	2.95	2.95	2.95	2.95	2.95
Core Registry Fee - Term 1 (Cash)								-	-	-	2,655,000	1,770,000	1,106,250
Core Registry Fee - Term 1 Renewals (Cash)								-	-	-	-	-	-
Core Registry Fee - Sunrise Period Subscriptions (Cash)								1,180,000	885,000	-	-	-	-
Core Registry Fee - Transfers (Cash)								11,800	8,850	-	26,550	17,700	11,063
Total Core Registry Fee (Cash)								1,191,800	893,850	-	2,681,550	1,787,700	1,117,313
Total Core Registry Fee - Term 1 (Accrual)								-	-	-	221,250	368,750	460,938
Total Core Registry Fee - Term 1 Renewals (Accrual)								-	-	-	-	-	-
Total Core Registry Fee - Sunrise Period (Accrual)								98,333	172,083	172,083	172,083	172,083	172,083

Core Registry Fee - Transfers	1,967	3,442	3,442	7,867	10,817	12,660
Core Registry Fee (Accrual)	100,300	175,525	175,525	401,200	551,650	645,681
Total Registry Operations	100,300	175,525	175,525	401,200	551,650	645,681

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	18,229	37,500	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	121,042
Equipment Operating Leases	-	-	-	-	-	-	-	-	-	-	-	-
Remote Centers	-	-	-	-	-	-	-	-	-	-	-	-
Network Operations Center	-	-	-	-	-	-	-	-	-	-	-	-
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-
Total Systems Development & Support	18,229	37,500	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	43,229	121,042
Customer Service												
Labor	-	-	3,646	26,042	42,396	42,396	42,396	42,396	48,542	48,542	48,542	114,917
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service	-	-	3,646	26,042	42,396	42,396	42,396	42,396	48,542	48,542	48,542	114,917
Marketing & Sales												
Labor	-	19,271	32,813	32,813	32,813	32,813	32,813	32,813	40,625	40,625	40,625	98,750
Advertising & Promotion:												
Media	-	-	-	-	-	-	700,000	700,000	700,000	2,000,000	2,000,000	2,000,000
Co-op Advertising	-	-	-	-	-	-	-	-	-	2,000,000	2,000,000	2,000,000
Production	-	-	-	-	-	100,000	100,000	100,000	1,000,000	200,000	100,000	-
Research	-	-	-	-	-	-	50,000	50,000	50,000	50,000	50,000	50,000
Agency Fee	100,000	100,000	100,000	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Public Relations	200,000	200,000	200,000	300,000	400,000	400,000	400,000	400,000	500,000	500,000	500,000	500,000
Total Marketing & Sales	300,000	319,271	332,813	432,813	632,813	732,813	1,482,813	1,482,813	2,490,625	4,990,625	4,890,625	4,848,750
General & Administrative												
Labor	-	20,313	28,646	68,750	83,333	83,333	83,333	83,333	83,333	83,333	83,333	203,646
Rent	525	3,675	6,825	11,025	15,225	15,225	15,225	15,225	16,800	16,800	16,800	16,800
Telecommunications	20,048	20,336	20,624	21,008	21,392	21,392	21,392	21,392	21,536	21,536	21,536	21,536
Materials & Supplies	200	1,400	2,600	4,200	5,800	5,800	5,800	5,800	6,400	6,400	6,400	6,400
Travel & Entertainment	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000
Seminars & Conferences	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600
Insurance	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900
Facility Maintenance & Other	-	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Legal Services	100,000	100,000	100,000	100,000	100,000	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Financial & Accounting Services	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Other Outside Services	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Trademark Review	-	-	-	-	-	-	48,000	36,000	-	108,000	72,000	45,000
Site Hosting, Connectivity, and Devel. & Maint.	-	-	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Other General & Administrative	7,600	8,200	11,200	12,000	12,800	12,800	12,800	12,800	13,100	13,100	13,100	13,100
Total G&A	224,373	254,524	270,495	320,583	342,150	243,350	291,350	279,350	245,969	353,969	317,969	411,282
R&D												
Labor	-	-	-	-	-	-	-	-	-	-	-	-
Outsourced R&D Efforts	-	-	-	-	-	-	1,955	3,421	3,421	7,820	10,753	12,585
Total R&D	-	-	-	-	-	-	1,955	3,421	3,421	7,820	10,753	12,585
Total Operating Expenses	542,602	611,294	650,182	822,666	1,060,588	1,061,788	1,962,043	2,026,734	3,007,311	5,845,385	5,862,768	6,154,257
Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)	(542,602)	(611,294)	(650,182)	(822,666)	(1,060,588)	(1,061,788)	(1,766,543)	(1,684,609)	(2,665,186)	(5,063,385)	(4,787,518)	(4,895,725)
Depreciation & Amortization	-	5,139	14,417	16,569	17,347	18,125	18,125	18,125	18,125	18,417	18,417	18,417
Earnings Before Interest, Taxes	(542,602)	(616,433)	(664,599)	(839,236)	(1,077,935)	(1,079,913)	(1,784,668)	(1,702,734)	(2,683,311)	(5,081,802)	(4,805,934)	(4,914,142)
Interest	-	6,313	4,952	3,900	2,755	1,325	-	13,579	21,935	17,816	25,724	25,201
Pretax Consortium Profit (Before Rebates)	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,668)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)
Rebate Pool (% of Before Tax Profits)	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Consortium Profit	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,668)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,668)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 1 Month 1	Year 1 Month 2	Year 1 Month 3	Year 1 Month 4	Year 1 Month 5	Year 1 Month 6	Year 1 Month 7	Year 1 Month 8	Year 1 Month 9	Year 1 Month 10	Year 1 Month 11	Year 1 Month 12
Current Assets:												
Cash	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$9,311,556	\$15,040,926	\$12,216,346	\$17,639,020	\$17,280,520	\$14,856,621
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$1,091,500	\$1,809,825	\$1,634,300	\$3,914,650	\$5,150,700	\$5,622,331
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$5,750	\$10,063	\$10,063	\$23,000	\$31,625	\$37,016
Total Current Assets	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$10,408,806	\$16,860,813	\$13,860,709	\$21,576,670	\$22,462,845	\$20,515,968
Fixed Assets:												
Plant, Property, & Equipment	\$185,000	\$519,000	\$596,500	\$624,500	\$652,500	\$652,500	\$652,500	\$652,500	\$663,000	\$663,000	\$663,000	\$663,000
Accumulated Depreciation	\$0	(\$5,139)	(\$19,556)	(\$36,125)	(\$53,472)	(\$71,597)	(\$89,722)	(\$107,847)	(\$125,972)	(\$144,389)	(\$162,806)	(\$181,222)
Total Fixed Assets	\$185,000	\$513,861	\$576,944	\$588,375	\$599,028	\$580,903	\$562,778	\$544,653	\$537,028	\$518,611	\$500,194	\$481,778
Total Assets	\$4,513,838	\$3,909,743	\$3,251,303	\$2,477,742	\$1,507,762	\$427,124	\$10,971,584	\$17,405,466	\$14,397,737	\$22,095,281	\$22,963,039	\$20,997,745
Current Liabilities:												
Accounts Payable	266,440	285,092	296,202	365,778	476,488	477,088	1,472,966	1,318,724	1,358,365	4,005,340	3,491,881	3,169,383
Unearned Revenue	-	-	-	-	-	-	11,327,500	19,627,625	19,285,500	29,422,750	35,627,000	38,918,156
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$5,750	\$10,063	\$10,063	\$23,000	\$31,625	\$37,016
Total Current Liabilities	\$266,440	\$285,092	\$296,202	\$365,778	\$476,488	\$477,088	\$12,806,216	\$20,956,411	\$20,653,928	\$33,451,090	\$39,150,506	\$42,124,555
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(\$42,802)	(\$1,165,348)	(\$1,834,900)	(\$2,678,035)	(\$3,758,726)	(\$4,839,964)	(\$6,624,632)	(\$8,340,945)	(\$11,046,191)	(\$16,145,809)	(\$20,977,467)	(\$25,916,809)
Total Owner Equity	\$4,247,198	\$3,624,652	\$2,955,100	\$2,111,965	\$1,031,274	(\$49,964)	(\$1,834,632)	(\$3,550,945)	(\$6,256,191)	(\$11,355,809)	(\$16,187,467)	(\$21,126,809)
Total Equity & Liabilities	\$4,513,838	\$3,909,743	\$3,251,303	\$2,477,742	\$1,507,762	\$427,124	\$10,971,584	\$17,405,466	\$14,397,737	\$22,095,281	\$22,963,039	\$20,997,745
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	-	-	-	-	-	-	595,900	446,925	-	1,340,775	893,850	558,656
Accounts Payable as a % of Core Registry Expense (As Defined Above)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	4,253	17,986	25,278	39,861	47,080	47,080	47,080	47,080	50,337	50,337	50,337	125,616
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operator, and D	262,187	267,106	270,925	325,917	429,409	430,009	829,986	824,719	1,308,029	2,614,228	2,547,694	2,485,111
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	-	-	-	-	-	-	5,750	10,063	10,063	23,000	31,625	37,016
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	-	-	-	-	-	-	5,750	10,063	10,063	23,000	31,625	37,016
Other Current Liabilities as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 1 Month 1	Year 1 Month 2	Year 1 Month 3	Year 1 Month 4	Year 1 Month 5	Year 1 Month 6	Year 1 Month 7	Year 1 Month 8	Year 1 Month 9	Year 1 Month 10	Year 1 Month 11	Year 1 Month 12
Cash From Operations:												
Net Income After Taxes	(542,602)	(622,746)	(669,551)	(843,136)	(1,080,690)	(1,081,238)	(1,784,688)	(1,716,313)	(2,705,246)	(5,099,617)	(4,831,658)	(4,939,343)
Add-back: Depreciation & Amortization	-	5,139	14,417	16,569	17,347	18,125	18,125	18,125	18,125	18,417	18,417	18,417
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	(1,091,500)	(718,325)	175,525	(2,280,350)	(1,236,050)	(471,631)
Change in Other Current Assets	-	-	-	-	-	-	(5,750)	(4,313)	-	(12,938)	(8,625)	(5,391)
Change in Accounts Payable	266,440	18,652	11,111	69,575	110,711	600	995,878	(154,242)	39,641	2,646,974	(513,459)	(322,498)
Change in Unearned Revenue	-	-	-	-	-	-	11,327,500	8,300,125	(342,125)	10,137,250	6,204,250	3,291,156
Change in Other Current Liabilities	-	-	-	-	-	-	5,750	4,313	-	12,938	8,625	5,391
Total Cash Flow from Operations	(\$276,162)	(\$598,956)	(\$644,024)	(\$756,991)	(\$952,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,814,080)	\$5,422,674	(\$358,500)	(\$2,423,899)
Cash From Investing Activities:												
Capital Expenditures	(\$185,000)	(\$334,000)	(\$77,500)	(\$28,000)	(\$28,000)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0
Total Cash Flow from Investing Activities	(\$185,000)	(\$334,000)	(\$77,500)	(\$28,000)	(\$28,000)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0
Cash Flow Before Financing	(\$461,162)	(\$932,956)	(\$721,524)	(\$784,991)	(\$980,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,824,580)	\$5,422,674	(\$358,500)	(\$2,423,899)
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions	\$4,790,000											
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$4,790,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	\$4,328,838	(\$932,956)	(\$721,524)	(\$784,991)	(\$980,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,824,580)	\$5,422,674	(\$358,500)	(\$2,423,899)
Beginning Cash Balance	\$0	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$9,311,556	\$15,040,926	\$12,216,346	\$17,639,020	\$17,280,520
Net Increase/(Decrease) in Cash	\$4,328,838	(\$932,956)	(\$721,524)	(\$784,991)	(\$980,632)	(\$1,062,513)	\$9,465,335	\$5,729,370	(\$2,824,580)	\$5,422,674	(\$358,500)	(\$2,423,899)
Ending Cash Balance	\$4,328,838	\$3,395,882	\$2,674,358	\$1,889,367	\$908,735	(\$153,778)	\$9,311,556	\$15,040,926	\$12,216,346	\$17,639,020	\$17,280,520	\$14,856,621

50% CONFIDENCE LEVEL

gTLD CONSORTIUM
Detail P&L

P&L	Period	Year 2											
		1	2	3	4	5	6	7	8	9	10	11	12
Revenue													
Monthly Growth Rate		-20.0%	4.5%	4.5%	4.5%	4.5%	4.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
New Domains Registered	300,000	300,000	313,500	327,608	342,350	357,756	373,855	379,463	385,155	390,932	396,796	402,748	408,789
Initial Annual Subscription Terms (Enter as Integer)													
Weighted Avg. Initial Subscription Term 1	2.1 Years	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Sunrise Period Subscription Term (Only)	5.0 Years	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)		630,000	658,350	687,977	718,935	751,288	785,096	796,872	808,826	820,957	833,272	845,771	858,457
Domain Years - Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		630,000	658,350	687,977	718,935	751,288	785,096	796,872	808,826	820,957	833,272	845,771	858,457
New Domains Up For Renewal													
Initial Subscription Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	-	-	-
Second Renewal Period Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	-	-	-
Sunrise Subscription Terms Up For Renewal		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Domains Renewed after Initial Registration (Term 1 Sub)													
Second Renewal Period Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Weighted Avg. Renewal Term Following Initial Reg	1.5 Years	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Renewal Domain Years Term 1 Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Under Management		2,875,000	3,188,500	3,516,108	3,858,458	4,216,214	4,590,069	4,969,532	5,354,887	5,745,619	6,142,415	6,545,163	6,953,952
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)		630,000	658,350	687,977	718,935	751,288	785,096	796,872	808,826	820,957	833,272	845,771	858,457
Total Domain Years - Renewal Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years - From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		630,000	658,350	687,977	718,935	751,288	785,096	796,872	808,826	820,957	833,272	845,771	858,457
Registration Fee Per Domain Name Year (Cash) \$5.75													
Total Registration Revenue Term 1 - (Cash)		3,622,500	3,785,513	3,955,867	4,133,876	4,319,904	4,514,299	4,582,016	4,650,747	4,720,504	4,791,312	4,863,182	4,936,127
Total Registration Revenue Renewals Term 1 (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		3,622,500	3,785,513	3,955,867	4,133,876	4,319,904	4,514,299	4,582,016	4,650,747	4,720,504	4,791,312	4,863,182	4,936,127
Total Registration Revenue - Term 1 (Accrual)		1,042,188	1,192,406	1,349,385	1,513,428	1,684,853	1,863,991	2,045,817	2,230,371	2,417,692	2,607,824	2,800,807	2,996,685
Total Registration Revenue Renewals - Term 1 (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417
Total Registration Revenue (Accrual)		1,377,604	1,527,823	1,684,802	1,848,844	2,020,269	2,199,408	2,381,234	2,565,788	2,753,109	2,943,241	3,136,224	3,332,102
Transfer Activity (% of New Registrations) 2.0%													
Total Number of Transfers		6,000	6,270	6,552	6,847	7,155	7,477	7,589	7,703	7,819	7,936	8,055	8,176
Incremental Domain Years Yield from Transfers	0.5 Years	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)		3,000	3,135	3,276	3,424	3,578	3,739	3,795	3,852	3,909	3,968	4,027	4,088
Total Transfer Revenue (Cash)		17,250	18,026	18,837	19,685	20,571	21,497	21,819	22,146	22,479	22,816	23,158	23,505
Total Transfer Revenue (Accrual)		23,719	23,848	26,988	21,644	19,322	19,311	20,073	20,759	21,366	21,888	22,319	22,654
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	60,000	62,700	65,522	68,470	71,551	74,771	235,893	197,031	78,186	259,359	200,550	156,758
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)		630,000	658,350	687,977	718,935	751,288	785,096	796,872	808,826	820,957	833,272	845,771	858,457
Total Sales Units - Term 1 Renewals (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)		3,000	3,135	3,276	3,424	3,578	3,739	3,795	3,852	3,909	3,968	4,027	4,088
Total Sales Units		633,000	661,485	691,253	722,359	754,865	788,834	800,667	812,677	824,867	837,240	849,798	862,545
Core Registry Fee per Name	\$2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95
Core Registry Fee - Term 1 (Cash)		885,000	924,825	966,444	1,009,933	1,055,380	1,102,872	2,299,416	2,021,207	1,153,249	3,825,548	2,958,107	2,312,178
Core Registry Fee - Term 1 Renewals (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period Subscriptions (Cash)		-	-	-	-	-	-	1,180,000	885,000	-	-	-	-
Core Registry Fee - Transfers (Cash)		8,850	9,248	9,664	10,099	10,554	11,029	11,194	11,362	11,532	11,705	11,881	12,059
Total Core Registry Fee (Cash)		893,850	934,073	976,108	1,020,032	1,065,934	1,113,901	3,490,610	2,917,569	1,164,782	3,837,254	2,969,988	2,324,237
Core Registry Fee - Term 1 (Accrual)		534,688	611,756	692,293	776,454	864,403	956,309	1,147,927	1,316,361	1,412,485	1,510,010	1,609,019	1,709,513
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)		172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083

Core Registry Fee - Transfers	12,169	12,235	13,846	11,104	9,913	9,907	10,298	10,650	10,962	11,229	11,451	11,622
Core Registry Fee (Accrual)	718,940	796,075	878,222	959,642	1,046,399	1,138,299	1,330,308	1,499,094	1,595,510	1,693,323	1,792,553	1,893,219
Total Registry Operations	718,940	796,075	878,222	959,642	1,046,399	1,138,299	1,330,308	1,499,094	1,595,510	1,693,323	1,792,553	1,893,219

	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	220,391	298,203
Equipment Operating Leases	-	-	-	-	-	-	-	-	27,831	27,831	142,717	380,336
Remote Centers	-	-	-	-	-	-	-	-	-	-	28,800	28,800
Network Operations Center	-	-	-	-	-	-	-	-	-	-	-	-
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-
Total Systems Development & Support	45,391	45,391	45,391	45,391	45,391	45,391	45,391	73,222	73,222	216,908	629,527	707,339
Customer Service												
Labor	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	123,797
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	57,422	123,797
Marketing & Sales												
Labor	50,859	50,859	50,859	50,859	50,859	50,859	50,859	50,859	50,859	50,859	50,859	108,984
Advertising & Promotion:												
Media	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947	595,947
Co-op Advertising	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Production	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363	124,363
Research	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318	23,318
Agency Fee	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681	147,681
Public Relations	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Marketing & Sales	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,692,167	1,750,292
General & Administrative												
Labor	87,500	87,500	93,516	102,266	102,266	102,266	102,266	102,266	102,266	102,266	102,266	222,578
Rent	18,375	18,375	18,900	20,475	20,475	23,100	23,100	23,100	23,100	23,100	38,850	38,850
Telecommunications	21,680	21,680	21,728	21,872	21,872	22,112	22,112	22,112	22,112	22,112	23,552	23,552
Materials & Supplies	7,280	7,280	7,488	8,112	8,112	9,152	9,152	9,152	9,152	9,152	15,392	15,392
Travel & Entertainment	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600
Seminars & Conferences	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984
Insurance	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136	6,136
Facility Maintenance & Other	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784	4,784
Legal Services	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260
Financial & Accounting Services	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300
Other Outside Services	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625
Trademark Review	37,440	39,125	40,885	42,725	44,648	46,657	47,357	48,067	48,788	49,520	50,263	51,017
Site Hosting, Connectivity, and Devel. & Maint.	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120
Other General & Administrative	13,796	13,796	13,896	14,196	14,196	14,696	14,696	14,696	14,696	14,696	17,696	17,696
Total G&A	295,980	297,565	306,222	319,455	321,378	327,792	328,492	329,202	329,923	330,655	357,828	478,894
R&D												
Labor	-	-	-	10,938	10,938	50,313	50,313	50,313	50,313	50,313	50,313	50,313
Outsourced R&D Efforts	39,955	14,013	15,517	17,118	18,705	20,396	22,187	24,013	25,865	27,745	29,651	31,585
Total R&D	39,955	14,013	15,517	28,055	29,642	70,708	72,500	74,326	76,178	78,057	79,964	81,898
Total Operating Expenses	2,849,755	2,902,633	2,994,941	3,102,132	3,192,399	3,331,779	3,526,279	3,725,433	3,824,422	4,068,532	4,609,461	5,035,439
Earnings Before Interest, Taxes, Depreciation & Amortization (EBIT)	(1,448,432)	(1,350,962)	(1,283,152)	(1,231,644)	(1,152,808)	(1,113,060)	(1,124,973)	(1,138,886)	(1,049,946)	(1,103,404)	(1,450,918)	(1,680,893)
Depreciation & Amortization	18,417	18,708	18,708	18,806	19,278	19,278	20,667	20,667	20,667	20,667	20,667	29,000
Earnings Before Interest, Taxes	(1,466,849)	(1,369,670)	(1,301,860)	(1,250,449)	(1,172,085)	(1,132,338)	(1,145,639)	(1,159,553)	(1,070,613)	(1,124,070)	(1,471,584)	(1,709,683)
Interest	1.75%	21,666	20,006	21,101	22,387	23,818	25,465	27,200	27,317	26,174	26,827	26,699
Pretax Consortium Profit (Before Rebates)	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)
Rebate Pool (% of Before Tax Profits)	25%	-	-	-	-	-	-	-	-	-	-	-
Pretax Consortium Profit	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)
Estimated Stockholder Taxes	40%	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET												
Period	Year 2 Month 1	Year 2 Month 2	Year 2 Month 3	Year 2 Month 4	Year 2 Month 5	Year 2 Month 6	Year 2 Month 7	Year 2 Month 8	Year 2 Month 9	Year 2 Month 10	Year 2 Month 11	Year 2 Month 12
Current Assets:												
Cash	\$13,718,177	\$14,469,062	\$15,350,832	\$16,332,082	\$17,461,511	\$18,651,685	\$18,731,338	\$17,947,754	\$18,395,762	\$18,308,141	\$16,702,627	\$15,925,192
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$5,797,242	\$5,935,240	\$6,033,126	\$6,093,516	\$6,113,051	\$6,088,653	\$8,248,955	\$9,667,430	\$9,236,702	\$11,380,632	\$12,558,067	\$12,989,084
Other Current Assets	\$41,328	\$45,835	\$50,544	\$55,465	\$60,608	\$65,982	\$71,437	\$76,974	\$82,593	\$88,297	\$94,087	\$99,963
Total Current Assets	\$19,556,747	\$20,450,136	\$21,434,502	\$22,481,063	\$23,635,170	\$24,806,319	\$27,051,730	\$27,692,158	\$27,715,057	\$29,777,071	\$29,354,781	\$29,014,240
Fixed Assets:												
Plant, Property, & Equipment	\$673,500	\$673,500	\$677,000	\$694,000	\$694,000	\$744,000	\$744,000	\$744,000	\$744,000	\$744,000	\$1,044,000	\$1,044,000
Accumulated Depreciation	(\$199,639)	(\$218,347)	(\$237,056)	(\$255,861)	(\$275,139)	(\$294,417)	(\$315,083)	(\$335,750)	(\$356,417)	(\$377,083)	(\$397,750)	(\$426,750)
Total Fixed Assets	\$473,861	\$455,153	\$439,944	\$438,139	\$418,861	\$449,583	\$428,917	\$408,250	\$387,583	\$366,917	\$646,250	\$617,250
Total Assets	\$20,030,608	\$20,905,289	\$21,874,446	\$22,919,202	\$24,054,031	\$25,255,903	\$27,480,646	\$28,100,408	\$28,102,641	\$30,143,988	\$30,001,031	\$29,631,490
Current Liabilities:												
Accounts Payable	1,448,020	1,456,003	1,480,497	1,510,094	1,534,800	1,572,024	2,761,624	2,476,372	1,601,265	2,938,806	2,560,546	2,314,294
Unearned Revenue	41,156,583	43,408,451	45,671,266	47,954,439	50,255,322	52,572,399	54,774,927	56,861,273	58,829,781	60,678,780	62,406,577	64,011,453
Other Current Liabilities	\$41,328	\$45,835	\$50,544	\$55,465	\$60,608	\$65,982	\$71,437	\$76,974	\$82,593	\$88,297	\$94,087	\$99,963
Total Current Liabilities	\$42,645,932	\$44,910,289	\$47,202,406	\$49,519,999	\$51,850,731	\$54,210,405	\$57,607,988	\$59,414,619	\$60,513,639	\$63,705,883	\$65,061,210	\$66,425,710
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(\$27,405,324)	(\$28,795,000)	(\$30,117,960)	(\$31,390,797)	(\$32,586,700)	(\$33,744,502)	(\$34,917,342)	(\$36,104,211)	(\$37,200,998)	(\$38,351,896)	(\$39,850,179)	(\$41,584,221)
Total Owner Equity	(\$22,615,324)	(\$24,005,000)	(\$25,327,960)	(\$26,600,797)	(\$27,796,700)	(\$28,954,502)	(\$30,127,342)	(\$31,314,211)	(\$32,410,998)	(\$33,561,896)	(\$35,060,179)	(\$36,794,221)
Total Equity & Liabilities	\$20,030,608	\$20,905,289	\$21,874,446	\$22,919,202	\$24,054,031	\$25,255,903	\$27,480,646	\$28,100,408	\$28,102,641	\$30,143,988	\$30,001,031	\$29,631,490
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Sheet Assumptions - Working Capital												
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	446,925	467,037	488,054	510,016	532,967	556,950	1,745,305	1,458,785	582,391	1,918,627	1,484,994	1,162,118
Accounts Payable as a % of Core Registry Expense (As Defined A)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	56,273	56,273	57,677	62,271	62,271	71,458	71,458	71,458	71,458	71,458	112,292	187,571
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operat	944,822	932,693	934,766	937,808	939,562	943,615	944,861	946,129	947,415	948,721	963,261	964,605
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	41,328	45,835	50,544	55,465	60,608	65,982	71,437	76,974	82,593	88,297	94,087	99,963
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	41,328	45,835	50,544	55,465	60,608	65,982	71,437	76,974	82,593	88,297	94,087	99,963
Other Current Liabilities as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 2 Month 1	Year 2 Month 2	Year 2 Month 3	Year 2 Month 4	Year 2 Month 5	Year 2 Month 6	Year 2 Month 7	Year 2 Month 8	Year 2 Month 9	Year 2 Month 10	Year 2 Month 11	Year 2 Month 12
Cash From Operations:												
Net Income After Taxes	(1,488,515)	(1,389,676)	(1,322,961)	(1,272,836)	(1,195,903)	(1,157,803)	(1,172,840)	(1,186,869)	(1,096,787)	(1,150,897)	(1,498,284)	(1,734,041)
Add-back: Depreciation & Amortization	18,417	18,708	18,708	18,806	19,278	19,278	20,667	20,667	20,667	20,667	20,667	29,000
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(174,910)	(137,999)	(97,866)	(60,390)	(19,535)	24,398	(2,160,302)	(1,418,475)	430,728	(2,143,931)	(1,177,434)	(431,018)
Change in Other Current Assets	(4,313)	(4,507)	(4,709)	(4,921)	(5,143)	(5,374)	(5,455)	(5,537)	(5,620)	(5,704)	(5,790)	(5,876)
Change in Accounts Payable	(1,721,383)	7,983	24,494	29,598	24,706	37,224	1,189,600	(285,252)	(875,107)	1,337,541	(378,260)	(246,252)
Change in Unearned Revenue	2,238,427	2,251,868	2,262,915	2,283,073	2,300,883	2,317,077	2,202,528	2,086,346	1,968,507	1,848,999	1,727,797	1,604,877
Change in Other Current Liabilities	4,313	4,507	4,709	4,921	5,143	5,374	5,455	5,537	5,620	5,704	5,790	5,876
Total Cash Flow from Operations	(\$1,127,944)	\$750,885	\$885,270	\$998,250	\$1,129,429	\$1,240,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,305,514)	(\$777,435)
Cash From Investing Activities:												
Capital Expenditures	(\$10,500)	\$0	(\$3,500)	(\$17,000)	\$0	(\$50,000)	\$0	\$0	\$0	\$0	(\$300,000)	\$0
Total Cash Flow from Investing Activities	(\$10,500)	\$0	(\$3,500)	(\$17,000)	\$0	(\$50,000)	\$0	\$0	\$0	\$0	(\$300,000)	\$0
Cash Flow Before Financing	(\$1,138,444)	\$750,885	\$881,770	\$981,250	\$1,129,429	\$1,190,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,605,514)	(\$777,435)
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	(\$1,138,444)	\$750,885	\$881,770	\$981,250	\$1,129,429	\$1,190,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,605,514)	(\$777,435)
Beginning Cash Balance	\$14,856,621	\$13,718,177	\$14,469,062	\$15,350,832	\$16,332,082	\$17,461,511	\$18,651,685	\$18,731,338	\$17,947,754	\$18,395,762	\$18,308,141	\$16,702,627
Net Increase/(Decrease) in Cash	(\$1,138,444)	\$750,885	\$881,770	\$981,250	\$1,129,429	\$1,190,174	\$79,653	(\$783,584)	\$448,008	(\$87,621)	(\$1,605,514)	(\$777,435)
Ending Cash Balance	\$13,718,177	\$14,469,062	\$15,350,832	\$16,332,082	\$17,461,511	\$18,651,685	\$18,731,338	\$17,947,754	\$18,395,762	\$18,308,141	\$16,702,627	\$15,925,192

50% CONFIDENCE LEVEL

gTLD CONSORTIUM
Detail P&L

P&L	Year 3												
	Period	1	2	3	4	5	6	7	8	9	10	11	12
Revenue													
Monthly Growth Rate		1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
New Domains Registered	300,000	414,921	421,145	427,462	433,874	440,382	446,988	449,223	451,469	453,726	455,995	458,275	460,566
Initial Annual Subscription Terms (Enter as Integer)													
Weighted Avg. Initial Subscription Term 1	2.1 Years	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Sunrise Period Subscription Term (Only)	5.0 Years	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)		871,334	884,405	897,670	911,135	924,802	938,675	943,368	948,085	952,825	957,590	962,378	967,189
Domain Years - Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		871,334	884,405	897,670	911,135	924,802	938,675	943,368	948,085	952,825	957,590	962,378	967,189
New Domains Up For Renewal													
Initial Subscription Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	-	900,000	600,000
Second Renewal Period Domains Up For Renewal (Term 2)		-	-	-	-	-	-	-	-	-	-	-	-
Sunrise Subscription Terms Up For Renewal		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate													
Renewal Rate	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Domains Renewed after Initial Registration (Term 1 Sub)													
Second Renewal Period Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		-	-	-	-	-	-	-	-	-	-	630,000	420,000
Weighted Avg. Renewal Term Following Initial Reg													
Weighted Avg. Renewal Term Following Initial Reg	1.5 Years	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Renewal Domain Years Term 1 Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	1,350,000	900,000
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	1,350,000	900,000
Renewal Total Domain Years (Sales Units)		-	-	-	-	-	-	-	-	-	-	1,350,000	900,000
Total Domains Under Management		7,368,873	7,790,018	8,217,480	8,651,354	9,091,736	9,538,724	9,987,947	10,439,416	10,893,142	11,349,137	11,537,412	11,817,978
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)		871,334	884,405	897,670	911,135	924,802	938,675	943,368	948,085	952,825	957,590	962,378	967,189
Total Domain Years - Renewal Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	1,350,000	900,000
Total Domain Years - From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		871,334	884,405	897,670	911,135	924,802	938,675	943,368	948,085	952,825	957,590	2,312,378	1,867,189
Registration Fee Per Domain Name Year (Cash)													
Registration Fee Per Domain Name Year (Cash)	\$5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Total Registration Revenue Term 1 - (Cash)		5,010,171	5,085,326	5,161,604	5,239,029	5,317,613	5,397,380	5,424,368	5,451,488	5,478,741	5,506,140	5,533,671	5,561,334
Total Registration Revenue Renewals Term 1 (Cash)		-	-	-	-	-	-	-	-	-	-	7,762,500	5,175,000
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		5,010,171	5,085,326	5,161,604	5,239,029	5,317,613	5,397,380	5,424,368	5,451,488	5,478,741	5,506,140	13,296,171	10,736,334
Total Registration Revenue - Term 1 (Accrual)													
Total Registration Revenue Renewals - Term 1 (Accrual)		3,195,502	3,397,300	3,602,126	3,810,024	4,021,040	4,235,222	4,450,475	4,666,804	4,884,214	5,102,711	5,322,302	5,111,739
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		-	-	-	-	-	-	-	-	-	-	431,250	718,750
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417	335,417
Total Registration Revenue (Accrual)		3,530,918	3,732,717	3,937,543	4,145,440	4,356,457	4,570,699	4,785,891	5,002,220	5,219,631	5,438,128	6,088,968	6,165,906
Transfer Activity (% of New Registrations)													
Transfer Activity (% of New Registrations)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Total Number of Transfers		8,298	8,423	8,549	8,677	8,808	8,940	8,984	9,029	9,075	9,120	9,166	9,211
Incremental Domain Years Yield from Transfers	0.5 Years	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)		4,149	4,211	4,275	4,339	4,404	4,470	4,492	4,515	4,537	4,560	4,583	4,606
Total Transfer Revenue (Cash)		23,858	24,216	24,579	24,948	25,322	25,702	25,830	25,959	26,089	26,220	26,351	26,483
Total Transfer Revenue (Accrual)		22,994	23,339	23,689	24,044	24,405	24,771	25,099	25,390	25,642	25,854	26,025	26,155
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	142,984	146,929	151,014	155,245	159,628	164,169	253,737	233,325	168,932	188,558	310,205	265,371
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)		871,334	884,405	897,670	911,135	924,802	938,675	943,368	948,085	952,825	957,590	962,378	967,189
Total Sales Units - Term 1 Renewals (From Above)		-	-	-	-	-	-	-	-	-	-	1,350,000	900,000
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)		4,149	4,211	4,275	4,339	4,404	4,470	4,492	4,515	4,537	4,560	4,583	4,606
Total Sales Units		875,483	888,616	901,945	915,474	929,206	943,145	947,861	952,600	957,362	962,149	2,316,960	1,871,794
Core Registry Fee per Name													
Core Registry Fee per Name	\$2.95	-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Term 1 (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Term 1 Renewals (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period Subscriptions (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Transfers (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Total Core Registry Fee (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Term 1 (Accrual)		1,635,763	1,558,694	1,478,157	1,393,996	1,306,048	1,214,142	1,022,524	854,090	757,986	439,190	192,681	-
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)		172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083	172,083

Core Registry Fee - Transfers	9,757	7,863	5,941	3,990	2,010	-	-	-	-	-	-	-
Core Registry Fee (Accrual)	1,817,603	1,738,641	1,656,182	1,570,070	1,480,141	1,386,225	1,096,274	854,090	757,986	439,190	192,681	-
Total Registry Operations	1,817,603	1,738,641	1,656,182	1,570,070	1,480,141	1,386,225	1,096,274	854,090	757,986	439,190	192,681	-

	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	231,410	231,410	231,410	231,410	231,410	231,410	231,410	231,410	231,410	231,410	231,410	309,223
Equipment Operating Leases	380,336	380,336	380,336	380,336	380,336	380,336	380,336	380,336	380,336	380,336	380,336	380,336
Remote Centers	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800
Network Operations Center	-	-	-	-	-	-	-	-	24,000	24,000	24,000	24,000
Other Systems Development & Support	-	-	-	-	-	-	-	-	-	-	-	-
Total Systems Development & Support	640,546	640,546	640,546	640,546	640,546	640,546	640,546	640,546	664,546	664,546	664,546	742,359
Customer Service												
Labor	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	126,668
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Customer Service	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	60,293	126,668
Marketing & Sales												
Labor	53,402	53,402	53,402	53,402	53,402	53,402	53,402	53,402	53,402	53,402	53,402	111,527
Advertising & Promotion:												
Media	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714
Co-op Advertising	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Production	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060
Research	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824
Agency Fee	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883
Public Relations	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667
Total Marketing & Sales	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,462,550	1,520,675
General & Administrative												
Labor	107,379	107,379	107,379	107,379	107,379	107,379	107,379	107,379	107,379	107,379	107,379	227,691
Rent	38,850	38,850	38,850	38,850	38,850	38,850	38,850	38,850	38,850	38,850	38,850	38,850
Telecommunications	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552
Materials & Supplies	16,008	16,008	16,008	16,008	16,008	16,008	16,008	16,008	16,008	16,008	16,008	16,008
Travel & Entertainment	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380	79,380
Seminars & Conferences	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383	10,383
Insurance	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381	6,381
Facility Maintenance & Other	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975	4,975
Legal Services	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323
Financial & Accounting Services	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615	6,615
Other Outside Services	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756	2,756
Trademark Review	53,853	54,661	55,481	56,313	57,158	58,015	58,306	58,597	58,890	59,185	59,480	59,778
Site Hosting, Connectivity, and Devel. & Maint.	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245
Other General & Administrative	18,108	18,108	18,108	18,108	18,108	18,108	18,108	18,108	18,108	18,108	18,108	18,108
Total G&A	372,809	373,617	374,437	375,269	376,114	376,971	377,261	377,553	377,846	378,140	378,436	499,046
R&D												
Labor	52,828	52,828	52,828	52,828	52,828	52,828	52,828	52,828	52,828	52,828	52,828	52,828
Outsourced R&D Efforts	33,548	280,343	35,539	37,561	39,612	41,695	43,809	45,954	48,110	50,276	52,453	54,640
Total R&D	86,376	333,172	88,367	90,389	92,440	94,523	96,637	98,782	100,938	103,104	105,281	107,468
Total Operating Expenses	4,440,177	4,608,818	4,282,375	4,109,117	4,112,085	4,021,109	3,733,561	3,493,814	3,424,159	3,107,824	2,863,788	2,996,216
Earnings Before Interest, Taxes, Depreciation & Amortization (EBIT)	(886,265)	(852,763)	(321,144)	(29,632)	268,777	574,301	1,077,429	1,533,796	1,821,113	2,356,158	3,251,206	3,195,846
Depreciation & Amortization	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000
Earnings Before Interest, Taxes	(915,265)	(881,763)	(350,144)	(58,632)	239,777	545,301	1,048,429	1,504,796	1,792,113	2,327,158	3,222,206	3,166,846
Interest	23,224	24,750	28,160	31,674	35,473	39,213	42,818	46,053	48,956	51,828	53,905	66,820
Pretax Consortium Profit (Before Rebates)	(938,490)	(906,512)	(378,304)	(90,306)	204,304	506,088	1,005,612	1,458,743	1,743,158	2,275,530	3,168,301	3,100,025
Rebate Pool (% of Before Tax Profits)	-	-	-	-	51,076	126,522	251,403	364,686	435,789	568,883	792,075	775,006
Pretax Consortium Profit	(938,490)	(906,512)	(378,304)	(90,306)	153,228	379,566	754,209	1,094,057	1,307,368	1,706,648	2,376,226	2,325,019
Estimated Stockholder Taxes	-	-	-	-	61,291	151,826	301,684	437,623	522,947	682,659	950,490	930,008
Estimated Consortium Net Income	(938,490)	(906,512)	(378,304)	(90,306)	91,937	227,740	452,525	656,434	784,421	1,023,989	1,425,735	1,395,011

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 3 Month 1	Year 3 Month 2	Year 3 Month 3	Year 3 Month 4	Year 3 Month 5	Year 3 Month 6	Year 3 Month 7	Year 3 Month 8	Year 3 Month 9	Year 3 Month 10	Year 3 Month 11	Year 3 Month 12
	Current Assets:											
Cash	\$16,971,098	\$19,309,515	\$21,719,352	\$24,324,034	\$26,888,634	\$29,360,741	\$31,578,950	\$33,569,530	\$35,401,720	\$36,963,507	\$45,819,688	\$51,890,976
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$11,171,481	\$9,432,840	\$7,776,659	\$6,206,589	\$4,726,447	\$3,340,222	\$2,243,948	\$1,389,858	\$631,872	\$192,681	\$0	\$0
Other Current Assets	\$105,928	\$111,982	\$118,126	\$124,363	\$130,694	\$137,119	\$143,577	\$150,067	\$156,589	\$163,144	\$182,669	\$184,977
Total Current Assets	\$28,248,507	\$28,854,336	\$29,614,137	\$30,654,986	\$31,745,775	\$32,838,083	\$33,966,475	\$35,109,465	\$36,190,181	\$37,319,332	\$46,002,357	\$52,075,954
Fixed Assets:												
Plant, Property, & Equipment	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000	\$1,044,000
Accumulated Depreciation	(\$455,750)	(\$484,750)	(\$513,750)	(\$542,750)	(\$571,750)	(\$600,750)	(\$629,750)	(\$658,750)	(\$687,750)	(\$716,750)	(\$745,750)	(\$774,750)
Total Fixed Assets	\$588,250	\$559,250	\$530,250	\$501,250	\$472,250	\$443,250	\$414,250	\$385,250	\$356,250	\$327,250	\$298,250	\$269,250
Total Assets	\$28,836,757	\$29,413,586	\$30,144,387	\$31,156,236	\$32,218,025	\$33,281,333	\$34,380,725	\$35,494,705	\$36,546,431	\$37,646,582	\$46,300,607	\$52,345,204
Current Liabilities:												
Accounts Payable	971,969	1,095,771	973,779	975,205	976,654	978,124	979,326	980,544	981,768	982,999	984,235	1,060,766
Unearned Revenue	65,491,571	66,845,057	68,070,008	69,164,500	70,128,573	70,954,246	71,593,453	72,043,291	72,302,849	72,371,226	79,578,754	84,149,510
Other Current Liabilities	\$105,928	\$111,982	\$118,126	\$124,363	\$130,694	\$137,119	\$143,577	\$150,067	\$156,589	\$163,144	\$182,669	\$184,977
Total Current Liabilities	\$66,569,467	\$68,052,809	\$69,161,913	\$70,264,069	\$71,233,921	\$72,069,489	\$72,716,355	\$73,173,901	\$73,441,206	\$73,517,369	\$80,745,658	\$85,395,243
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(\$42,522,710)	(\$43,429,223)	(\$43,807,526)	(\$43,897,833)	(\$43,805,896)	(\$43,578,156)	(\$43,125,631)	(\$42,469,196)	(\$41,684,775)	(\$40,660,787)	(\$39,235,051)	(\$37,840,040)
Total Owner Equity	(\$37,732,710)	(\$38,639,223)	(\$39,017,526)	(\$39,107,833)	(\$39,015,896)	(\$38,788,156)	(\$38,335,631)	(\$37,679,196)	(\$36,894,775)	(\$35,870,787)	(\$34,445,051)	(\$33,050,040)
Total Equity & Liabilities	\$28,836,757	\$29,413,586	\$30,144,387	\$31,156,236	\$32,218,025	\$33,281,333	\$34,380,725	\$35,494,705	\$36,546,431	\$37,646,582	\$46,300,607	\$52,345,204
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Balance Sheet Assumptions - Working Capital

Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable as a % of Core Registry Expense (As Defined A)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	117,906	193,185
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operat	854,063	977,865	855,872	857,299	858,747	860,217	861,419	862,638	863,862	865,093	866,329	867,571
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets	105,928	111,982	118,126	124,363	130,694	137,119	143,577	150,067	156,589	163,144	182,669	184,977
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities	105,928	111,982	118,126	124,363	130,694	137,119	143,577	150,067	156,589	163,144	182,669	184,977
Other Current Liabilities as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3	Year 3
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Cash From Operations:												
Net Income After Taxes	(938,490)	(906,512)	(378,304)	(90,306)	91,937	227,740	452,525	656,434	784,421	1,023,989	1,425,735	1,395,011
Add-back: Depreciation & Amortization	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	1,817,603	1,738,641	1,656,182	1,570,070	1,480,141	1,386,225	1,096,274	854,090	757,986	439,190	192,681	-
Change in Other Current Asssts	(5,964)	(6,054)	(6,145)	(6,237)	(6,330)	(6,425)	(6,458)	(6,490)	(6,522)	(6,555)	(19,525)	(2,308)
Change in Accounts Payable	(1,342,325)	123,802	(121,992)	1,427	1,448	1,470	1,202	1,218	1,224	1,230	1,236	76,521
Change in Unearned Revenue	1,480,117	1,353,486	1,224,952	1,094,492	962,073	827,673	639,207	449,837	259,558	68,377	7,207,528	4,570,756
Change in Other Current Liabilities	5,964	6,054	6,145	6,237	6,330	6,425	6,458	6,490	6,522	6,555	19,525	2,308
Total Cash Flow from Operations	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288
Cash From Investing Activities:												
Capital Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow from Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Financing	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288
Beginning Cash Balance	\$15,925,192	\$16,971,098	\$19,309,515	\$21,719,352	\$24,324,034	\$26,888,634	\$29,360,741	\$31,578,950	\$33,569,530	\$35,401,720	\$36,963,507	\$45,819,688
Net Increase/(Decrease) in Cash	\$1,045,906	\$2,338,416	\$2,409,838	\$2,604,682	\$2,564,600	\$2,472,108	\$2,218,209	\$1,990,581	\$1,832,190	\$1,561,787	\$8,856,181	\$6,071,288
Ending Cash Balance	\$16,971,098	\$19,309,515	\$21,719,352	\$24,324,034	\$26,888,634	\$29,360,741	\$31,578,950	\$33,569,530	\$35,401,720	\$36,963,507	\$45,819,688	\$51,890,976

Core Registry Fee - Transfers
Core Registry Fee (Accrual)
Total Registry Operations

-	-	-	-	-	-	-	-	-	-	-	-
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gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 4											
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Current Assets:												
Cash	\$55,822,601	\$59,247,141	\$62,707,164	\$65,905,142	\$69,382,620	\$72,888,748	\$76,429,031	\$79,915,236	\$83,347,608	\$86,726,235	\$90,051,537	\$93,253,907
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Assets	\$188,397	\$194,005	\$200,920	\$207,877	\$214,877	\$221,920	\$229,007	\$235,978	\$242,984	\$250,027	\$257,105	\$264,219
Total Current Assets	\$56,010,998	\$59,441,147	\$62,908,084	\$66,113,019	\$69,597,496	\$73,110,667	\$76,658,038	\$80,151,214	\$83,590,592	\$86,976,261	\$90,308,642	\$93,518,127
Fixed Assets:												
Plant, Property, & Equipment	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000	\$1,144,000
Accumulated Depreciation	(\$803,750)	(\$803,389)	(\$847,750)	(\$862,958)	(\$877,389)	(\$891,042)	(\$904,694)	(\$918,347)	(\$932,000)	(\$945,361)	(\$958,722)	(\$972,083)
Total Fixed Assets	\$340,250	\$331,611	\$296,250	\$281,042	\$266,611	\$252,958	\$239,306	\$225,653	\$212,000	\$198,639	\$185,278	\$171,917
Total Assets	\$56,351,248	\$59,774,758	\$63,204,334	\$66,394,060	\$69,864,108	\$73,363,626	\$76,897,343	\$80,376,866	\$83,802,592	\$87,174,900	\$90,493,920	\$93,690,043
Current Liabilities:												
Accounts Payable	942,314	942,856	1,198,412	943,741	944,835	946,148	947,468	948,796	950,132	951,477	952,803	1,029,415
Unearned Revenue	86,693,472	88,431,539	90,083,649	91,653,778	93,146,098	94,565,032	95,915,232	97,110,243	98,149,745	99,033,421	99,760,966	100,332,073
Other Current Liabilities	\$188,397	\$194,005	\$200,920	\$207,877	\$214,877	\$221,920	\$229,007	\$235,978	\$242,984	\$250,027	\$257,105	\$264,219
Total Current Liabilities	\$87,824,183	\$89,568,401	\$91,482,981	\$92,805,396	\$94,305,810	\$95,733,099	\$97,091,707	\$98,295,017	\$99,342,862	\$100,234,925	\$100,970,873	\$101,625,707
Long-Term Liabilities:												
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owner Equity:												
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000
Retained Earnings / (Loss) - After Tax	(\$6,262,935)	(\$3,603,843)	(\$3,068,646)	(\$3,201,336)	(\$2,231,702)	(\$2,159,473)	(\$2,984,364)	(\$2,708,151)	(\$2,330,270)	(\$1,850,025)	(\$1,266,953)	(\$1,725,084)
Total Owner Equity	(\$1,472,935)	(\$29,813,843)	(\$28,278,646)	(\$26,411,336)	(\$24,441,702)	(\$22,369,473)	(\$20,194,364)	(\$17,918,151)	(\$15,540,270)	(\$13,060,025)	(\$10,476,953)	(\$7,935,664)
Total Equity & Liabilities	\$56,351,248	\$59,774,758	\$63,204,334	\$66,394,060	\$69,864,108	\$73,363,626	\$76,897,343	\$80,376,866	\$83,802,592	\$87,174,900	\$90,493,920	\$93,690,043
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance Sheet Assumptions - Working Capital												
Accounts Receivable												
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0
Accts Payable Registry Operator (Core Registration Expense)												
Accounts Payable as a % of Core Registry Expense (As Defined A)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Accts Payable Labor												
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7
Accts Payable (All OPS Expense Excluding Labor, Registry Operat)												
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15
Other Current Assets												
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Current Liabilities												
Other Current Liabilities as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

	Period											
	Year 4 Month 1	Year 4 Month 2	Year 4 Month 3	Year 4 Month 4	Year 4 Month 5	Year 4 Month 6	Year 4 Month 7	Year 4 Month 8	Year 4 Month 9	Year 4 Month 10	Year 4 Month 11	Year 4 Month 12
Cash From Operations:												
Net Income After Taxes	1,577,105	1,659,292	1,534,996	1,867,311	1,969,633	2,072,229	2,175,110	2,276,213	2,377,881	2,480,245	2,583,072	2,541,289
Add-back: Depreciation & Amortization	29,000	26,639	17,361	15,208	14,431	13,653	13,653	13,653	13,653	13,361	13,361	13,361
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-
Change in Other Current Assets	(3,419)	(5,609)	(6,915)	(6,957)	(7,000)	(7,043)	(7,087)	(6,971)	(7,006)	(7,042)	(7,078)	(7,115)
Change in Accounts Payable	(118,442)	542	255,556	(254,671)	1,094	1,312	1,320	1,328	1,336	1,344	1,326	76,612
Change in Unearned Revenue	2,543,982	1,738,087	1,652,110	1,570,129	1,492,320	1,418,934	1,350,200	1,195,011	1,039,502	883,676	727,544	571,108
Change in Other Current Liabilities	3,419	5,609	6,915	6,957	7,000	7,043	7,087	6,971	7,006	7,042	7,078	7,115
Total Cash Flow from Operations	\$4,031,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370
Cash From Investing Activities:												
Capital Expenditures	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow from Investing Activities	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Financing	\$3,931,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	\$3,931,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370
Beginning Cash Balance	\$51,890,976	\$55,822,601	\$59,247,141	\$62,707,164	\$65,905,142	\$69,382,620	\$72,888,748	\$76,429,031	\$79,915,236	\$83,347,608	\$86,726,235	\$90,051,537
Net Increase/(Decrease) in Cash	\$3,931,625	\$3,424,540	\$3,460,023	\$3,197,977	\$3,477,478	\$3,506,128	\$3,540,283	\$3,486,205	\$3,432,372	\$3,378,627	\$3,325,303	\$3,202,370
Ending Cash Balance	\$55,822,601	\$59,247,141	\$62,707,164	\$65,905,142	\$69,382,620	\$72,888,748	\$76,429,031	\$79,915,236	\$83,347,608	\$86,726,235	\$90,051,537	\$93,253,907

Core Registry Fee - Transfers
Core Registry Fee (Accrual)
Total Registry Operations

-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-

	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support												
Labor	402,003	402,003	402,003	402,003	402,003	402,003	402,003	402,003	402,003	402,003	402,003	479,816
Equipment Operating Leases	490,935	490,935	490,935	490,935	490,935	490,935	490,935	490,935	490,935	490,935	490,935	490,935
Remote Centers	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800
Network Operations Center	24,000	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400
Other Systems Development & Support												
Total Systems Development & Support	945,739	948,139	948,139	948,139	948,139	948,139	948,139	948,139	948,139	948,139	948,139	1,025,951
Customer Service												
Labor	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	132,848
Other Customer Service												
Total Customer Service	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	66,473	132,848
Marketing & Sales												
Labor	58,876	58,876	58,876	58,876	58,876	58,876	58,876	58,876	58,876	58,876	58,876	117,001
Advertising & Promotion:												
- Media	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297	368,297
Co-op Advertising	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Production	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530	98,530
Research	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474	18,474
Agency Fee	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005	117,005
Public Relations	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333
Total Marketing & Sales	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,244,515	1,302,640
General & Administrative												
Labor	118,385	118,385	118,385	118,385	118,385	118,385	118,385	118,385	118,385	118,385	118,385	238,698
Rent	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350	49,350
Telecommunications	24,512	24,512	24,512	24,512	24,512	24,512	24,512	24,512	24,512	24,512	24,512	24,512
Materials & Supplies	21,993	21,993	21,993	21,993	21,993	21,993	21,993	21,993	21,993	21,993	21,993	21,993
Travel & Entertainment	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516	87,516
Seminars & Conferences	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231	11,231
Insurance	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902	6,902
Facility Maintenance & Other	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381
Legal Services	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459
Financial & Accounting Services	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293	7,293
Other Outside Services	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039	3,039
Trademark Review	68,987	69,332	69,679	70,027	70,377	70,729	71,083	71,438	71,795	72,154	72,515	72,878
Site Hosting, Connectivity, and Devel. & Maint.	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510
Other General & Administrative	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300
Total G&A	428,858	429,203	429,550	429,898	430,248	430,600	430,954	431,309	431,666	432,025	432,386	553,061
R&D												
Labor	58,243	58,243	58,243	58,243	58,243	58,243	58,243	58,243	58,243	58,243	58,243	58,243
Outsourced R&D Efforts	83,617	85,978	88,351	90,681	92,736	94,733	96,786	98,839	100,892	102,945	105,000	107,053
Total R&D	141,860	144,221	146,594	148,924	148,979	151,376	153,766	156,208	157,348	158,932	160,853	162,872
Total Operating Expenses	2,827,445	2,832,551	2,835,270	2,835,949	2,838,354	2,841,103	2,843,866	2,846,644	2,848,141	2,850,085	2,852,366	3,177,373
Earnings Before Interest, Taxes, Depreciation & Amortization (EBIT)	6,246,143	6,480,765	6,719,000	6,143,512	7,072,162	7,227,842	7,417,106	7,616,257	7,815,971	8,014,444	8,211,697	8,085,254
Depreciation & Amortization	13,361	15,847	15,847	15,750	15,278	15,278	13,889	13,889	13,889	13,889	13,889	5,556
Earnings Before Interest, Taxes	6,232,782	6,464,918	6,703,153	6,127,762	7,056,884	7,212,564	7,403,217	7,602,368	7,802,082	8,000,555	8,197,808	8,079,698
Interest	135,995	140,364	144,915	149,390	153,849	166,606	175,307	182,992	189,920	196,873	203,857	210,879
Pretax Consortium Profit (Before Rebates)	6,096,787	6,324,553	6,558,238	5,978,371	6,903,036	7,046,958	7,227,910	7,419,376	7,612,162	7,803,682	7,993,951	7,868,819
Rebate Pool (% of Before Tax Profits)	1,524,197	1,581,138	1,639,559	1,494,593	1,725,759	1,761,740	1,806,977	1,854,844	1,903,041	1,950,921	1,990,488	1,987,205
Pretax Consortium Profit	4,572,590	4,743,415	4,918,678	4,483,779	5,177,277	5,285,219	5,420,932	5,564,532	5,709,122	5,852,762	5,995,463	5,901,614
Estimated Stockholder Taxes	1,829,036	1,897,366	1,967,471	1,793,511	2,070,911	2,114,087	2,168,373	2,225,813	2,283,649	2,341,105	2,398,185	2,360,646
Estimated Consortium Net Income	2,743,554	2,846,049	2,951,207	2,690,267	3,106,366	3,171,131	3,252,559	3,338,719	3,425,473	3,511,657	3,597,278	3,540,968

gTLD CONSORTIUM
Balance Sheet

gTLD BALANCE SHEET

Period	Year 5												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	
Current Assets:													
Cash	\$96,249,904	\$99,370,494	\$102,438,931	\$105,496,217	\$113,558,250	\$120,210,589	\$125,480,048	\$130,230,929	\$134,998,455	\$139,787,639	\$144,602,833	\$149,374,168	
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Current Assets	\$271,370	\$278,558	\$285,783	\$293,044	\$296,461	\$301,210	\$306,967	\$313,020	\$319,052	\$325,060	\$331,042	\$336,994	
Total Current Assets	\$96,521,275	\$99,649,052	\$102,724,713	\$105,789,261	\$113,854,711	\$120,511,799	\$125,787,014	\$130,543,949	\$135,317,507	\$140,112,699	\$144,933,875	\$149,711,163	
Fixed Assets:													
Plant, Property, & Equipment	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	
Accumulated Depreciation	(\$985,444)	(\$1,001,292)	(\$1,017,139)	(\$1,032,889)	(\$1,048,167)	(\$1,063,444)	(\$1,077,333)	(\$1,091,222)	(\$1,105,111)	(\$1,119,000)	(\$1,132,889)	(\$1,138,444)	
Total Fixed Assets	\$258,556	\$242,708	\$226,861	\$211,111	\$195,833	\$180,556	\$166,667	\$152,778	\$138,889	\$125,000	\$111,111	\$105,556	
Total Assets	\$96,779,830	\$99,891,761	\$102,951,574	\$106,000,372	\$114,050,545	\$120,692,354	\$125,953,681	\$130,696,727	\$135,456,396	\$140,237,699	\$145,044,986	\$149,816,718	
Current Liabilities:													
Accounts Payable	954,127	955,480	956,839	1,365,679	958,381	959,756	961,137	962,526	963,275	964,246	965,387	1,041,857	
Unearned Revenue	100,746,443	101,003,784	101,103,806	101,046,237	106,393,923	109,858,478	111,860,107	113,256,991	114,584,407	115,847,073	117,049,960	118,198,301	
Other Current Liabilities	\$271,370	\$278,558	\$285,783	\$293,044	\$296,461	\$301,210	\$306,967	\$313,020	\$319,052	\$325,060	\$331,042	\$336,994	
Total Current Liabilities	\$101,971,940	\$102,237,821	\$102,346,428	\$102,704,959	\$107,648,765	\$111,119,444	\$113,128,211	\$114,532,537	\$115,866,734	\$117,136,380	\$118,346,389	\$119,577,152	
Long-Term Liabilities:													
Bank Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Owner Equity:													
Equity Contributions	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	\$4,790,000	
Retained Earnings / (Loss) - After Tax	(\$982,110)	(\$7,136,061)	(\$4,184,854)	(\$1,494,587)	1,611,779	4,782,911	8,035,470	11,374,189	14,799,662	18,311,319	21,908,597	25,449,566	
Total Owner Equity	(\$5,192,110)	(\$2,346,061)	\$605,146	\$3,295,413	\$6,401,779	\$9,572,911	\$12,825,470	\$16,164,189	\$19,589,662	\$23,101,319	\$26,698,597	\$30,239,566	
Total Equity & Liabilities	\$96,779,830	\$99,891,761	\$102,951,574	\$106,000,372	\$114,050,545	\$120,692,354	\$125,953,681	\$130,696,727	\$135,456,396	\$140,237,699	\$145,044,986	\$149,816,718	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Balance Sheet Assumptions - Working Capital													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	
Accounts Receivable as a % of Revenue (Cash)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Accounts Receivable - Collection Days	0	0	0	0	0	0	0	0	0	0	0	0	
Accts Payable Registry Operator (Core Registration Expense)	-	-	-	-	-	-	-	-	-	-	-	-	
Accounts Payable as a % of Core Registry Expense (As Defined Above)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	
Accts Payable Labor	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	164,262	239,541	
Salaries Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	
Salaries Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	
Accts Payable (All OPS Expense Excluding Labor, Registry Operat)	789,865	791,217	792,577	1,201,416	794,119	795,494	796,875	798,264	799,013	799,984	801,125	802,316	
Accounts Payable as a % of Ops Expense (As Defined Above)	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	
Accounts Payable - Holding Days	15	15	15	15	15	15	15	15	15	15	15	15	
Other Current Assets	271,370	278,558	285,783	293,044	296,461	301,210	306,967	313,020	319,052	325,060	331,042	336,994	
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Other Current Liabilities	271,370	278,558	285,783	293,044	296,461	301,210	306,967	313,020	319,052	325,060	331,042	336,994	
Other Current Liabilities as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	

gTLD CONSORTIUM
Cash Flow Statement

gTLD CASH FLOW STATEMENT

Period	Year 5											
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Cash From Operations:												
Net Income After Taxes	2,743,554	2,846,049	2,951,207	2,690,267	3,106,366	3,171,131	3,252,559	3,338,719	3,425,473	3,511,657	3,597,278	3,540,968
Add-back: Depreciation & Amortization	13,361	15,847	15,847	15,750	15,278	15,278	13,889	13,889	13,889	13,889	13,889	5,556
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-
Change in Other Current Assets	(7,151)	(7,188)	(7,224)	(7,261)	(3,417)	(4,749)	(5,757)	(6,054)	(6,032)	(6,008)	(5,982)	(5,953)
Change in Accounts Payable	(75,288)	1,353	1,360	408,839	(407,297)	1,375	1,382	1,389	749	972	1,141	76,470
Change in Unearned Revenue	414,370	257,341	100,023	(57,570)	5,347,686	3,464,555	2,001,629	1,396,885	1,327,415	1,262,666	1,202,887	1,148,341
Change in Other Current Liabilities	7,151	7,188	7,224	7,261	3,417	4,749	5,757	6,054	6,032	6,008	5,982	5,953
Total Cash Flow from Operations	\$3,095,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335
Cash From Investing Activities:												
Capital Expenditures	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Flow from Investing Activities	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Before Financing	\$2,995,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335
Cash Flow From Financing Activities:												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
Total Cash Flow From Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow from Ops, Investing & Financing	\$2,995,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335
Beginning Cash Balance	\$93,253,907	\$96,249,904	\$99,370,494	\$102,438,931	\$105,496,217	\$113,558,250	\$120,210,589	\$125,480,048	\$130,230,929	\$134,998,455	\$139,787,639	\$144,602,833
Net Increase/(Decrease) in Cash	\$2,995,997	\$3,120,590	\$3,068,437	\$3,057,286	\$8,062,033	\$6,652,339	\$5,269,459	\$4,750,881	\$4,767,526	\$4,789,184	\$4,815,195	\$4,771,335
Ending Cash Balance	\$96,249,904	\$99,370,494	\$102,438,931	\$105,496,217	\$113,558,250	\$120,210,589	\$125,480,048	\$130,230,929	\$134,998,455	\$139,787,639	\$144,602,833	\$149,374,168

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