



LOGICBOXES

REGISTRAR COST
CONSIDERATION

I. Variable Costs (per domain year)

1. Registry Fees

.com/.net - US \$ 6.00 per Domain Year

.org - US \$ 6.00 per Domain Year

.info - US \$ 5.75 per Domain Year

.biz – US \$ 5.30 per Domain Year

2. ICANN Variable Fees

There is an additional **ICANN variable fee** of **US\$ 0.25** per domain year attributed to Domain Names. This fee is paid once you begin registering domain names. It represents a portion of ICANN's operating costs based partly on your share of overall domain name registrations in the TLDs for which you are accredited, so it will vary depending on your volume of names registered as well as the total volume of all names registered.

3. OrderBox Fees

We are currently providing the ASP solution of our 'ICANN Accredited Registrar Automation Suite' at a ZERO set-up, maintenance and upgrade fee. You are only charged a nominal **US\$ 0.20** per domain year for complete access to the OrderBox.

II. One - Time Cost

1. ICANN Accreditation Application Fee

ICANN charges a one - time fee of **US\$ 2,500** for processing every accreditation application. This fee is non-refundable.

2. LogicBoxes Consultancy Fee

We charge a flat fee depending on the work involved in each application. We have a feasibility questionnaire designed for all aspiring ICANN Accredited Registrars which provides us the inputs to base our quotation. The quotation will be accompanied with a brief feasibility report, which will provide you a good idea of the feasibility and profitability of going ahead with ICANN Accreditation at the current point in time.

We charge a flat, one time for our consultancy services. This includes all the Pre and Post ICANN and Registry liaising services for the life time of our clients. For details on the pricing, please contact consultancy@logicboxes.com.

III. Fixed Costs

1. ICANN Accreditation Fees (payable annually)

ICANN levies a flat fee of **US\$ 4,000** for the TLD's, as an annual accreditation fee.

2. Insurance Costs (payable annually)

Every ICANN Accredited Registrar is required to possess a Commercial General Liability Insurance to the tune of US\$ 1 million. The cost of this insurance ranges between **US\$ 350 – 4,000** depending on several factors, both internal and external to the applicant entity.

3. Per Registrar Annual Fee (payable quarterly)

ICANN has recently introduced this Fee post ICANN Meet 2004-05. This Fee varies from **US\$ 3,000 – 9,000** depending upon whether the Registrar uses his connections for monetization or not. This is a fixed cost component which is spread across all Registrars equally. So, as the total number of Registrars goes up the per Registrar fee will keep reducing every year.

IV. Guarantee Amount

- **US\$ 70,000** in working capital requirement. THIS DOES NOT NEED TO BE PAID TO ICANN; ICANN requires only that you demonstrate (by submitting an independently verified financial statement) that you have at least this much liquid capital (cash or credit) before your ICANN accreditation becomes effective.
- ICANN requires the applicant to have a **General Commercial Liability Insurance Cover**, to the tune of **US\$ 500,000**; this Insurance cover need not be taken before application, but is mandatory to make the Accreditation effective.
- **Verisign Registry** requires that a Registrar must have a General Commercial Liability Insurance Cover of at least **US\$ 100,000**, with Verisign included as an 'Additional Beneficiary' to the Insurance.
- The Public Interest Registry (.org) requires a Registrar to have a General Commercial Liability Insurance Cover of at least **US\$ 1,000,000**, with PIR included as an 'Additional Beneficiary' to the Insurance.
- The Neulevel (.biz) Registry requires a Registrar to have a General Commercial Liability Insurance Cover of at least **US\$ 1,000,000**

Hence, a single Insurance cover to the tune of **US\$ 1,000,000**, with Verisign included as an 'Additional Insured', will satisfy ICANN's, Verisign's, Public Interest Registry's as well as Neulevel's Insurance requirements.