

**EXHIBIT**

**H**

**FILED**  
LOS ANGELES SUPERIOR COURT

NOV 16 2004

JOHN A. CLARKE, CLERK

*Ruth Miklos*  
BY RUTH MIKLOS, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

11 Registesite.com,

12 Plaintiff,

13 vs.

14 Internet Corporation,

15 Defendants.

) Case No.: SC082479

) TENTATIVE RULING

) Date: November 16, 2004

) Time: 8:30 am

) Dept: WE" F"

17 **1. DEMURRER OF DEFENDANTS VERISIGN, INC. AND NETWORK**  
18 **SOLUTIONS, INC.**

20 The joinder of Defendants eNOM, Inc., eNOM, Incorporated, and Network Solutions,  
21 LLC is granted. The demurrer of Defendants Verisign, Inc. and Network Solutions, Inc. is  
22 sustained with 20 days leave to amend.

24 **Requests for Judicial Notice**

25 Both sides file requests for judicial notice with their papers, and both sides object to the  
26 other's requests. Defendants, with the demurrer, submit a request for judicial notice of  
27 documents from the Registersite federal action [Exhibits A-C], and a printout of the  
28 advertisement Plaintiffs purportedly quote in ¶¶ 6.6 and 6.8 of the Complaint [Exhibit D].

TENTATIVE RULING

1  
2 Judicial notice may be taken of the files in other proceedings, but not necessarily of the  
3 truth of factual matters asserted therein. Thus, the court cannot sustain a demurrer on the basis  
4 of hearsay allegations in documents in the other court's files. 4 Witkin, Cal. Procedure, Pleading,  
5 § 401 [4<sup>th</sup> Ed.], citing Ramsden v. Western Union (1977) 71 Cal.App.3d 873, 879. This Court  
6 can take judicial notice of Defendants' Exhibits A-C, but not rely on the truth of the matters  
7 therein.

8  
9 With respect to the website, neither Defendants nor Plaintiffs provide case law that is on  
10 point. The case of Walt Rankin & Assocs. v. City of Murietta (2000) 84 Cal.App.4<sup>th</sup> 605, cited  
11 by Defendants, only states in passing that the Court took judicial notice of a website. Id., at 622-  
12 623, fn. 12. The opinion does not discuss the issue of whether it is proper to do so. The case  
13 cited by Plaintiffs, Teamsters Local 856 v. Priceless, LLC (2003) 112 Cal.App.4<sup>th</sup> 1500, 1523, is  
14 also distinguishable. In that case, the Appellate Court found that the information to be judicially  
15 noticed was not provided to the trial court. Here, it is provided. Plaintiffs do not object to the  
16 judicial notice of the advertisement [Exhibit D], but request that its scope be limited  
17 "accordingly," without explaining what this means. Defendants' request for judicial notice  
18 submitted with the demurrer is granted. None of Plaintiffs' objections have merit.

19  
20 1<sup>st</sup> cause of action

21 Business & Professions Code § 17200 provides:

22  
23 "As used in this chapter, unfair competition shall mean and include any unlawful, unfair  
24 or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and  
25 any act prohibited by Chapter 1 (commencing with Section 17500) of Part 3 of Division 7 of the  
26 Business and Professions Code."

27  
28  
TENTATIVE RULING

1 Plaintiffs must state facts supporting the statutory elements of the alleged violations with  
2 reasonable particularity. 5 Witkin, Cal. Procedure, Pleading, § 35 [4th Ed.]. It appears that all  
3 that must be alleged for a claim for unfair business practices/unfair competition is (1) the statute  
4 the claim is based on, (2) the act or acts committed by Defendant [the predicate offense], and (3)  
5 that the acts were unfair.

6  
7 Plaintiffs attempt to state this § 17200 claim based on the theory that the WLS is an  
8 illegal lottery under Penal Code § 319, and that Defendants' conduct violates Penal Code §§ 320,  
9 321, and 322 as a result. Penal Code § 319 provides:

10  
11 "A lottery is any scheme for the disposal or distribution of  
12 property by chance, among persons who have paid or promised to pay  
13 any valuable consideration for the chance of obtaining such property  
14 or a portion of it, or for any share or any interest in such  
15 property, upon any agreement, understanding, or expectation that it  
16 is to be distributed or disposed of by lot or chance, whether called  
17 a lottery, raffle, or gift enterprise, or by whatever name the same  
18 may be known."

19  
20 Defendants argue, based on Gayer v. Whelan (1943) 59 Cal.App.2d 255, that a lottery  
21 must involve 2 or more persons vying for the same prize, and that Plaintiffs do not allege this in  
22 the Complaint. Plaintiffs admit that only one WLS subscription will be accepted for each  
23 domain name [see Complaint, ¶¶ 4.42, 4.46 and Plaintiffs' opposition to demurrer of Network  
24 Solutions, LLC]. The Gayer case, provided for the Court's reference, does support Defendants'  
25 position. Id., at 259. Also, the plain language of Penal Code § 319 states that an illegal lottery is  
26 conducted among "persons" who have paid consideration.

1 Plaintiffs argue, based on Bell Gardens Bicycle Club v. Department of Justice (1995) 36  
2 Cal.App.4<sup>th</sup> 717 and other cases, that a lottery need not involve multiple players competing for a  
3 single prize. However, neither Bell Gardens nor Finster v. Keller (1971) 18 Cal.App.3d 836  
4 specifically state that a lottery can exist with only one participant. The case of Western Telcon,  
5 Inc. v. California State Lottery (2996) 13 Cal.4<sup>th</sup> 475 focuses on the distinction between a lottery  
6 prize and a gambling wager, and does not specifically hold that an illegal lottery need not have  
7 multiple participants. The references in that case to a lottery involve multiple contestants for a  
8 single prize. Id., at 484-486. The case of California Gasoline Retailers v. Regal Petroleum Corp.  
9 (1958) 50 Cal.2d 844, 851 does not say that a lottery can involve “a single person who has paid  
10 valuable consideration” as contended by Plaintiffs. In fact, Plaintiffs put the word “single” in  
11 brackets in their quotation from the case, so the addition of that word was theirs, it was not in the  
12 case [see Plaintiffs’ Opposition, page 6].

13  
14 It is undisputed that Plaintiffs allege in the Complaint that only one WLS subscriber per  
15 domain name will be allowed to subscribe to be first in line. Thus, under the case law discussed  
16 above, as well as the plain language of Penal Code § 319, Plaintiffs have not alleged an essential  
17 element of an illegal lottery – multiple [at least 2] participants for a single prize [the right to  
18 “reserve” a domain name if it expires]. The demurrer to the 1<sup>st</sup> cause of action is sustained on  
19 this basis alone.

20  
21 Plaintiffs also attempt to argue that the WLS has multiple participants, and that  
22 Defendants have already accepted subscriptions from multiple persons for the prize, which is one  
23 of many domain names [see Opposition, page 9]. However, this argument and the allegation in ¶  
24 5.18 of the Complaint are unclear. Plaintiffs allege that “The defendants are selling to multiple  
25 WLS subscribers multiple chances to win domain names.” This allegation contradicts ¶¶ 4.42  
26 and 4.46 and Plaintiffs’ admissions in their opposition briefs that only one WLS subscriber per  
27 domain name will be allowed.

28  
TENTATIVE RULING

1 Defendants next argue that Plaintiffs fail to allege the element of chance, because human  
2 decision [the current registrant's] determines whether WLS subscribers will win the right to  
3 register the domain name. Defendants make a purely semantic and factual argument on this  
4 issue. Plaintiffs allege in ¶ 5.17 that the "chance" in this case is whether the current domain  
5 name owner abandons its property. This is sufficient to pass the pleading stage on this element.  
6 There are elements beyond the control of the subscriber. Finster v. Keller (1971) 18 Cal.App.3d  
7 836, 844. Nevertheless, as noted above, the demurrer to this cause of action is sustained.

8  
9 2<sup>nd</sup> cause of action

10 This cause of action is a § 17200 claim based on Defendants' alleged violation of the  
11 CLRA, Civil Code §§ 1750, et seq. "NSI"'s allegedly deceptive advertisement that forms the  
12 basis of this claim is described in ¶¶ 6.5 and 6.6. Plaintiffs admit that they are not injured  
13 "consumers" as required by Civil Code § 1761(d). Instead, they argue that they do not have to  
14 state the elements of a CLRA violation, because they only have to show that members of the  
15 public are likely to be deceived by Defendants' advertisement. As discussed above, and as  
16 argued by Defendants on reply, pleading the elements of the predicate offense [the CLRA  
17 violation] is required to properly plead a § 17200 claim. The demurrer to this cause of action is  
18 sustained on this basis.

19  
20 Defendants also argue that there is no underlying CLRA violation anyway, because the  
21 ad in question is not deceptive. The alleged misrepresentation in ¶ 6.6 of the Complaint is not  
22 deceptive on its face. According to Plaintiffs' own allegations, "NSI" represents that the  
23 registration occurs only if the domain name becomes available during the subscription period.  
24 This Court can also take judicial notice of the alleged advertisement [Network Solutions, Inc.'s  
25 Request for Judicial Notice, Exhibit D], which does show the context in which the allegedly  
26 deceptive statement is made. This is another basis to sustain the demurrer to this cause of action.

27  
28 4<sup>th</sup> cause of action

TENTATIVE RULING

1 This cause of action is a § 17200 claim that “NSI”’s advertisement is false and  
2 misleading. Plaintiffs allege that Defendants do not disclose the low likelihood that a subscriber  
3 will obtain the domain name it seeks [¶ 8.6]. The alleged misrepresentations in ¶¶ 8.8 and 8.11  
4 are similar to that in ¶ 6.6. Plaintiffs allege the “truth” in ¶¶ 8.9, 8.10, and 8.12-8.14, and then  
5 allege that reasonable consumers are likely to be deceived [¶¶ 8.15-8-17]. Plaintiffs allege in ¶  
6 8.18 that “NSI” should disclose that almost all WLS subscriptions will not result in the  
7 registration of any domain name, and for each subscription, Defendants should disclose the  
8 likelihood that the subscription will result in registration of the domain name.

9  
10 The allegations regarding deception of a reasonable consumer are purely conclusory, and  
11 contradicted by other allegations in the Complaint, and Network Solutions, Inc.’s advertisement.  
12 Plaintiffs allege in ¶ 6.6 of the Complaint that “NSI” represents that the registration occurs only  
13 if the domain name becomes available during the subscription period. The ad clearly states that  
14 the registrant gets the domain name if it becomes available. There are insufficient allegations to  
15 show that “NSI’s” ad is false and misleading. There is also no authority offered by Plaintiffs to  
16 support the claim that Defendants must disclose the probability of a subscriber being successful,  
17 and Plaintiffs also fail to explain how this probability is to be calculated. The demurrer to this  
18 cause of action is sustained.

19  
20 5<sup>th</sup> cause of action

21 This cause of action is a § 17200 claim that “NSI”’s advertisement is false and deceptive  
22 with respect to expiration dates of domain names. In other words, Defendants are accepting  
23 WLS subscriptions for domain names that are not set to expire during the subscription period, so  
24 the consumer gets nothing. Plaintiffs allege that Defendants must tell subscribers to check the  
25 expiration dates [¶¶ 9.5, 9.9].

26  
27 In this cause of action, Plaintiffs have not alleged any specific facts to support the  
28 contention that reasonable consumers are likely to be deceived regarding the expiration dates of

1 sought-after domain names. In addition, exhibits attached to the Complaint show that potential  
2 WLS subscribers can look up expiration dates on the WHOIS and similar databases, and that the  
3 RAA between Verisign and registrars requires that the expiration dates be provided in such a  
4 database [Exhibit A to Complaint, § 2.4.5, § 2.8; Exhibit B to Complaint, § 3.3 – both tabbed for  
5 the Court’s reference]. Although Plaintiffs allege that “some domain name registration dates are  
6 not available to the public” [¶ 4.47] and that the expiration dates for names registered for 100  
7 years are not publicly accessible [¶ 4.48], the allegations that consumers’ understanding of the  
8 internet and the WLS is limited [¶¶ 4.49-4.53] are still conclusory. There is also no authority  
9 offered by Plaintiffs to support their contention that Defendants have a duty to inform potential  
10 WLS subscribers to check the expiration dates of the domain names they want to register for.  
11 The demurrer to this cause of action is sustained.

12  
13 6<sup>th</sup> cause of action

14 This cause of action is a § 17200 claim which alleges that it is unlawful and deceptive for  
15 Defendants to advertise that the WLS can be used by a current domain name owner as protection  
16 to keep his/her/its registration in the event it expires inadvertently.

17  
18 In ¶¶ 10.7-10.8, Plaintiffs allege facts regarding grace periods for expiration of domain  
19 names, and then allege in ¶ 10.7 that the WLS will not add any protection. However, simply  
20 because there is “protection” in the form of grace periods and disabling of domain names during  
21 those periods, does not render the WLS ineffective as another level of protection for a domain  
22 name holder. Defendants point out that Plaintiffs allege in ¶ 10.9 of the Complaint that registrars  
23 such as Verisign have the right to delete a domain name if all renewal grace periods have  
24 expired. Thus, Verisign is not advising consumers of an impossibility [i.e., the deletion of their  
25 domain names]. Even after the grace periods and warnings, registrars have the right to delete a  
26 domain name, in which case another registrant can take it.



1 Plaintiffs argue that no reasonable domain name owner would purchase a WLS  
2 subscription, because those subscriptions are only for one year but domain name registrations are  
3 available for much longer periods. Thus, Plaintiffs allege in ¶ 10.11 that Defendants' marketing  
4 of the WLS as protection creates an unreasonable fear that registrants could lose their domain  
5 names, and that there is no benefit in a domain name holder buying a WLS subscription [¶  
6 10.13]. However, as discussed above, there is some benefit.

7  
8 Moreover, as Defendants point out in reply, Plaintiffs have not addressed the demurrer on  
9 the basis that this cause of action lacks sufficient facts to show that a reasonable domain name  
10 registrant is likely to be deceived by the ad. The demurrer to this cause of action is sustained.

11  
12 Defendants' final argument on this cause of action is that Verisign's role in the  
13 advertisement by "NSI" is not properly alleged in the Complaint. Plaintiffs allege in ¶ 10.10 that  
14 Verisign originated, authorized, approved, or was otherwise involved in the decision to market  
15 WLS subscriptions as protection for domain name owners. However, there are insufficient facts  
16 to support Plaintiffs' argument that Verisign participated in the advertisement by the other  
17 Defendants.

18  
19 Plaintiffs cannot rely on a vicarious liability theory in this case. "The concept of  
20 vicarious liability has no application to actions brought under the unfair business practices act."  
21 "A defendant's liability must be based on his personal 'participation in the unlawful practices'  
22 and 'unbridled control' over the practices that are found to violate section 17200 or 17500."  
23 Emery v. Visa Internat. Serv. Ass'n. (2002) 95 Cal.App.4th 952, 960, citing People v. Toomey  
24 (1984) 157 Cal.App.3d 1, 14-15.

25  
26 However, "if the evidence establishes [a] defendant's participation in the unlawful  
27 practices, either directly or by aiding and abetting the principal, liability under sections 17200  
28 and 17500 can be imposed." Toomey, supra, 157 Cal.App.3d at 15. Thus, in order to state this

1 cause of action against Verisign, Plaintiffs must allege more facts regarding its participation in  
2 the allegedly deceptive and fraudulent advertising. Verisign's demurrer on this issue is  
3 sustained.

4  
5 7<sup>th</sup> cause of action

6 This claim is for violation of § 17200 based on lack of consideration, i.e., consumers pay  
7 for WLS subscriptions but get nothing in return [¶¶ 11.5-11.9] and based on restraint of  
8 competition in the market for domain name registration services [¶¶ 11.10, 11.11].  
9

10 The lack of consideration theory does not support a § 17200 claim. First, as pled in the  
11 Complaint, a WLS subscriber does receive consideration for his/her/its subscription payments,  
12 the right to be first in line to register a domain name should it expire. Just because this right may  
13 never vest does not mean it has no value at all. As stated in Harris v. Time, Inc. (1987) 191  
14 Cal.App.3d 449, 456, "any bargained-for act or forbearance will constitute adequate  
15 consideration."  
16

17 This cause of action also fails because Plaintiffs have not alleged the second basis, i.e.,  
18 anticompetitive conduct. "When a plaintiff who claims to have suffered injury from a direct  
19 competitor's 'unfair' act or practice invokes section 17200, the word 'unfair' in that section  
20 means conduct that threatens an incipient violation of an antitrust law, or violates the policy or  
21 spirit of one of those laws because its effects are comparable to or the same as a violation of the  
22 law, or otherwise significantly threatens or harms competition." Cel-Tech Communications, Inc.  
23 v. Los Angeles Cellular Tel. Co. (1999) 20 Cal.4<sup>th</sup> 163, 187. Plaintiffs have not alleged facts  
24 showing that the WLS is "unfair" under § 17200. Moreover, the allegations in the Complaint are  
25 too conclusory to show that Defendants' conduct is unlawful or fraudulent. Gregory v.  
26 Albertson's, Inc. (2002) 104 Cal.App.4<sup>th</sup> 845, 856. The demurrer to this cause of action is  
27 sustained.  
28

1           Proposition 64

2           As pointed out on reply by the eNOM Defendants, the passage of Proposition 64 affects  
3 this case. Pursuant to Article 2, § 10(a) of the California Constitution, an initiative, statute, or  
4 referendum approved by a majority of votes takes effect the day after the election. Since  
5 Proposition 64 did not specify an effective date, it became effective on 11-3-04.

6  
7           Plaintiffs cannot maintain any § 17200 claims on behalf of the general public if they have  
8 not themselves sustained any damage. The 1<sup>st</sup> through 7<sup>th</sup> causes of action allege damage to  
9 “consumers,” not Plaintiffs. This may be another basis to sustain the demurrer to these claims.  
10 However, I am unsure if Proposition 64 is retroactive. Since Plaintiffs’ claims were filed before  
11 11-3-04, the impact of Proposition 64 is unclear.

12  
13           8<sup>th</sup> cause of action

14           Pursuant to this cause of action, Plaintiffs request declaratory relief based on the RAA  
15 [Registry-Registrar Agreement] they have with Verisign. Plaintiffs ask the Court to find that if  
16 the WLS were implemented, it would constitute a breach of the contract.

17  
18           Plaintiffs essentially argue that the RRA gives the registrars the right and ability to cancel  
19 and delete domain names, and that if WLS is implemented, Verisign will ignore delete  
20 commands for those domain names on which WLS subscriptions have been placed. Plaintiffs  
21 claim that the current system under the RRA allows deleted domain names to become available  
22 for registration by any accredited registrar, and Plaintiffs claim that this obligation is a part of the  
23 contract. Under the WLS, Plaintiffs allege that deleted domain names will not be equally  
24 available to any registrar, which would breach the agreement.

25  
26           Plaintiffs allege in ¶ 12.2 that Verisign is contractually obligated to delete expired domain  
27 names if the sponsoring registrar makes such a request. In ¶ 4.45, Plaintiffs allege that [without  
28 the WLS] this will result in the domain name going back into a pool available to all registrars on

1 a first-come, first-served basis. However, the Complaint and the opposition do not point to a  
2 specific provision of the agreement that supports these allegations.

3  
4 Defendants argue that, contrary to Plaintiffs' interpretation of the RRA, the current  
5 contract does not provide that Verisign make deleted domain names available for registration by  
6 any accredited registrar. The RRA only gives Plaintiffs the right to delete the names they  
7 sponsor. The Court does not have to accept Plaintiffs' allegations regarding the terms of the  
8 RRA as true on demurrer if they are contradicted by the RRA itself, which is attached as an  
9 exhibit to the Complaint.

10  
11 The RRA gives the registrars [i.e., Plaintiffs, the rights to register, re-register, and cancel  
12 domain names [Exhibit A to Complaint, § 3.1(ii)-(iv)]. There is nothing in the RRA that  
13 indicates what Plaintiffs allege, i.e., that they have any right to determine what happens to a  
14 domain name once it is deleted. Therefore, there is no basis for Plaintiffs' declaratory relief  
15 claim.

16  
17 Uncertainty/No conduct by Network Solutions, Inc.

18 Network Solutions, Inc. demurs to the Complaint on the basis that Plaintiffs' allegations  
19 as to the conduct of "NSI" are uncertain, because there are 2 NSI Defendants, this moving party,  
20 and Network Solutions, LLC [which is represented by different counsel]. In ¶ 2.12, Plaintiffs  
21 allege that Network Solutions, LLC may have acquired certain rights and assets from Network  
22 Solutions, Inc., so they will be referred together as "NSI" throughout the Complaint. This is  
23 improper pleading.

24  
25 First, the allegation in ¶ 2.12 does not indicate a date when Network Solutions, LLC  
26 acquired rights and assets from Network Solutions, Inc., or the extent to which Network  
27 Solutions, Inc. still retained control over the WLS system after that. Thus, the Complaint is  
28 ambiguous as to conduct by Network Solutions, Inc. on this basis.

1  
2 Second, the entire Complaint is ambiguous as to the NSI Defendants, because it is  
3 impossible to ascertain which actions were allegedly done by Network Solutions, Inc. versus its  
4 alleged successor in interest, Network Solutions, LLC. Plaintiffs argue that it is proper to allege  
5 that these Defendants are joint tortfeasors. However, the Complaint does not allege joint action  
6 by these Defendants, but rather successive action, i.e., at some point, Network Solutions, LLC  
7 took over for Network Solutions, Inc. The demurrer on this basis is sustained.

8  
9 **2. DEMURRER OF DEFENDANT NETWORK SOLUTIONS, LLC**

10  
11 The demurrer of Defendant Network Solutions, LLC is sustained with 20 days leave to  
12 amend.

13  
14 **Requests for Judicial Notice**

15 Plaintiffs object to Network Solutions, LLC's request for judicial notice. These  
16 objections are overruled. The items sought to be judicially noticed by Network Solutions, LLC  
17 are proper.

18  
19 The Court can take judicial notice of the dictionary definition of the word "chance."  
20 There is nothing in Penal Code § 319 or the cases interpreting it that indicates that the dictionary  
21 definition is irrelevant as Plaintiffs contend.

22  
23 It is proper for the Court to take judicial notice of the ad, which is the same ad noticed in  
24 the demurrer of Network Solutions, Inc. and Verisign [see above]. Also, judicial notice of court  
25 documents from the federal cases is proper, for the same reasons as discussed above.

26  
27 Network Solutions, LLC presents 2 objections to Plaintiffs' request for judicial notice.  
28 These objections are sustained.

1  
2 The arguments made in this demurrer, the opposition, and the reply are almost identical  
3 to the arguments summarized and analyzed above with respect to the demurrer by Network  
4 Solutions, Inc. Thus, the ruling is the same. The Court need not repeat the analysis here.  
5  
6

7 **3. DEMURRER BY DEFENDANT ICANN**

8  
9 Defendant Network Solutions, LLC's joinder in Defendant ICANN's demurrer is  
10 granted. Defendant ICANN's demurrer is overruled as to the ripeness issue and the 9<sup>th</sup> cause of  
11 action, and is otherwise sustained with 20 days leave to amend.  
12

13 **Plaintiffs' Objection to Request for Judicial Notice**

14 Plaintiffs filed a brief arguing that ICANN's request for judicial notice is improper.  
15 However, Plaintiffs use this document to argue against ICANN's res judicata argument, which  
16 should have been done in the opposition itself. The Court can and should take judicial notice of  
17 documents from the Dotster case. Nevertheless, Plaintiffs' arguments made in the objection  
18 brief have merit, to the extent discussed below, because the res judicata/collateral estoppel  
19 argument fails.  
20

21 **Joinder**

22 Defendant Network Solutions, LLC filed a joinder in this motion. The joinder is granted.  
23

24 **Ripeness**

25 Determining whether a controversy is "ripe" requires the Court to evaluate (1) the fitness  
26 of the issues for judicial decision, and (2) the hardship to the parties of withholding Court  
27 consideration. BKHN, Inc. v. Department of Health Services (1992) 3 Cal.App.4th 301, 309,  
28 citing Pacific Legal Foundation v. California Coastal Comm. (1982) 33 Cal.3d 158, 171 and

TENTATIVE RULING

1 Abbott Laboratories v. Gardner (1967) 387 U.S. 136, 148-149. This ripeness test is referred to  
2 as the “Abbott test” in many cases. “A controversy is ‘ripe’ when it has reached, but has not  
3 passed, the point that the facts have sufficiently congealed to permit an intelligent and useful  
4 decision to be made.” Pacific Legal, supra, 33 Cal.3d at 171.

5  
6 ICANN argues that the WLS has not been implemented [approval from the Department  
7 of Commerce is pending] so the controversy is not ripe. However, Plaintiffs allege in ¶¶ 4.72,  
8 4.73, and 4.76-4.78 that they have suffered damages, because Defendants are taking pre-orders  
9 and pre-sales that are causing Plaintiffs to lose business. Only ¶ 4.79 [and part of ¶ 4.80]  
10 discusses future damages that would occur after DoC approval. ICANN’s demurrer based on  
11 ripeness is overruled.

12  
13 1<sup>st</sup> cause of action – illegal lottery

14 ICANN argues that the allegation in ¶ 4.44 shows that Plaintiffs concede that there is [or  
15 will be] only one WLS registrant per domain name. Plaintiffs admit this in opposition to this and  
16 the other demurrers, but argue that the case cited by Defendants, Gayer v. Whelan (1943) 59  
17 Cal.App.2d 255, is inapplicable. As discussed above in the analysis of the demurrer by Verisign  
18 and Network Solutions, Inc., this demurrer has merit. Plaintiffs have not alleged a required  
19 element of this cause of action, namely, multiple participants vying for the same prize. The  
20 demurrer to this cause of action is sustained.

21  
22 ICANN next argues that the alleged lottery is not dominated by chance, because a  
23 subscriber’s ability to obtain a domain name depends on whether the current registrant wants to  
24 delete it or let it expire, and whether the WLS subscriber decides to reserve it. ICANN claims  
25 these are decisions, not chances. ICANN also makes an improper factual argument that  
26 Plaintiffs’ system leaves much more up to chance than the WLS.  
27  
28

1           However, the case of Partanian v. Flodine (1950) 95 Cal.App.2d Supp. 931, cited by  
2 ICANN, is distinguishable, as Plaintiffs argue. That case involved an option to purchase a car.  
3 “The plaintiff was not placing his order for a car, but was being allotted a place in line by virtue  
4 of which, when his turn came, if it ever did, he could purchase a car if he then wished to do so.”  
5 Id., at 933. The Court in Partanian did not analyze whether the transaction constituted a lottery.  
6 Also, the case is normally cited for the parol evidence issue addressed, not the lottery dicta.

7  
8           In ¶¶ 5.13-5.18, Plaintiffs use the terms “chance” or “chances” many times. Plaintiffs  
9 allege in ¶ 5.18 that Defendants are selling to multiple subscribers multiple chances to win  
10 domain names. Thus, the alleged situation is distinguishable from the situation in Partanian  
11 anyway, because there are multiple customers contending for the same domain name once it  
12 becomes available. There are elements beyond the control of the subscriber. Finster v. Keller  
13 (1971) 18 Cal.App.3d 836, 844. As discussed above, the Complaint does allege the element of  
14 chance. However, the demurrer to this cause of action is sustained.

15  
16           5<sup>th</sup> cause of action

17           This cause of action is a § 17200 claim that the WLS advertisements by the other  
18 Defendants are false and deceptive with respect to expiration dates of domain names. In other  
19 words, Defendants are accepting WLS subscriptions for domain names that are not set to expire  
20 during the subscription period, so the consumer gets nothing. Plaintiffs allege that Defendants  
21 must tell subscribers to check the expiration dates [¶¶ 9.5, 9.9]. ICANN is allegedly responsible  
22 for the WLS because it approved and ratified the system.

23  
24           As discussed above, this cause of action fails with respect to the allegedly deceptive and  
25 fraudulent nature of the advertisements by the other Defendants. Therefore, ICANN’s alleged  
26 approval and ratification cannot lead to its liability under this claim [i.e., ICANN allegedly  
27 approved and ratified something that did not violate § 17200]. The aiding and abetting theory  
28 fails as discussed below. The demurrer to this cause of action is sustained.



1  
2 7<sup>th</sup> cause of action

3 This claim is for violation of § 17200 based on lack of consideration and restraint of  
4 competition in the market for domain name registration services. As discussed above, the lack of  
5 consideration theory does not support a § 17200 claim. However, ICANN does not address the  
6 anticompetitive conduct part of the claim in its demurrer. But, since ICANN's only role as  
7 alleged in this cause of action is approving and enabling the WLS [¶¶ 11.12, 11.13], and since  
8 the aiding and abetting theory fails, the demurrer to this cause of action is sustained.

9  
10 Also, as discussed above, this claim fails with respect to the other Defendants. Therefore,  
11 ICANN's alleged approval and ratification of the WLS cannot lead to its liability under this  
12 claim [i.e., ICANN allegedly approved and ratified something that did not violate § 17200].

13  
14 Aiding and abetting

15 Both ICANN and Plaintiffs agree that § 17200 liability can be imposed if the defendant is  
16 found to have aided and abetted others. But, ICANN argues that Plaintiffs have not pled facts  
17 showing that ICANN aided and abetted improper acts of the other Defendants.

18  
19 ICANN's role as alleged in the Complaint is approving, ratifying, and enabling the WLS  
20 [¶¶ 2.9, 9.6-9.8, 11.12, 11.13]. Aside from the fact that the § 17200 claims fail as against the  
21 other Defendants [and thus ICANN did not aid and abet anything unlawful to begin with], there  
22 are insufficient facts in the Complaint to show that ICANN participated in the alleged unlawful  
23 practices, either directly or by aiding and abetting the other Defendants. Toomey, supra, 157  
24 Cal.App.3d at 15. The demurrer on this basis is sustained.

25  
26 General Public

27 ICANN next argues that the § 17200 claims fail because Plaintiffs cannot bring claims on  
28 behalf of the general public. First, I note that this is an improper demurrer argument, because the

1 § 17200 claims are brought both on behalf of Plaintiffs themselves AND on behalf of the general  
2 public. This is, in essence, a demurrer to only part of these causes of action that should have  
3 been brought as a motion to strike the allegations regarding injuries to the general public.  
4

5 Second, this argument is based on the contention by ICANN that no consumer has been  
6 harmed. As discussed above with respect to the analysis of the demurrer of Network Solutions,  
7 Inc. and Verisign, Plaintiffs have not shown that any consumers have been harmed, despite the  
8 allegations of harm to subscribers in ¶¶ 4.76-4.80 and throughout the various causes of action.  
9 The demurrer on this basis is sustained.

10  
11 9<sup>th</sup> cause of action

12 ICANN's final argument on demurrer is that the breach of contract claim is barred by res  
13 judicata and/or collateral estoppel due to the Dotster litigation. However, the federal court's  
14 ruling in Dotster on which ICANN relies is a ruling on a preliminary injunction, which is not  
15 provided. ICANN also provides a copy of the request for dismissal of that case, which does not  
16 reflect a dismissal on the merits, because it was a dismissal pursuant to a stipulation. The  
17 federal court proceedings are not binding rulings on the merits for purposes of collateral estoppel  
18 in this matter.

19  
20 **4. DEMURRER BY DEFENDANT eNOM, INC. AND eNOM, INCORPORATED**

21  
22 Defendants eNOM, Inc. and eNOM, Incorporated's demurrer to the 3<sup>rd</sup> cause of action is  
23 sustained with 20 days leave to amend. Plaintiffs' request for judgment on the pleadings on the  
24 3<sup>rd</sup> cause of action is denied.

25  
26 Joinder

27 Defendant Network Solutions, LLC joins in this demurrer. However, this joinder is  
28 improper and unnecessary, because eNOM's own demurrer is only to the 3<sup>rd</sup> cause of action, to

TENTATIVE RULING

1 which Network Solutions, LLC is not a party. eNOM's only other "motion" is to join in  
2 Verisign and Network Solutions, Inc.'s demurrer.

3  
4 Plaintiffs' request

5 It is completely improper for Plaintiffs to request judgment on the pleadings in the  
6 opposition papers. Plaintiffs must bring a noticed motion requesting this relief. There is no  
7 authority offered for Plaintiffs' contention that this Court can grant judgment on the pleadings  
8 *sua sponte*.

9  
10 Requests for Judicial Notice

11 eNOM requests judicial notice of its web pages. Plaintiffs objected to this request with a  
12 brief. The case cited by Plaintiffs, Teamsters Local 856 v. Priceless, LLC (2003) 112  
13 Cal.App.4th 1500, 1523, is distinguishable, as discussed in the analysis of Verisign's and  
14 Network Solutions, Inc.'s demurrer. The information to be judicially noticed has been provided  
15 to this Court. The eNOM Defendants' request for judicial notice submitted with the demurrer is  
16 granted. None of Plaintiffs' objections have merit.

17  
18 3<sup>rd</sup> cause of action

19 This cause of action is a § 17200 claim that eNOM's advertisement is false and  
20 misleading. eNOM's arguments are similar to those made by Network Solutions, LLC and  
21 Network Solutions, Inc. to the 4<sup>th</sup> cause of action.

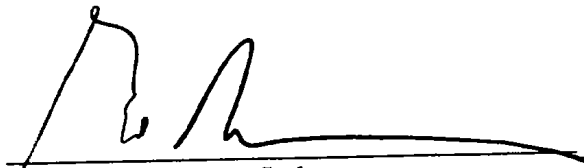
22  
23 The Court can take judicial notice of the website portions, which do show the context in  
24 which the statement [alleged in ¶ 7.13] is made. As with the NSI Defendants, eNOM's  
25 advertisement clearly states that there is no guarantee that a subscriber will get a particular  
26 domain name. This is confirmed by Plaintiffs' allegations in ¶¶ 7.12 and 7.13.

27  
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TENTATIVE RULING

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The allegations in this cause of action that consumers will be deceived are purely  
conclusory, and contradicted by eNOM's ad and other allegations in the Complaint. The  
demurrer to this cause of action is sustained.

Dated: 11-16-04

  
Gerald Rosenberg, Judge

TENTATIVE RULING

Exhibit H Page 173

# EXHIBIT

## I

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Entered in Sustain  
**FILED**  
LOS ANGELES SUPERIOR COURT  
NOV 16 2004  
JOHN A. CLARKE, CLERK  
BY RUTH MIKLOS, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

Registesite.com,  
Plaintiff,  
vs.  
Internet Corporation,  
Defendants.

) Case No.: SC082479  
) TENTATIVE RULING  
) Date: November 16, 2004  
) Time: 8:30 am  
) Dept: WE" F"

**MOTION TO STAY OR DISMISS**

Defendant Verisign's motion to stay or dismiss is granted as to all claims against Verisign. This matter is dismissed as to Defendant Verisign, based on the forum selection clause in the RRA.

A forum selection clause is valid in the absence of the resisting party meeting a heavy burden of proving enforcement of the clause would be unreasonable under the circumstances of the case. Bancomer, S.A. v. Superior Court (1996) 44 Cal.App.4th 1450, 1457 [citations omitted]. More specifically, with a mandatory forum selection clause, the test is whether application of the clause would be unfair or unreasonable. Berg v. MTC Electronics Technologies Co. (1998) 61 Cal.App.4th 349, 358; Intershop Communications AG v. Superior

TENTATIVE RULING

1 Court (2002) 104 Cal.App.4<sup>th</sup> 191, 198. A forum selection clause will be disregarded if (1) it is  
2 the result of overreaching or (2) it is the result of the unfair use of unequal bargaining power, or  
3 (3) if the forum chosen by the parties would be a seriously inconvenient one for the trial of the  
4 particular action. No public policy reason has been suggested why a forum selection clause  
5 appearing in a contract entered into freely and voluntarily by parties who have negotiated at  
6 arms' length should be deemed unenforceable. Cal-State Business Products & Services, Inc. v.  
7 Ricoh (1993) 12 Cal.App.4<sup>th</sup> 1666, 1679.

8  
9 “Given the significance attached to forum selection clauses, the courts have placed a  
10 substantial burden on a plaintiff seeking to defeat such a clause, requiring it to demonstrate  
11 enforcement of the clause would be unreasonable under the circumstances of the case. . . . That  
12 is, that the forum selected would be unavailable or unable to accomplish substantial justice. . . .  
13 Moreover, in determining reasonability, the choice of forum requirement must have some  
14 rational basis in light of the facts underlying the transaction. . . . However, ‘neither  
15 inconvenience nor additional expense in litigating in the selected forum is part of the test of  
16 unreasonability.’ . . . Finally, a forum selection clause will not be enforced if to do so will bring  
17 about a result contrary to the public policy of the forum.” CQL Original Products, Inc. v.  
18 National Hockey League Players Association (1995) 39 Cal. App. 4<sup>th</sup> 1347, 1354.

19  
20 Here, the parties do not dispute that there is a mandatory forum selection clause in the  
21 RRA between Plaintiffs and Verisign. Plaintiffs also only dispute a few of Verisign’s arguments,  
22 namely the argument that all claims against Verisign are subject to the RRA [not just the 8<sup>th</sup>  
23 cause of action], that enforcement of the forum selection clause dispels confusion and conserves  
24 resources [judicial economy], and that there is a rational basis to choose Virginia as a forum [the  
25 corollary of which is that enforcing the clause comports with California public policy].

26  
27 The causes of action in the Complaint are as follows:  
28

1 The 1<sup>st</sup> cause of action is a § 17200 claim based on the theory that the WLS is an illegal  
2 lottery under Penal Code § 319, and that Defendants' conduct violates Penal Code §§ 320, 321,  
3 and 322 as a result.

4  
5 The 2<sup>nd</sup> cause of action is a § 17200 claim based on Defendants' alleged violation of the  
6 CLRA, Civil Code §§ 1750, et seq., based on "NSI"'s allegedly deceptive advertisement of the  
7 WLS. The 3<sup>rd</sup> cause of action is a similar claim based on eNOM's advertisement.

8  
9 The 4<sup>th</sup> cause of action is a § 17200 claim that "NSI"'s advertisement is false and  
10 misleading. Plaintiffs allege that Defendants do not disclose the low likelihood that a subscriber  
11 will obtain the domain name it seeks

12  
13 The 5<sup>th</sup> cause of action is a § 17200 claim that "NSI"'s advertisement is false and  
14 deceptive with respect to expiration dates of domain names. Plaintiffs allege that Defendants are  
15 accepting WLS subscriptions for domain names that are not set to expire during the subscription  
16 period, so the consumer gets nothing. Plaintiffs also allege that Defendants must tell subscribers  
17 to check the expiration dates.

18  
19 The 6<sup>th</sup> cause of action is a § 17200 claim which alleges that it is unlawful and deceptive  
20 for Defendants to advertise that the WLS can be used by a current domain name owner as  
21 protection to keep his/her/its registration in the event it expires inadvertently.

22  
23 The 7<sup>th</sup> cause of action is for violation of § 17200 based on lack of consideration, i.e.,  
24 consumers pay for WLS subscriptions but get nothing in return. This claim is also based on the  
25 alleged restraint of competition in the market for domain name registration services caused by  
26 the WLS.

27  
28  
TENTATIVE RULING



1 The 8<sup>th</sup> cause of action requests declaratory relief based on the RAA [Registry-Registrar  
2 Agreement] Plaintiffs have with Verisign. Plaintiffs ask the Court to find that if the WLS were  
3 implemented, it would constitute a breach of the contract. Note that even if the claims against  
4 Verisign were not dismissed [and “sent” to Virginia], Virginia law applies to the claims against  
5 Verisign, pursuant to the RRA.

6  
7 The 9<sup>th</sup> cause of action is a breach of contract claim against ICANN only.

8  
9 Forum Selection Clause applies to all claims against Verisign?

10 The forum selection clause at issue is provided on page 3 of the motion. It applies to  
11 “[a]ny legal action or other legal proceeding relating to [the RRA] or the enforcement of any  
12 provision of [the RRA].” Verisign argues that all of the causes of action in the Complaint  
13 against it are subject to this clause. Plaintiffs argue contradictory positions in the opposition. On  
14 the one hand, Plaintiffs argue that the RRA [the agreement between Verisign and Plaintiffs] is at  
15 issue in this case. On the other hand, Plaintiffs argue that only the 8<sup>th</sup> cause of action for  
16 declaratory relief is subject to the forum selection clause.

17  
18 The § 17200 claims against Verisign clearly “relate to” the RRA. They all arise by virtue  
19 of the fact that Plaintiffs have a contract with Verisign whereby Plaintiffs claim they are entitled  
20 to delete domain names that then go into a pool available to all registrars on a first-come, first-  
21 served basis. The gravamen of Plaintiffs’ claim against Verisign is that the WLS would prevent  
22 the free availability of deleted domain names, and would create a monopoly whereby the WLS  
23 would be the only service to provide deleted domain names to consumers. Plaintiffs would lose  
24 business as a result.

25  
26 Plaintiffs argue that transferring the claims against Verisign to Virginia would result in  
27 inconsistent rulings and unnecessarily splitting and complicating the case.  
28

TENTATIVE RULING

1 Plaintiffs first argue that there are actually 3 sets of contracts involved in this case: (1)  
2 between Verisign and ICANN, (2) between ICANN and Plaintiffs, and (3) between Verisign and  
3 Plaintiffs. However, as shown above, none of the causes of action except for the 9<sup>th</sup> involve the  
4 contract between ICANN and Plaintiffs, and none of the claims involve the contract between  
5 Verisign and ICANN. The Complaint does not allege violation of or declaratory relief based on  
6 the contracts between ICANN and Plaintiffs or between Verisign and ICANN. Thus, contrary to  
7 Plaintiffs' contention, there are no conflicting venue clauses in this case with respect to Verisign.  
8

9 Plaintiffs also argue that Verisign and ICANN are jointly and severally liable. But,  
10 Plaintiffs has not offered any authority showing why the potential joint and several liability of  
11 Verisign and ICANN requires overriding the forum selection clause.  
12

13 Plaintiffs also claim that Verisign and ICANN will likely raise cross-claims against one  
14 another in this case. There is no proof from Verisign or ICANN that this will occur here.  
15 However, in the alleged related matter [now in the Central District], Verisign has sued ICANN.  
16 The Complaint in that case is provided as Exhibit A to Plaintiffs' notice of related cases. That  
17 case does not appear to be related to this case [see analysis of notice of related cases].  
18

19 In the Central District Complaint, ¶¶ 38-45 pertain to the WLS, but the WLS is only one  
20 of several issues raised. Basically, Verisign alleges that ICANN has prevented the launching of  
21 the WLS by imposing conditions on it, which is a breach of the agreement between Verisign and  
22 ICANN. There is no indication in the Complaint that the legality or propriety of the WLS is at  
23 issue in the Central District case. Thus, the fact that the Central District case must be litigated in  
24 Los Angeles [due to the forum selection clause in the agreement between Verisign and ICANN]  
25 does not appear to have any impact on this case. The ICANN-Verisign agreement is not at issue  
26 in this case.  
27  
28

1 As Verisign points out, Plaintiffs have no authority in support of their positions that  
2 considerations of judicial economy override contractually agreed upon forum selection clauses.  
3 Moreover, judicial economy will not be served by keeping the case against Verisign here. There  
4 are no overlapping issues with respect to the contract between Plaintiffs and Verisign and any  
5 other contracts, so there does not appear to be a danger of inconsistent rulings or duplication of  
6 effort. Staying or dismissing the claims against Verisign will not "split" this case unnecessarily.  
7

8 CCP § 410.40

9 Plaintiffs also argue that CCP § 410.40 requires denial of this motion. That statute  
10 provides:

11  
12 "Any person may maintain an action or proceeding in a court of this state against a  
13 foreign corporation or nonresident person where the action or proceeding arises out of or relates  
14 to any contract, agreement, or undertaking for which a choice of California law has been made in  
15 whole or in part by the parties thereto and which (a) is a contract, agreement, or undertaking,  
16 contingent or otherwise, relating to a transaction involving in the aggregate not less than one  
17 million dollars (\$1,000,000), and (b) contains a provision or provisions under which the foreign  
18 corporation or nonresident agrees to submit to the jurisdiction of the courts of this state.  
19

20 This section applies to contracts, agreements, and undertakings entered into before, on, or  
21 after its effective date; it shall be fully retroactive. Contracts, agreements, and undertakings  
22 selecting California law entered into before the effective date of this section shall be valid,  
23 enforceable, and effective as if this section had been in effect on the date they were entered into;  
24 and actions and proceedings commencing in a court of this state before the effective date of this  
25 section may be maintained as if this section were in effect on the date they were commenced."  
26

27 Plaintiffs claim that the contracts between Verisign and ICANN are involved in this case, that the  
28 contract requires venue here, and therefore under this statute, venue is proper in California.

TENTATIVE RULING

Exhibit I Page 179

1 Plaintiffs must show that this case (1) "arises out of or relates to" the agreement between  
2 Verisign and ICANN, (2) that the contract "[relates] to a transaction involving in the aggregate  
3 not less than one million dollars (\$1,000,000), and (3) that the contract contains a provision  
4 under which the foreign corporation or nonresident [i.e., Verisign] agrees to submit to the  
5 jurisdiction of the courts of this state. Although Plaintiffs have shown the 3<sup>rd</sup> requirement above,  
6 they have not shown the 1<sup>st</sup> or 2<sup>nd</sup>. The amount of the transaction between Verisign and ICANN  
7 is not mentioned at all. As discussed above, Plaintiffs' Complaint has nothing to do with the  
8 contract between ICANN and Verisign.

9  
10 Public Policy

11 Plaintiffs' public policy argument is basically that it must bring the § 17200 claims on  
12 behalf of consumers in California. However, there is no discussion by Plaintiffs as to whether  
13 Virginia has similar statutes that would allow them to bring consumer claims, or why they must  
14 represent California consumers versus consumers in Virginia or other states.

15  
16 I also note that the § 17200 claims may not be brought on behalf of the general public  
17 anymore, based on the passage of Proposition 64.

18  
19 Waiver

20 Plaintiffs argue that Verisign waived its right to move to transfer all claims against it to  
21 Virginia, because in the underlying federal case filed by Plaintiffs, Verisign only sought to  
22 remove the 8<sup>th</sup> cause of action. However, Plaintiff only shows that in the federal case, Verisign  
23 only admitted that the antitrust claims did not involve contractual interpretation. Verisign did  
24 not admit that the other claims were not "related to" the RRA. The waiver argument fails.

25  
26 **REQUEST TO RELATE CASES**

27 The request to relate the cases set forth in the Notice is denied.

28 The causes of action in the Complaint in our case are as follows:

TENTATIVE RULING

1  
2 The 1<sup>st</sup> cause of action is a § 17200 claim based on the theory that the WLS is an illegal  
3 lottery under Penal Code § 319, and that Defendants' conduct violates Penal Code §§ 320, 321,  
4 and 322 as a result.

5  
6 The 2<sup>nd</sup> cause of action is a § 17200 claim based on Defendants' alleged violation of the  
7 CLRA, Civil Code §§ 1750, et seq., based on "NSI"'s allegedly deceptive advertisement of the  
8 WLS. The 3<sup>rd</sup> cause of action is a similar claim based on eNOM's advertisement.

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10 The 4<sup>th</sup> cause of action is a § 17200 claim that "NSI"'s advertisement is false and  
11 misleading. Plaintiffs allege that Defendants do not disclose the low likelihood that a subscriber  
12 will obtain the domain name it seeks

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14 The 5<sup>th</sup> cause of action is a § 17200 claim that "NSI"'s advertisement is false and  
15 deceptive with respect to expiration dates of domain names. Plaintiffs allege that Defendants are  
16 accepting WLS subscriptions for domain names that are not set to expire during the subscription  
17 period, so the consumer gets nothing. Plaintiffs also allege that Defendants must tell subscribers  
18 to check the expiration dates.

19  
20 The 6<sup>th</sup> cause of action is a § 17200 claim which alleges that it is unlawful and deceptive  
21 for Defendants to advertise that the WLS can be used by a current domain name owner as  
22 protection to keep his/her/its registration in the event it expires inadvertently.

23  
24 The 7<sup>th</sup> cause of action is for violation of § 17200 based on lack of consideration, i.e.,  
25 consumers pay for WLS subscriptions but get nothing in return. This claim is also based on the  
26 alleged restraint of competition in the market for domain name registration services caused by  
27 the WLS.

28

TENTATIVE RULING

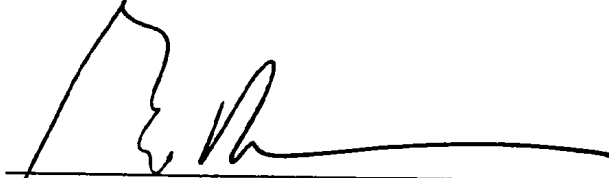
2 The 8<sup>th</sup> cause of action requests declaratory relief based on the RAA [Registry-Registrar  
3 Agreement] Plaintiffs have with Verisign. Plaintiffs ask the Court to find that if the WLS were  
4 implemented, it would constitute a breach of the contract. Note that even if the claims against  
5 Verisign were not dismissed [and "sent" to Virginia], Virginia law applies to the claims against  
6 Verisign, pursuant to the RRA.

7 The 9<sup>th</sup> cause of action is a breach of contract claim against ICANN only.

8  
9 Related Case

10 In the Central District Complaint, ¶¶ 38-45 pertain to the WLS, but the WLS is only one  
11 of several issues raised. Basically, Verisign alleges that ICANN has prevented the launching of  
12 the WLS by imposing conditions on it, which is a breach of the agreement between Verisign and  
13 ICANN. There is no indication in the Complaint that the legality or propriety of the WLS is at  
14 issue in the Central District case. Thus, the fact that the Central District case must be litigated in  
15 Los Angeles [due to the forum selection clause in the agreement between Verisign and ICANN]  
16 does not appear to have any impact on this case. The ICANN-Verisign agreement is not at issue  
17 in this case.

18  
19 Dated: 11-16-04

20   
21 \_\_\_\_\_  
22 Gerald Rosenberg, Judge  
23  
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25  
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28

TENTATIVE RULING

# EXHIBIT

J

SUPERIOR COURT OF CALIFORNIA, COUNTY LOS ANGELES

DATE: 11/16/04

DEPT. WEF

HONORABLE GERALD ROSENBERG

JUDGE

RUTH MIKLOS

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

DANE GAMBILL CT ASST

Deputy Sheriff

SANDRA PISTER CSR# 2034

Reporter

8:31 am

SC082479

Plaintiff  
Counsel

NEWMAN & NEWMAN  
BY:DEREK A. NEWMAN (X)

REGISTERSITE.COM ETAL  
VS  
INTERNET CORP. FOR ASSIGNED NAM

Defendant  
Counsel

\*\* SEE BELOW FOR  
APPEARANCES

NATURE OF PROCEEDINGS:

1. HEARING ON DEMURRER OF DEFENDANTS, VERISIGN, INC. AND NETWORK SOLUTIONS, INC., TO COMPLAINT;
2. HEARING ON DEMURRER OF DEFENDANT, NETWORK SOLUTIONS, LLC, TO THE COMPLAINT;
3. HEARING ON DEMURRER OF DEFENDANT, INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, TO PLAINTIFF'S FIRST, FIFTH, SEVENTH AND NINTH CAUSES OF ACTION;
4. HEARING ON DEMURRER OF DEFENDANTS, eNOM, INC. AND eNOM, TO PLAINTIFFS' COMPLAINT;
5. MOTION OF DEFENDANT, VERISIGN, INC., TO DISMISS, OR IN THE ALTERNATIVE, TO STAY THE FIRST, FIFTH, SIXTH, SEVENTH, AND EIGHTH CAUSES OF ACTION ON THE BASIS OF FORUM NON CONVENIENS;
6. ORDER TO SHOW CAUSE RE FAILURE TO FILE PROOF OF SERVICE / INITIAL STATUS CONFERENCE;

Matters, as captioned, are called for hearing with all counsel present as heretofore.

\*\*Counsel for the Defendants appear as follows:

|  |
|--|
| <p>MINUTES ENTERED<br/>11/16/04<br/>COUNTY CLERK</p> |
|--|

Exhibit J Page 183



**SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES**

DATE: 11/16/04

DEPT. WEF

HONORABLE GERALD ROSENBERG

JUDGE

RUTH MIKLOS

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

DANE GAMBILL CT ASST

Deputy Sheriff

SANDRA PISTER CSR# 2034

Reporter

|         |                                 |           |                        |
|---------|---------------------------------|-----------|------------------------|
| 8:31 am | SC082479                        | Plaintiff | NEWMAN & NEWMAN        |
|         |                                 | Counsel   | BY:DEREK A. NEWMAN (X) |
|         | REGISTERSITE.COM ETAL           |           |                        |
|         | VS                              | Defendant | ** SEE BELOW FOR       |
|         | INTERNET CORP. FOR ASSIGNED NAM | Counsel   | APPEARANCES            |

**NATURE OF PROCEEDINGS:**

---JONES DAY  
 BY:JEFFREY A. LEVEE / JOHN S. SASAKI  
 for Defendant, Internet Corporation for Assigned  
 Names and Numbers.

---ARNOLD & PORTER LLP  
 BY:LAURENCE J. HUNT / JOHN D. LOMBARDO  
 For Defendants, Versign, Inc. and Network  
 Solutions, Inc.

---PILLSBURY & WINTHROP LLP  
 BY:VALERIE M. GOO / SHERI FLAME EISNER  
 For Defendant, Network Solutions, LLC

---DAVIS, WRIGHT, TREMAINE LLP  
 BY:SUSAN E, SEAGER  
 For Defendants, eNOM, Inc. and eNOM, Incorporated.

Counsel state they have read the Court's tentative ruling in this matter.

The Court hears oral argument.

After argument, the Court adopts its Tentative Rulings as the Order of the Court as set forth in said Tentative Rulings filed this date and fully

|  |
|--|
| <p align="center"><b>MINUTES ENTERED</b><br/>                 11/16/04<br/>                 COUNTY CLERK</p> |
|--|

**SUPERIOR COURT OF CALIFORNIA, COUNTY LOS ANGELES**

DATE: 11/16/04

HONORABLE GERALD ROSENBERG

JUDGE

RUTH MIKLOS

DEPT. WEF

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

DANE GAMBILL CT ASST

Deputy Sheriff

SANDRA PISTER CSR# 2034

Reporter

8:31 am

SC082479

Plaintiff  
Counsel

NEWMAN & NEWMAN  
BY:DEREK A. NEWMAN (X)

REGISTERSITE.COM ETAL  
VS  
INTERNET CORP. FOR ASSIGNED NAM

Defendant  
Counsel

\*\* SEE BELOW FOR  
APPEARANCES

**NATURE OF PROCEEDINGS:**

incorporated herein by reference.

1. The joinder of Defendants, eNOM, Inc., eNOM, Incorporated, and Network Solutions, LLC is granted. The demurrer of Defendants Verisign, Inc. and Network Solutions, Inc. is sustained with twenty (20) days leave to amend and later the demurrer of Defendant Verisign, Inc. is moot as the Court granted Verisign's motion to dismiss.
2. The demurrer of Defendant Network Solutions, LLC is sustained with twenty (20) days leave to amend.
3. Defendant Network Solutions, LLC's joinder in Defendant ICANN's demurrer is granted. Defendant ICANN's demurrer is overruled as to the ripeness issue and the 9th cause of action, and is otherwise sustained with twenty (20) days leave to amend.
4. Defendants eNOM, Inc. and eNOM, Incorporated's demurrer to the 3rd cause of action is sustained with twenty (20) days leave to amend.

Plaintiffs' request for judgment on the pleadings on the 3rd cause of action is denied.

**MINUTES ENTERED  
11/16/04  
COUNTY CLERK**

Exhibit J Page 185

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 11/16/04

HONORABLE GERALD ROSENBERG

JUDGE

RUTH MIKLOS

DEPT. WEF

HONORABLE

JUDGE PRO TEM

DEPUTY CLERK

ELECTRONIC RECORDING MONITOR

DANE GAMBILL CT ASST

Deputy Sheriff

SANDRA PISTER CSR# 2034

Reporter

8:31 am

SC082479

Plaintiff  
Counsel

NEWMAN & NEWMAN  
BY:DEREK A. NEWMAN (X)

REGISTERSITE.COM ETAL  
VS

Defendant  
Counsel

\*\* SEE BELOW FOR  
APPEARANCES

INTERNET CORP. FOR ASSIGNED NAM

NATURE OF PROCEEDINGS:

5. Defendant Verisign's motion to stay or dismiss is granted as to all claims against Verisign.

This matter is dismissed as to Defendant Verisign, based on the forum selection clause in the RRA.

Based on the Court's ruling the demurrer previously sustained with twenty (20) days leave to amend as to Defendant Verisign is now moot.

With respect to Plaintiffs' request to relate cases SC082479 and BC320763 is denied.

6. Order to Show Cause as captioned above and Initial Status Conference are held and (1) the Order to Show Cause is discharged, and (2) the Status Conference is further continued for hearing on FEBRUARY 02, 2005 at 8:30 a.m. in this Department (West-F).

Notice is waived for respect to all hearings.

MINUTES ENTERED  
11/16/04  
COUNTY CLERK

EXHIBIT

K

**CONFORMED COPY**  
OF ORIGINAL FILED  
Los Angeles Superior Court

JAN 12 2005

John A. Clarke, Executive Officer/Clerk

By \_\_\_\_\_

DG

1 **NEWMAN & NEWMAN, LLP**  
2 Derck A. Newman (State Bar No. 190467)  
3 S. Christopher Winter (State Bar. No. 190474)  
4 Venkat Balasubramani (State Bar No. 189192)  
5 505 Fifth Avenue South, Suite 610  
6 Seattle, Washington 98104  
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8 (206) 274-2801 fax

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
10 **COUNTY OF LOS ANGELES**  
11 **WEST DISTRICT - SANTA MONICA**

12 REGISTERSITE.COM, an Assumed  
13 Name of ABR PRODUCTS INC., a New  
14 York Corporation, et al.,

15 Plaintiffs,

16 v.

17 INTERNET CORPORATION FOR  
18 ASSIGNED NAMES AND NUMBERS, a  
19 California Corporation, et al.,

20 Defendants.

Case No. SC082479

Assigned for all purposes to Judge  
Gerald Rosenberg

**STIPULATION AND [PROPOSED]  
ORDER RE: DISMISSAL**

By Fax

21 **STIPULATION**

22 Plaintiffs and defendant Verisign, Inc., defendant Network Solutions, Inc.,  
23 defendant Enom, Inc. and defendant Enom Incorporated (collectively the "Defendants"),  
24 through their respective counsel, hereby state as follows:

25 WHEREAS, Plaintiffs commenced this action against Defendants (among others)  
26 through the filing of the Complaint on August 4, 2004; and

27 WHEREAS, on November 17, 2004, the Court sustained certain demurrers with  
28 twenty (20) days leave for Plaintiffs to file a First Amended Complaint; and

WHEREAS, the Court dismissed all claims as to defendant Verisign, Inc. on the

-1-

STIPULATION AND ORDER RE: DISMISSAL

Exhibit K Page 187

1 basis of forum non conveniens, without Prejudice to Plaintiffs' right to bring their claims  
2 against Verisign, Inc. in Virginia; and

3 WHEREAS, Plaintiffs requested, and Defendants agreed to provide, an extension  
4 of time in which to file and serve the First Amended Complaint up to and including  
5 January 10, 2005; and

6 WHEREAS, Plaintiffs now wish to dismiss their claims against Defendants  
7 without prejudice to their ability to assert such claims in the future;

8 NOW, THEREFORE, Plaintiffs and Defendants do hereby stipulate and agree as  
9 follows:

- 10 1. Plaintiffs' claims against Defendants are dismissed without prejudice; and
- 11 2. Each party shall bear its own costs, expenses and attorneys' fees; and
- 12 3. To the extent (if any) that Plaintiffs (or any of them) elect to file any action  
13 in the future against Verisign, Inc. arising from the same operative facts as  
14 the instant action, such future action shall be commenced in a state or  
15 federal court located in the eastern district of the Commonwealth of  
16 Virginia.

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-2-  
STIPULATION AND ORDER RE: DISMISSAL

Exhibit K Page 188

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Dated: January 10<sup>th</sup> 2005

NEWMAN & NEWMAN,  
ATTORNEYS AT LAW, LLP

By:   
DEREK A. NEWMAN (State Bar No. 190467)  
Attorneys for Plaintiffs

Dated: January 6, 2005

ARNOLD & PORTER LLP

By:   
LAURENCE J. HUTT  
JOHN D. LOMBARDO  
Attorneys for Defendants VeriSign, Inc. and  
Network Solutions, Inc.

Dated: January \_\_, 2005

DAVIS WRIGHT TREMAINE LLP

By:   
FREDERICK F. MUMM  
Attorneys for Defendants  
eNOM, Inc. and  
eNOM Foreign Holdings Corporation

-3-  
STIPULATION AND ORDER RE: DISMISSAL

Exhibit K Page 189

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Dated: January \_\_, 2005

**NEWMAN & NEWMAN,  
ATTORNEYS AT LAW, LLP**

By:

**DEREK A. NEWMAN (State Bar No. 190467)  
Attorneys for Plaintiff**

Dated: January \_\_, 2005

**ARNOLD & PORTER LLP**

By:

**LAURENCE J. HUTT  
JOHN D. LOMBARDO  
Attorneys for Defendants VeriSign, Inc. and  
Network Solutions, Inc.**

Dated: January 7, 2005

**DAVIS WRIGHT TREMAINE LLP**

By:


  
**FREDERICK F. MUMM  
Attorneys for Defendants  
eNOM, Inc. and  
eNOM Foreign Holdings Corporation**

Exhibit K Page 190



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**[PROPOSED] ORDER**

1. Plaintiffs' claims against defendants VERISIGN, INC., NETWORK SOLUTIONS, INC., ENOM, INC., and ENOM INCORPORATED are dismissed without prejudice.
2. Each party shall bear its own costs, expenses and attorneys' fees.
3. To the extent (if any) that Plaintiffs (or any of them) elect to file any action in the future against Verisign, Inc. arising from the same operative facts as the instant action, such future action shall be commenced in a state or federal court located in the eastern district of the Commonwealth of Virginia.

PURSUANT TO THE STIPULATION, FOR GOOD CAUSE SHOWN, IT IS SO ORDERED.

GERALD ROSENBERG

Dated: 1-12-05

Los Angeles Superior Court Judge

-4-

STIPULATION AND ORDER RE: DISMISSAL

Exhibit K 191