

10% CONFIDENCE LEVEL

CONSORTIUM gTLD  
Summary P&L

	Year 1												Year 1
	1	2	3	4	5	6	7	8	9	10	11	12	
New Registrations	-	-	-	-	-	-	-----SUNRISE PERIOD-----		-	-	-	-	-
							571,429	428,571	QUIET	1,200,000	800,000	500,000	3,500,000
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 279,286	\$ 488,750	\$ 488,750	\$ 1,075,250	\$ 1,466,250	\$ 1,710,625	\$ 5,508,911
Operating Expenses:													
Registry Operator	-	-	-	-	-	-	143,286	250,750	250,750	551,650	752,250	877,625	2,826,311
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	47,396	47,396	47,396	47,396	53,542	53,542	53,542	125,917	505,813
Sales & Marketing	300,000	319,271	339,583	439,583	639,583	739,583	1,469,583	1,489,583	2,497,396	4,997,396	4,897,396	4,863,646	23,012,604
General & Administrative	224,461	255,136	272,593	323,381	347,589	248,769	317,341	300,198	251,651	395,651	347,651	431,963	3,716,364
R&D	-	-	-	-	-	-	2,738	4,792	10,542	14,375	16,771	16,771	54,009
Operating Expenses	542,690	611,907	659,051	832,235	1,077,778	1,078,978	2,043,573	2,135,948	3,101,359	6,052,009	6,108,443	6,436,963	30,680,933
EBITDA	(542,690)	(611,907)	(659,051)	(832,235)	(1,077,778)	(1,078,978)	(1,764,287)	(1,647,198)	(2,612,609)	(4,976,759)	(4,642,193)	(4,728,338)	(25,172,022)
Depreciation & Amortization	-	5,139	14,417	16,667	17,444	18,417	18,417	18,417	18,417	18,708	18,708	18,708	183,458
EBIT	(542,690)	(617,046)	(673,468)	(848,902)	(1,095,222)	(1,097,394)	(1,782,704)	(1,665,615)	(2,631,026)	(4,995,468)	(4,660,901)	(4,745,047)	(25,355,481)
Interest	-	6,313	4,952	3,885	2,727	1,265	-	20,279	33,318	28,865	41,350	43,177	186,130
Pretax Consortium Profit (Before Rebates)	(542,690)	(623,359)	(678,420)	(852,787)	(1,097,949)	(1,098,659)	(1,782,704)	(1,685,893)	(2,664,344)	(5,024,332)	(4,702,251)	(4,788,224)	(25,541,610)
Rebates	-	-	-	-	-	-	-	-	-	-	-	-	-
Pretax Consortium Profit	(542,690)	(623,359)	(678,420)	(852,787)	(1,097,949)	(1,098,659)	(1,782,704)	(1,685,893)	(2,664,344)	(5,024,332)	(4,702,251)	(4,788,224)	(25,541,610)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(542,690)	(623,359)	(678,420)	(852,787)	(1,097,949)	(1,098,659)	(1,782,704)	(1,685,893)	(2,664,344)	(5,024,332)	(4,702,251)	(4,788,224)	(25,541,610)
Cumulative Net Income	(542,690)	(1,166,048)	(1,844,468)	(2,697,255)	(3,795,203)	(4,893,863)	(6,676,566)	(8,362,460)	(11,026,804)	(16,051,136)	(20,753,387)	(25,541,610)	(25,541,610)
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%	533%	305%	511%	465%	334%	284%	418%
G&A	0%	0%	0%	0%	0%	0%	114%	61%	51%	37%	24%	25%	67%
R&D	0%	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	0%	0%	0%	0%	0%	0%	33%	40%	40%	45%	46%	42%	38%
Net Income	0%	0%	0%	0%	0%	0%	-638%	-345%	-545%	-467%	-321%	-280%	-464%

\*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	
<b>Current Assets:</b>													
Cash	\$4,328,794	\$3,395,489	\$2,663,919	\$1,869,724	\$867,408	(\$212,235)	\$13,905,549	\$22,846,783	\$19,792,876	\$28,354,077	\$29,607,118	\$28,143,555	\$28,143,555
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$1,559,287	\$2,585,464	\$2,334,714	\$5,358,464	\$6,989,814	\$7,601,939	\$7,601,939
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$8,214	\$14,375	\$14,375	\$31,625	\$43,125	\$50,313	\$50,313
<b>Total Current Assets</b>	<b>\$4,328,794</b>	<b>\$3,395,489</b>	<b>\$2,663,919</b>	<b>\$1,869,724</b>	<b>\$867,408</b>	<b>(\$212,235)</b>	<b>\$15,473,050</b>	<b>\$25,446,622</b>	<b>\$22,141,965</b>	<b>\$33,744,166</b>	<b>\$36,640,057</b>	<b>\$35,795,806</b>	<b>\$35,795,806</b>
<b>Fixed Assets:</b>													
Plant, Property, & Equipment	\$185,000	\$519,000	\$600,000	\$628,000	\$663,000	\$663,000	\$663,000	\$663,000	\$673,500	\$673,500	\$673,500	\$673,500	\$673,500
Accumulated Depreciation	\$0	(\$5,139)	(\$19,556)	(\$36,222)	(\$53,667)	(\$72,083)	(\$90,500)	(\$108,917)	(\$127,333)	(\$146,042)	(\$164,750)	(\$183,458)	(\$183,458)
<b>Total Fixed Assets</b>	<b>\$185,000</b>	<b>\$513,861</b>	<b>\$580,444</b>	<b>\$591,778</b>	<b>\$609,333</b>	<b>\$590,917</b>	<b>\$572,500</b>	<b>\$554,083</b>	<b>\$546,167</b>	<b>\$527,458</b>	<b>\$508,750</b>	<b>\$490,042</b>	<b>\$490,042</b>
<b>Total Assets</b>	<b>\$4,513,794</b>	<b>\$3,909,350</b>	<b>\$3,244,363</b>	<b>\$2,461,502</b>	<b>\$1,476,741</b>	<b>\$378,682</b>	<b>\$16,045,550</b>	<b>\$26,000,706</b>	<b>\$22,688,131</b>	<b>\$34,271,624</b>	<b>\$37,148,807</b>	<b>\$36,285,848</b>	<b>\$36,285,848</b>
<b>Current Liabilities:</b>													
Accounts Payable	266,484	285,398	298,831	368,756	481,944	482,544	1,744,486	1,524,118	1,364,638	4,477,213	3,809,230	3,374,078	\$3,374,078
Unearned Revenue	-	-	-	-	-	-	16,182,155	28,039,464	27,550,714	41,034,464	49,274,214	53,629,839	\$53,629,839
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$5,476	\$9,583	\$9,583	\$21,083	\$28,750	\$33,542	\$33,542
<b>Total Current Liabilities</b>	<b>\$266,484</b>	<b>\$285,398</b>	<b>\$298,831</b>	<b>\$368,756</b>	<b>\$481,944</b>	<b>\$482,544</b>	<b>\$17,932,117</b>	<b>\$29,573,166</b>	<b>\$28,924,935</b>	<b>\$45,532,760</b>	<b>\$53,112,194</b>	<b>\$57,037,458</b>	<b>\$57,037,458</b>
<b>Long-Term Liabilities:</b>													
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>													
Equity Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings / (Loss) - After Tax	(542,690)	(1,166,048)	(1,844,468)	(2,697,255)	(3,795,203)	(4,893,863)	(6,676,566)	(8,362,460)	(11,026,804)	(16,051,136)	(20,753,387)	(25,541,610)	(\$25,541,610)
<b>Total Owner Equity</b>	<b>\$4,247,310</b>	<b>\$3,623,952</b>	<b>\$2,945,532</b>	<b>\$2,092,745</b>	<b>\$994,797</b>	<b>(\$103,863)</b>	<b>(\$1,886,566)</b>	<b>(\$3,572,460)</b>	<b>(\$6,236,804)</b>	<b>(\$11,261,136)</b>	<b>(\$15,963,387)</b>	<b>(\$20,751,610)</b>	<b>(\$20,751,610)</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$4,513,794</b>	<b>\$3,909,350</b>	<b>\$3,244,363</b>	<b>\$2,461,502</b>	<b>\$1,476,741</b>	<b>\$378,682</b>	<b>\$16,045,550</b>	<b>\$26,000,706</b>	<b>\$22,688,131</b>	<b>\$34,271,624</b>	<b>\$37,148,807</b>	<b>\$36,285,848</b>	<b>\$36,285,848</b>
<b>Balance Sheet Assumptions - Working Capital</b>													
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 Registratio	-	-	-	-	-	-	851,286	638,464	-	1,787,700	1,191,800	744,875	744,875
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	26,858	41,441	49,826	49,826	49,826	49,826	53,083	53,083	53,083	131,658	131,658
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	262,230	267,412	271,974	327,316	432,118	432,718	843,373	835,828	1,311,555	2,636,430	2,564,346	2,497,544	2,497,544
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	-	-	-	-	-	-	8,214	14,375	14,375	31,625	43,125	50,313	50,313
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	-	-	-	-	-	-	5,476	9,583	9,583	21,083	28,750	33,542	33,542
Other Current Liabilities as a % of Revenue (Accr	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

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	
<b>Cash From Operations:</b>													
Net Income After Taxes	(542,690)	(623,359)	(678,420)	(852,787)	(1,097,949)	(1,098,659)	(1,782,704)	(1,685,893)	(2,664,344)	(5,024,332)	(4,702,251)	(4,788,224)	(25,541,610)
Add-back: Depreciation & Amortization	-	5,139	14,417	16,667	17,444	18,417	18,417	18,417	18,417	18,708	18,708	18,708	183,458
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	(1,559,287)	(1,026,177)	250,750	(3,023,750)	(1,631,350)	(612,125)	(7,601,939)
Change in Other Current Assets	-	-	-	-	-	-	(8,214)	(6,161)	-	(17,250)	(11,500)	(7,187)	(50,313)
Change in Accounts Payable	266,484	18,914	13,433	69,925	113,188	600	1,261,941	(220,367)	(159,480)	3,112,575	(667,983)	(435,152)	3,374,078
Change in Unearned Revenue	-	-	-	-	-	-	16,182,155	11,857,309	(488,750)	13,483,750	8,239,750	4,355,625	53,629,839
Change in Other Current Liabilities	-	-	-	-	-	-	5,476	4,107	-	11,500	7,667	4,792	33,542
<b>Total Cash Flow from Operations</b>	<b>(\$276,206)</b>	<b>(\$599,306)</b>	<b>(\$650,570)</b>	<b>(\$766,195)</b>	<b>(\$967,316)</b>	<b>(\$1,079,643)</b>	<b>\$14,117,784</b>	<b>\$8,941,234</b>	<b>(\$3,043,408)</b>	<b>\$8,561,201</b>	<b>\$1,253,041</b>	<b>(\$1,463,563)</b>	<b>24,027,055</b>
<b>Cash From Investing Activities:</b>													
Capital Expenditures	(\$185,000)	(\$334,000)	(\$81,000)	(\$28,000)	(\$35,000)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0	(673,500)
<b>Total Cash Flow from Investing Activities</b>	<b>(\$185,000)</b>	<b>(\$334,000)</b>	<b>(\$81,000)</b>	<b>(\$28,000)</b>	<b>(\$35,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,500)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(673,500)</b>
<b>Cash Flow Before Financing</b>	<b>(\$461,206)</b>	<b>(\$933,306)</b>	<b>(\$731,570)</b>	<b>(\$794,195)</b>	<b>(\$1,002,316)</b>	<b>(\$1,079,643)</b>	<b>\$14,117,784</b>	<b>\$8,941,234</b>	<b>(\$3,053,908)</b>	<b>\$8,561,201</b>	<b>\$1,253,041</b>	<b>(\$1,463,563)</b>	<b>23,353,555</b>
<b>Cash Flow From Financing Activities:</b>													
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	-
<b>Total Cash Flow From Financing Activities</b>	<b>\$4,790,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>4,790,000</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>\$4,328,794</b>	<b>(\$933,306)</b>	<b>(\$731,570)</b>	<b>(\$794,195)</b>	<b>(\$1,002,316)</b>	<b>(\$1,079,643)</b>	<b>\$14,117,784</b>	<b>\$8,941,234</b>	<b>(\$3,053,908)</b>	<b>\$8,561,201</b>	<b>\$1,253,041</b>	<b>(\$1,463,563)</b>	<b>28,143,555</b>
Beginning Cash Balance	\$0	\$4,328,794	\$3,395,489	\$2,663,919	\$1,869,724	\$867,408	(\$212,235)	\$13,905,549	\$22,846,783	\$19,792,876	\$28,354,077	\$29,607,118	\$0
Net Increase/(Decrease) in Cash	\$4,328,794	(\$933,306)	(\$731,570)	(\$794,195)	(\$1,002,316)	(\$1,079,643)	\$14,117,784	\$8,941,234	(\$3,053,908)	\$8,561,201	\$1,253,041	(\$1,463,563)	\$28,143,555
<b>Ending Cash Balance</b>	<b>\$4,328,794</b>	<b>\$3,395,489</b>	<b>\$2,663,919</b>	<b>\$1,869,724</b>	<b>\$867,408</b>	<b>(\$212,235)</b>	<b>\$13,905,549</b>	<b>\$22,846,783</b>	<b>\$19,792,876</b>	<b>\$28,354,077</b>	<b>\$29,607,118</b>	<b>\$28,143,555</b>	<b>\$28,143,555</b>

10% CONFIDENCE LEVEL

CONSORTIUM gTLD  
Summary P&L

	Year 2 1	2	3	4	5	6	7	8	9	10	11	12	Year 2
Registrations	400,000	424,000	449,440	476,406	504,990	535,289	545,995	556,915	568,053	579,414	591,002	602,822	6,234,326
Revenue	\$ 1,900,649	\$ 2,103,772	\$ 2,323,435	\$ 2,544,779	\$ 2,783,926	\$ 3,040,757	\$ 3,303,779	\$ 3,571,908	\$ 3,845,236	\$ 4,123,859	\$ 4,407,872	\$ 4,697,371	\$ 38,647,343
Operating Expenses:													
Industry Operator	975,115	1,079,326	1,192,023	1,305,582	1,428,275	1,560,041	1,835,458	2,078,377	2,218,607	2,361,552	2,507,263	2,655,789	21,197,410
Systems Development & Support	45,391	45,391	45,391	45,391	45,391	45,391	45,391	111,621	111,621	269,707	748,229	858,854	2,417,767
Customer Service	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	135,047	824,438
Advertising & Marketing	1,699,277	1,699,277	1,699,277	1,699,277	1,699,277	1,699,277	1,699,277	1,699,277	1,699,277	1,699,277	1,699,277	1,765,527	20,457,572
General & Administrative	314,328	317,323	327,482	342,503	346,070	354,694	356,030	357,393	358,783	360,201	390,702	517,332	4,342,843
	18,688	20,719	22,873	36,093	38,513	80,453	83,069	85,737	88,459	91,236	94,068	96,956	756,863
Operating Expenses	3,115,470	3,224,708	3,349,718	3,491,518	3,620,198	3,802,527	4,081,897	4,395,078	4,539,419	4,844,645	5,502,211	6,029,505	49,996,893
TDA	(1,214,821)	(1,120,936)	(1,026,282)	(946,739)	(836,271)	(761,770)	(778,118)	(823,170)	(694,183)	(720,785)	(1,094,339)	(1,332,134)	(11,349,549)
Depreciation & Amortization	18,708	19,000	19,000	19,097	19,569	19,569	20,958	20,958	20,958	20,958	20,958	29,292	249,028
Interest	(1,233,530)	(1,139,936)	(1,045,282)	(965,836)	(855,841)	(781,339)	(799,077)	(844,129)	(715,141)	(741,744)	(1,115,297)	(1,361,425)	(11,598,577)
Interest	41,043	40,593	43,118	45,961	49,109	52,644	56,453	57,947	57,638	59,931	61,399	60,196	626,032
Pre-tax Consortium Profit (Before Rebates)	(1,274,573)	(1,180,530)	(1,088,400)	(1,011,797)	(904,950)	(833,983)	(855,530)	(902,075)	(772,779)	(801,675)	(1,176,696)	(1,421,622)	(12,224,609)
Provision for Doubtful Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-tax Consortium Profit	(1,274,573)	(1,180,530)	(1,088,400)	(1,011,797)	(904,950)	(833,983)	(855,530)	(902,075)	(772,779)	(801,675)	(1,176,696)	(1,421,622)	(12,224,609)
Estimated Stockholder Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Consortium Net Income	(1,274,573)	(1,180,530)	(1,088,400)	(1,011,797)	(904,950)	(833,983)	(855,530)	(902,075)	(772,779)	(801,675)	(1,176,696)	(1,421,622)	(12,224,609)
Relative Net Income	(26,816,183)	(27,996,712)	(29,085,112)	(30,096,909)	(31,001,859)	(31,835,843)	(32,691,372)	(33,593,447)	(34,366,227)	(35,167,902)	(36,344,598)	(37,766,220)	(37,766,220)
<b>Percent of Revenue (Accrual)</b>													
Cost of Revenue	51%	51%	51%	51%	51%	51%	56%	58%	58%	57%	57%	57%	55%
Sales & Marketing	89%	81%	73%	67%	61%	56%	51%	48%	44%	41%	39%	38%	53%
G&A	17%	15%	14%	13%	12%	12%	11%	10%	9%	9%	9%	11%	11%
R&D	1%	1%	1%	1%	1%	3%	3%	2%	2%	2%	2%	2%	2%
Gross Margin Equivalent	46%	47%	47%	47%	47%	47%	43%	39%	39%	36%	26%	25%	39%
Net Income	-67%	-56%	-47%	-40%	-33%	-27%	-26%	-25%	-20%	-19%	-27%	-30%	-32%

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	
<b>Current Assets:</b>													
Cash	\$27,835,332	\$29,566,465	\$31,516,175	\$33,674,583	\$36,098,882	\$38,710,607	\$39,734,801	\$39,523,212	\$41,095,793	\$42,102,392	\$41,277,417	\$41,499,190	\$41,499,190
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$7,818,624	\$8,002,605	\$8,149,688	\$8,263,558	\$8,339,900	\$8,374,754	\$11,537,518	\$13,647,038	\$13,120,945	\$16,025,757	\$17,639,384	\$18,254,703	\$18,254,703
Other Current Assets	\$56,063	\$62,158	\$68,618	\$75,467	\$82,726	\$90,421	\$98,269	\$106,275	\$114,441	\$122,770	\$131,265	\$139,931	\$139,931
<b>Total Current Assets</b>	<b>\$35,710,018</b>	<b>\$37,631,228</b>	<b>\$39,734,482</b>	<b>\$42,013,607</b>	<b>\$44,521,508</b>	<b>\$47,175,781</b>	<b>\$51,370,589</b>	<b>\$53,276,525</b>	<b>\$54,331,179</b>	<b>\$58,250,918</b>	<b>\$59,048,067</b>	<b>\$59,893,824</b>	<b>\$59,893,824</b>
<b>Fixed Assets:</b>													
Int, Property, & Equipment	\$684,000	\$684,000	\$687,500	\$704,500	\$704,500	\$754,500	\$754,500	\$754,500	\$754,500	\$754,500	\$1,054,500	\$1,104,500	\$1,104,500
Accumulated Depreciation	(\$202,167)	(\$221,167)	(\$240,167)	(\$259,264)	(\$278,833)	(\$298,403)	(\$319,361)	(\$340,319)	(\$361,278)	(\$382,236)	(\$403,194)	(\$432,486)	(\$432,486)
<b>Total Fixed Assets</b>	<b>\$481,833</b>	<b>\$462,833</b>	<b>\$447,333</b>	<b>\$445,236</b>	<b>\$425,667</b>	<b>\$456,097</b>	<b>\$435,139</b>	<b>\$414,181</b>	<b>\$393,222</b>	<b>\$372,264</b>	<b>\$651,306</b>	<b>\$672,014</b>	<b>\$672,014</b>
<b>Total Assets</b>	<b>\$36,191,852</b>	<b>\$38,094,061</b>	<b>\$40,181,815</b>	<b>\$42,458,843</b>	<b>\$44,947,175</b>	<b>\$47,631,878</b>	<b>\$51,805,728</b>	<b>\$53,690,706</b>	<b>\$54,724,401</b>	<b>\$58,623,182</b>	<b>\$59,699,372</b>	<b>\$60,565,838</b>	<b>\$60,565,838</b>
<b>Current Liabilities:</b>													
Accounts Payable	1,598,469	1,636,737	1,679,188	1,728,231	1,773,808	1,833,727	3,537,368	3,134,221	1,888,585	3,677,608	3,162,371	2,828,314	\$2,828,314
Accrued Revenue	56,582,190	59,622,599	62,751,994	65,987,211	69,330,076	72,783,713	76,104,218	79,289,082	82,335,749	85,241,630	88,004,090	90,620,456	\$90,620,456
Other Current Liabilities	\$37,375	\$41,438	\$45,745	\$50,311	\$55,151	\$60,280	\$65,513	\$70,850	\$76,294	\$81,846	\$87,510	\$93,287	\$93,287
<b>Total Current Liabilities</b>	<b>\$58,218,034</b>	<b>\$61,300,773</b>	<b>\$64,476,927</b>	<b>\$67,765,753</b>	<b>\$71,159,034</b>	<b>\$74,677,721</b>	<b>\$79,707,100</b>	<b>\$82,494,153</b>	<b>\$84,300,628</b>	<b>\$89,001,084</b>	<b>\$91,253,971</b>	<b>\$93,542,057</b>	<b>\$93,542,057</b>
<b>Long-Term Liabilities:</b>													
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>													
Contributions													
Retained Earnings / (Loss) - After Tax	(26,816,183)	(27,996,712)	(29,085,112)	(30,096,909)	(31,001,859)	(31,835,843)	(32,691,372)	(33,593,447)	(34,366,227)	(35,167,902)	(36,344,598)	(37,766,220)	(\$37,766,220)
<b>Total Owner Equity</b>	<b>(\$22,026,183)</b>	<b>(\$23,206,712)</b>	<b>(\$24,295,112)</b>	<b>(\$25,306,909)</b>	<b>(\$26,211,859)</b>	<b>(\$27,045,843)</b>	<b>(\$27,901,372)</b>	<b>(\$28,803,447)</b>	<b>(\$29,576,227)</b>	<b>(\$30,377,902)</b>	<b>(\$31,554,598)</b>	<b>(\$32,976,220)</b>	<b>(\$32,976,220)</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$36,191,852</b>	<b>\$38,094,061</b>	<b>\$40,181,815</b>	<b>\$42,458,843</b>	<b>\$44,947,175</b>	<b>\$47,631,878</b>	<b>\$51,805,728</b>	<b>\$53,690,706</b>	<b>\$54,724,401</b>	<b>\$58,623,182</b>	<b>\$59,699,372</b>	<b>\$60,565,838</b>	<b>\$60,565,838</b>
<b>Balance Sheet Assumptions - Working Capital</b>													
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)	595,900	631,854	669,553	709,726	752,309	797,447	2,499,112	2,093,949	846,257	2,633,182	2,060,445	1,635,554	1,635,554
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	59,157	59,157	60,561	65,155	65,155	74,342	74,342	74,342	74,342	74,342	115,176	201,407	201,407
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)	943,412	945,925	949,074	953,351	956,344	961,938	963,915	965,930	967,986	970,083	986,750	991,353	991,353
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	56,063	62,158	68,618	75,467	82,726	90,421	98,269	106,275	114,441	122,770	131,265	139,931	139,931
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	37,375	41,438	45,745	50,311	55,151	60,280	65,513	70,850	76,294	81,846	87,510	93,287	93,287
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

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	(1,274,573)	(1,180,530)	(1,088,400)	(1,011,797)	(904,950)	(833,983)	(855,530)	(902,075)	(772,779)	(801,675)	(1,176,696)	(1,421,622)	(12,224,609)
Adjustment: Depreciation & Amortization	18,708	19,000	19,000	19,097	19,569	19,569	20,958	20,958	20,958	20,958	20,958	29,292	249,028
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(216,685)	(183,982)	(147,083)	(113,869)	(76,343)	(34,853)	(3,162,765)	(2,109,520)	526,093	(2,904,812)	(1,613,627)	(615,319)	(10,652,764)
Change in Other Current Assets	(5,750)	(6,095)	(6,461)	(6,848)	(7,259)	(7,695)	(7,849)	(8,006)	(8,166)	(8,329)	(8,496)	(8,666)	(89,618)
Change in Accounts Payable	(1,775,608)	38,267	42,451	49,043	45,577	59,920	1,703,641	(403,147)	(1,245,636)	1,789,022	(515,237)	(334,057)	(545,764)
Change in Unearned Revenue	2,952,351	3,040,408	3,129,395	3,235,217	3,342,865	3,453,637	3,320,506	3,184,864	3,046,667	2,905,881	2,762,460	2,616,366	36,990,617
Change in Other Current Liabilities	3,833	4,063	4,307	4,566	4,839	5,130	5,232	5,337	5,444	5,553	5,664	5,777	59,746
<b>Total Cash Flow from Operations</b>	<b>(\$297,723)</b>	<b>\$1,731,133</b>	<b>\$1,953,210</b>	<b>\$2,175,408</b>	<b>\$2,424,299</b>	<b>\$2,661,725</b>	<b>\$1,024,194</b>	<b>(\$211,589)</b>	<b>\$1,572,581</b>	<b>\$1,006,599</b>	<b>(\$524,974)</b>	<b>\$271,772</b>	<b>13,786,635</b>
cash From Investing Activities:													
Capital Expenditures	(\$10,500)	\$0	(\$3,500)	(\$17,000)	\$0	(\$50,000)	\$0	\$0	\$0	\$0	(\$300,000)	(\$50,000)	(431,000)
<b>Total Cash Flow from Investing Activities</b>	<b>(\$10,500)</b>	<b>\$0</b>	<b>(\$3,500)</b>	<b>(\$17,000)</b>	<b>\$0</b>	<b>(\$50,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$300,000)</b>	<b>(\$50,000)</b>	<b>(431,000)</b>
<b>cash Flow Before Financing</b>	<b>(\$308,223)</b>	<b>\$1,731,133</b>	<b>\$1,949,710</b>	<b>\$2,158,408</b>	<b>\$2,424,299</b>	<b>\$2,611,725</b>	<b>\$1,024,194</b>	<b>(\$211,589)</b>	<b>\$1,572,581</b>	<b>\$1,006,599</b>	<b>(\$824,974)</b>	<b>\$221,772</b>	<b>13,355,635</b>
cash Flow From Financing Activities:													
Proceeds from Equity Contributions	\$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 (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	-
<b>Total Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
<b>cash Flow from Ops, Investing &amp; Financing</b>	<b>(\$308,223)</b>	<b>\$1,731,133</b>	<b>\$1,949,710</b>	<b>\$2,158,408</b>	<b>\$2,424,299</b>	<b>\$2,611,725</b>	<b>\$1,024,194</b>	<b>(\$211,589)</b>	<b>\$1,572,581</b>	<b>\$1,006,599</b>	<b>(\$824,974)</b>	<b>\$221,772</b>	<b>13,355,635</b>
Beginning Cash Balance	\$28,143,555	\$27,835,332	\$29,566,465	\$31,516,175	\$33,674,583	\$36,098,882	\$38,710,607	\$39,734,801	\$39,523,212	\$41,095,793	\$42,102,392	\$41,277,417	\$28,143,555
Net Increase/(Decrease) in Cash	(\$308,223)	\$1,731,133	\$1,949,710	\$2,158,408	\$2,424,299	\$2,611,725	\$1,024,194	(\$211,589)	\$1,572,581	\$1,006,599	(\$824,974)	\$221,772	\$13,355,635
<b>Ending Cash Balance</b>	<b>\$27,835,332</b>	<b>\$29,566,465</b>	<b>\$31,516,175</b>	<b>\$33,674,583</b>	<b>\$36,098,882</b>	<b>\$38,710,607</b>	<b>\$39,734,801</b>	<b>\$39,523,212</b>	<b>\$41,095,793</b>	<b>\$42,102,392</b>	<b>\$41,277,417</b>	<b>\$41,499,190</b>	<b>\$41,499,190</b>

10% CONFIDENCE LEVEL

CONSORTIUM gTLD  
Summary P&L

	Year 3 1	2	3	4	5	6	7	8	9	10	11	12	Year 3
Registrations	614,878	627,176	639,720	652,514	665,564	678,875	685,664	692,521	699,446	706,440	713,504	720,639	8,096,941
Revenue	\$ 4,992,661	\$ 5,293,856	\$ 5,601,075	\$ 5,914,439	\$ 6,234,069	\$ 6,560,092	\$ 6,889,318	\$ 7,221,777	\$ 7,567,501	\$ 7,896,520	\$ 8,813,867	\$ 8,967,907	\$ 81,943,082
Operating Expenses:													
Industry Operator	2,554,771	2,447,800	2,334,520	2,214,554	2,087,505	1,952,949	1,537,773	1,190,151	1,050,504	613,065	271,110	-	18,254,703
Systems Development & Support	798,295	802,889	807,483	807,483	807,483	807,483	807,483	807,483	807,483	807,483	807,483	885,295	9,753,824
Customer Service	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	138,180	862,041
Sales & Marketing	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,536,265	17,706,430
General & Administrative	414,028	416,601	419,206	420,867	422,561	424,288	425,169	426,059	426,958	427,866	428,783	550,021	5,202,408
	102,418	105,423	108,489	111,615	114,804	118,057	121,343	124,661	128,013	131,398	140,567	142,103	1,448,891
Operating Expenses	5,405,333	5,308,534	5,205,518	5,090,339	4,968,173	4,838,598	4,427,588	4,084,174	3,948,778	3,515,632	3,183,763	3,251,865	53,228,297
TDA	(412,673)	(14,678)	395,558	824,099	1,265,896	1,721,494	2,461,730	3,137,603	3,608,723	4,380,888	5,630,104	5,716,042	28,714,785
Depreciation & Amortization	30,681	30,958	31,236	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514	376,500
Interest	(443,353)	(45,636)	364,321	792,585	1,234,382	1,689,980	2,430,216	3,106,089	3,577,209	4,349,374	5,598,590	5,684,528	28,338,285
Interest	60,520	64,487	71,304	78,084	84,747	91,275	97,662	103,564	109,036	114,242	118,943	137,839	1,131,702
Pre-tax Consortium Profit (Before Rebates)	(503,873)	(110,123)	293,017	714,501	1,149,635	1,598,705	2,332,554	3,002,525	3,468,173	4,235,133	5,479,647	5,546,689	27,206,583
Rebates	-	-	73,254	178,625	287,409	399,676	583,138	750,631	867,043	1,058,783	1,369,912	1,386,672	6,955,145
Pre-tax Consortium Profit	(503,873)	(110,123)	219,763	535,876	862,226	1,199,029	1,749,415	2,251,894	2,601,130	3,176,349	4,109,735	4,160,017	20,251,438
Estimated Stockholder Taxes	-	-	87,905	214,350	344,891	479,612	699,766	900,757	1,040,452	1,270,540	1,643,894	1,664,007	8,346,174
Estimated Consortium Net Income	(503,873)	(110,123)	131,858	321,526	517,336	719,417	1,049,649	1,351,136	1,560,678	1,905,810	2,465,841	2,496,010	11,905,264
Relative Net Income	(38,270,093)	(38,380,216)	(38,248,358)	(37,926,832)	(37,409,497)	(36,690,079)	(35,640,430)	(34,289,294)	(32,728,616)	(30,822,807)	(28,356,965)	(25,860,955)	(25,860,955)

Percent of Revenue (Accrual)

Cost of Revenue	51%	46%	42%	37%	33%	30%	22%	16%	14%	8%	3%	0%	22%
Sales & Marketing	29%	28%	26%	25%	24%	22%	21%	20%	19%	19%	17%	17%	22%
G&A	8%	8%	7%	7%	7%	6%	6%	6%	6%	5%	5%	6%	6%
R&D	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Gross Margin Equivalent	33%	39%	44%	49%	54%	58%	66%	72%	75%	82%	88%	90%	66%
Net Income	-10%	-2%	2%	5%	8%	11%	15%	19%	21%	24%	28%	28%	15%

In flows include financing flows.

gTLD CONSORTIUM  
Balance Sheet

LD BALANCE SHEET

	Year 3												Year 3
	1	2	3	4	5	6	7	8	9	10	11	12	Year 3
<b>Current Assets:</b>													
Cash	\$44,219,594	\$48,894,442	\$53,543,224	\$58,112,273	\$62,588,766	\$66,968,242	\$71,015,477	\$74,767,297	\$78,337,294	\$81,560,808	\$94,517,868	\$103,798,907	\$103,798,907
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$15,699,932	\$13,252,132	\$10,917,612	\$8,703,058	\$6,615,553	\$4,662,604	\$3,124,831	\$1,934,680	\$884,175	\$271,110	(\$0)	(\$0)	(\$0)
Other Current Assets	\$148,770	\$157,785	\$166,981	\$176,361	\$185,929	\$195,688	\$205,544	\$215,499	\$225,554	\$235,709	\$263,215	\$267,824	\$267,824
<b>Total Current Assets</b>	<b>\$60,068,296</b>	<b>\$62,304,359</b>	<b>\$64,627,818</b>	<b>\$66,991,692</b>	<b>\$69,390,248</b>	<b>\$71,826,534</b>	<b>\$74,345,851</b>	<b>\$76,917,476</b>	<b>\$79,447,024</b>	<b>\$82,067,627</b>	<b>\$94,781,083</b>	<b>\$104,066,732</b>	<b>\$104,066,732</b>
<b>Fixed Assets:</b>													
Int, Property, & Equipment	\$1,114,500	\$1,124,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500
Accumulated Depreciation	(\$463,167)	(\$494,125)	(\$525,361)	(\$556,875)	(\$588,389)	(\$619,903)	(\$651,417)	(\$682,931)	(\$714,444)	(\$745,958)	(\$777,472)	(\$808,986)	(\$808,986)
<b>Total Fixed Assets</b>	<b>\$651,333</b>	<b>\$630,375</b>	<b>\$609,139</b>	<b>\$577,625</b>	<b>\$546,111</b>	<b>\$514,597</b>	<b>\$483,083</b>	<b>\$451,569</b>	<b>\$420,056</b>	<b>\$388,542</b>	<b>\$357,028</b>	<b>\$325,514</b>	<b>\$325,514</b>
<b>Total Assets</b>	<b>\$60,719,629</b>	<b>\$62,934,734</b>	<b>\$65,236,957</b>	<b>\$67,569,317</b>	<b>\$69,936,359</b>	<b>\$72,341,131</b>	<b>\$74,828,935</b>	<b>\$77,369,045</b>	<b>\$79,867,079</b>	<b>\$82,456,168</b>	<b>\$95,138,111</b>	<b>\$104,392,246</b>	<b>\$104,392,246</b>
<b>Current Liabilities:</b>													
Accounts Payable	1,012,739	1,016,600	1,020,507	1,022,900	1,025,342	1,027,832	1,029,915	1,032,020	1,034,145	1,036,291	1,041,334	1,121,140	\$1,121,140
Earned Revenue	93,087,803	95,403,160	97,563,488	99,565,675	101,406,561	103,082,920	104,512,420	105,692,654	106,621,182	107,295,545	117,488,265	124,163,511	\$124,163,511
Other Current Liabilities	\$99,180	\$105,190	\$111,321	\$117,574	\$123,953	\$130,458	\$137,029	\$143,666	\$150,369	\$157,139	\$175,477	\$178,550	\$178,550
<b>Total Current Liabilities</b>	<b>\$94,199,721</b>	<b>\$96,524,950</b>	<b>\$98,695,315</b>	<b>\$100,706,150</b>	<b>\$102,555,855</b>	<b>\$104,241,210</b>	<b>\$105,679,365</b>	<b>\$106,868,339</b>	<b>\$107,805,695</b>	<b>\$108,488,975</b>	<b>\$118,705,076</b>	<b>\$125,463,201</b>	<b>\$125,463,201</b>
<b>Long-Term Liabilities:</b>													
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>													
Utility Contributions													
Retained Earnings / (Loss) - After Tax	(\$38,270,093)	(\$38,380,216)	(\$38,248,358)	(\$37,926,832)	(\$37,409,497)	(\$36,690,079)	(\$35,640,430)	(\$34,289,294)	(\$32,728,616)	(\$30,822,807)	(\$28,356,965)	(\$25,860,955)	(\$25,860,955)
<b>Total Owner Equity</b>	<b>(\$33,480,093)</b>	<b>(\$33,590,216)</b>	<b>(\$33,458,358)</b>	<b>(\$33,136,832)</b>	<b>(\$32,619,497)</b>	<b>(\$31,900,079)</b>	<b>(\$30,850,430)</b>	<b>(\$29,499,294)</b>	<b>(\$27,938,616)</b>	<b>(\$26,032,807)</b>	<b>(\$23,566,965)</b>	<b>(\$21,070,955)</b>	<b>(\$21,070,955)</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$60,719,629</b>	<b>\$62,934,734</b>	<b>\$65,236,957</b>	<b>\$67,569,317</b>	<b>\$69,936,359</b>	<b>\$72,341,131</b>	<b>\$74,828,935</b>	<b>\$77,369,045</b>	<b>\$79,867,079</b>	<b>\$82,456,168</b>	<b>\$95,138,111</b>	<b>\$104,392,246</b>	<b>\$104,392,246</b>
<b>Balance Sheet Assumptions - Working Capital</b>													
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 Expen	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	130,045	131,117	132,189	132,189	132,189	132,189	132,189	132,189	132,189	132,189	132,189	210,764	210,764
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	882,694	885,483	888,318	890,711	893,153	895,643	897,726	899,831	901,956	904,102	909,145	910,376	910,376
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	148,770	157,785	166,981	176,361	185,929	195,688	205,544	215,499	225,554	235,709	263,215	267,824	267,824
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	99,180	105,190	111,321	117,574	123,953	130,458	137,029	143,666	150,369	157,139	175,477	178,550	178,550
Other Current Liabilities as a % of Revenue (Accr	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%



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	(503,873)	(110,123)	131,858	321,526	517,336	719,417	1,049,649	1,351,136	1,560,678	1,905,810	2,465,841	2,496,010	11,905,264
Adjustment: Depreciation & Amortization	30,681	30,958	31,236	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514	376,500
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	2,554,771	2,447,800	2,334,520	2,214,554	2,087,505	1,952,949	1,537,773	1,190,151	1,050,504	613,065	271,110	-	18,254,703
Change in Other Current Assets	(8,839)	(9,016)	(9,196)	(9,380)	(9,567)	(9,759)	(9,856)	(9,955)	(10,055)	(10,155)	(27,507)	(4,609)	(127,894)
Change in Accounts Payable	(1,815,575)	3,861	3,907	2,394	2,441	2,490	2,083	2,104	2,125	2,146	5,043	79,806	(1,707,174)
Change in Unearned Revenue	2,467,347	2,315,357	2,160,328	2,002,187	1,840,866	1,676,359	1,429,500	1,180,234	928,528	674,363	10,192,720	6,675,246	33,543,055
Change in Other Current Liabilities	5,893	6,010	6,131	6,253	6,378	6,506	6,571	6,637	6,703	6,770	18,338	3,073	85,262
<b>Total Cash Flow from Operations</b>	<b>\$2,730,404</b>	<b>\$4,684,848</b>	<b>\$4,658,783</b>	<b>\$4,569,048</b>	<b>\$4,476,493</b>	<b>\$4,379,477</b>	<b>\$4,047,234</b>	<b>\$3,751,820</b>	<b>\$3,569,997</b>	<b>\$3,223,513</b>	<b>\$12,957,060</b>	<b>\$9,281,040</b>	<b>62,329,718</b>
sh From Investing Activities:													
Capital Expenditures	(\$10,000)	(\$10,000)	(\$10,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(30,000)
<b>Total Cash Flow from Investing Activities</b>	<b>(\$10,000)</b>	<b>(\$10,000)</b>	<b>(\$10,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(30,000)</b>
<b>Cash Flow Before Financing</b>	<b>\$2,720,404</b>	<b>\$4,674,848</b>	<b>\$4,648,783</b>	<b>\$4,569,048</b>	<b>\$4,476,493</b>	<b>\$4,379,477</b>	<b>\$4,047,234</b>	<b>\$3,751,820</b>	<b>\$3,569,997</b>	<b>\$3,223,513</b>	<b>\$12,957,060</b>	<b>\$9,281,040</b>	<b>62,299,718</b>
sh Flow 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	-
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	-
<b>Total Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>\$2,720,404</b>	<b>\$4,674,848</b>	<b>\$4,648,783</b>	<b>\$4,569,048</b>	<b>\$4,476,493</b>	<b>\$4,379,477</b>	<b>\$4,047,234</b>	<b>\$3,751,820</b>	<b>\$3,569,997</b>	<b>\$3,223,513</b>	<b>\$12,957,060</b>	<b>\$9,281,040</b>	<b>62,299,718</b>
Beginning Cash Balance	\$41,499,190	\$44,219,594	\$48,894,442	\$53,543,224	\$58,112,273	\$62,588,766	\$66,968,242	\$71,015,477	\$74,767,297	\$78,337,294	\$81,560,808	\$94,517,868	\$41,499,190
<b>Net Increase/(Decrease) in Cash</b>	<b>\$2,720,404</b>	<b>\$4,674,848</b>	<b>\$4,648,783</b>	<b>\$4,569,048</b>	<b>\$4,476,493</b>	<b>\$4,379,477</b>	<b>\$4,047,234</b>	<b>\$3,751,820</b>	<b>\$3,569,997</b>	<b>\$3,223,513</b>	<b>\$12,957,060</b>	<b>\$9,281,040</b>	<b>\$62,299,718</b>
<b>Ending Cash Balance</b>	<b>\$44,219,594</b>	<b>\$48,894,442</b>	<b>\$53,543,224</b>	<b>\$58,112,273</b>	<b>\$62,588,766</b>	<b>\$66,968,242</b>	<b>\$71,015,477</b>	<b>\$74,767,297</b>	<b>\$78,337,294</b>	<b>\$81,560,808</b>	<b>\$94,517,868</b>	<b>\$103,798,907</b>	<b>\$103,798,907</b>

10% CONFIDENCE LEVEL

CONSORTIUM gTLD  
Summary P&L

	Year 4 1	2	3	4	5	6	7	8	9	10	11	12	Year 4
Registrations	727,845	735,123	742,474	749,899	757,398	764,972	772,622	780,348	788,151	796,033	803,993	812,033	9,230,891
Revenue	\$ 9,173,320	\$ 9,478,058	\$ 9,845,739	\$ 10,217,672	\$ 10,593,934	\$ 10,974,604	\$ 11,359,766	\$ 11,739,247	\$ 12,122,573	\$ 12,509,784	\$ 12,900,921	\$ 13,296,024	\$ 134,211,642
Operating Expenses:													
Registry Operator	-	-	-	-	-	-	-	-	-	-	-	-	-
System Development & Support	3,034,745	3,041,981	3,041,981	3,041,981	3,041,981	3,041,981	3,041,981	3,041,981	3,041,981	3,041,981	3,041,981	3,119,793	36,574,345
Customer Service	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	141,471	901,524
Operations & Marketing	1,317,540	1,317,540	1,317,540	1,317,540	1,317,540	1,317,540	1,317,540	1,317,540	1,317,540	1,317,540	1,317,540	1,383,790	15,876,725
General & Administrative	460,255	462,223	463,215	464,218	465,230	466,252	467,285	468,328	469,381	470,445	471,520	592,917	5,721,270
Other	146,794	149,838	153,510	157,226	160,984	164,786	168,634	172,424	176,253	180,121	184,028	187,974	2,002,573
Operating Expenses	5,028,431	5,040,677	5,045,342	5,050,059	5,054,830	5,059,655	5,064,535	5,069,368	5,074,250	5,079,182	5,084,163	5,425,945	61,076,436
TDA	4,144,889	4,437,381	4,800,397	5,167,613	5,539,104	5,914,950	6,295,232	6,669,879	7,048,322	7,430,602	7,816,758	7,870,079	73,135,206
Depreciation & Amortization	31,514	30,264	21,264	19,014	18,236	17,264	17,264	17,264	17,264	16,972	16,972	16,972	240,264
EBITDA	4,113,376	4,407,117	4,779,133	5,148,599	5,520,868	5,897,686	6,277,968	6,652,615	7,031,058	7,413,630	7,799,786	7,853,107	72,894,942
EBIT	151,373	159,437	166,471	173,639	180,950	188,422	196,074	203,925	211,735	219,505	227,235	234,926	2,313,693
EBITDA tax Consortium Profit (Before Rebates)	3,962,002	4,247,681	4,612,662	4,974,960	5,339,918	5,709,263	6,081,894	6,448,689	6,819,323	7,194,125	7,572,551	7,618,180	70,581,249
EBITDA tax	990,501	1,061,920	1,153,166	1,243,740	1,334,980	1,427,316	1,520,473	1,612,172	1,704,831	1,798,531	1,893,138	1,904,545	17,645,312
EBITDA tax Consortium Profit	2,971,502	3,185,760	3,459,497	3,731,220	4,004,939	4,281,948	4,561,420	4,836,517	5,114,492	5,395,594	5,679,413	5,713,635	52,935,937
EBITDA tax Consortium Profit	1,188,601	1,274,304	1,383,799	1,492,488	1,601,975	1,712,779	1,824,568	1,934,607	2,045,797	2,158,238	2,271,765	2,285,454	21,174,375
EBITDA tax Consortium Net Income	1,782,901	1,911,456	2,075,698	2,238,732	2,402,963	2,569,169	2,736,852	2,901,910	3,068,695	3,237,356	3,407,648	3,428,181	31,761,562
EBITDA tax Consortium Net Income	(24,078,054)	(22,166,598)	(20,090,900)	(17,852,168)	(15,449,205)	(12,880,036)	(10,143,184)	(7,241,274)	(4,172,579)	(935,222)	2,472,426	5,900,607	5,900,607
<b>Percent of Revenue (Accrual)</b>													
Cost of Revenue	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sales & Marketing	14%	14%	13%	13%	12%	12%	12%	11%	11%	11%	10%	10%	12%
G&A	5%	5%	5%	5%	4%	4%	4%	4%	4%	4%	4%	4%	4%
R&D	2%	2%	2%	2%	2%	2%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	67%	68%	69%	70%	71%	72%	73%	74%	75%	76%	76%	77%	73%
Net Income	19%	20%	21%	22%	23%	23%	24%	25%	25%	26%	26%	26%	24%

h flows include financing flows.

gTLD CONSORTIUM  
Balance Sheet

12 MONTH BALANCE SHEET

	Year 4												Year 4
	1	2	3	4	5	6	7	8	9	10	11	12	
<b>Current Assets:</b>													
Cash	\$109,327,993	\$114,151,685	\$119,066,633	\$124,079,920	\$129,203,946	\$134,450,945	\$139,834,591	\$145,189,924	\$150,517,557	\$155,818,027	\$161,092,201	\$166,267,857	\$166,267,857
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	\$273,975	\$283,105	\$294,123	\$305,268	\$316,543	\$327,951	\$339,493	\$350,864	\$362,351	\$373,954	\$385,675	\$397,514	\$397,514
<b>Total Current Assets</b>	<b>\$109,601,967</b>	<b>\$114,434,790</b>	<b>\$119,360,756</b>	<b>\$124,385,189</b>	<b>\$129,520,489</b>	<b>\$134,778,896</b>	<b>\$140,174,084</b>	<b>\$145,540,788</b>	<b>\$150,879,908</b>	<b>\$156,191,981</b>	<b>\$161,477,875</b>	<b>\$166,665,372</b>	<b>\$166,665,372</b>
<b>Fixed Assets:</b>													
Intangible, Property, & Equipment	\$1,274,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500
Accumulated Depreciation	(\$840,500)	(\$870,764)	(\$892,028)	(\$911,042)	(\$929,278)	(\$946,542)	(\$963,806)	(\$981,069)	(\$998,333)	(\$1,015,306)	(\$1,032,278)	(\$1,049,250)	(\$1,049,250)
<b>Total Fixed Assets</b>	<b>\$434,000</b>	<b>\$413,736</b>	<b>\$392,472</b>	<b>\$373,458</b>	<b>\$355,222</b>	<b>\$337,958</b>	<b>\$320,694</b>	<b>\$303,431</b>	<b>\$286,167</b>	<b>\$269,194</b>	<b>\$252,222</b>	<b>\$235,250</b>	<b>\$235,250</b>
<b>Total Assets</b>	<b>\$110,035,967</b>	<b>\$114,848,526</b>	<b>\$119,753,228</b>	<b>\$124,758,647</b>	<b>\$129,875,711</b>	<b>\$135,116,854</b>	<b>\$140,494,779</b>	<b>\$145,844,219</b>	<b>\$151,166,074</b>	<b>\$156,461,175</b>	<b>\$161,730,098</b>	<b>\$166,900,622</b>	<b>\$166,900,622</b>
<b>Current Liabilities:</b>													
Accounts Payable	1,008,101	1,012,295	1,014,628	1,016,986	1,019,372	1,021,784	1,024,224	1,026,641	1,029,082	1,031,548	1,034,038	1,115,129	\$1,115,129
Accrued Revenue	128,133,271	131,024,092	133,843,419	136,600,316	139,304,516	141,966,473	144,597,410	147,034,943	149,278,004	151,325,547	153,176,517	154,829,876	\$154,829,876
Other Current Liabilities	\$182,650	\$188,736	\$196,082	\$203,512	\$211,029	\$218,634	\$226,329	\$233,909	\$241,567	\$249,303	\$257,116	\$265,009	\$265,009
<b>Total Current Liabilities</b>	<b>\$129,324,022</b>	<b>\$132,225,124</b>	<b>\$135,054,128</b>	<b>\$137,820,815</b>	<b>\$140,534,916</b>	<b>\$143,206,890</b>	<b>\$145,847,963</b>	<b>\$148,295,493</b>	<b>\$150,548,653</b>	<b>\$152,606,397</b>	<b>\$154,467,672</b>	<b>\$156,210,014</b>	<b>\$156,210,014</b>
<b>Long-Term Liabilities:</b>													
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>													
Contributions													
Retained Earnings / (Loss) - After Tax	(24,078,054)	(22,166,598)	(20,090,900)	(17,852,168)	(15,449,205)	(12,880,036)	(10,143,184)	(7,241,274)	(4,172,579)	(935,222)	2,472,426	5,900,607	\$5,900,607
<b>Total Owner Equity</b>	<b>(\$19,288,054)</b>	<b>(\$17,376,598)</b>	<b>(\$15,300,900)</b>	<b>(\$13,062,168)</b>	<b>(\$10,659,205)</b>	<b>(\$8,090,036)</b>	<b>(\$5,353,184)</b>	<b>(\$2,451,274)</b>	<b>\$617,421</b>	<b>\$3,854,778</b>	<b>\$7,262,426</b>	<b>\$10,690,607</b>	<b>\$10,690,607</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$110,035,967</b>	<b>\$114,848,526</b>	<b>\$119,753,228</b>	<b>\$124,758,647</b>	<b>\$129,875,711</b>	<b>\$135,116,854</b>	<b>\$140,494,779</b>	<b>\$145,844,219</b>	<b>\$151,166,074</b>	<b>\$156,461,175</b>	<b>\$161,730,098</b>	<b>\$166,900,622</b>	<b>\$166,900,622</b>
<b>Balance Sheet Assumptions - Working Capital</b>													
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 Expense	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	161,871	163,559	163,559	163,559	163,559	163,559	163,559	163,559	163,559	163,559	163,559	242,134	242,134
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)	846,231	848,736	851,069	853,427	855,813	858,225	860,665	863,082	865,523	867,989	870,479	872,995	872,995
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	273,975	283,105	294,123	305,268	316,543	327,951	339,493	350,864	362,351	373,954	385,675	397,514	397,514
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	182,650	188,736	196,082	203,512	211,029	218,634	226,329	233,909	241,567	249,303	257,116	265,009	265,009
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

gTLD CONSORTIUM  
Cash Flow Statement

**CASH FLOW STATEMENT**

	Year 4												Year 4
	1	2	3	4	5	6	7	8	9	10	11	12	
sh From Operations:													
Income After Taxes	1,782,901	1,911,456	2,075,698	2,238,732	2,402,963	2,569,169	2,736,852	2,901,910	3,068,695	3,237,356	3,407,648	3,428,181	31,761,562
back: Depreciation & Amortization	31,514	30,264	21,264	19,014	18,236	17,264	17,264	17,264	17,264	16,972	16,972	16,972	240,264
ange in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
ange in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
ange in Other Current Assets	(6,150)	(9,130)	(11,018)	(11,145)	(11,275)	(11,407)	(11,542)	(11,371)	(11,487)	(11,603)	(11,721)	(11,840)	(129,690)
ange in Accounts Payable	(113,039)	4,194	2,332	2,359	2,385	2,412	2,440	2,417	2,441	2,466	2,491	81,091	(6,011)
ange in Unearned Revenue	3,969,760	2,890,822	2,819,327	2,756,897	2,704,199	2,661,957	2,630,938	2,437,532	2,243,061	2,047,543	1,850,970	1,653,359	30,666,365
ange in Other Current Liabilities	4,100	6,087	7,345	7,430	7,517	7,605	7,695	7,581	7,658	7,735	7,814	7,893	86,460
<b>tal Cash Flow from Operations</b>	<b>\$5,669,085</b>	<b>\$4,833,692</b>	<b>\$4,914,948</b>	<b>\$5,013,287</b>	<b>\$5,124,025</b>	<b>\$5,247,000</b>	<b>\$5,383,646</b>	<b>\$5,355,333</b>	<b>\$5,327,633</b>	<b>\$5,300,470</b>	<b>\$5,274,174</b>	<b>\$5,175,657</b>	<b>62,618,950</b>
sh From Investing Activities:													
Capital Expenditures	(\$140,000)	(\$10,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(150,000)
<b>tal Cash Flow from Investing Activities</b>	<b>(\$140,000)</b>	<b>(\$10,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(150,000)</b>
sh Flow Before Financing	<b>\$5,529,085</b>	<b>\$4,823,692</b>	<b>\$4,914,948</b>	<b>\$5,013,287</b>	<b>\$5,124,025</b>	<b>\$5,247,000</b>	<b>\$5,383,646</b>	<b>\$5,355,333</b>	<b>\$5,327,633</b>	<b>\$5,300,470</b>	<b>\$5,274,174</b>	<b>\$5,175,657</b>	<b>62,468,950</b>
sh Flow From Financing Activities:													
ceeds 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	-
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	-
<b>tal Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
sh Flow from Ops, Investing & Financing	<b>\$5,529,085</b>	<b>\$4,823,692</b>	<b>\$4,914,948</b>	<b>\$5,013,287</b>	<b>\$5,124,025</b>	<b>\$5,247,000</b>	<b>\$5,383,646</b>	<b>\$5,355,333</b>	<b>\$5,327,633</b>	<b>\$5,300,470</b>	<b>\$5,274,174</b>	<b>\$5,175,657</b>	<b>62,468,950</b>
inning Cash Balance	\$103,798,907	\$109,327,993	\$114,151,685	\$119,066,633	\$124,079,920	\$129,203,946	\$134,450,945	\$139,834,591	\$145,189,924	\$150,517,557	\$155,818,027	\$161,092,201	\$103,798,907
Change/(Decrease) in Cash	\$5,529,085	\$4,823,692	\$4,914,948	\$5,013,287	\$5,124,025	\$5,247,000	\$5,383,646	\$5,355,333	\$5,327,633	\$5,300,470	\$5,274,174	\$5,175,657	\$62,468,950
ding Cash Balance	\$109,327,993	\$114,151,685	\$119,066,633	\$124,079,920	\$129,203,946	\$134,450,945	\$139,834,591	\$145,189,924	\$150,517,557	\$155,818,027	\$161,092,201	\$166,267,857	\$166,267,857

**10% CONFIDENCE LEVEL**

**CONSORTIUM gTLD  
Summary P&L**

	Year 5 1	2	3	4	5	6	7	8	9	10	11	12	Year 5
Registrations	820,153	828,355	836,639	845,005	853,455	861,990	870,610	879,316	888,109	896,990	905,960	915,020	10,401,602
Revenue	\$ 13,695,133	\$ 14,098,290	\$ 14,505,537	\$ 14,916,915	\$ 15,217,467	\$ 15,560,569	\$ 15,936,681	\$ 16,323,428	\$ 16,712,126	\$ 17,102,679	\$ 17,494,984	\$ 17,888,929	\$ 189,452,739
Operating Expenses:													
Industry Operator	-	-	-	-	-	-	-	-	-	-	-	-	-
System Development & Support	3,217,481	3,217,481	3,217,481	3,217,481	3,217,481	3,217,481	3,217,481	3,217,481	3,217,481	3,217,481	3,217,481	3,295,293	38,687,582
Customer Service	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	144,928	942,981
Sales & Marketing	1,252,745	1,252,745	1,252,745	1,252,745	1,252,745	1,252,745	1,252,745	1,252,745	1,252,745	1,252,745	1,252,745	1,318,995	15,099,191
General & Administrative	503,121	504,273	505,436	506,610	507,796	508,994	510,204	511,427	512,661	513,908	515,167	636,751	6,236,348
	194,734	198,761	202,829	206,938	209,939	213,365	217,121	220,984	224,866	228,767	232,685	236,619	2,587,609
Operating Expenses	5,240,632	5,245,810	5,251,041	5,256,324	5,260,511	5,265,136	5,270,102	5,275,187	5,280,303	5,285,451	5,290,628	5,632,584	63,553,710
TDA	8,454,501	8,852,480	9,254,496	9,660,591	9,956,955	10,295,433	10,666,579	11,048,241	11,431,823	11,817,228	12,204,356	12,256,345	125,899,028
Depreciation & Amortization	16,972	20,569	20,569	20,472	20,000	20,000	18,611	18,611	18,611	18,611	18,611	10,278	221,917
Interest	8,437,529	8,831,910	9,233,927	9,640,119	9,936,955	10,275,433	10,647,968	11,029,630	11,413,212	11,798,617	12,185,745	12,246,067	125,677,112
Rest	242,474	249,691	257,182	264,638	272,062	291,623	307,183	319,728	331,183	342,800	354,593	366,577	3,599,735
Pre-tax Consortium Profit (Before Rebates)	8,195,055	8,582,219	8,976,745	9,375,480	9,664,893	9,983,810	10,340,785	10,709,903	11,082,028	11,455,817	11,831,152	11,879,490	122,077,377
Rebates	2,048,764	2,145,555	2,244,186	2,343,870	2,416,223	2,495,952	2,585,196	2,677,476	2,770,507	2,863,954	2,957,788	2,969,872	30,519,344
Post-tax Consortium Profit	6,146,291	6,436,664	6,732,559	7,031,610	7,248,670	7,487,857	7,755,589	8,032,427	8,311,521	8,591,863	8,873,364	8,909,617	91,558,033
Estimated Stockholder Taxes	2,458,517	2,574,666	2,693,023	2,812,644	2,899,468	2,995,143	3,102,235	3,212,971	3,324,608	3,436,745	3,549,346	3,563,847	36,623,213
Estimated Consortium Net Income	3,687,775	3,861,999	4,039,535	4,218,966	4,349,202	4,492,714	4,653,353	4,819,456	4,986,913	5,155,118	5,324,018	5,345,770	54,934,820
Relative Net Income	9,588,382	13,450,380	17,489,916	21,708,882	26,058,084	30,550,798	35,204,151	40,023,608	45,010,520	50,165,638	55,489,656	60,835,427	60,835,427

**Percent of Revenue (Accrual)**

Cost of Revenue	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sales & Marketing	9%	9%	9%	8%	8%	8%	8%	8%	7%	7%	7%	7%	8%
G&A	4%	4%	3%	3%	3%	3%	3%	3%	3%	3%	3%	4%	3%
R&D	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Gross Margin Equivalent	77%	77%	78%	78%	79%	79%	80%	80%	81%	81%	82%	82%	80%
Net Income	27%	27%	28%	28%	29%	29%	29%	30%	30%	30%	30%	30%	29%

Non-cash flows include financing flows.

**gTLD CONSORTIUM**  
Balance Sheet

**12 MONTH BALANCE SHEET**

	Year 5												Year 5
	1	2	3	4	5	6	7	8	9	10	11	12	Year 5
<b>Current Assets:</b>													
Cash	\$171,217,006	\$176,353,186	\$181,466,217	\$186,556,881	\$199,970,185	\$210,639,800	\$219,241,782	\$227,097,254	\$235,062,904	\$243,149,216	\$251,367,338	\$259,651,584	\$259,651,584
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	\$409,474	\$421,555	\$433,758	\$446,085	\$455,088	\$465,366	\$476,635	\$488,223	\$499,869	\$511,571	\$523,325	\$535,128	\$535,128
<b>Total Current Assets</b>	<b>\$171,626,480</b>	<b>\$176,774,741</b>	<b>\$181,899,975</b>	<b>\$187,002,966</b>	<b>\$200,425,273</b>	<b>\$211,105,166</b>	<b>\$219,718,417</b>	<b>\$227,585,477</b>	<b>\$235,562,773</b>	<b>\$243,660,787</b>	<b>\$251,890,663</b>	<b>\$260,186,712</b>	<b>\$260,186,712</b>
<b>Fixed Assets:</b>													
Intangible Property, & Equipment	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500
Accumulated Depreciation	(\$1,066,222)	(\$1,086,792)	(\$1,107,361)	(\$1,127,833)	(\$1,147,833)	(\$1,167,833)	(\$1,186,444)	(\$1,205,056)	(\$1,223,667)	(\$1,242,278)	(\$1,260,889)	(\$1,271,167)	(\$1,271,167)
<b>Total Fixed Assets</b>	<b>\$358,278</b>	<b>\$337,708</b>	<b>\$317,139</b>	<b>\$296,667</b>	<b>\$276,667</b>	<b>\$256,667</b>	<b>\$238,056</b>	<b>\$219,444</b>	<b>\$200,833</b>	<b>\$182,222</b>	<b>\$163,611</b>	<b>\$153,333</b>	<b>\$153,333</b>
<b>Total Assets</b>	<b>\$171,984,758</b>	<b>\$177,112,449</b>	<b>\$182,217,114</b>	<b>\$187,299,633</b>	<b>\$200,701,939</b>	<b>\$211,361,833</b>	<b>\$219,956,473</b>	<b>\$227,804,922</b>	<b>\$235,763,607</b>	<b>\$243,843,009</b>	<b>\$252,054,274</b>	<b>\$260,340,046</b>	<b>\$260,340,046</b>
<b>Current Liabilities:</b>													
Accounts Payable	1,048,805	1,051,394	1,054,009	1,056,651	1,058,744	1,061,057	1,063,540	1,066,082	1,068,640	1,071,214	1,073,803	1,154,981	\$1,154,981
Accrued Revenue	156,284,589	157,539,639	158,594,017	159,446,710	168,491,719	174,649,734	178,581,025	181,599,750	184,561,200	187,475,110	190,351,932	193,202,886	\$193,202,886
Other Current Liabilities	\$272,983	\$281,036	\$289,172	\$297,390	\$303,392	\$310,244	\$317,757	\$325,482	\$333,246	\$341,047	\$348,883	\$356,752	\$356,752
<b>Total Current Liabilities</b>	<b>\$157,606,376</b>	<b>\$158,872,069</b>	<b>\$159,937,199</b>	<b>\$160,800,751</b>	<b>\$169,853,856</b>	<b>\$176,021,034</b>	<b>\$179,962,322</b>	<b>\$182,991,314</b>	<b>\$185,963,086</b>	<b>\$188,887,371</b>	<b>\$191,774,618</b>	<b>\$194,714,619</b>	<b>\$194,714,619</b>
<b>Long-Term Liabilities:</b>													
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>													
Contributions	9,588,382	13,450,380	17,489,916	21,708,882	26,058,084	30,550,798	35,204,151	40,023,608	45,010,520	50,165,638	55,489,656	60,835,427	\$60,835,427
Retained Earnings / (Loss) - After Tax	\$14,378,382	\$18,240,380	\$22,279,916	\$26,498,882	\$30,848,084	\$35,340,798	\$39,994,151	\$44,813,608	\$49,800,520	\$54,955,638	\$60,279,656	\$65,625,427	\$65,625,427
<b>Total Owner Equity</b>	<b>\$14,378,382</b>	<b>\$18,240,380</b>	<b>\$22,279,916</b>	<b>\$26,498,882</b>	<b>\$30,848,084</b>	<b>\$35,340,798</b>	<b>\$39,994,151</b>	<b>\$44,813,608</b>	<b>\$49,800,520</b>	<b>\$54,955,638</b>	<b>\$60,279,656</b>	<b>\$65,625,427</b>	<b>\$65,625,427</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$171,984,758</b>	<b>\$177,112,449</b>	<b>\$182,217,114</b>	<b>\$187,299,633</b>	<b>\$200,701,939</b>	<b>\$211,361,833</b>	<b>\$219,956,473</b>	<b>\$227,804,922</b>	<b>\$235,763,607</b>	<b>\$243,843,009</b>	<b>\$252,054,274</b>	<b>\$260,340,046</b>	<b>\$260,340,046</b>
<b>Balance Sheet Assumptions - Working Capital</b>													
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 Expense	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	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	273,947	273,947
Accounts Payable as a % of Total Salary Expense	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23.3%
Accounts Payable - Holding Days	7	7	7	7	7	7	7	7	7	7	7	7	7
Accounts Payable (All OPS Expense Excluding Labor)	853,433	856,022	858,638	861,279	863,373	865,685	868,168	870,711	873,269	875,843	878,431	881,034	881,034
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	409,474	421,555	433,758	446,085	455,088	465,366	476,635	488,223	499,869	511,571	523,325	535,128	535,128
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	272,983	281,036	289,172	297,390	303,392	310,244	317,757	325,482	333,246	341,047	348,883	356,752	356,752
Other Current Liabilities as a % of Revenue (Accrual)	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2.0%

gTLD CONSORTIUM  
Cash Flow Statement

**CASH FLOW STATEMENT**

	Year 5												Year 5
	1	2	3	4	5	6	7	8	9	10	11	12	
<b>Cash From Operations:</b>													
Net Income After Taxes	3,687,775	3,861,999	4,039,535	4,218,966	4,349,202	4,492,714	4,653,353	4,819,456	4,986,913	5,155,118	5,324,018	5,345,770	54,934,820
Adjustment: Depreciation & Amortization	16,972	20,569	20,569	20,472	20,000	20,000	18,611	18,611	18,611	18,611	18,611	10,278	221,917
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Other Current Assets	(11,960)	(12,081)	(12,203)	(12,327)	(9,002)	(10,279)	(11,269)	(11,588)	(11,646)	(11,702)	(11,754)	(11,803)	(137,614)
Change in Accounts Payable	(66,324)	2,589	2,615	2,642	2,094	2,312	2,483	2,542	2,558	2,574	2,589	81,178	39,852
Change in Unearned Revenue	1,454,713	1,255,050	1,054,379	852,693	9,045,009	6,158,014	3,931,291	3,018,725	2,961,450	2,913,910	2,876,822	2,850,954	38,373,010
Change in Other Current Liabilities	7,973	8,054	8,136	8,218	6,002	6,852	7,513	7,725	7,764	7,801	7,836	7,869	91,743
<b>Total Cash Flow from Operations</b>	<b>\$5,089,149</b>	<b>\$5,136,180</b>	<b>\$5,113,031</b>	<b>\$5,090,664</b>	<b>\$13,413,304</b>	<b>\$10,669,615</b>	<b>\$8,601,983</b>	<b>\$7,855,472</b>	<b>\$7,965,650</b>	<b>\$8,086,312</b>	<b>\$8,218,123</b>	<b>\$8,284,246</b>	<b>93,523,727</b>
<b>Cash From Investing Activities:</b>													
Capital Expenditures	(\$140,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(140,000)
<b>Total Cash Flow from Investing Activities</b>	<b>(\$140,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(140,000)</b>
<b>Cash Flow Before Financing</b>	<b>\$4,949,149</b>	<b>\$5,136,180</b>	<b>\$5,113,031</b>	<b>\$5,090,664</b>	<b>\$13,413,304</b>	<b>\$10,669,615</b>	<b>\$8,601,983</b>	<b>\$7,855,472</b>	<b>\$7,965,650</b>	<b>\$8,086,312</b>	<b>\$8,218,123</b>	<b>\$8,284,246</b>	<b>93,383,727</b>
<b>Cash Flow From Financing Activities:</b>													
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	-
<b>Total Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>\$4,949,149</b>	<b>\$5,136,180</b>	<b>\$5,113,031</b>	<b>\$5,090,664</b>	<b>\$13,413,304</b>	<b>\$10,669,615</b>	<b>\$8,601,983</b>	<b>\$7,855,472</b>	<b>\$7,965,650</b>	<b>\$8,086,312</b>	<b>\$8,218,123</b>	<b>\$8,284,246</b>	<b>93,383,727</b>
Beginning Cash Balance	\$166,267,857	\$171,217,006	\$176,353,186	\$181,466,217	\$186,556,881	\$199,970,185	\$210,639,800	\$219,241,782	\$227,097,254	\$235,062,904	\$243,149,216	\$251,367,338	\$166,267,857
Net Increase/(Decrease) in Cash	\$4,949,149	\$5,136,180	\$5,113,031	\$5,090,664	\$13,413,304	\$10,669,615	\$8,601,983	\$7,855,472	\$7,965,650	\$8,086,312	\$8,218,123	\$8,284,246	\$93,383,727
<b>Ending Cash Balance</b>	<b>\$171,217,006</b>	<b>\$176,353,186</b>	<b>\$181,466,217</b>	<b>\$186,556,881</b>	<b>\$199,970,185</b>	<b>\$210,639,800</b>	<b>\$219,241,782</b>	<b>\$227,097,254</b>	<b>\$235,062,904</b>	<b>\$243,149,216</b>	<b>\$251,367,338</b>	<b>\$259,651,584</b>	<b>\$259,651,584</b>

10% CONFIDENCE LEVEL

CONSORTIUM gTLD  
Summary P&L

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Registrations	3,500,000	6,234,326	8,096,941	9,230,891	10,401,602	37,463,760
Revenue	\$ 5,508,911	\$ 38,647,343	\$ 81,943,082	\$ 134,211,642	\$ 189,452,739	\$ 449,763,717
Operating Expenses:						
Registry Operator	2,826,311	21,197,410	18,254,703	-	-	42,278,424
Systems Development & Support	565,833	2,417,767	9,753,824	36,574,345	38,687,582	87,999,350
Customer Service	505,813	824,438	862,041	901,524	942,981	4,036,796
Sales & Marketing	23,012,604	20,457,572	17,706,430	15,876,725	15,099,191	92,152,521
General & Administrative	3,716,364	4,342,843	5,202,408	5,721,270	6,236,348	25,219,233
	54,009	756,863	1,448,891	2,002,573	2,587,609	6,849,944
Operating Expenses	30,680,933	49,996,893	53,228,297	61,076,436	63,553,710	258,536,269
TDA	(25,172,022)	(11,349,549)	28,714,785	73,135,206	125,899,028	191,227,448
Depreciation & Amortization	183,458	249,028	376,500	240,264	221,917	1,271,167
Interest	(25,355,481)	(11,598,577)	28,338,285	72,894,942	125,677,112	189,956,281
Restructuring	186,130	626,032	1,131,202	2,313,693	3,599,735	7,857,292
tax Consortium Profit (Before Rebates)	(25,541,610)	(12,224,609)	27,206,583	70,581,249	122,077,377	182,098,989
Rebates	-	-	6,955,145	17,645,312	30,519,344	55,119,801
tax Consortium Profit	(25,541,610)	(12,224,609)	20,251,438	52,935,937	91,558,033	126,979,188
Estimated Stockholder Taxes	-	-	8,346,174	21,174,375	36,623,213	66,143,762
Estimated Consortium Net Income	(25,541,610)	(12,224,609)	11,905,264	31,761,562	54,934,820	60,835,427
Relative Net Income	(25,541,610)	(37,766,220)	(25,860,955)	5,900,607	60,835,427	(22,432,751)

Percent of Revenue (Accrual)

Cost of Revenue	51%	55%	22%	0%	0%	9%
Sales & Marketing	418%	53%	22%	12%	8%	20%
G&A	67%	11%	6%	4%	3%	6%
R&D	1%	2%	2%	1%	1%	2%
Gross Margin Equivalent	38%	39%	66%	73%	80%	29%
Net Income	-464%	-32%	15%	24%	29%	14%

cash flows include financing flows.



**gTLD CONSORTIUM**  
Balance Sheet

**LD BALANCE SHEET**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Current Assets:</b>						
Cash	\$28,143,555	\$41,499,190	\$103,798,907	\$166,267,857	\$259,651,584	259,651,584
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0
-Paid Expense	\$7,601,939	\$18,254,703	(\$0)	(\$0)	(\$0)	(0)
Other Current Assets	\$50,313	\$139,931	\$267,824	\$397,514	\$535,128	535,128
<b>Total Current Assets</b>	<b>\$35,795,806</b>	<b>\$59,893,824</b>	<b>\$104,066,732</b>	<b>\$166,665,372</b>	<b>\$260,186,712</b>	<b>260,186,712</b>
<b>Fixed Assets:</b>						
Intangible, Property, & Equipment	\$673,500	\$1,104,500	\$1,134,500	\$1,284,500	\$1,424,500	1,424,500
Accumulated Depreciation	(\$183,458)	(\$432,486)	(\$808,986)	(\$1,049,250)	(\$1,271,167)	(1,271,167)
<b>Total Fixed Assets</b>	<b>\$490,042</b>	<b>\$672,014</b>	<b>\$325,514</b>	<b>\$235,250</b>	<b>\$153,333</b>	<b>153,333</b>
<b>Total Assets</b>	<b>\$36,285,848</b>	<b>\$60,565,838</b>	<b>\$104,392,246</b>	<b>\$166,900,622</b>	<b>\$260,340,046</b>	<b>260,340,046</b>
<b>Current Liabilities:</b>						
Accounts Payable	\$3,374,078	\$2,828,314	\$1,121,140	\$1,115,129	\$1,154,981	1,154,981
Accrued Revenue	\$53,629,839	\$90,620,456	\$124,163,511	\$154,829,876	\$193,202,886	193,202,886
Other Current Liabilities	\$33,542	\$93,287	\$178,550	\$265,009	\$356,752	356,752
<b>Total Current Liabilities</b>	<b>\$57,037,458</b>	<b>\$93,542,057</b>	<b>\$125,463,201</b>	<b>\$156,210,014</b>	<b>\$194,714,619</b>	<b>194,714,619</b>
<b>Long-Term Liabilities:</b>						
Bank Loans	\$0	\$0	\$0	\$0	\$0	-
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0	-
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
<b>Owner Equity:</b>						
Contributions						
Retained Earnings / (Loss) - After Tax	(\$25,541,610)	(\$37,766,220)	(\$25,860,955)	\$5,900,607	\$60,835,427	60,835,427
<b>Total Owner Equity</b>	<b>(\$20,751,610)</b>	<b>(\$32,976,220)</b>	<b>(\$21,070,955)</b>	<b>\$10,690,607</b>	<b>\$65,625,427</b>	<b>65,625,427</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$36,285,848</b>	<b>\$60,565,838</b>	<b>\$104,392,246</b>	<b>\$166,900,622</b>	<b>\$260,340,046</b>	<b>260,340,046</b>

**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%
Accounts Receivable - Collection Days	-	-	-	-	-	-
Accounts Payable Registry Operator (Core Registration)	744,875	1,635,554	-	-	-	-
Accounts Payable as a % of Core Registry Expenses	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
Accounts Payable - Holding Days	15	15	15	15	15	15
Accounts Payable Labor	131,658	201,407	210,764	242,134	273,947	
Salaries Payable as a % of Total Salary Expense	23.3%	23.3%	23.3%	23.3%	23.3%	
Salaries Payable - Holding Days	7	7	7	7	7	
Accounts Payable (All OPS Expense Excluding Labor)	2,497,544	991,353	910,376	872,995	881,034	
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	50,313	139,931	267,824	397,514	535,128	
Other Current Assets as a % of Revenue (Accrual)	3.0%	3.0%	3.0%	3.0%	3.0%	
Other Current Liabilities	33,542	93,287	178,550	265,009	356,752	
Other Current Liabilities as a % of Revenue (Accrual)	2.0%	2.0%	2.0%	2.0%	2.0%	

gTLD CONSORTIUM  
Cash Flow Statement

**CASH FLOW STATEMENT**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Cash From Operations:						
Net Income After Taxes	(25,541,610)	(12,224,609)	11,905,264	31,761,562	54,934,820	60,835,427
Adjustment: Depreciation & Amortization	183,458	249,028	376,500	240,264	221,917	1,271,167
Change in Accounts Receivable	-	-	-	-	-	-
Change in Pre-Paid Expense	(7,601,939)	(10,652,764)	18,254,703	-	-	0
Change in Other Current Assets	(50,313)	(89,618)	(127,894)	(129,690)	(137,614)	(535,128)
Change in Accounts Payable	3,374,078	(545,764)	(1,707,174)	(6,011)	39,852	1,154,981
Change in Unearned Revenue	53,629,839	36,990,617	33,543,055	30,666,365	38,373,010	193,202,886
Change in Other Current Liabilities	33,542	59,746	85,262	86,460	91,743	356,752
<b>Total Cash Flow from Operations</b>	<b>24,027,055</b>	<b>13,786,635</b>	<b>62,329,718</b>	<b>62,618,950</b>	<b>93,523,727</b>	<b>256,286,084</b>
Cash From Investing Activities:						
Capital Expenditures	(673,500)	(431,000)	(30,000)	(150,000)	(140,000)	(1,424,500)
<b>Total Cash Flow from Investing Activities</b>	<b>(673,500)</b>	<b>(431,000)</b>	<b>(30,000)</b>	<b>(150,000)</b>	<b>(140,000)</b>	<b>(1,424,500)</b>
<b>Cash Flow Before Financing</b>	<b>23,353,555</b>	<b>13,355,635</b>	<b>62,299,718</b>	<b>62,468,950</b>	<b>93,383,727</b>	<b>231,508,030</b>
Cash Flow From Financing Activities:						
Proceeds from Equity Contributions	4,790,000	-	-	-	-	4,790,000
Repayments (Bank Loans)	-	-	-	-	-	-
Repayments (Other L-T)	-	-	-	-	-	-
<b>Total Cash Flow From Financing Activities</b>	<b>4,790,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,790,000</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>28,143,555</b>	<b>13,355,635</b>	<b>62,299,718</b>	<b>62,468,950</b>	<b>93,383,727</b>	<b>259,651,584</b>
Beginning Cash Balance	\$0	\$28,143,555	\$41,499,190	\$103,798,907	\$166,267,857	-
<b>Net Increase/(Decrease) in Cash</b>	<b>\$28,143,555</b>	<b>\$13,355,635</b>	<b>\$62,299,718</b>	<b>\$62,468,950</b>	<b>\$93,383,727</b>	<b>259,651,584</b>
<b>Ending Cash Balance</b>	<b>\$28,143,555</b>	<b>\$41,499,190</b>	<b>\$103,798,907</b>	<b>\$166,267,857</b>	<b>\$259,651,584</b>	<b>259,651,584</b>

P&L	Period	Year 1											
		1	2	3	4	5	6	7	8	9	10	11	12
Revenue								← SUNRISE PERIOD →					
Monthly Growth Rate								0%	-26%	QUIET	0%	-33%	-38%
New Domains Registered	400,000						571,429	428,571		1,200,000	800,000	500,000	
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	2.1
Sunrise Period Subscription Term (Only)	5.0 Years						5.0	5.0	5.0	5.0	5.0	5.0	5.0
Domain Years													
Domain Years - Term 1 Subscriptions (Sales Units)							-	-	-	2,520,000	1,680,000	1,050,000	
Domain Years - Sunrise Period Subscriptions (Sales Units)							2,857,145	2,142,855					
New Domains Total Domain Years - (Sales Units)							2,857,145	2,142,855		2,520,000	1,680,000	1,050,000	
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	80%							80%	80%	80%	80%	80%	80%
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	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)													
<b>Total Domains Under Management</b>							<b>571,429</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>2,200,000</b>	<b>3,000,000</b>	<b>3,500,000</b>	
Total Domain Years (Sales Units)													
Total Domain Years - Term 1 Subscriptions (Sales Units)							-	-	-	2,520,000	1,680,000	1,050,000	
Total Domain Years - Renewal Subscriptions (Sales Units)													
Total Domain Years - From Sunrise Period Subscriptions (Sales Units)							2,857,145	2,142,855		2,520,000	1,680,000	1,050,000	
Total Domain Years (Sales Units)							2,857,145	2,142,855		2,520,000	1,680,000	1,050,000	
Registration Fee Per Domain Name Year	\$5.75						5.75	5.75	5.75	5.75	5.75	5.75	5.75
Total Registration Revenue Term 1 (Cash)										14,490,000	9,660,000	6,037,500	
Total Registration Revenue Renewals Term 1 (Cash)													
Total Registration Revenue Sunrise Period Subscriptions (Cash)							16,428,584	12,321,416					
Total Registration Revenue (Cash)							16,428,584	12,321,416		14,490,000	9,660,000	6,037,500	
Total Registration Revenue - Term 1 (Accrual)										575,000	958,333	1,197,917	
Total Registration Revenue Renewals - Term 1 (Accrual)													
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)							273,810	479,167	479,167	479,167	479,167	479,167	479,167
Total Registration Revenue (Accrual)							273,810	479,167	479,167	1,054,167	1,437,500	1,677,083	
Transfer Activity ( % of New Registrations)	2.0%						2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Total Number of Transfers							11,429	8,571		24,000	16,000	10,000	
Incremental Domain Years Yield from Transfers	0.5 Years						0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Incremental Domain Years - Transfers (Sales Units)							5,714	4,286		12,000	8,000	5,000	
Total Transfer Revenue (Cash)							32,857	24,643		69,000	46,000	28,750	
Total Transfer Revenue (Accrual)							5,476	9,583	9,583	21,083	28,750	33,542	
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20						114,286	85,714		240,000	160,000	100,000	
Registry Operator													
Registry Fees													
Total Sales Units - Term 1 (From Above)										2,520,000	1,680,000	1,050,000	
Total Sales Units - Term 1 Renewals (From Above)													
Total Sales Units - Sunrise Period Subscriptions (From Above)							2,857,145	2,142,855					
Total Sales Units - Incremental Yield from Transfers (From Above)							5,714	4,286		12,000	8,000	5,000	
Total Sales Units							2,862,859	2,147,141		2,532,000	1,688,000	1,055,000	
Core Registry Fee per Name	\$2.95						2.95	2.95	2.95	2.95	2.95	2.95	2.95
Core Registry Fee - Term 1 (Cash)										3,540,000	2,380,000	1,475,000	
Core Registry Fee - Term 1 Renewals (Cash)													
Core Registry Fee - Sunrise Period Subscriptions (Cash)							1,685,716	1,264,284					
Core Registry Fee - Transfers (Cash)							16,857	12,643		35,400	23,600	14,750	
Total Core Registry Fee (Cash)							1,702,573	1,276,927		3,575,400	2,383,600	1,489,750	
Core Registry Fee - Term 1 (Accrual)										295,000	491,667	614,583	
Core Registry Fee - Term 1 Renewals (Accrual)													
Core Registry Fee - Sunrise Period (Accrual)							140,476	245,833	245,833	245,833	245,833	245,833	245,833
Core Registry Fee - Transfers							2,810	4,917	4,917	10,817	14,750	17,208	
Core Registry Fee (Accrual)							143,286	250,750	250,750	551,650	752,250	877,625	
Total Registry Operations							143,286	250,750	250,750	551,650	752,250	877,625	

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Systems Development &amp; Support</b>												
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Systems Development &amp; Support</b>	<b>18,229</b>	<b>37,500</b>	<b>43,229</b>	<b>43,229</b>	<b>43,229</b>	<b>43,229</b>	<b>43,229</b>	<b>43,229</b>	<b>43,229</b>	<b>43,229</b>	<b>43,229</b>	<b>121,042</b>
<b>Customer Service</b>												
Labor	-	-	3,646	26,042	47,396	47,396	47,396	47,396	53,542	53,542	53,542	125,917
Other Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Customer Service</b>	<b>-</b>	<b>-</b>	<b>3,646</b>	<b>26,042</b>	<b>47,396</b>	<b>47,396</b>	<b>47,396</b>	<b>47,396</b>	<b>53,542</b>	<b>53,542</b>	<b>53,542</b>	<b>125,917</b>
<b>Marketing &amp; Sales</b>												
Labor	-	19,271	39,583	39,583	39,583	39,583	39,583	39,583	47,396	47,396	47,396	113,646
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
<b>Total Marketing &amp; Sales</b>	<b>300,000</b>	<b>319,271</b>	<b>339,583</b>	<b>439,583</b>	<b>639,583</b>	<b>739,583</b>	<b>1,489,583</b>	<b>1,489,583</b>	<b>2,497,396</b>	<b>4,997,396</b>	<b>4,897,396</b>	<b>4,863,646</b>
<b>General &amp; Administrative</b>												
Labor	-	20,313	28,646	68,750	83,333	83,333	83,333	83,333	83,333	83,333	83,333	203,646
Rent	613	4,288	8,575	13,475	19,600	19,600	19,600	19,600	21,438	21,438	21,438	21,438
Telecommunications	20,048	20,336	20,672	21,056	21,536	21,536	21,536	21,536	21,680	21,680	21,680	21,680
Materials & Supplies	200	1,400	2,800	4,400	6,400	6,400	6,400	6,400	7,000	7,000	7,000	7,000
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	-	-	-	-	-	-	68,571	51,429	-	144,000	96,000	60,000
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	11,300	12,100	13,100	13,100	13,100	13,100	13,400	13,400	13,400	13,400
<b>Total G&amp;A</b>	<b>224,461</b>	<b>255,136</b>	<b>272,593</b>	<b>323,381</b>	<b>347,569</b>	<b>248,769</b>	<b>317,341</b>	<b>300,198</b>	<b>251,651</b>	<b>395,651</b>	<b>347,651</b>	<b>431,963</b>
<b>R&amp;D</b>												
Labor	-	-	-	-	-	-	-	-	-	-	-	-
Outsourced R&D Efforts	-	-	-	-	-	-	2,738	4,792	4,792	10,542	14,375	16,771
<b>Total R&amp;D</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,738</b>	<b>4,792</b>	<b>4,792</b>	<b>10,542</b>	<b>14,375</b>	<b>16,771</b>
<b>Total Operating Expenses</b>	<b>542,690</b>	<b>611,907</b>	<b>659,051</b>	<b>832,235</b>	<b>1,077,778</b>	<b>1,078,978</b>	<b>2,043,573</b>	<b>2,135,948</b>	<b>3,101,359</b>	<b>6,052,009</b>	<b>6,108,443</b>	<b>6,436,963</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (EBITDA)</b>	<b>(542,690)</b>	<b>(611,907)</b>	<b>(659,051)</b>	<b>(832,235)</b>	<b>(1,077,778)</b>	<b>(1,078,978)</b>	<b>(1,764,287)</b>	<b>(1,647,198)</b>	<b>(2,612,609)</b>	<b>(4,976,759)</b>	<b>(4,642,193)</b>	<b>(4,726,338)</b>
<b>Depreciation &amp; Amortization</b>	<b>-</b>	<b>5,139</b>	<b>14,417</b>	<b>16,667</b>	<b>17,444</b>	<b>18,417</b>	<b>18,417</b>	<b>18,417</b>	<b>18,417</b>	<b>18,708</b>	<b>18,708</b>	<b>18,708</b>
<b>Earnings Before Interest, Taxes</b>	<b>(542,690)</b>	<b>(617,046)</b>	<b>(673,468)</b>	<b>(848,902)</b>	<b>(1,095,222)</b>	<b>(1,097,394)</b>	<b>(1,782,704)</b>	<b>(1,665,615)</b>	<b>(2,631,026)</b>	<b>(4,995,468)</b>	<b>(4,660,901)</b>	<b>(4,745,047)</b>
<b>Interest</b>	<b>-</b>	<b>6,313</b>	<b>4,952</b>	<b>3,885</b>	<b>2,727</b>	<b>1,265</b>	<b>-</b>	<b>20,279</b>	<b>33,318</b>	<b>28,865</b>	<b>41,350</b>	<b>43,177</b>
<b>Pretax Consortium Profit (Before Rebates)</b>	<b>(542,690)</b>	<b>(623,359)</b>	<b>(678,420)</b>	<b>(852,787)</b>	<b>(1,097,949)</b>	<b>(1,098,659)</b>	<b>(1,782,704)</b>	<b>(1,685,893)</b>	<b>(2,664,344)</b>	<b>(5,024,332)</b>	<b>(4,702,251)</b>	<b>(4,788,224)</b>
<b>Rebate Pool (% of Before Tax Profits)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Pretax Consortium Profit</b>	<b>(542,690)</b>	<b>(623,359)</b>	<b>(678,420)</b>	<b>(852,787)</b>	<b>(1,097,949)</b>	<b>(1,098,659)</b>	<b>(1,782,704)</b>	<b>(1,685,893)</b>	<b>(2,664,344)</b>	<b>(5,024,332)</b>	<b>(4,702,251)</b>	<b>(4,788,224)</b>
<b>Estimated Stockholder Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Estimated Consortium Net Income</b>	<b>(542,690)</b>	<b>(623,359)</b>	<b>(678,420)</b>	<b>(852,787)</b>	<b>(1,097,949)</b>	<b>(1,098,659)</b>	<b>(1,782,704)</b>	<b>(1,685,893)</b>	<b>(2,664,344)</b>	<b>(5,024,332)</b>	<b>(4,702,251)</b>	<b>(4,788,224)</b>

**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
<b>Current Assets:</b>												
Cash	\$4,328,794	\$3,395,489	\$2,863,919	\$1,869,724	\$867,408	(\$212,235)	\$13,905,549	\$22,846,783	\$19,792,876	\$28,354,077	\$29,607,118	\$28,143,555
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$1,559,287	\$2,585,464	\$2,334,714	\$5,358,464	\$6,989,814	\$7,601,939
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$8,214	\$14,375	\$14,375	\$31,625	\$43,125	\$50,313
<b>Total Current Assets</b>	<b>\$4,328,794</b>	<b>\$3,395,489</b>	<b>\$2,863,919</b>	<b>\$1,869,724</b>	<b>\$867,408</b>	<b>(\$212,235)</b>	<b>\$15,473,050</b>	<b>\$25,446,622</b>	<b>\$22,141,965</b>	<b>\$33,744,166</b>	<b>\$36,640,057</b>	<b>\$35,795,806</b>
<b>Fixed Assets:</b>												
Plant, Property, & Equipment	\$185,000	\$519,000	\$600,000	\$628,000	\$663,000	\$663,000	\$663,000	\$663,000	\$673,500	\$673,500	\$673,500	\$673,500
Accumulated Depreciation	\$0	(\$5,139)	(\$19,556)	(\$36,222)	(\$53,667)	(\$72,083)	(\$90,500)	(\$106,917)	(\$127,333)	(\$146,042)	(\$164,750)	(\$183,458)
<b>Total Fixed Assets</b>	<b>\$185,000</b>	<b>\$513,861</b>	<b>\$580,444</b>	<b>\$591,778</b>	<b>\$609,333</b>	<b>\$590,917</b>	<b>\$572,500</b>	<b>\$554,083</b>	<b>\$546,167</b>	<b>\$527,458</b>	<b>\$508,750</b>	<b>\$490,042</b>
<b>Total Assets</b>	<b>\$4,513,794</b>	<b>\$3,909,350</b>	<b>\$3,244,363</b>	<b>\$2,461,502</b>	<b>\$1,476,741</b>	<b>\$378,682</b>	<b>\$16,045,550</b>	<b>\$26,000,706</b>	<b>\$22,688,131</b>	<b>\$34,271,624</b>	<b>\$37,148,807</b>	<b>\$36,285,848</b>
<b>Current Liabilities:</b>												
Accounts Payable	266,484	285,398	298,831	368,756	481,944	482,544	1,744,486	1,524,118	1,364,638	4,477,213	3,809,230	3,374,078
Unearned Revenue	-	-	-	-	-	-	16,182,155	28,039,464	27,550,714	41,034,464	49,274,214	53,629,839
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$5,476	\$9,583	\$9,583	\$21,083	\$28,750	\$33,542
<b>Total Current Liabilities</b>	<b>\$266,484</b>	<b>\$285,398</b>	<b>\$298,831</b>	<b>\$368,756</b>	<b>\$481,944</b>	<b>\$482,544</b>	<b>\$17,932,117</b>	<b>\$29,573,166</b>	<b>\$28,924,935</b>	<b>\$45,532,760</b>	<b>\$53,112,194</b>	<b>\$57,037,458</b>
<b>Long-Term Liabilities:</b>												
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>												
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	(542,690)	(1,166,048)	(1,844,468)	(2,697,255)	(3,795,203)	(4,893,863)	(6,676,566)	(8,362,460)	(11,026,804)	(16,051,136)	(20,753,387)	(25,541,610)
<b>Total Owner Equity</b>	<b>\$4,247,310</b>	<b>\$3,623,952</b>	<b>\$2,945,532</b>	<b>\$2,092,745</b>	<b>\$994,797</b>	<b>(\$103,863)</b>	<b>(\$1,886,566)</b>	<b>(\$3,572,460)</b>	<b>(\$6,236,804)</b>	<b>(\$11,261,136)</b>	<b>(\$15,963,387)</b>	<b>(\$20,751,610)</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$4,513,794</b>	<b>\$3,909,350</b>	<b>\$3,244,363</b>	<b>\$2,461,502</b>	<b>\$1,476,741</b>	<b>\$378,682</b>	<b>\$16,045,550</b>	<b>\$26,000,706</b>	<b>\$22,688,131</b>	<b>\$34,271,624</b>	<b>\$37,148,807</b>	<b>\$36,285,848</b>
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Balance Sheet Assumptions - Working Capital</b>												
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)	-	-	-	-	-	-	851,286	638,464	-	1,787,700	1,191,800	744,875
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	26,858	41,441	49,826	49,826	49,826	49,826	53,083	53,083	53,083	131,658
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	262,230	267,412	271,974	327,316	432,118	432,718	843,373	835,828	1,311,555	2,636,430	2,564,346	2,497,544
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	-	-	-	-	-	-	8,214	14,375	14,375	31,625	43,125	50,313
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	-	-	-	-	-	-	5,476	9,583	9,583	21,083	28,750	33,542
Other Current Liabilities as a % of Revenue (Accrual)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**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
<b>Cash From Operations:</b>												
Net Income After Taxes	(542,690)	(623,359)	(678,420)	(852,787)	(1,097,949)	(1,098,659)	(1,782,704)	(1,685,893)	(2,664,344)	(5,024,332)	(4,702,251)	(4,788,224)
Add-back: Depreciation & Amortization	-	5,139	14,417	16,667	17,444	18,417	18,417	18,417	18,417	18,708	18,708	18,708
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	(1,559,287)	(1,026,177)	250,750	(3,023,750)	(1,631,350)	(612,125)
Change in Other Current Assets	-	-	-	-	-	-	(8,214)	(6,161)	-	(17,250)	(11,500)	(7,187)
Change in Accounts Payable	266,484	18,914	13,433	69,925	113,188	600	1,261,941	(220,367)	(159,480)	3,112,575	(667,983)	(435,152)
Change in Unearned Revenue	-	-	-	-	-	-	16,182,155	11,857,309	(488,750)	13,483,750	8,239,750	4,355,625
Change in Other Current Liabilities	-	-	-	-	-	-	5,476	4,107	-	11,500	7,667	4,792
<b>Total Cash Flow from Operations</b>	<b>(\$276,206)</b>	<b>(\$599,306)</b>	<b>(\$650,570)</b>	<b>(\$766,195)</b>	<b>(\$967,316)</b>	<b>(\$1,079,643)</b>	<b>\$14,117,784</b>	<b>\$8,941,234</b>	<b>(\$3,043,408)</b>	<b>\$8,561,201</b>	<b>\$1,253,041</b>	<b>(\$1,463,563)</b>
<b>Cash From Investing Activities:</b>												
Capital Expenditures	(\$185,000)	(\$334,000)	(\$81,000)	(\$28,000)	(\$35,000)	\$0	\$0	\$0	(\$10,500)	\$0	\$0	\$0
<b>Total Cash Flow from Investing Activities</b>	<b>(\$185,000)</b>	<b>(\$334,000)</b>	<b>(\$81,000)</b>	<b>(\$28,000)</b>	<b>(\$35,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,500)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow Before Financing</b>	<b>(\$461,206)</b>	<b>(\$933,306)</b>	<b>(\$731,570)</b>	<b>(\$794,195)</b>	<b>(\$1,002,316)</b>	<b>(\$1,079,643)</b>	<b>\$14,117,784</b>	<b>\$8,941,234</b>	<b>(\$3,053,908)</b>	<b>\$8,561,201</b>	<b>\$1,253,041</b>	<b>(\$1,463,563)</b>
<b>Cash Flow From Financing Activities:</b>												
Proceeds from Equity Contributions	\$4,790,000											
Debt (Bank Loans)												
Debt (Other L-T)												
<b>Total Cash Flow From Financing Activities</b>	<b>\$4,790,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>\$4,328,794</b>	<b>(\$933,306)</b>	<b>(\$731,570)</b>	<b>(\$794,195)</b>	<b>(\$1,002,316)</b>	<b>(\$1,079,643)</b>	<b>\$14,117,784</b>	<b>\$8,941,234</b>	<b>(\$3,053,908)</b>	<b>\$8,561,201</b>	<b>\$1,253,041</b>	<b>(\$1,463,563)</b>
Beginning Cash Balance	\$0	\$4,328,794	\$3,395,489	\$2,663,919	\$1,869,724	\$867,408	(\$212,235)	\$13,905,549	\$22,846,783	\$19,792,876	\$28,354,077	\$29,607,118
Net Increase/(Decrease) in Cash	\$4,328,794	(\$933,306)	(\$731,570)	(\$794,195)	(\$1,002,316)	(\$1,079,643)	\$14,117,784	\$8,941,234	(\$3,053,908)	\$8,561,201	\$1,253,041	(\$1,463,563)
<b>Ending Cash Balance</b>	<b>\$4,328,794</b>	<b>\$3,395,489</b>	<b>\$2,663,919</b>	<b>\$1,869,724</b>	<b>\$867,408</b>	<b>(\$212,235)</b>	<b>\$13,905,549</b>	<b>\$22,846,783</b>	<b>\$19,792,876</b>	<b>\$28,354,077</b>	<b>\$29,607,118</b>	<b>\$28,143,555</b>

P&L	Period	Year 2											
		1	2	3	4	5	6	7	8	9	10	11	12
<b>Revenue</b>													
Monthly Growth Rate		-20.0%	6.0%	6.0%	6.0%	6.0%	6.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
New Domains Registered	400,000	400,000	424,000	449,440	476,406	504,990	535,289	545,995	556,915	568,053	579,414	591,002	602,822
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
<b>Domain Years</b>													
Domain Years - Term 1 Subscriptions (Sales Units)		840,000	890,400	943,824	1,000,453	1,060,479	1,124,107	1,146,590	1,169,522	1,192,911	1,216,769	1,241,104	1,265,926
Domain Years - Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		840,000	890,400	943,824	1,000,453	1,060,479	1,124,107	1,146,590	1,169,522	1,192,911	1,216,769	1,241,104	1,265,926
<b>New Domains Up For Renewal</b>													
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	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
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)		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Domains Under Management</b>		<b>3,900,000</b>	<b>4,324,000</b>	<b>4,773,440</b>	<b>5,249,846</b>	<b>5,754,836</b>	<b>6,290,125</b>	<b>6,836,120</b>	<b>7,393,035</b>	<b>7,961,088</b>	<b>8,540,502</b>	<b>9,131,504</b>	<b>9,734,326</b>
<b>Total Domain Years (Sales Units)</b>													
Total Domain Years - Term 1 Subscriptions (Sales Units)		840,000	890,400	943,824	1,000,453	1,060,479	1,124,107	1,146,590	1,169,522	1,192,911	1,216,769	1,241,104	1,265,926
Total Domain Years - Renewal Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years - From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		840,000	890,400	943,824	1,000,453	1,060,479	1,124,107	1,146,590	1,169,522	1,192,911	1,216,769	1,241,104	1,265,926
Registration Fee Per Domain Name Year	\$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)		4,830,000	5,119,800	5,426,988	5,752,602	6,097,754	6,463,615	6,592,890	6,724,749	6,859,240	6,996,424	7,136,349	7,279,076
Total Registration Revenue Renewals Term 1 (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		4,830,000	5,119,800	5,426,988	5,752,602	6,097,754	6,463,615	6,592,890	6,724,749	6,859,240	6,996,424	7,136,349	7,279,076
Total Registration Revenue - Term 1 (Accrual)		1,389,583	1,592,750	1,808,107	2,036,385	2,278,359	2,534,852	2,796,474	3,063,329	3,335,521	3,613,157	3,896,346	4,185,198
Total Registration Revenue Renewals - Term 1 (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167
Total Registration Revenue (Accrual)		1,868,750	2,071,917	2,287,273	2,515,551	2,757,526	3,014,018	3,275,641	3,542,496	3,814,688	4,092,324	4,375,512	4,664,365
<b>Transfer Activity ( % of New Registrations)</b>													
Total Number of Transfers	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%
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)		4,000	4,240	4,494	4,764	5,050	5,353	5,460	5,569	5,681	5,794	5,910	6,028
Total Transfer Revenue (Cash)		23,000	24,380	25,843	27,393	29,037	30,779	31,395	32,023	32,663	33,316	33,983	34,662
Total Transfer Revenue (Accrual)		31,899	31,855	36,162	29,228	26,401	26,739	28,138	29,412	30,548	31,535	32,360	33,007
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	80,000	84,800	89,888	95,281	100,998	107,058	337,771	282,811	113,611	355,883	278,200	220,564
<b>Registry Operator</b>													
<b>Registry Fees</b>													
Total Sales Units - Term 1 (From Above)		840,000	890,400	943,824	1,000,453	1,060,479	1,124,107	1,146,590	1,169,522	1,192,911	1,216,769	1,241,104	1,265,926
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)		4,000	4,240	4,494	4,764	5,050	5,353	5,460	5,569	5,681	5,794	5,910	6,028
Total Sales Units		844,000	894,640	948,318	1,005,217	1,065,529	1,129,460	1,152,049	1,175,091	1,198,592	1,222,564	1,247,014	1,271,954
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)		1,180,000	1,250,800	1,325,848	1,405,398	1,489,721	1,579,103	3,296,401	2,907,184	1,675,756	5,249,271	4,103,456	3,253,325
Core Registry Fee - Term 1 Renewals (Cash)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period Subscriptions (Cash)		-	-	-	-	-	-	1,685,716	1,264,284	-	-	-	-
Core Registry Fee - Transfers (Cash)		11,800	12,508	13,258	14,054	14,897	15,791	16,107	16,429	16,758	17,093	17,435	17,783
Total Core Registry Fee (Cash)		1,191,800	1,263,308	1,339,106	1,419,452	1,504,618	1,594,894	4,998,223	4,187,897	1,692,514	5,266,364	4,120,890	3,271,108
Core Registry Fee - Term 1 (Accrual)		712,917	817,150	927,637	1,044,754	1,168,897	1,300,489	1,575,189	1,817,454	1,957,101	2,099,540	2,244,828	2,393,022
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)		245,833	245,833	245,833	245,833	245,833	245,833	245,833	245,833	245,833	245,833	245,833	245,833
Core Registry Fee - Transfers		16,365	16,343	18,553	14,995	13,545	13,718	14,436	15,089	15,673	16,179	16,602	16,934
Core Registry Fee (Accrual)		975,115	1,079,326	1,192,023	1,305,582	1,428,275	1,560,041	1,835,458	2,078,377	2,218,607	2,361,552	2,507,263	2,655,789
Total Registry Operations		975,115	1,079,326	1,192,023	1,305,582	1,428,275	1,560,041	1,835,458	2,078,377	2,218,607	2,361,552	2,507,263	2,655,789

	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Systems Development &amp; Support</b>												
Labor	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	45,391	220,391	331,016
Equipment Operating Leases	-	-	-	-	-	-	-	27,831	27,831	142,716	446,238	446,238
Remote Centers	-	-	-	-	-	-	-	-	-	43,200	43,200	43,200
Network Operations Center	-	-	-	-	-	-	-	38,400	38,400	38,400	38,400	38,400
Other Systems Development & Support												
<b>Total Systems Development &amp; Support</b>	<b>45,391</b>	<b>45,391</b>	<b>45,391</b>	<b>45,391</b>	<b>45,391</b>	<b>45,391</b>	<b>45,391</b>	<b>111,621</b>	<b>111,621</b>	<b>269,707</b>	<b>748,229</b>	<b>858,854</b>
<b>Customer Service</b>												
Labor	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	62,672	135,047
Other Customer Service												
<b>Total Customer Service</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>62,672</b>	<b>135,047</b>
<b>Marketing &amp; Sales</b>												
Labor	57,969	57,969	57,969	57,969	57,969	57,969	57,969	57,969	57,969	57,969	57,969	124,219
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
<b>Total Marketing &amp; Sales</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,699,277</b>	<b>1,765,527</b>
<b>General &amp; Administrative</b>												
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	23,275	23,275	23,888	25,725	25,725	28,788	28,788	28,788	28,788	28,788	47,163	50,225
Telecommunications	21,824	21,824	21,872	22,016	22,016	22,256	22,256	22,256	22,256	22,256	23,696	23,936
Materials & Supplies	7,904	7,904	8,112	8,736	8,736	9,776	9,776	9,776	9,776	9,776	16,016	17,056
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	49,920	52,915	56,090	59,455	63,023	66,804	68,140	69,503	70,893	72,311	73,757	75,232
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	14,096	14,096	14,196	14,496	14,496	14,996	14,996	14,996	14,996	14,996	17,996	18,496
<b>Total G&amp;A</b>	<b>314,328</b>	<b>317,323</b>	<b>327,482</b>	<b>342,503</b>	<b>346,070</b>	<b>354,694</b>	<b>356,030</b>	<b>357,393</b>	<b>358,783</b>	<b>360,201</b>	<b>390,702</b>	<b>517,332</b>
<b>R&amp;D</b>												
Labor	-	-	-	10,938	10,938	50,313	50,313	50,313	50,313	50,313	50,313	50,313
Outsourced R&D Efforts	18,688	20,719	22,873	25,156	27,575	30,140	32,756	35,425	38,147	40,923	43,755	46,644
<b>Total R&amp;D</b>	<b>18,688</b>	<b>20,719</b>	<b>22,873</b>	<b>36,093</b>	<b>38,513</b>	<b>80,453</b>	<b>83,069</b>	<b>85,737</b>	<b>88,459</b>	<b>91,236</b>	<b>94,068</b>	<b>96,956</b>
<b>Total Operating Expenses</b>	<b>3,115,470</b>	<b>3,224,708</b>	<b>3,349,718</b>	<b>3,491,518</b>	<b>3,620,198</b>	<b>3,802,527</b>	<b>4,081,897</b>	<b>4,395,078</b>	<b>4,539,419</b>	<b>4,844,645</b>	<b>5,502,211</b>	<b>6,029,505</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (EBIT)</b>	<b>(1,214,821)</b>	<b>(1,120,936)</b>	<b>(1,026,282)</b>	<b>(946,739)</b>	<b>(836,271)</b>	<b>(761,770)</b>	<b>(778,118)</b>	<b>(823,170)</b>	<b>(694,183)</b>	<b>(720,785)</b>	<b>(1,094,339)</b>	<b>(1,332,134)</b>
<b>Depreciation &amp; Amortization</b>	<b>18,708</b>	<b>19,000</b>	<b>19,000</b>	<b>19,097</b>	<b>19,569</b>	<b>19,569</b>	<b>20,958</b>	<b>20,958</b>	<b>20,958</b>	<b>20,958</b>	<b>20,958</b>	<b>29,292</b>
<b>Earnings Before Interest, Taxes</b>	<b>(1,233,530)</b>	<b>(1,139,936)</b>	<b>(1,045,282)</b>	<b>(965,836)</b>	<b>(855,841)</b>	<b>(781,339)</b>	<b>(799,077)</b>	<b>(844,129)</b>	<b>(715,141)</b>	<b>(741,744)</b>	<b>(1,115,297)</b>	<b>(1,361,425)</b>
<b>Interest</b>	<b>1.75%</b>	<b>41,043</b>	<b>40,593</b>	<b>43,118</b>	<b>45,961</b>	<b>49,109</b>	<b>52,644</b>	<b>56,453</b>	<b>57,947</b>	<b>57,638</b>	<b>59,931</b>	<b>61,399</b>
<b>Pretax Consortium Profit (Before Rebates)</b>	<b>(1,274,573)</b>	<b>(1,180,530)</b>	<b>(1,088,400)</b>	<b>(1,011,797)</b>	<b>(904,950)</b>	<b>(833,983)</b>	<b>(855,530)</b>	<b>(902,075)</b>	<b>(772,779)</b>	<b>(801,675)</b>	<b>(1,176,696)</b>	<b>(1,421,622)</b>
<b>Rebate Pool (% of Before Tax Profits)</b>	<b>25%</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Pretax Consortium Profit</b>	<b>(1,274,573)</b>	<b>(1,180,530)</b>	<b>(1,088,400)</b>	<b>(1,011,797)</b>	<b>(904,950)</b>	<b>(833,983)</b>	<b>(855,530)</b>	<b>(902,075)</b>	<b>(772,779)</b>	<b>(801,675)</b>	<b>(1,176,696)</b>	<b>(1,421,622)</b>
<b>Estimated Stockholder Taxes</b>	<b>40%</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Estimated Consortium Net Income</b>	<b>(1,274,573)</b>	<b>(1,180,530)</b>	<b>(1,088,400)</b>	<b>(1,011,797)</b>	<b>(904,950)</b>	<b>(833,983)</b>	<b>(855,530)</b>	<b>(902,075)</b>	<b>(772,779)</b>	<b>(801,675)</b>	<b>(1,176,696)</b>	<b>(1,421,622)</b>



**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
<b>Current Assets:</b>												
Cash	\$27,835,332	\$29,566,465	\$31,516,175	\$33,674,583	\$36,098,882	\$38,710,607	\$39,734,801	\$39,523,212	\$41,095,793	\$42,102,392	\$41,277,417	\$41,499,190
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$7,818,624	\$8,002,605	\$8,149,888	\$8,263,558	\$8,339,900	\$8,374,754	\$11,537,518	\$13,647,038	\$13,120,945	\$16,025,757	\$17,639,384	\$18,254,703
Other Current Assets	\$56,063	\$62,158	\$68,618	\$75,467	\$82,726	\$90,421	\$98,269	\$106,275	\$114,441	\$122,770	\$131,265	\$139,931
<b>Total Current Assets</b>	<b>\$35,710,018</b>	<b>\$37,631,228</b>	<b>\$39,734,482</b>	<b>\$42,013,607</b>	<b>\$44,521,508</b>	<b>\$47,175,781</b>	<b>\$51,370,589</b>	<b>\$53,276,525</b>	<b>\$54,331,179</b>	<b>\$58,250,918</b>	<b>\$59,048,067</b>	<b>\$59,893,824</b>
<b>Fixed Assets:</b>												
Plant, Property, & Equipment	\$684,000	\$684,000	\$687,500	\$704,500	\$704,500	\$754,500	\$754,500	\$754,500	\$754,500	\$754,500	\$1,054,500	\$1,104,500
Accumulated Depreciation	(\$202,167)	(\$221,167)	(\$240,167)	(\$259,264)	(\$278,833)	(\$298,403)	(\$319,361)	(\$340,319)	(\$361,278)	(\$382,236)	(\$403,194)	(\$432,486)
<b>Total Fixed Assets</b>	<b>\$481,833</b>	<b>\$462,833</b>	<b>\$447,333</b>	<b>\$445,236</b>	<b>\$425,667</b>	<b>\$456,097</b>	<b>\$435,139</b>	<b>\$414,181</b>	<b>\$393,222</b>	<b>\$372,264</b>	<b>\$651,306</b>	<b>\$672,014</b>
<b>Total Assets</b>	<b>\$36,191,852</b>	<b>\$38,094,061</b>	<b>\$40,181,815</b>	<b>\$42,458,843</b>	<b>\$44,947,175</b>	<b>\$47,631,878</b>	<b>\$51,805,728</b>	<b>\$53,690,706</b>	<b>\$54,724,401</b>	<b>\$58,623,182</b>	<b>\$59,699,372</b>	<b>\$60,565,838</b>
<b>Current Liabilities:</b>												
Accounts Payable	1,598,469	1,636,737	1,679,188	1,728,231	1,773,808	1,833,727	3,537,368	3,134,221	1,888,585	3,677,608	3,162,371	2,828,314
Unearned Revenue	56,582,190	59,622,599	62,761,994	65,987,211	69,330,076	72,783,713	76,104,218	79,289,882	82,335,749	85,241,630	88,004,090	90,620,456
Other Current Liabilities	\$37,375	\$41,438	\$45,745	\$50,311	\$55,151	\$60,280	\$65,513	\$70,850	\$76,294	\$81,846	\$87,510	\$93,287
<b>Total Current Liabilities</b>	<b>\$58,218,034</b>	<b>\$61,300,773</b>	<b>\$64,476,927</b>	<b>\$67,765,753</b>	<b>\$71,159,034</b>	<b>\$74,677,721</b>	<b>\$79,707,100</b>	<b>\$82,494,153</b>	<b>\$84,300,628</b>	<b>\$89,001,084</b>	<b>\$91,253,971</b>	<b>\$93,542,057</b>
<b>Long-Term Liabilities:</b>												
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>												
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	(26,816,183)	(27,996,712)	(29,086,112)	(30,086,909)	(31,001,859)	(31,835,843)	(32,691,372)	(33,593,447)	(34,366,227)	(35,167,902)	(36,344,598)	(37,766,220)
<b>Total Owner Equity</b>	<b>(\$22,026,183)</b>	<b>(\$23,206,712)</b>	<b>(\$24,296,112)</b>	<b>(\$25,306,909)</b>	<b>(\$26,211,859)</b>	<b>(\$27,045,843)</b>	<b>(\$27,901,372)</b>	<b>(\$28,803,447)</b>	<b>(\$29,576,227)</b>	<b>(\$30,377,902)</b>	<b>(\$31,554,598)</b>	<b>(\$32,976,220)</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$36,191,852</b>	<b>\$38,094,061</b>	<b>\$40,181,815</b>	<b>\$42,458,843</b>	<b>\$44,947,175</b>	<b>\$47,631,878</b>	<b>\$51,805,728</b>	<b>\$53,690,706</b>	<b>\$54,724,401</b>	<b>\$58,623,182</b>	<b>\$59,699,372</b>	<b>\$60,565,838</b>
	\$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	631,654	669,553	709,726	752,309	797,447	2,499,112	2,093,949	846,257	2,633,182	2,060,445	1,635,554
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	59,157	59,157	60,561	65,155	65,155	74,342	74,342	74,342	74,342	74,342	115,176	201,407
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)	943,412	945,925	949,074	953,351	956,344	961,938	963,915	965,930	967,986	970,083	986,750	991,353
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	56,063	62,158	68,618	75,467	82,726	90,421	98,269	106,275	114,441	122,770	131,265	139,931
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	37,375	41,438	45,745	50,311	55,151	60,280	65,513	70,850	76,294	81,846	87,510	93,287
Other Current Liabilities as a % of Revenue (Accrual)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**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
<b>Cash From Operations:</b>												
Net Income After Taxes	(1,274,573)	(1,180,530)	(1,088,400)	(1,011,797)	(904,950)	(833,983)	(855,530)	(902,075)	(772,779)	(801,675)	(1,176,696)	(1,421,622)
Add-back: Depreciation & Amortization	18,708	19,000	19,000	19,097	19,569	19,569	20,958	20,958	20,958	20,958	20,958	29,292
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	(216,685)	(183,982)	(147,083)	(113,869)	(76,343)	(34,853)	(3,162,765)	(2,109,520)	526,093	(2,904,812)	(1,613,627)	(615,319)
Change in Other Current Assets	(5,750)	(6,095)	(6,461)	(6,848)	(7,259)	(7,695)	(7,849)	(8,006)	(8,166)	(8,329)	(8,496)	(8,666)
Change in Accounts Payable	(1,775,608)	38,267	42,451	49,043	45,577	59,920	1,703,641	(403,147)	(1,245,636)	1,789,022	(515,237)	(334,057)
Change in Unearned Revenue	2,952,351	3,040,408	3,129,395	3,235,217	3,342,865	3,453,637	3,320,506	3,184,864	3,046,667	2,905,881	2,762,460	2,616,366
Change in Other Current Liabilities	3,833	4,063	4,307	4,566	4,839	5,130	5,232	5,337	5,444	5,553	5,664	5,777
<b>Total Cash Flow from Operations</b>	<b>(\$297,723)</b>	<b>\$1,731,133</b>	<b>\$1,953,210</b>	<b>\$2,175,408</b>	<b>\$2,424,299</b>	<b>\$2,661,725</b>	<b>\$1,024,194</b>	<b>(\$211,589)</b>	<b>\$1,572,581</b>	<b>\$1,006,599</b>	<b>(\$524,974)</b>	<b>\$271,772</b>
<b>Cash From Investing Activities:</b>												
Capital Expenditures	(\$10,500)	\$0	(\$3,500)	(\$17,000)	\$0	(\$50,000)	\$0	\$0	\$0	\$0	(\$300,000)	(\$50,000)
<b>Total Cash Flow from Investing Activities</b>	<b>(\$10,500)</b>	<b>\$0</b>	<b>(\$3,500)</b>	<b>(\$17,000)</b>	<b>\$0</b>	<b>(\$50,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$300,000)</b>	<b>(\$50,000)</b>
<b>Cash Flow Before Financing</b>	<b>(\$308,223)</b>	<b>\$1,731,133</b>	<b>\$1,949,710</b>	<b>\$2,158,408</b>	<b>\$2,424,299</b>	<b>\$2,611,725</b>	<b>\$1,024,194</b>	<b>(\$211,589)</b>	<b>\$1,572,581</b>	<b>\$1,006,599</b>	<b>(\$824,974)</b>	<b>\$221,772</b>
<b>Cash Flow From Financing Activities:</b>												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
<b>Total Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>(\$308,223)</b>	<b>\$1,731,133</b>	<b>\$1,949,710</b>	<b>\$2,158,408</b>	<b>\$2,424,299</b>	<b>\$2,611,725</b>	<b>\$1,024,194</b>	<b>(\$211,589)</b>	<b>\$1,572,581</b>	<b>\$1,006,599</b>	<b>(\$824,974)</b>	<b>\$221,772</b>
<b>Beginning Cash Balance</b>	<b>\$28,143,555</b>	<b>\$27,835,332</b>	<b>\$29,566,465</b>	<b>\$31,516,175</b>	<b>\$33,674,583</b>	<b>\$36,098,882</b>	<b>\$38,710,607</b>	<b>\$39,734,801</b>	<b>\$39,523,212</b>	<b>\$41,095,793</b>	<b>\$42,102,392</b>	<b>\$41,277,417</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(\$308,223)</b>	<b>\$1,731,133</b>	<b>\$1,949,710</b>	<b>\$2,158,408</b>	<b>\$2,424,299</b>	<b>\$2,611,725</b>	<b>\$1,024,194</b>	<b>(\$211,589)</b>	<b>\$1,572,581</b>	<b>\$1,006,599</b>	<b>(\$824,974)</b>	<b>\$221,772</b>
<b>Ending Cash Balance</b>	<b>\$27,835,332</b>	<b>\$29,566,465</b>	<b>\$31,516,175</b>	<b>\$33,674,583</b>	<b>\$36,098,882</b>	<b>\$38,710,607</b>	<b>\$39,734,801</b>	<b>\$39,523,212</b>	<b>\$41,095,793</b>	<b>\$42,102,392</b>	<b>\$41,277,417</b>	<b>\$41,499,190</b>

P&L	Year 3												
	Period	1	2	3	4	5	6	7	8	9	10	11	12
<b>Revenue</b>													
Monthly Growth Rate		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
New Domains Registered	400,000	614,878	627,176	639,720	652,514	665,564	678,875	685,564	692,521	699,446	706,440	713,504	720,639
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
<b>Domain Years</b>													
Domain Years - Term 1 Subscriptions (Sales Units)		1,291,244	1,317,070	1,343,412	1,370,279	1,397,684	1,425,638	1,439,894	1,454,294	1,468,837	1,483,524	1,498,358	1,513,342
Domain Years - Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		1,291,244	1,317,070	1,343,412	1,370,279	1,397,684	1,425,638	1,439,894	1,454,294	1,468,837	1,483,524	1,498,358	1,513,342
<b>New Domains Up For Renewal</b>													
Initial Subscription Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	-	1,200,000	800,000
Second Renewal Period Domains Up For Renewal (Term 1)		-	-	-	-	-	-	-	-	-	-	-	-
Sunrise Subscription Terms Up For Renewal		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Domains Renewed after Initial Registration (Term 1 Sub)		-	-	-	-	-	-	-	-	-	-	960,000	640,000
Second Renewal Period Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		-	-	-	-	-	-	-	-	-	-	960,000	640,000
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)		-	-	-	-	-	-	-	-	-	-	1,800,000	1,200,000
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	1,800,000	1,200,000
Renewal Total Domain Years (Sales Units)		-	-	-	-	-	-	-	-	-	-	1,800,000	1,200,000
<b>Total Domains Under Management</b>		10,349,204	10,976,380	11,616,100	12,268,614	12,934,178	13,613,053	14,298,717	14,991,238	15,690,684	16,397,124	16,870,628	17,431,267
<b>Total Domain Years (Sales Units)</b>													
Total Domain Years - Term 1 Subscriptions (Sales Units)		1,291,244	1,317,070	1,343,412	1,370,279	1,397,684	1,425,638	1,439,894	1,454,294	1,468,837	1,483,524	1,498,358	1,513,342
Total Domain Years - Renewal Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	1,800,000	1,200,000
Total Domain Years - From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		1,291,244	1,317,070	1,343,412	1,370,279	1,397,684	1,425,638	1,439,894	1,454,294	1,468,837	1,483,524	1,498,358	1,513,342
Registration Fee Per Domain Name Year	\$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)		7,424,652	7,573,150	7,724,619	7,879,107	8,036,685	8,197,416	8,279,393	8,362,191	8,445,810	8,530,263	8,615,561	8,701,716
Total Registration Revenue Renewals Term 1 (Cash)		-	-	-	-	-	-	-	-	-	-	10,350,000	6,900,000
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		7,424,652	7,573,150	7,724,619	7,879,107	8,036,685	8,197,416	8,279,393	8,362,191	8,445,810	8,530,263	18,965,561	15,601,716
Total Registration Revenue - Term 1 (Accrual)		4,479,827	4,780,349	5,086,881	5,399,544	5,718,460	6,043,755	6,372,302	6,704,135	7,039,286	7,377,789	7,719,676	7,489,982
Total Registration Revenue Renewals - Term 1 (Accrual)		-	-	-	-	-	-	-	-	-	-	575,000	958,333
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167
Total Registration Revenue (Accrual)		4,958,994	5,259,515	5,566,048	5,878,711	6,197,627	6,522,921	6,851,469	7,183,302	7,518,453	7,856,955	8,773,843	8,927,482
<b>Transfer Activity ( % of New Registrations)</b>	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		12,298	12,544	12,794	13,050	13,311	13,578	13,713	13,850	13,989	14,129	14,270	14,413
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)		6,149	6,272	6,397	6,525	6,656	6,789	6,857	6,925	6,994	7,064	7,135	7,206
Total Transfer Revenue (Cash)		35,355	36,063	36,784	37,520	38,270	39,035	39,426	39,820	40,218	40,620	41,026	41,437
Total Transfer Revenue (Accrual)		33,667	34,340	35,027	35,728	36,442	37,171	37,849	38,476	39,048	39,565	40,024	40,425
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	202,976	210,235	217,832	225,784	234,111	242,833	372,046	344,173	253,500	281,171	468,901	402,692
<b>Registry Operator</b>													
<b>Registry Fees</b>													
Total Sales Units - Term 1 (From Above)		1,291,244	1,317,070	1,343,412	1,370,279	1,397,684	1,425,638	1,439,894	1,454,294	1,468,837	1,483,524	1,498,358	1,513,342
Total Sales Units - Term 1 Renewals (From Above)		-	-	-	-	-	-	-	-	-	-	1,800,000	1,200,000
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)		6,149	6,272	6,397	6,525	6,656	6,789	6,857	6,925	6,994	7,064	7,135	7,206
Total Sales Units		1,297,393	1,323,341	1,349,809	1,376,805	1,404,340	1,432,426	1,446,751	1,461,219	1,475,831	1,490,588	3,305,493	2,720,548
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)		2,294,688	2,190,455	2,079,968	1,962,851	1,838,708	1,707,116	1,432,416	1,190,151	1,050,504	613,065	271,110	-
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)		245,833	245,833	245,833	245,833	245,833	245,833	105,357	-	-	-	-	-
Core Registry Fee - Transfers		14,250	11,511	8,718	5,870	2,964	-	-	-	-	-	-	-
Core Registry Fee (Accrual)		2,554,771	2,447,800	2,334,520	2,214,554	2,087,505	1,952,949	1,537,773	1,190,151	1,050,504	613,065	271,110	-
Total Registry Operations		2,554,771	2,447,800	2,334,520	2,214,554	2,087,505	1,952,949	1,537,773	1,190,151	1,050,504	613,065	271,110	-

	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Systems Development &amp; Support</b>												
Labor	270,457	275,051	279,645	279,645	279,645	279,645	279,645	279,645	279,645	279,645	279,645	357,457
Equipment Operating Leases	446,238	446,238	446,238	446,238	446,238	446,238	446,238	446,238	446,238	446,238	446,238	446,238
Remote Centers	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Network Operations Center	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400
Other Systems Development & Support												
Total Systems Development & Support	798,295	802,899	807,483	807,483	807,483	807,483	807,483	807,483	807,483	807,483	807,483	885,295
<b>Customer Service</b>												
Labor	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	138,180
Other Customer Service												
Total Customer Service	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	65,805	138,180
<b>Marketing &amp; Sales</b>												
Labor	60,867	60,867	60,867	60,867	60,867	60,867	60,867	60,867	60,867	60,867	60,867	127,117
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	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,470,015	1,536,265
<b>General &amp; Administrative</b>												
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	50,838	51,450	52,063	52,063	52,063	52,063	52,063	52,063	52,063	52,063	52,063	52,063
Telecommunications	23,984	24,032	24,080	24,080	24,080	24,080	24,080	24,080	24,080	24,080	24,080	24,080
Materials & Supplies	17,955	18,171	18,387	18,387	18,387	18,387	18,387	18,387	18,387	18,387	18,387	18,387
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	79,806	81,402	83,031	84,691	86,385	88,113	88,994	89,884	90,782	91,690	92,607	93,533
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	19,008	19,108	19,208	19,208	19,208	19,208	19,208	19,208	19,208	19,208	19,208	19,208
Total G&A	414,028	416,601	419,206	420,867	422,561	424,288	425,169	426,059	426,958	427,866	428,783	550,021
<b>R&amp;D</b>												
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	49,590	52,595	55,660	58,787	61,976	65,229	68,515	71,833	75,185	78,570	81,938	89,275
Total R&D	102,418	105,423	108,489	111,615	114,804	118,057	121,343	124,661	128,013	131,398	140,567	142,103
<b>Total Operating Expenses</b>	5,405,333	5,308,534	5,205,518	5,090,339	4,968,173	4,838,598	4,727,588	4,604,174	4,488,778	4,375,632	4,264,763	4,155,865
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (EBIT)</b>	(412,673)	(14,678)	395,558	824,099	1,265,896	1,721,494	2,461,730	3,137,603	3,608,723	4,380,888	5,630,104	5,716,042
<b>Depreciation &amp; Amortization</b>	30,681	30,958	31,236	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514
<b>Earnings Before Interest, Taxes</b>	(443,353)	(45,636)	364,321	792,585	1,234,382	1,689,980	2,430,216	3,106,089	3,577,209	4,349,374	5,598,590	5,684,528
<b>Interest</b>	1.75%	60,520	64,487	71,304	78,084	84,747	91,275	97,662	103,564	109,036	114,242	118,943
<b>Pretax Consortium Profit (Before Rebates)</b>	(503,873)	(110,123)	293,017	714,501	1,149,635	1,598,705	2,332,554	3,002,525	3,468,173	4,235,133	5,479,647	5,546,689
<b>Rebate Pool (% of Before Tax Profits)</b>	25%	-	73,254	178,625	287,409	399,676	583,138	750,631	867,043	1,058,783	1,369,912	1,386,672
<b>Pretax Consortium Profit</b>	(503,873)	(110,123)	219,763	535,876	862,226	1,199,029	1,749,415	2,251,894	2,601,130	3,176,349	4,109,735	4,160,017
<b>Estimated Stockholder Taxes</b>	40%	-	87,905	214,350	344,891	479,612	699,766	900,757	1,040,452	1,270,540	1,643,894	1,664,007
<b>Estimated Consortium Net Income</b>	(503,873)	(110,123)	131,858	321,526	517,336	719,417	1,049,649	1,351,136	1,560,678	1,905,810	2,465,841	2,496,010

gTLD CONSORTIUM  
Balance Sheet

**gTLD BALANCE SHEET**

Period	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
<b>Current Assets:</b>												
Cash	\$44,219,594	\$48,894,442	\$53,543,224	\$58,112,273	\$62,588,766	\$66,968,242	\$71,015,477	\$74,767,297	\$78,337,294	\$81,560,808	\$94,517,868	\$103,798,907
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Paid Expense	\$15,699,932	\$13,252,132	\$10,917,612	\$8,703,058	\$6,615,553	\$4,662,604	\$3,124,831	\$1,934,680	\$884,175	\$271,110	(\$0)	(\$0)
Other Current Assets	\$148,770	\$157,785	\$166,981	\$176,361	\$185,929	\$195,688	\$205,544	\$215,499	\$225,554	\$235,709	\$263,215	\$267,824
<b>Total Current Assets</b>	<b>\$60,068,296</b>	<b>\$62,304,359</b>	<b>\$64,627,818</b>	<b>\$66,991,692</b>	<b>\$69,390,248</b>	<b>\$71,826,534</b>	<b>\$74,345,851</b>	<b>\$76,917,476</b>	<b>\$79,447,024</b>	<b>\$82,067,627</b>	<b>\$94,781,083</b>	<b>\$104,066,732</b>
<b>Fixed Assets:</b>												
Plant, Property, & Equipment	\$1,114,500	\$1,124,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500	\$1,134,500
Accumulated Depreciation	(\$463,167)	(\$494,125)	(\$525,361)	(\$556,875)	(\$588,389)	(\$619,903)	(\$651,417)	(\$682,931)	(\$714,444)	(\$745,958)	(\$777,472)	(\$808,986)
<b>Total Fixed Assets</b>	<b>\$651,333</b>	<b>\$630,375</b>	<b>\$609,139</b>	<b>\$577,625</b>	<b>\$546,111</b>	<b>\$514,597</b>	<b>\$483,083</b>	<b>\$451,569</b>	<b>\$420,056</b>	<b>\$388,542</b>	<b>\$357,028</b>	<b>\$325,514</b>
<b>Total Assets</b>	<b>\$60,719,629</b>	<b>\$62,934,734</b>	<b>\$65,236,957</b>	<b>\$67,569,317</b>	<b>\$69,936,359</b>	<b>\$72,341,131</b>	<b>\$74,828,935</b>	<b>\$77,369,045</b>	<b>\$79,867,079</b>	<b>\$82,456,168</b>	<b>\$95,138,111</b>	<b>\$104,392,246</b>
<b>Current Liabilities:</b>												
Accounts Payable	1,012,739	1,016,600	1,020,507	1,022,900	1,025,342	1,027,832	1,029,915	1,032,020	1,034,145	1,036,291	1,041,334	1,121,140
Unearned Revenue	93,087,803	95,403,160	97,563,488	99,565,675	101,406,561	103,082,920	104,512,420	105,692,654	106,621,182	107,295,545	117,488,265	124,163,511
Other Current Liabilities	\$99,180	\$105,190	\$111,321	\$117,574	\$123,953	\$130,458	\$137,029	\$143,666	\$150,369	\$157,139	\$175,477	\$178,550
<b>Total Current Liabilities</b>	<b>\$94,199,721</b>	<b>\$96,524,950</b>	<b>\$98,695,315</b>	<b>\$100,706,150</b>	<b>\$102,555,855</b>	<b>\$104,241,210</b>	<b>\$105,679,365</b>	<b>\$106,868,339</b>	<b>\$107,805,695</b>	<b>\$108,488,975</b>	<b>\$118,705,076</b>	<b>\$125,463,201</b>
<b>Long-Term Liabilities:</b>												
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>												
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	(38,270,093)	(38,380,216)	(38,248,358)	(37,926,832)	(37,409,497)	(36,690,079)	(35,640,430)	(34,289,294)	(32,728,616)	(30,822,807)	(28,356,965)	(25,860,955)
<b>Total Owner Equity</b>	<b>(\$33,480,093)</b>	<b>(\$33,590,216)</b>	<b>(\$33,458,358)</b>	<b>(\$33,136,832)</b>	<b>(\$32,619,497)</b>	<b>(\$31,900,079)</b>	<b>(\$30,850,430)</b>	<b>(\$29,499,294)</b>	<b>(\$27,938,616)</b>	<b>(\$26,032,807)</b>	<b>(\$23,566,965)</b>	<b>(\$21,070,955)</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$60,719,629</b>	<b>\$62,934,734</b>	<b>\$65,236,957</b>	<b>\$67,569,317</b>	<b>\$69,936,359</b>	<b>\$72,341,131</b>	<b>\$74,828,935</b>	<b>\$77,369,045</b>	<b>\$79,867,079</b>	<b>\$82,456,168</b>	<b>\$95,138,111</b>	<b>\$104,392,246</b>
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Balance Sheet Assumptions - Working Capital</b>												
<b>Accounts Receivable</b>	-	-	-	-	-	-	-	-	-	-	-	-
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
<b>Accts Payable Registry Operator (Core Registration Expense)</b>	-	-	-	-	-	-	-	-	-	-	-	-
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
<b>Accts Payable Labor</b>	130,045	131,117	132,189	132,189	132,189	132,189	132,189	132,189	132,189	132,189	132,189	210,764
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
<b>Accts Payable (All OPS Expense Excluding Labor, Registry Operat</b>	882,694	885,483	888,318	890,711	893,153	895,643	897,726	899,831	901,956	904,102	909,145	910,376
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
<b>Other Current Assets</b>	148,770	157,785	166,981	176,361	185,929	195,688	205,544	215,499	225,554	235,709	263,215	267,824
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%
<b>Other Current Liabilities</b>	99,180	105,190	111,321	117,574	123,953	130,458	137,029	143,666	150,369	157,139	175,477	178,550
Other Current Liabilities as a % of Revenue (Accrual)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**gTLD CONSORTIUM**  
Cash Flow Statement

**gTLD CASH FLOW STATEMENT**

	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
<b>Cash From Operations:</b>												
Net Income After Taxes	(503,873)	(110,123)	131,858	321,526	517,336	719,417	1,049,849	1,351,136	1,560,678	1,905,810	2,465,841	2,496,010
Add-back: Depreciation & Amortization	30,681	30,958	31,236	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514	31,514
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	2,554,771	2,447,800	2,334,520	2,214,554	2,087,505	1,952,949	1,537,773	1,190,151	1,050,504	613,065	271,110	-
Change in Other Current Assets	(8,839)	(9,016)	(9,196)	(9,380)	(9,567)	(9,759)	(9,856)	(9,955)	(10,055)	(10,155)	(27,507)	(4,609)
Change in Accounts Payable	(1,815,575)	3,861	3,907	2,394	2,441	2,490	2,083	2,104	2,125	2,146	5,043	79,806
Change in Unearned Revenue	2,467,347	2,315,357	2,160,328	2,002,187	1,840,866	1,676,359	1,429,500	1,180,234	928,528	674,363	10,192,720	6,675,246
Change in Other Current Liabilities	5,893	6,010	6,131	6,253	6,378	6,506	6,571	6,637	6,703	6,770	18,338	3,073
<b>Total Cash Flow from Operations</b>	<b>\$2,730,404</b>	<b>\$4,684,848</b>	<b>\$4,658,783</b>	<b>\$4,569,048</b>	<b>\$4,476,493</b>	<b>\$4,379,477</b>	<b>\$4,047,234</b>	<b>\$3,751,820</b>	<b>\$3,569,997</b>	<b>\$3,223,513</b>	<b>\$12,957,060</b>	<b>\$9,281,040</b>
<b>Cash From Investing Activities:</b>												
Capital Expenditures	(\$10,000)	(\$10,000)	(\$10,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Flow from Investing Activities</b>	<b>(\$10,000)</b>	<b>(\$10,000)</b>	<b>(\$10,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow Before Financing</b>	<b>\$2,720,404</b>	<b>\$4,674,848</b>	<b>\$4,648,783</b>	<b>\$4,569,048</b>	<b>\$4,476,493</b>	<b>\$4,379,477</b>	<b>\$4,047,234</b>	<b>\$3,751,820</b>	<b>\$3,569,997</b>	<b>\$3,223,513</b>	<b>\$12,957,060</b>	<b>\$9,281,040</b>
<b>Cash Flow From Financing Activities:</b>												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
<b>Total Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>\$2,720,404</b>	<b>\$4,674,848</b>	<b>\$4,648,783</b>	<b>\$4,569,048</b>	<b>\$4,476,493</b>	<b>\$4,379,477</b>	<b>\$4,047,234</b>	<b>\$3,751,820</b>	<b>\$3,569,997</b>	<b>\$3,223,513</b>	<b>\$12,957,060</b>	<b>\$9,281,040</b>
Beginning Cash Balance	\$41,499,190	\$44,219,594	\$48,894,442	\$53,543,224	\$58,112,273	\$62,588,766	\$66,968,242	\$71,015,477	\$74,767,297	\$78,337,294	\$81,560,808	\$94,517,868
Net Increase/(Decrease) in Cash	\$2,720,404	\$4,674,848	\$4,648,783	\$4,569,048	\$4,476,493	\$4,379,477	\$4,047,234	\$3,751,820	\$3,569,997	\$3,223,513	\$12,957,060	\$9,281,040
Ending Cash Balance	<u>\$44,219,594</u>	<u>\$48,894,442</u>	<u>\$53,543,224</u>	<u>\$58,112,273</u>	<u>\$62,588,766</u>	<u>\$66,968,242</u>	<u>\$71,015,477</u>	<u>\$74,767,297</u>	<u>\$78,337,294</u>	<u>\$81,560,808</u>	<u>\$94,517,868</u>	<u>\$103,798,907</u>

P&L	Period	Year 4											
		1	2	3	4	5	6	7	8	9	10	11	12
<b>Revenue</b>													
Monthly Growth Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
New Domains Registered	400,000	727,845	735,123	742,474	749,899	757,398	764,972	772,822	780,348	788,151	796,033	803,993	812,033
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
<b>Domain Years</b>													
Domain Years - Term 1 Subscriptions (Sales Units)		1,528,475	1,543,758	1,559,195	1,574,788	1,590,536	1,606,441	1,622,506	1,638,731	1,655,117	1,671,669	1,688,385	1,705,269
Domain Years - Sunrise Period Subscriptions (Sales Unit)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		1,528,475	1,543,758	1,559,195	1,574,788	1,590,536	1,606,441	1,622,506	1,638,731	1,655,117	1,671,669	1,688,385	1,705,269
<b>New Domains Up For Renewal</b>													
Initial Subscription Domains Up For Renewal (Term 1)		500,000	400,000	424,000	449,440	476,406	504,990	535,289	545,995	556,915	568,053	579,414	591,002
Second Renewal Period Domains Up For Renewal (Ter Sunrise Subscription Terms Up For Renewal)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Domains Renewed after Initial Registration (Term 1 Sub)		400,000	320,000	339,200	359,552	381,125	403,992	428,231	436,796	445,532	454,442	463,531	472,802
Second Renewal Period Domains Renewed		-	-	-	-	-	-	-	-	-	-	-	-
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		400,000	320,000	339,200	359,552	381,125	403,992	428,231	436,796	445,532	454,442	463,531	472,802
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)		750,000	600,000	636,000	674,160	714,609	757,485	802,934	818,993	835,373	852,080	869,121	886,503
Renewal Domain Years From Sunrise Period Subscriptions (Sale)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)		750,000	600,000	636,000	674,160	714,609	757,485	802,934	818,993	835,373	852,080	869,121	886,503
<b>Total Domains Under Management</b>		<b>18,059,112</b>	<b>18,714,235</b>	<b>19,371,909</b>	<b>20,031,920</b>	<b>20,694,037</b>	<b>21,358,011</b>	<b>22,023,575</b>	<b>22,694,724</b>	<b>23,371,492</b>	<b>24,053,914</b>	<b>24,742,025</b>	<b>25,435,857</b>
<b>Total Domain Years (Sales Units)</b>													
Total Domain Years - Term 1 Subscriptions (Sales Units)		1,528,475	1,543,758	1,559,195	1,574,788	1,590,536	1,606,441	1,622,506	1,638,731	1,655,117	1,671,669	1,688,385	1,705,269
Total Domain Years - Renewal Subscriptions (Sales Unit)		750,000	600,000	636,000	674,160	714,609	757,485	802,934	818,993	835,373	852,080	869,121	886,503
Total Domain Years -From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		2,278,475	2,143,758	2,195,195	2,248,948	2,305,145	2,363,926	2,425,440	2,457,723	2,490,490	2,523,749	2,557,506	2,591,772
Registration Fee Per Domain Name Year	\$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)		8,788,728	8,876,610	8,965,374	9,055,030	9,145,581	9,237,037	9,329,411	9,422,702	9,516,923	9,612,098	9,708,215	9,805,298
Total Registration Revenue Renewals Term 1 (Cash)		4,312,500	3,450,000	3,657,000	3,876,420	4,109,002	4,356,539	4,616,868	4,709,207	4,803,392	4,899,457	4,997,446	5,097,392
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		13,101,228	12,326,610	12,622,374	12,931,450	13,254,583	13,592,576	13,946,278	14,131,909	14,320,315	14,511,556	14,705,661	14,902,691
Total Registration Revenue - Term 1 (Accrual)		7,455,408	7,568,071	7,732,173	7,888,333	8,035,896	8,174,167	8,302,408	8,419,832	8,535,865	8,650,442	8,763,497	8,874,960
Total Registration Revenue Renewals - Term 1 (Accrual)		1,197,917	1,389,583	1,592,750	1,808,107	2,036,385	2,278,359	2,534,852	2,796,474	3,063,329	3,335,521	3,613,157	3,896,346
Total Registration Revenue - Sunrise Period Subscriptions (Accr)		479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167
Total Registration Revenue (Accrual)		9,132,491	9,436,821	9,804,090	10,175,606	10,551,447	10,931,693	11,316,426	11,695,473	12,078,361	12,465,130	12,855,821	13,250,473
<b>Transfer Activity ( % of New Registrations)</b>													
Total Number of Transfers	2.0%	14,557	14,702	14,849	14,998	15,148	15,299	15,452	15,607	15,763	15,921	16,080	16,241
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)		7,278	7,351	7,425	7,499	7,574	7,650	7,726	7,803	7,882	7,960	8,040	8,120
Total Transfer Revenue (Cash)		41,851	42,270	42,692	43,119	43,550	43,986	44,426	44,870	45,319	45,772	46,230	46,692
Total Transfer Revenue (Accrual)		40,829	41,237	41,649	42,066	42,487	42,911	43,341	43,774	44,212	44,654	45,100	45,551
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	356,545	344,940	353,288	361,921	370,917	380,274	502,509	478,786	397,987	402,971	504,026	477,151
<b>Registry Operator</b>													
<b>Registry Fees</b>													
Total Sales Units - Term 1 (From Above)		1,528,475	1,543,758	1,559,195	1,574,788	1,590,536	1,606,441	1,622,506	1,638,731	1,655,117	1,671,669	1,688,385	1,705,269
Total Sales Units - Term 1 Renewals (From Above)		750,000	600,000	636,000	674,160	714,609	757,485	802,934	818,993	835,373	852,080	869,121	886,503
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)		7,278	7,351	7,425	7,499	7,574	7,650	7,726	7,803	7,882	7,960	8,040	8,120
Total Sales Units		2,285,753	2,151,110	2,202,620	2,256,447	2,312,719	2,371,576	2,433,166	2,465,527	2,498,371	2,531,709	2,565,546	2,599,893
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)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Transfers		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Total Registry Operations		-	-	-	-	-	-	-	-	-	-	-	-

	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Systems Development &amp; Support</b>												
Labor	392,507	399,742	399,742	399,742	399,742	399,742	399,742	399,742	399,742	399,742	399,742	477,555
Equipment Operating Leases	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238	2,558,238
Remote Centers	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Network Operations Center	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800
Other Systems Development & Support												
<b>Total Systems Development &amp; Support</b>	<b>3,034,745</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,041,981</b>	<b>3,119,793</b>
<b>Customer Service</b>												
Labor	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	69,096	141,471
Other Customer Service												
<b>Total Customer Service</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>69,096</b>	<b>141,471</b>
<b>Marketing &amp; Sales</b>												
Labor	63,911	63,911	63,911	63,911	63,911	63,911	63,911	63,911	63,911	63,911	63,911	130,161
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	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	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614
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
<b>Total Marketing &amp; Sales</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,317,540</b>	<b>1,383,790</b>
<b>General &amp; Administrative</b>												
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
Rent	60,638	61,250	61,250	61,250	61,250	61,250	61,250	61,250	61,250	61,250	61,250	61,250
Telecommunications	24,752	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800
Materials & Supplies	22,272	22,497	22,497	22,497	22,497	22,497	22,497	22,497	22,497	22,497	22,497	22,497
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
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
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
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
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
Trademark Review	98,247	99,230	100,222	101,224	102,236	103,259	104,291	105,334	106,388	107,451	108,526	109,611
Site Hosting, Connectivity, and Devel. & Maint.	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375
Other General & Administrative	21,036	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136
<b>Total G&amp;A</b>	<b>460,255</b>	<b>462,223</b>	<b>463,215</b>	<b>464,218</b>	<b>465,230</b>	<b>466,252</b>	<b>467,285</b>	<b>468,328</b>	<b>469,381</b>	<b>470,445</b>	<b>471,520</b>	<b>592,917</b>
<b>R&amp;D</b>												
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
Outsourced R&D Efforts	91,325	94,368	98,041	101,756	105,514	109,317	113,164	116,955	120,784	124,651	128,558	132,505
<b>Total R&amp;D</b>	<b>146,794</b>	<b>149,838</b>	<b>153,510</b>	<b>157,226</b>	<b>160,984</b>	<b>164,786</b>	<b>168,634</b>	<b>172,424</b>	<b>176,253</b>	<b>180,121</b>	<b>184,028</b>	<b>187,974</b>
<b>Total Operating Expenses</b>	<b>5,028,431</b>	<b>5,040,677</b>	<b>5,045,342</b>	<b>5,050,059</b>	<b>5,054,830</b>	<b>5,059,655</b>	<b>5,064,535</b>	<b>5,069,368</b>	<b>5,074,250</b>	<b>5,079,182</b>	<b>5,084,163</b>	<b>5,425,945</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (EBIT)</b>	<b>4,144,889</b>	<b>4,437,381</b>	<b>4,800,397</b>	<b>5,167,613</b>	<b>5,539,104</b>	<b>5,914,950</b>	<b>6,295,232</b>	<b>6,669,879</b>	<b>7,048,322</b>	<b>7,430,602</b>	<b>7,816,758</b>	<b>7,870,079</b>
<b>Depreciation &amp; Amortization</b>	<b>31,514</b>	<b>30,264</b>	<b>21,264</b>	<b>19,014</b>	<b>18,236</b>	<b>17,264</b>	<b>17,264</b>	<b>17,264</b>	<b>17,264</b>	<b>16,972</b>	<b>16,972</b>	<b>16,972</b>
<b>Earnings Before Interest, Taxes</b>	<b>4,113,376</b>	<b>4,407,117</b>	<b>4,779,133</b>	<b>5,148,599</b>	<b>5,520,868</b>	<b>5,897,686</b>	<b>6,277,968</b>	<b>6,652,615</b>	<b>7,031,058</b>	<b>7,413,630</b>	<b>7,799,786</b>	<b>7,853,107</b>
<b>Interest</b>	<b>151,373</b>	<b>159,437</b>	<b>166,471</b>	<b>173,639</b>	<b>180,950</b>	<b>188,422</b>	<b>196,074</b>	<b>203,925</b>	<b>211,735</b>	<b>219,505</b>	<b>227,235</b>	<b>234,926</b>
<b>Pretax Consortium Profit (Before Rebates)</b>	<b>3,962,002</b>	<b>4,247,681</b>	<b>4,612,662</b>	<b>4,974,960</b>	<b>5,339,918</b>	<b>5,709,263</b>	<b>6,081,894</b>	<b>6,448,689</b>	<b>6,819,323</b>	<b>7,194,125</b>	<b>7,572,551</b>	<b>7,618,180</b>
<b>Rebate Pool (% of Before Tax Profits)</b>	<b>990,501</b>	<b>1,061,920</b>	<b>1,153,166</b>	<b>1,243,740</b>	<b>1,334,980</b>	<b>1,427,316</b>	<b>1,520,473</b>	<b>1,612,172</b>	<b>1,704,831</b>	<b>1,798,531</b>	<b>1,893,138</b>	<b>1,904,545</b>
<b>Pretax Consortium Profit</b>	<b>2,971,502</b>	<b>3,185,760</b>	<b>3,459,497</b>	<b>3,731,220</b>	<b>4,004,939</b>	<b>4,281,948</b>	<b>4,561,420</b>	<b>4,836,517</b>	<b>5,114,492</b>	<b>5,395,594</b>	<b>5,679,413</b>	<b>5,713,635</b>
<b>Estimated Stockholder Taxes</b>	<b>1,188,601</b>	<b>1,274,304</b>	<b>1,383,799</b>	<b>1,492,488</b>	<b>1,601,975</b>	<b>1,712,779</b>	<b>1,824,568</b>	<b>1,934,607</b>	<b>2,045,797</b>	<b>2,158,238</b>	<b>2,271,765</b>	<b>2,285,454</b>
<b>Estimated Consortium Net Income</b>	<b>1,782,901</b>	<b>1,911,456</b>	<b>2,075,698</b>	<b>2,238,732</b>	<b>2,402,963</b>	<b>2,569,169</b>	<b>2,736,852</b>	<b>2,901,910</b>	<b>3,068,695</b>	<b>3,237,356</b>	<b>3,407,648</b>	<b>3,428,181</b>



**gTLD CONSORTIUM**  
Balance Sheet

**gTLD BALANCE SHEET**

Period	Year 4	Year 4	Year 4	Year 4	Year 4	Year 4	Year 4	Year 4	Year 4	Year 4	Year 4	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
<b>Current Assets:</b>												
Cash	\$109,327,993	\$114,151,685	\$119,066,633	\$124,079,920	\$129,203,946	\$134,450,945	\$139,834,591	\$145,189,924	\$150,517,557	\$155,818,027	\$161,092,201	\$166,267,857
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	\$273,975	\$283,105	\$294,123	\$305,288	\$316,543	\$327,951	\$339,493	\$350,864	\$362,351	\$373,954	\$385,675	\$397,514
<b>Total Current Assets</b>	<b>\$109,601,967</b>	<b>\$114,434,790</b>	<b>\$119,360,756</b>	<b>\$124,385,189</b>	<b>\$129,520,489</b>	<b>\$134,778,896</b>	<b>\$140,174,084</b>	<b>\$145,540,788</b>	<b>\$150,879,908</b>	<b>\$156,191,981</b>	<b>\$161,477,875</b>	<b>\$166,665,372</b>
<b>Fixed Assets:</b>												
Plant, Property, & Equipment	\$1,274,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500	\$1,284,500
Accumulated Depreciation	(\$840,500)	(\$870,764)	(\$892,028)	(\$911,042)	(\$929,278)	(\$946,542)	(\$963,806)	(\$981,069)	(\$998,333)	(\$1,015,306)	(\$1,032,278)	(\$1,049,250)
<b>Total Fixed Assets</b>	<b>\$434,000</b>	<b>\$413,736</b>	<b>\$392,472</b>	<b>\$373,458</b>	<b>\$355,222</b>	<b>\$337,958</b>	<b>\$320,694</b>	<b>\$303,431</b>	<b>\$286,167</b>	<b>\$269,194</b>	<b>\$252,222</b>	<b>\$235,250</b>
<b>Total Assets</b>	<b>\$110,035,967</b>	<b>\$114,848,526</b>	<b>\$119,753,228</b>	<b>\$124,758,647</b>	<b>\$129,875,711</b>	<b>\$135,116,854</b>	<b>\$140,494,779</b>	<b>\$145,844,219</b>	<b>\$151,166,074</b>	<b>\$156,461,175</b>	<b>\$161,730,098</b>	<b>\$166,900,622</b>
<b>Current Liabilities:</b>												
Accounts Payable	1,008,101	1,012,295	1,014,628	1,016,986	1,019,372	1,021,784	1,024,224	1,026,641	1,029,082	1,031,548	1,034,038	1,115,129
Unearned Revenue	128,133,271	131,024,092	133,843,419	136,600,316	139,304,516	141,966,473	144,597,410	147,034,943	149,278,004	151,325,547	153,176,517	154,829,876
Other Current Liabilities	\$182,650	\$188,736	\$196,082	\$203,512	\$211,029	\$218,634	\$226,329	\$233,909	\$241,567	\$249,303	\$257,116	\$265,009
<b>Total Current Liabilities</b>	<b>\$129,324,022</b>	<b>\$132,225,124</b>	<b>\$135,054,128</b>	<b>\$137,820,815</b>	<b>\$140,534,916</b>	<b>\$143,206,890</b>	<b>\$145,847,963</b>	<b>\$148,295,493</b>	<b>\$150,548,653</b>	<b>\$152,606,397</b>	<b>\$154,467,672</b>	<b>\$156,210,014</b>
<b>Long-Term Liabilities:</b>												
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>												
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	(\$24,078,054)	(\$22,166,598)	(\$20,090,900)	(\$17,852,168)	(\$15,449,205)	(\$12,880,036)	(\$10,143,184)	(\$7,241,274)	(\$4,172,579)	(\$935,222)	2,472,426	5,900,607
<b>Total Owner Equity</b>	<b>(\$19,288,054)</b>	<b>(\$17,376,598)</b>	<b>(\$15,300,900)</b>	<b>(\$13,062,168)</b>	<b>(\$10,659,205)</b>	<b>(\$8,090,036)</b>	<b>(\$5,353,184)</b>	<b>(\$2,451,274)</b>	<b>\$617,421</b>	<b>\$3,854,778</b>	<b>\$7,262,426</b>	<b>\$10,690,607</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$110,035,967</b>	<b>\$114,848,526</b>	<b>\$119,753,228</b>	<b>\$124,758,647</b>	<b>\$129,875,711</b>	<b>\$135,116,854</b>	<b>\$140,494,779</b>	<b>\$145,844,219</b>	<b>\$151,166,074</b>	<b>\$156,461,175</b>	<b>\$161,730,098</b>	<b>\$166,900,622</b>
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Balance Sheet Assumptions - Working Capital</b>												
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	161,871	163,559	163,559	163,559	163,559	163,559	163,559	163,559	163,559	163,559	163,559	242,134
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)	846,231	848,736	851,069	853,427	855,813	858,225	860,665	863,082	865,523	867,989	870,479	872,995
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	273,975	283,105	294,123	305,288	316,543	327,951	339,493	350,864	362,351	373,954	385,675	397,514
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	182,650	188,736	196,082	203,512	211,029	218,634	226,329	233,909	241,567	249,303	257,116	265,009
Other Current Liabilities as a % of Revenue (Accrual)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

gTLD CONSORTIUM  
Cash Flow Statement

**gTLD CASH FLOW STATEMENT**

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
<b>Cash From Operations:</b>												
Net Income After Taxes	1,782,901	1,911,456	2,075,698	2,238,732	2,402,963	2,569,169	2,736,852	2,901,910	3,068,695	3,237,356	3,407,648	3,428,181
Add-back: Depreciation & Amortization	31,514	30,264	21,264	19,014	18,236	17,264	17,264	17,264	17,264	16,972	16,972	16,972
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-
Change in Other Current Assets	(6,150)	(9,130)	(11,018)	(11,145)	(11,275)	(11,407)	(11,542)	(11,371)	(11,487)	(11,603)	(11,721)	(11,840)
Change in Accounts Payable	(113,039)	4,194	2,332	2,359	2,385	2,412	2,440	2,417	2,441	2,466	2,491	81,091
Change in Unearned Revenue	3,969,760	2,890,822	2,819,327	2,756,897	2,704,199	2,661,957	2,630,938	2,437,532	2,243,061	2,047,543	1,850,970	1,653,359
Change in Other Current Liabilities	4,100	6,087	7,345	7,430	7,517	7,605	7,695	7,581	7,658	7,735	7,814	7,893
<b>Total Cash Flow from Operations</b>	<b>\$5,669,085</b>	<b>\$4,833,692</b>	<b>\$4,914,948</b>	<b>\$5,013,287</b>	<b>\$5,124,025</b>	<b>\$5,247,000</b>	<b>\$5,383,646</b>	<b>\$5,355,333</b>	<b>\$5,327,633</b>	<b>\$5,300,470</b>	<b>\$5,274,174</b>	<b>\$5,175,657</b>
<b>Cash From Investing Activities:</b>												
Capital Expenditures	(\$140,000)	(\$10,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Flow from Investing Activities</b>	<b>(\$140,000)</b>	<b>(\$10,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow Before Financing</b>	<b>\$5,529,085</b>	<b>\$4,823,692</b>	<b>\$4,914,948</b>	<b>\$5,013,287</b>	<b>\$5,124,025</b>	<b>\$5,247,000</b>	<b>\$5,383,646</b>	<b>\$5,355,333</b>	<b>\$5,327,633</b>	<b>\$5,300,470</b>	<b>\$5,274,174</b>	<b>\$5,175,657</b>
<b>Cash Flow From Financing Activities:</b>												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
<b>Total Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>\$5,529,085</b>	<b>\$4,823,692</b>	<b>\$4,914,948</b>	<b>\$5,013,287</b>	<b>\$5,124,025</b>	<b>\$5,247,000</b>	<b>\$5,383,646</b>	<b>\$5,355,333</b>	<b>\$5,327,633</b>	<b>\$5,300,470</b>	<b>\$5,274,174</b>	<b>\$5,175,657</b>
Beginning Cash Balance	\$103,798,907	\$109,327,993	\$114,151,685	\$119,066,633	\$124,079,920	\$129,203,946	\$134,450,945	\$139,834,591	\$145,189,924	\$150,517,557	\$155,818,027	\$161,092,201
Net Increase/(Decrease) in Cash	\$5,529,085	\$4,823,692	\$4,914,948	\$5,013,287	\$5,124,025	\$5,247,000	\$5,383,646	\$5,355,333	\$5,327,633	\$5,300,470	\$5,274,174	\$5,175,657
<b>Ending Cash Balance</b>	<b>\$109,327,993</b>	<b>\$114,151,685</b>	<b>\$119,066,633</b>	<b>\$124,079,920</b>	<b>\$129,203,946</b>	<b>\$134,450,946</b>	<b>\$139,834,591</b>	<b>\$145,189,924</b>	<b>\$150,517,557</b>	<b>\$155,818,027</b>	<b>\$161,092,201</b>	<b>\$166,267,857</b>

P&L	Period	Year 5											
		1	2	3	4	5	6	7	8	9	10	11	12
<b>Revenue</b>													
Monthly Growth Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
New Domains Registered	400,000	820,153	828,355	836,639	845,005	853,455	861,990	870,610	879,316	888,109	896,990	905,960	915,020
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
<b>Domain Years</b>													
Domain Years - Term 1 Subscriptions (Sales Units)		1,722,321	1,739,546	1,756,942	1,774,511	1,792,256	1,810,179	1,828,281	1,846,564	1,865,029	1,883,679	1,902,516	1,921,542
Domain Years - Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
New Domains Total Domain Years - (Sales Units)		1,722,321	1,739,546	1,756,942	1,774,511	1,792,256	1,810,179	1,828,281	1,846,564	1,865,029	1,883,679	1,902,516	1,921,542
<b>New Domains Up For Renewal</b>													
Initial Subscription Domains Up For Renewal (Term 1)		602,822	614,878	627,176	639,720	652,514	665,564	678,875	685,664	692,521	699,446	706,440	713,504
Second Renewal Period Domains Up For Renewal (Term 1)		-	-	-	-	960,000	640,000	400,000	320,000	339,200	359,552	381,125	403,992
Sunrise Subscription Terms Up For Renewal		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Rate	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Domains Renewed after Initial Registration (Term 1 Sub)		482,258	491,902	501,741	511,776	522,011	532,451	543,100	548,531	554,017	559,557	565,152	570,803
Second Renewal Period Domains Renewed		-	-	-	-	768,000	512,000	320,000	256,000	271,360	287,642	304,900	323,194
Domains Renewed (Sunrise Period Subscriptions)		-	-	-	-	-	-	-	-	-	-	-	-
Total Domains Renewed		482,258	491,902	501,741	511,776	1,290,011	1,044,451	863,100	804,531	825,377	847,198	870,052	893,997
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)		904,233	922,317	940,764	959,580	2,418,771	1,958,346	1,618,313	1,508,496	1,547,582	1,588,497	1,631,347	1,676,244
Renewal Domain Years From Sunrise Period Subscriptions (Sales Units)		-	-	-	-	-	-	-	-	-	-	-	-
Renewal Total Domain Years (Sales Units)		904,233	922,317	940,764	959,580	2,418,771	1,958,346	1,618,313	1,508,496	1,547,582	1,588,497	1,631,347	1,676,244
<b>Total Domains Under Management</b>		<b>26,135,446</b>	<b>26,840,825</b>	<b>27,552,029</b>	<b>28,269,090</b>	<b>28,800,042</b>	<b>29,400,919</b>	<b>30,055,754</b>	<b>30,733,938</b>	<b>31,415,702</b>	<b>32,100,893</b>	<b>32,789,340</b>	<b>33,480,861</b>
<b>Total Domain Years (Sales Units)</b>													
Total Domain Years - Term 1 Subscriptions (Sales Units)		1,722,321	1,739,546	1,756,942	1,774,511	1,792,256	1,810,179	1,828,281	1,846,564	1,865,029	1,883,679	1,902,516	1,921,542
Total Domain Years - Renewal Subscriptions (Sales Units)		904,233	922,317	940,764	959,580	2,418,771	1,958,346	1,618,313	1,508,496	1,547,582	1,588,497	1,631,347	1,676,244
Total Domain Years - From Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Domain Years (Sales Units)		2,626,554	2,661,863	2,697,706	2,734,091	4,211,027	3,768,525	3,446,594	3,355,060	3,412,610	3,472,176	3,533,863	3,597,786
Registration Fee Per Domain Name Year	\$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)		9,903,347	10,002,387	10,102,416	10,203,435	10,305,469	10,408,529	10,512,616	10,617,741	10,723,916	10,831,154	10,939,467	11,048,867
Total Registration Revenue Renewals Term 1 (Cash)		5,199,340	5,303,323	5,409,393	5,517,585	13,907,933	11,260,490	9,305,297	8,673,852	8,898,594	9,133,858	9,380,246	9,638,403
Total Registration Revenue Sunrise Period Subscriptions		-	-	-	-	-	-	-	-	-	-	-	-
Total Registration Revenue (Cash)		15,102,687	15,305,709	15,511,809	15,721,020	24,213,402	21,669,019	19,817,913	19,291,593	19,622,510	19,965,012	20,319,713	20,687,270
Total Registration Revenue - Term 1 (Accrual)		8,984,762	9,092,830	9,199,090	9,303,466	9,405,881	9,506,255	9,604,506	9,700,551	9,797,556	9,895,531	9,994,485	10,094,430
Total Registration Revenue Renewals - Term 1 (Accrual)		4,185,198	4,479,827	4,780,349	5,086,881	5,284,544	5,526,794	5,804,171	6,094,385	6,385,585	6,677,665	6,970,512	7,264,004
Total Registration Revenue - Sunrise Period Subscriptions (Accrual)		479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167	479,167
Total Registration Revenue (Accrual)		13,649,126	14,051,823	14,458,605	14,869,514	15,169,592	15,512,215	15,887,844	16,274,103	16,662,307	17,052,362	17,444,164	17,837,601
<b>Transfer Activity ( % of New Registrations)</b>													
Total Number of Transfers	2.0%	16,403	16,567	16,733	16,900	17,069	17,240	17,412	17,586	17,762	17,940	18,119	18,300
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)		8,202	8,284	8,366	8,450	8,535	8,620	8,706	8,793	8,881	8,970	9,060	9,150
Total Transfer Revenue (Cash)		47,159	47,630	48,107	48,588	49,074	49,564	50,060	50,561	51,066	51,577	52,093	52,614
Total Transfer Revenue (Accrual)		46,007	46,467	46,932	47,401	47,875	48,354	48,837	49,326	49,819	50,317	50,820	51,328
Fee to ICANN Per Sales Unit (Paid Annually)	\$0.20	458,349	455,620	462,885	470,341	631,597	588,259	672,089	636,083	558,869	567,617	576,624	585,903
<b>Registry Operator</b>													
<b>Registry Fees</b>													
Total Sales Units - Term 1 (From Above)		1,722,321	1,739,546	1,756,942	1,774,511	1,792,256	1,810,179	1,828,281	1,846,564	1,865,029	1,883,679	1,902,516	1,921,542
Total Sales Units - Term 1 Renewals (From Above)		904,233	922,317	940,764	959,580	2,418,771	1,958,346	1,618,313	1,508,496	1,547,582	1,588,497	1,631,347	1,676,244
Total Sales Units - Sunrise Period Subscriptions (From Above)		-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Units - Incremental Yield from Transfers (From Above)		8,202	8,284	8,366	8,450	8,535	8,620	8,706	8,793	8,881	8,970	9,060	9,150
Total Sales Units		2,634,756	2,670,146	2,706,072	2,742,541	4,219,561	3,777,145	3,455,300	3,363,853	3,421,491	3,481,146	3,542,923	3,606,936
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)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Term 1 Renewals (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
Core Registry Fee - Sunrise Period (Accrual)		-	-	-	-	-	-	-	-	-	-	-	-
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
<b>Systems Development &amp; Support</b>												
Labor	521,022	521,022	521,022	521,022	521,022	521,022	521,022	521,022	521,022	521,022	521,022	598,834
Equipment Operating Leases	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059	2,610,059
Remote Centers	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Network Operations Center	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Other Systems Development & Support												
<b>Total Systems Development &amp; Support</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,217,481</b>	<b>3,295,293</b>
<b>Customer Service</b>												
Labor	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	72,551	144,926
Other Customer Service												
<b>Total Customer Service</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>72,551</b>	<b>144,926</b>
<b>Marketing &amp; Sales</b>												
Labor	67,106	67,106	67,106	67,106	67,106	67,106	67,106	67,106	67,106	67,106	67,106	133,356
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
<b>Total Marketing &amp; Sales</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,252,745</b>	<b>1,318,995</b>
<b>General &amp; Administrative</b>												
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	69,825	69,825	69,825	69,825	69,825	69,825	69,825	69,825	69,825	69,825	69,825	69,825
Telecommunications	25,472	25,472	25,472	25,472	25,472	25,472	25,472	25,472	25,472	25,472	25,472	25,472
Materials & Supplies	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673
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	115,136	116,287	117,450	118,624	119,811	121,009	122,219	123,441	124,675	125,922	127,181	128,453
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	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300	21,300
<b>Total G&amp;A</b>	<b>503,121</b>	<b>504,273</b>	<b>505,436</b>	<b>506,610</b>	<b>507,796</b>	<b>508,994</b>	<b>510,204</b>	<b>511,427</b>	<b>512,661</b>	<b>513,908</b>	<b>515,167</b>	<b>636,751</b>
<b>R&amp;D</b>												
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	136,491	140,518	144,586	148,695	151,696	155,122	158,878	162,741	166,623	170,524	174,442	178,376
<b>Total R&amp;D</b>	<b>194,734</b>	<b>198,761</b>	<b>202,829</b>	<b>206,938</b>	<b>209,939</b>	<b>213,365</b>	<b>217,121</b>	<b>220,984</b>	<b>224,866</b>	<b>228,767</b>	<b>232,685</b>	<b>236,619</b>
<b>Total Operating Expenses</b>	<b>5,240,632</b>	<b>5,245,810</b>	<b>5,251,041</b>	<b>5,256,324</b>	<b>5,260,511</b>	<b>5,265,136</b>	<b>5,270,102</b>	<b>5,275,187</b>	<b>5,280,303</b>	<b>5,285,451</b>	<b>5,290,628</b>	<b>5,632,584</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (EBIT)</b>	<b>8,454,501</b>	<b>8,852,480</b>	<b>9,254,496</b>	<b>9,660,591</b>	<b>9,956,955</b>	<b>10,295,433</b>	<b>10,666,579</b>	<b>11,048,241</b>	<b>11,431,823</b>	<b>11,817,228</b>	<b>12,204,356</b>	<b>12,256,345</b>
<b>Depreciation &amp; Amortization</b>	<b>16,972</b>	<b>20,569</b>	<b>20,569</b>	<b>20,472</b>	<b>20,000</b>	<b>20,000</b>	<b>18,611</b>	<b>18,611</b>	<b>18,611</b>	<b>18,611</b>	<b>18,611</b>	<b>10,278</b>
<b>Earnings Before Interest, Taxes</b>	<b>8,437,529</b>	<b>8,831,910</b>	<b>9,233,927</b>	<b>9,640,119</b>	<b>9,936,955</b>	<b>10,275,433</b>	<b>10,647,968</b>	<b>11,029,630</b>	<b>11,413,212</b>	<b>11,798,617</b>	<b>12,185,745</b>	<b>12,246,067</b>
<b>Interest</b>	<b>1.75%</b>	<b>242,474</b>	<b>249,691</b>	<b>257,182</b>	<b>264,638</b>	<b>272,062</b>	<b>291,623</b>	<b>307,183</b>	<b>319,728</b>	<b>331,183</b>	<b>342,800</b>	<b>354,593</b>
<b>Pretax Consortium Profit (Before Rebates)</b>	<b>8,195,055</b>	<b>8,582,219</b>	<b>8,976,745</b>	<b>9,375,480</b>	<b>9,664,893</b>	<b>9,983,810</b>	<b>10,340,785</b>	<b>10,709,903</b>	<b>11,082,028</b>	<b>11,465,817</b>	<b>11,831,152</b>	<b>11,879,490</b>
<b>Rebate Pool (% of Before Tax Profits)</b>	<b>25%</b>	<b>2,048,764</b>	<b>2,145,555</b>	<b>2,244,186</b>	<b>2,343,870</b>	<b>2,416,223</b>	<b>2,495,952</b>	<b>2,585,196</b>	<b>2,677,476</b>	<b>2,770,507</b>	<b>2,863,954</b>	<b>2,969,872</b>
<b>Pretax Consortium Profit</b>	<b>6,146,291</b>	<b>6,436,664</b>	<b>6,732,559</b>	<b>7,031,610</b>	<b>7,248,670</b>	<b>7,487,857</b>	<b>7,755,589</b>	<b>8,032,427</b>	<b>8,311,521</b>	<b>8,591,863</b>	<b>8,873,364</b>	<b>8,909,617</b>
<b>Estimated Stockholder Taxes</b>	<b>40%</b>	<b>2,458,517</b>	<b>2,574,666</b>	<b>2,693,023</b>	<b>2,812,644</b>	<b>2,899,468</b>	<b>2,995,143</b>	<b>3,102,235</b>	<b>3,212,971</b>	<b>3,324,608</b>	<b>3,436,745</b>	<b>3,563,847</b>
<b>Estimated Consortium Net Income</b>	<b>3,687,775</b>	<b>3,861,999</b>	<b>4,039,535</b>	<b>4,218,966</b>	<b>4,349,202</b>	<b>4,492,714</b>	<b>4,653,353</b>	<b>4,819,456</b>	<b>4,986,913</b>	<b>5,155,118</b>	<b>5,324,018</b>	<b>5,345,770</b>

**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
<b>Current Assets:</b>												
Cash	\$171,217,006	\$176,353,186	\$181,466,217	\$186,556,881	\$199,970,185	\$210,639,800	\$219,241,782	\$227,097,254	\$235,062,904	\$243,149,216	\$251,367,338	\$259,651,584
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	\$409,474	\$421,555	\$433,758	\$446,085	\$455,088	\$465,366	\$476,635	\$488,223	\$499,869	\$511,571	\$523,325	\$535,128
<b>Total Current Assets</b>	<b>\$171,626,480</b>	<b>\$176,774,741</b>	<b>\$181,899,975</b>	<b>\$187,002,966</b>	<b>\$200,425,273</b>	<b>\$211,105,166</b>	<b>\$219,718,417</b>	<b>\$227,585,477</b>	<b>\$235,562,773</b>	<b>\$243,660,787</b>	<b>\$251,890,663</b>	<b>\$260,186,712</b>
<b>Fixed Assets:</b>												
Plant, Property, & Equipment	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500	\$1,424,500
Accumulated Depreciation	(\$1,066,222)	(\$1,086,792)	(\$1,107,361)	(\$1,127,833)	(\$1,147,833)	(\$1,167,833)	(\$1,186,444)	(\$1,205,056)	(\$1,223,667)	(\$1,242,278)	(\$1,260,889)	(\$1,271,167)
<b>Total Fixed Assets</b>	<b>\$358,278</b>	<b>\$337,708</b>	<b>\$317,139</b>	<b>\$296,667</b>	<b>\$276,667</b>	<b>\$256,667</b>	<b>\$238,056</b>	<b>\$219,444</b>	<b>\$200,833</b>	<b>\$182,222</b>	<b>\$163,611</b>	<b>\$153,333</b>
<b>Total Assets</b>	<b>\$171,984,758</b>	<b>\$177,112,449</b>	<b>\$182,217,114</b>	<b>\$187,299,633</b>	<b>\$200,701,939</b>	<b>\$211,361,833</b>	<b>\$219,956,473</b>	<b>\$227,804,922</b>	<b>\$235,763,607</b>	<b>\$243,843,009</b>	<b>\$252,054,274</b>	<b>\$260,340,046</b>
<b>Current Liabilities:</b>												
Accounts Payable	1,048,805	1,051,394	1,054,009	1,056,651	1,058,744	1,061,057	1,063,540	1,066,082	1,068,640	1,071,214	1,073,803	1,154,981
Unearned Revenue	156,284,589	157,539,639	158,594,017	159,446,710	168,491,719	174,649,734	178,581,025	181,599,750	184,561,200	187,475,110	190,351,932	193,202,886
Other Current Liabilities	\$272,983	\$281,036	\$289,172	\$297,390	\$303,392	\$310,244	\$317,757	\$325,482	\$333,246	\$341,047	\$348,883	\$356,752
<b>Total Current Liabilities</b>	<b>\$157,606,376</b>	<b>\$158,872,069</b>	<b>\$159,937,199</b>	<b>\$160,800,751</b>	<b>\$169,853,856</b>	<b>\$176,021,034</b>	<b>\$179,962,322</b>	<b>\$182,991,314</b>	<b>\$185,963,086</b>	<b>\$188,887,371</b>	<b>\$191,774,618</b>	<b>\$194,714,619</b>
<b>Long-Term Liabilities:</b>												
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
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Owner Equity:</b>												
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	9,588,382	13,450,380	17,489,916	21,708,882	26,058,084	30,550,798	35,204,151	40,023,608	45,010,520	50,165,638	55,489,656	60,835,427
<b>Total Owner Equity</b>	<b>\$14,378,382</b>	<b>\$18,240,380</b>	<b>\$22,279,916</b>	<b>\$26,498,882</b>	<b>\$30,848,084</b>	<b>\$35,340,798</b>	<b>\$39,994,151</b>	<b>\$44,813,608</b>	<b>\$49,800,520</b>	<b>\$54,955,638</b>	<b>\$60,279,656</b>	<b>\$65,625,427</b>
<b>Total Equity &amp; Liabilities</b>	<b>\$171,984,758</b>	<b>\$177,112,449</b>	<b>\$182,217,114</b>	<b>\$187,299,633</b>	<b>\$200,701,939</b>	<b>\$211,361,833</b>	<b>\$219,956,473</b>	<b>\$227,804,922</b>	<b>\$235,763,607</b>	<b>\$243,843,009</b>	<b>\$252,054,274</b>	<b>\$260,340,046</b>
	\$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	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	195,372	273,947
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	853,433	856,022	858,638	861,279	863,373	865,685	868,168	870,711	873,269	875,843	878,431	881,034
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	409,474	421,555	433,758	446,085	455,088	465,366	476,635	488,223	499,869	511,571	523,325	535,128
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	272,983	281,036	289,172	297,390	303,392	310,244	317,757	325,482	333,246	341,047	348,883	356,752
Other Current Liabilities as a % of Revenue (Accrual)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**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
<b>Cash From Operations:</b>												
Net Income After Taxes	3,687,775	3,861,999	4,039,535	4,218,966	4,349,202	4,492,714	4,653,353	4,819,456	4,986,913	5,155,118	5,324,018	5,345,770
Add-back: Depreciation & Amortization	16,972	20,569	20,569	20,472	20,000	20,000	18,611	18,611	18,611	18,611	18,611	10,278
Change in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Change in Pre-Paid Expense	-	-	-	-	-	-	-	-	-	-	-	-
Change in Other Current Assets	(11,960)	(12,081)	(12,203)	(12,327)	(9,002)	(10,279)	(11,269)	(11,588)	(11,646)	(11,702)	(11,754)	(11,803)
Change in Accounts Payable	(66,324)	2,589	2,615	2,642	2,094	2,312	2,483	2,542	2,558	2,574	2,589	81,178
Change in Unearned Revenue	1,454,713	1,255,050	1,054,379	852,693	9,045,009	6,158,014	3,931,291	3,018,725	2,961,450	2,913,910	2,876,822	2,850,954
Change in Other Current Liabilities	7,973	8,054	8,136	8,218	6,002	6,852	7,513	7,725	7,764	7,801	7,836	7,869
<b>Total Cash Flow from Operations</b>	<b>\$5,089,149</b>	<b>\$5,136,180</b>	<b>\$5,113,031</b>	<b>\$5,090,664</b>	<b>\$13,413,304</b>	<b>\$10,669,615</b>	<b>\$8,601,983</b>	<b>\$7,855,472</b>	<b>\$7,965,650</b>	<b>\$8,086,312</b>	<b>\$8,218,123</b>	<b>\$8,284,246</b>
<b>Cash From Investing Activities:</b>												
Capital Expenditures	(\$140,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Flow from Investing Activities</b>	<b>(\$140,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow Before Financing</b>	<b>\$4,949,149</b>	<b>\$5,136,180</b>	<b>\$5,113,031</b>	<b>\$5,090,664</b>	<b>\$13,413,304</b>	<b>\$10,669,615</b>	<b>\$8,601,983</b>	<b>\$7,855,472</b>	<b>\$7,965,650</b>	<b>\$8,086,312</b>	<b>\$8,218,123</b>	<b>\$8,284,246</b>
<b>Cash Flow From Financing Activities:</b>												
Proceeds from Equity Contributions												
Debt (Bank Loans)												
Debt (Other L-T)												
<b>Total Cash Flow From Financing Activities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flow from Ops, Investing &amp; Financing</b>	<b>\$4,949,149</b>	<b>\$5,136,180</b>	<b>\$5,113,031</b>	<b>\$5,090,664</b>	<b>\$13,413,304</b>	<b>\$10,669,615</b>	<b>\$8,601,983</b>	<b>\$7,855,472</b>	<b>\$7,965,650</b>	<b>\$8,086,312</b>	<b>\$8,218,123</b>	<b>\$8,284,246</b>
Beginning Cash Balance	\$188,267,857	\$171,217,006	\$176,353,186	\$181,466,217	\$186,556,881	\$199,970,185	\$210,639,800	\$219,241,782	\$227,097,254	\$235,062,904	\$243,149,216	\$251,367,338
Net Increase/(Decrease) in Cash	\$4,949,149	\$5,136,180	\$5,113,031	\$5,090,664	\$13,413,304	\$10,669,615	\$8,601,983	\$7,855,472	\$7,965,650	\$8,086,312	\$8,218,123	\$8,284,246
Ending Cash Balance	\$171,217,006	\$176,353,186	\$181,466,217	\$186,556,881	\$199,970,185	\$210,639,800	\$219,241,782	\$227,097,254	\$235,062,904	\$243,149,216	\$251,367,338	\$259,651,584

## Headcount & Expense Input

10% CONFIDENCE LEVEL

gTLD REGISTRY EMPLOYEES	Cost Type	Annual Increase		Month Started
		2000 Salary	Bonus as % of Base	
<b>EXECUTIVE MANAGEMENT</b>				
General Manager / CEO	G&A	\$150,000	15%	2
Executive Assistant	G&A	\$45,000	10%	2
<b>FINANCE &amp; ACCOUNTING</b>				
CFO	G&A	\$110,000	15%	4
Staff Accountant	G&A	\$45,000	10%	3
Accounts Operations Mgr (A/R & A/P)	G&A	\$55,000	10%	5
Administrative	G&A	\$35,000	10%	3
<b>HUMAN RESOURCES</b>				
Human Resources Senior Manager	G&A	\$65,000	15%	4
Human Resources Manager	G&A	\$50,000	10%	4
Human Resources Manager	G&A	\$50,000	10%	5
Administrative	G&A	\$35,000	10%	4
Administrative	G&A	\$35,000	10%	5
<b>FACILITIES / OFFICE MANAGEMENT</b>				
Facilities / Office Senior Manager	G&A	\$55,000	10%	15
Facilities / Office Manager	G&A	\$45,000	10%	16
Administrative	G&A	\$35,000	10%	16
<b>LEGAL &amp; BUSINESS AFFAIRS</b>				
General Counsel	G&A	\$125,000	10%	4
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>				
Chief Technology Officer	SYS DEV	\$175,000	15%	1
Operations & Engineering Mgr	SYS DEV	\$110,000	15%	2
Senior Systems Admin Mgr	SYS DEV	\$75,000	15%	2
Systems Administrator	SYS DEV	\$55,000	15%	3
Senior Engineer Managers	SYS DEV	\$60,000	15%	23
Senior Engineer Managers	SYS DEV	\$60,000	15%	23
Senior Engineer Managers	SYS DEV	\$80,000	15%	23
Senior Engineer Managers	SYS DEV	\$60,000	15%	24
Senior Engineer Managers	SYS DEV	\$60,000	15%	23
Registry Administration Engineers	SYS DEV	\$40,000	15%	23
Registry Administration Engineers	SYS DEV	\$40,000	15%	24
Registry Administration Engineers	SYS DEV	\$40,000	15%	23
Registry Administration Engineers	SYS DEV	\$40,000	15%	23
Registry Administration Engineers	SYS DEV	\$40,000	15%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	24
Customer Support Staff	SYS DEV	\$40,000	10%	25
Customer Support Staff	SYS DEV	\$40,000	10%	26
Customer Support Staff	SYS DEV	\$40,000	10%	27
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Customer Support Staff	SYS DEV	\$40,000	10%	23
Senior System Administrators	SYS DEV	\$80,000	10%	23
Senior System Administrators	SYS DEV	\$80,000	10%	23
Senior System Administrators	SYS DEV	\$80,000	10%	24
Senior System Administrators	SYS DEV	\$80,000	10%	23
Senior System Administrators	SYS DEV	\$80,000	10%	23

Year 1	12 Months												
	1	2	3	4	5	6	7	8	9	10	11	12	
General Manager / CEO	-	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	35,000
Executive Assistant	-	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	8,250
CFO	-	-	-	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	25,667
Staff Accountant	-	-	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	8,250
Accounts Operations Mgr (A/R & A/P)	-	-	-	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	10,083
Administrative	-	-	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	6,417
Human Resources Senior Manager	-	-	-	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	15,167
Human Resources Manager	-	-	-	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	9,167
Human Resources Manager	-	-	-	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	9,167
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	2,917	6,417
Facilities / Office Senior Manager	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities / Office Manager	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative	-	-	-	-	-	-	-	-	-	-	-	-	-
General Counsel	-	-	-	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	22,917
Chief Technology Officer	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	14,583	40,833
Operations & Engineering Mgr	-	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	25,667
Senior Systems Admin Mgr	-	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	17,500
Systems Administrator	-	-	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	12,833
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-	-

Headcount & Expense Input

10% CONFIDENCE LEVEL

Position	Department	Rate	Headcount	Exp %	Exp
Senior Network Engineers	SYS DEV	\$80,000	10%	23	
Senior Network Engineers	SYS DEV	\$80,000	10%	23	
Senior Network Engineers	SYS DEV	\$80,000	10%	24	
Senior Network Engineers	SYS DEV	\$80,000	10%	23	
Senior Network Engineers	SYS DEV	\$80,000	10%	23	
Senior Engineer Managers	SYS DEV	\$60,000	10%	37	
Senior Engineer Managers	SYS DEV	\$60,000	10%	38	
Registry Administration Engineers	SYS DEV	\$40,000	10%	37	
Registry Administration Engineers	SYS DEV	\$40,000	10%	37	
Registry Administration Engineers	SYS DEV	\$40,000	10%	37	
Customer Support Staff	SYS DEV	\$40,000	10%	37	
Customer Support Staff	SYS DEV	\$40,000	10%	37	
Customer Support Staff	SYS DEV	\$40,000	10%	37	
Senior System Administrators	SYS DEV	\$80,000	10%	37	
Senior System Administrators	SYS DEV	\$80,000	10%	37	
Senior System Administrators	SYS DEV	\$80,000	10%	37	
Senior Network Engineers	SYS DEV	\$80,000	10%	37	
Senior Network Engineers	SYS DEV	\$80,000	10%	37	
Senior Network Engineers	SYS DEV	\$80,000	10%	37	
Senior Engineer Managers	SYS DEV	\$60,000	10%	49	
Senior Engineer Managers	SYS DEV	\$60,000	10%	49	
Registry Administration Engineers	SYS DEV	\$40,000	10%	49	
Registry Administration Engineers	SYS DEV	\$40,000	10%	49	
Registry Administration Engineers	SYS DEV	\$40,000	10%	49	
Customer Support Staff	SYS DEV	\$40,000	10%	49	
Customer Support Staff	SYS DEV	\$40,000	10%	49	
Customer Support Staff	SYS DEV	\$40,000	10%	49	
Senior System Administrators	SYS DEV	\$80,000	10%	49	
Senior System Administrators	SYS DEV	\$80,000	10%	49	
Senior Network Engineers	SYS DEV	\$80,000	10%	49	
Senior Network Engineers	SYS DEV	\$80,000	10%	49	
Senior Network Engineers	SYS DEV	\$80,000	10%	49	
RESEARCH & DEVELOPMENT					
Senior Architecture Design	R&D	\$100,000	15%	16	
Database Administrator/Developer	R&D	\$50,000	15%	18	
Database Administrator/Developer	R&D	\$50,000	15%	18	
Java Developers	R&D	\$80,000	15%	18	
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	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	
Marketing Manager	MKTG	\$65,000	10%	3	
FR 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
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
RESEARCH & DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-
Senior Architecture Design	-	-	-	-	-	-	-	-	-	-	-	-
Database Administrator/Developer	-	-	-	-	-	-	-	-	-	-	-	-
Database Administrator/Developer	-	-	-	-	-	-	-	-	-	-	-	-
Java Developers	-	-	-	-	-	-	-	-	-	-	-	-
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	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	6,417
Customer Service Representative	-	-	-	-	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	4,400
Customer Service Representative	-	-	-	-	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	4,400
Customer Service Representative - US Satellite Office	-	-	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	4,400
Customer Service Representative - Pacific Rim Satellite Office	-	-	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	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	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
Marketing Manager	-	-	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	11,917
FR 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	92,083	142,083	170,833	170,833	170,833	170,833	182,000	182,000	182,000	451,400
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	-	-	-	-	-	-	-	-	-
Cust Serv Headcount	-	-	1	4	11	11	11	11	13	13	13	13
Cust Serv New Hires	-	-	1	3	7	-	-	-	2	-	-	-
Mktg Headcount	-	2	5	5	5	5	5	5	6	6	6	6
Mktg New Hires	-	2	3	-	-	-	-	-	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	10	18	28	28	28	28	31	31	31	31
Total New Hire (Excluding Sys Dev a	-	4	6	8	10	-	-	-	3	-	-	-
Total Headcount	1	7	14	22	32	32	32	32	35	35	35	35
Total New Hires	1	6	7	8	10	-	-	-	3	-	-	-



## Headcount & Expense Input

10% CONFIDENCE LEVEL

**Labor Cost Type Breakout**

Systems Development & Support

Systems Development & Support Labor - Straight Time

SYS DEV

Fringe Rate

25%

Fringe

Total Systems Development & Support Labor

Customer Service

Customer Service Labor - Straight Time

CUST SERV

Fringe Rate

25%

Fringe

Total Customer Service Labor

Marketing

Marketing Labor - Straight Time

MKTG

Fringe Rate

25%

Fringe

Total Marketing Labor

General & Administrative

G&A Labor - Straight Time

G&A

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**

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
Systems Development & Support Labor - Straight Time	\$ 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%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	3,646	7,500	8,646	8,646	8,646	8,646	8,646	8,646	8,646	8,646	8,646	24,208
<b>Total Systems Development &amp; Support Labor</b>	<b>\$ 18,229</b>	<b>\$ 37,500</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 43,229</b>	<b>\$ 121,042</b>
Customer Service Labor - Straight Time	\$ -	\$ -	\$ 2,917	\$ 20,833	\$ 37,917	\$ 37,917	\$ 37,917	\$ 37,917	\$ 42,833	\$ 42,833	\$ 42,833	\$ 100,733
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	-	-	729	5,208	9,479	9,479	9,479	9,479	10,708	10,708	10,708	25,183
<b>Total Customer Service Labor</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,646</b>	<b>\$ 26,042</b>	<b>\$ 47,396</b>	<b>\$ 47,396</b>	<b>\$ 47,396</b>	<b>\$ 47,396</b>	<b>\$ 53,542</b>	<b>\$ 53,542</b>	<b>\$ 53,542</b>	<b>\$ 125,917</b>
Marketing Labor - Straight Time	\$ -	\$ 15,417	\$ 31,667	\$ 31,667	\$ 31,667	\$ 31,667	\$ 31,667	\$ 31,667	\$ 37,917	\$ 37,917	\$ 37,917	\$ 90,917
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	-	3,854	7,917	7,917	7,917	7,917	7,917	7,917	9,479	9,479	9,479	22,729
<b>Total Marketing Labor</b>	<b>\$ -</b>	<b>\$ 19,271</b>	<b>\$ 39,583</b>	<b>\$ 39,583</b>	<b>\$ 39,583</b>	<b>\$ 39,583</b>	<b>\$ 39,583</b>	<b>\$ 39,583</b>	<b>\$ 47,396</b>	<b>\$ 47,396</b>	<b>\$ 47,396</b>	<b>\$ 113,646</b>
G&A Labor - Straight Time	\$ -	\$ 16,250	\$ 22,917	\$ 55,000	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 162,917
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
<b>Total G&amp;A Labor</b>	<b>\$ -</b>	<b>\$ 20,313</b>	<b>\$ 28,646</b>	<b>\$ 68,750</b>	<b>\$ 83,333</b>	<b>\$ 83,333</b>	<b>\$ 83,333</b>	<b>\$ 83,333</b>	<b>\$ 83,333</b>	<b>\$ 83,333</b>	<b>\$ 83,333</b>	<b>\$ 203,646</b>
R&D Labor - Straight Time	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total R&amp;D Labor</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Labor with Fringe</b>	<b>\$ 18,229</b>	<b>\$ 77,083</b>	<b>\$ 115,104</b>	<b>\$ 177,604</b>	<b>\$ 213,542</b>	<b>\$ 213,542</b>	<b>\$ 213,542</b>	<b>\$ 213,542</b>	<b>\$ 227,500</b>	<b>\$ 227,500</b>	<b>\$ 227,500</b>	<b>\$ 564,250</b>

# Headcount & Expense Input

10% CONFIDENCE LEVEL

**OPERATING EXPENSES (Non-Labor):**

**SYSTEMS DEVELOPMENT & SUPPORT**

Equipment Operating Leases  
 Sun E6500 Servers  
 EMC xxxxx 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) 1.0%  
 R&D Expense  
 Total R&D

**GENERAL & ADMINISTRATIVE**

**RENT EXPENSE**

Headcount  
 Average Space per Employee - Including Common (Sq Ft) 350  
 Total Space Required (Sq Ft)

Cost per Square Foot per Month \$ 1.75

Total Rent

**TELECOMMUNICATIONS EXPENSE**

Headcount  
 Average Monthly Long Distance Usage per Employee (In Minute) 400  
 Total Minutes  
 Avg Cost Per Minute \$ 0.12  
 Fixed Cost per Month \$ 20,000  
 Total Telecom

Year 1	1	2	3	4	5	6	7	8	9	10	11	12
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
700,000	700,000	700,000	700,000	2,000,000	2,000,000	2,000,000						
100,000	100,000	100,000	100,000	200,000	200,000	200,000	100,000	100,000	1,000,000	200,000	100,000	2,000,000
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	300,000	400,000	400,000	400,000	400,000	400,000	500,000	500,000	500,000	500,000
<u>\$300,000</u>	<u>\$300,000</u>	<u>\$300,000</u>	<u>\$400,000</u>	<u>\$800,000</u>	<u>\$700,000</u>	<u>\$1,450,000</u>	<u>\$1,450,000</u>	<u>\$2,450,000</u>	<u>\$1,950,000</u>	<u>\$4,850,000</u>	<u>\$4,850,000</u>	<u>\$ 4,750,000</u>
1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,738	\$ 4,792	\$ 4,792	\$ 10,542	\$ 14,375	\$ 16,771
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,738</u>	<u>\$ 4,792</u>	<u>\$ 4,792</u>	<u>\$ 10,542</u>	<u>\$ 14,375</u>	<u>\$ 16,771</u>
1	7	14	22	32	32	32	32	35	35	35	35	35
350	350	350	350	350	350	350	350	350	350	350	350	350
350	2,450	4,900	7,700	11,200	11,200	11,200	11,200	12,250	12,250	12,250	12,250	12,250
\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
<u>\$ 613</u>	<u>\$ 4,288</u>	<u>\$ 8,575</u>	<u>\$ 13,475</u>	<u>\$ 19,600</u>	<u>\$ 19,600</u>	<u>\$ 19,600</u>	<u>\$ 19,600</u>	<u>\$ 21,438</u>	<u>\$ 21,438</u>	<u>\$ 21,438</u>	<u>\$ 21,438</u>	<u>\$ 21,438</u>
1	7	14	22	32	32	32	32	35	35	35	35	35
400	400	400	400	400	400	400	400	400	400	400	400	400
400	2,800	5,600	8,800	12,800	12,800	12,800	12,800	14,000	14,000	14,000	14,000	14,000
\$ 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
<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
<u>\$ 20,048</u>	<u>\$ 20,336</u>	<u>\$ 20,672</u>	<u>\$ 21,056</u>	<u>\$ 21,536</u>	<u>\$ 21,536</u>	<u>\$ 21,536</u>	<u>\$ 21,536</u>	<u>\$ 21,680</u>	<u>\$ 21,680</u>	<u>\$ 21,680</u>	<u>\$ 21,680</u>	<u>\$ 21,680</u>

# Headcount & Expense Input

## 10% 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	\$ 6,000 /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.
Printing & Reproduction	\$ 800 /mo.
Mobile Phones	\$ 4,000 /mo.
Computer Supplies	\$ 75 per person/mo.
Licenses & Permits	\$ 300 /mo.
Recruiting Expense	
Parking	\$ 100 per person/mo.
Freight & Shipping	\$ 400 /mo.
Bank Service Charges	\$ 2,000 /mo.
Miscellaneous	\$ 5,000 /mo.
Other	\$ 2,500 /mo.
Total Other General & Administrative	
Annual Growth	4%

	Year 1											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>MATERIALS &amp; SUPPLIES</b>												
Headcount	1	7	14	22	32	32	32	32	35	35	35	35
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	\$ 2,800	\$ 4,400	\$ 6,400	\$ 6,400	\$ 6,400	\$ 6,400	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Annual Growth												
<b>TRAVEL &amp; ENTERTAINMENT</b>												
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												
<b>SEMINARS &amp; CONFERENCES</b>												
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)												
<b>INSURANCE</b>												
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												
<b>FACILITY MAINTENANCE &amp; OTHER</b>												
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
Annual Growth												
<b>PROFESSIONAL SERVICES</b>												
Legal Services	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 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												
<b>TRADEMARK REVIEW</b>												
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	-	-	-	-	-	-	11,429	8,571	-	24,000	16,000	10,000
Average Cost Per Trademark Review	\$ 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 Trademark Review	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,571	\$ 51,429	\$ -	\$ 144,000	\$ 96,000	\$ 60,000
Annual Growth (In Cost)												
<b>SITE HOSTING, CONNECTIVITY, DEVEL. &amp; MAINT.</b>												
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
Annual Growth												
<b>OTHER GENERAL &amp; ADMINISTRATIVE</b>												
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
Printing & Reproduction	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
Mobile Phones	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Computer Supplies	\$ 75	\$ 525	\$ 1,050	\$ 1,650	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,625	\$ 2,625	\$ 2,625	\$ 2,625
Licenses & Permits	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Recruiting Expense	\$ 50,000	\$ 60,000	\$ 60,000	\$ 125,000	\$ 140,000	\$ 50,000						
Parking	\$ 100	\$ 700	\$ 1,400	\$ 2,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Freight & Shipping	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Bank Service Charges	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Miscellaneous	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Other	\$ 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 Other General & Administrative	\$ 7,600	\$ 8,200	\$ 11,300	\$ 12,100	\$ 13,100	\$ 13,100	\$ 13,100	\$ 13,100	\$ 13,400	\$ 13,400	\$ 13,400	\$ 13,400
Annual Growth												

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>QTLD REGISTRY EMPLOYEES</b>												
<b>EXECUTIVE MANAGEMENT</b>												
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
<b>FINANCE &amp; ACCOUNTING</b>												
<b>CFO</b>												
Staff Accountant	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	28,125
Accounts Operations Mgr (A/R & A/P)	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	3,938	8,438
Administrative	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	4,813	10,313
	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	3,063	6,563
<b>HUMAN RESOURCES</b>												
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
<b>FACILITIES / OFFICE MANAGEMENT</b>												
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
<b>LEGAL &amp; BUSINESS AFFAIRS</b>												
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
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>												
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
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
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 System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	7,000

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	7,000	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	7,000	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	7,000	7,000
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	7,000	7,000
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
RESEARCH & DEVELOPMENT	-	-	-	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750
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
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
<b>CUSTOMER SERVICE</b>												
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	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
<b>MARKETING &amp; SALES</b>												
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
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
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	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 - 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
<b>TOTAL</b>												
	202,825	202,825	207,638	223,388	223,388	254,888	254,888	254,888	254,888	254,888	394,888	690,538
	4	4	4	4	4	4	4	4	4	4	4	34
	-	-	-	-	-	-	-	-	-	-	-	30
	15	15	15	15	15	15	15	15	15	15	15	15
	2	-	-	-	-	-	-	-	-	-	-	-
	7	7	7	7	7	7	7	7	7	7	7	7
	1	-	-	-	-	-	-	-	-	-	-	-
	12	12	13	15	15	15	15	15	15	15	15	15
	-	-	1	2	-	-	-	-	-	-	-	-
	-	-	-	1	1	6	6	6	6	6	6	6
	-	-	-	1	-	5	-	-	-	-	-	-
	34	34	35	37	37	37	37	37	37	37	37	37
	3	-	1	2	-	-	-	-	-	-	-	-
	38	38	39	42	42	47	47	47	47	47	77	82
	3	-	1	3	-	5	-	-	-	-	30	5

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Labor Cost Type Breakout</b>												
<u>Systems Development &amp; Support</u>												
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	\$ 176,313	\$ 264,813
Fringe Rate	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	44,078	66,203
<b>Total Systems Development &amp; Support Labor</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 45,391</b>	<b>\$ 220,391</b>	<b>\$ 331,016</b>
<u>Customer Service</u>												
Customer Service Labor - Straight Time	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 50,138	\$ 108,038
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	12,534	12,534	12,534	12,534	12,534	12,534	12,534	12,534	12,534	12,534	12,534	27,009
<b>Total Customer Service Labor</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 62,672</b>	<b>\$ 135,047</b>
<u>Marketing</u>												
Marketing Labor - Straight Time	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 46,375	\$ 99,375
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	11,594	11,594	11,594	11,594	11,594	11,594	11,594	11,594	11,594	11,594	11,594	24,844
<b>Total Marketing Labor</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 57,969</b>	<b>\$ 124,219</b>
<u>General &amp; Administrative</u>												
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	\$ 178,063
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	44,516
<b>Total G&amp;A Labor</b>	<b>\$ 87,500</b>	<b>\$ 87,500</b>	<b>\$ 93,516</b>	<b>\$ 102,266</b>	<b>\$ 102,266</b>	<b>\$ 102,266</b>	<b>\$ 102,266</b>	<b>\$ 102,266</b>	<b>\$ 102,266</b>	<b>\$ 102,266</b>	<b>\$ 102,266</b>	<b>\$ 222,578</b>
<u>Research &amp; Development</u>												
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
<b>Total R&amp;D Labor</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,938</b>	<b>\$ 10,938</b>	<b>\$ 50,313</b>	<b>\$ 50,313</b>	<b>\$ 50,313</b>	<b>\$ 50,313</b>	<b>\$ 50,313</b>	<b>\$ 50,313</b>	<b>\$ 50,313</b>
<b>Total Labor with Fringe</b>	<b>\$ 253,531</b>	<b>\$ 253,531</b>	<b>\$ 259,547</b>	<b>\$ 279,234</b>	<b>\$ 279,234</b>	<b>\$ 318,609</b>	<b>\$ 318,609</b>	<b>\$ 318,609</b>	<b>\$ 318,609</b>	<b>\$ 318,609</b>	<b>\$ 493,609</b>	<b>\$ 863,172</b>

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 2													
	1	2	3	4	5	6	7	8	9	10	11	12		
<b>OPERATING EXPENSES (Non-Labor):</b>														
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>														
<b>Equipment Operating Leases</b>														
Sun E6500 Servers											105,312	105,312		
EMC xxxxx Storage Devices											36,180	36,180		
x86 Dual 1 Ghz servers											6,593	6,593		
Sun E450 Quad processor											64,289	64,289		
Cisco 7200 Routers										43,639	43,639	43,639		
Foundry B1 8000 Switches										71,247	71,247	71,247		
Oracle Enterprise (Cluster)											89,058	89,058		
Tucows Software								27,831	27,831	27,831	27,831	27,831		
<b>Remote Centers</b>														
Rack space (Including Bandwidth Requirements)											43,200	43,200	43,200	
<b>Network Operations Center</b>														
Rack space (Including Bandwidth Requirements)											38,400	38,400	38,400	
Total Systems Development & Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ 66,231	\$ 224,316	\$ 527,838	\$ 527,838
<b>MARKETING &amp; SALES</b>														
<b>Advertising &amp; Promotion:</b>														
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	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	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	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	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	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	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	\$1,641,308	\$1,641,308
<b>OUTSOURCED RESEARCH &amp; DEVELOPMENT</b>														
<b>R&amp;D Expenditure as a Percentage of Sales (Accrual)</b>														
R&D Expense	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Total R&D	\$ 18,688	\$ 20,719	\$ 22,873	\$ 25,156	\$ 27,575	\$ 30,140	\$ 32,756	\$ 35,425	\$ 38,147	\$ 40,923	\$ 43,755	\$ 46,644	\$ 49,575	\$ 52,544
<b>GENERAL &amp; ADMINISTRATIVE</b>														
<b>RENT EXPENSE</b>														
<b>Headcount</b>														
Average Space per Employee - Including Common (Sq Ft)	38	38	39	42	42	47	47	47	47	47	47	77	82	82
Total Space Required (Sq Ft)	13,300	13,300	13,650	14,700	14,700	16,450	16,450	16,450	16,450	16,450	16,450	26,950	28,700	28,700
<b>Cost per Square Foot per Month</b>														
Total Rent	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent	\$ 23,275	\$ 23,275	\$ 23,888	\$ 25,725	\$ 25,725	\$ 28,788	\$ 28,788	\$ 28,788	\$ 28,788	\$ 28,788	\$ 28,788	\$ 47,163	\$ 50,225	\$ 50,225
<b>TELECOMMUNICATIONS EXPENSE</b>														
<b>Headcount</b>														
Average Monthly Long Distance Usage per Employee (In Minute)	400	400	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	15,200	15,200	15,600	16,800	16,800	18,800	18,800	18,800	18,800	18,800	18,800	30,800	32,800	32,800
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	\$ 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	\$ 20,000	\$ 20,000
Total Telecom	\$ 21,824	\$ 21,824	\$ 21,872	\$ 22,016	\$ 22,016	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 22,256	\$ 23,696	\$ 23,936	\$ 23,936

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>MATERIALS &amp; SUPPLIES</b>												
Headcount	38	38	39	42	42	47	47	47	47	47	77	82
Average Monthly Materials & Supplies Cost per Employee	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208	\$ 208
Total Materials & Supplies	\$ 7,904	\$ 7,904	\$ 8,112	\$ 8,736	\$ 8,736	\$ 9,776	\$ 9,776	\$ 9,776	\$ 9,776	\$ 9,776	\$ 16,016	\$ 17,056
Annual Growth												
<b>TRAVEL &amp; ENTERTAINMENT</b>												
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												
<b>SEMINARS &amp; CONFERENCES</b>												
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	\$ 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)												
<b>INSURANCE</b>												
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												
<b>FACILITY MAINTENANCE &amp; OTHER</b>												
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												
<b>PROFESSIONAL SERVICES</b>												
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												
<b>TRADEMARK REVIEW</b>												
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	8,000	8,480	8,989	9,528	10,100	10,706	10,920	11,138	11,361	11,588	11,820	12,056
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	\$ 49,920	\$ 52,915	\$ 56,080	\$ 59,455	\$ 63,023	\$ 66,804	\$ 68,140	\$ 69,503	\$ 70,893	\$ 72,311	\$ 73,757	\$ 75,232
Annual Growth (In Cost)												
<b>SITE HOSTING, CONNECTIVITY, DEVEL. &amp; MAINT.</b>												
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												
<b>OTHER GENERAL &amp; ADMINISTRATIVE</b>												
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
Printing & Reproduction	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832	\$ 832
Mobile Phones	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160	\$ 4,160
Computer Supplies	\$ 2,850	\$ 2,850	\$ 2,925	\$ 3,150	\$ 3,150	\$ 3,525	\$ 3,525	\$ 3,525	\$ 3,525	\$ 3,525	\$ 5,775	\$ 6,150
Licenses & Permits	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312
Recruiting Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,000	\$ 80,000
Parking	\$ 3,800	\$ 3,800	\$ 3,900	\$ 4,200	\$ 4,200	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 7,700	\$ 8,200
Freight & Shipping	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416	\$ 416
Bank Service Charges	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080	\$ 2,080
Miscellaneous	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200
Other	\$ 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 Other General & Administrative	\$ 14,096	\$ 14,096	\$ 14,196	\$ 14,496	\$ 14,496	\$ 14,996	\$ 14,996	\$ 14,996	\$ 14,996	\$ 14,996	\$ 17,996	\$ 18,496
Annual Growth												



## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>gTLD REGISTRY EMPLOYEES</b>												
<b>EXECUTIVE MANAGEMENT</b>												
General Manager / CEO	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	13,781	36,281
Executive Assistant	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	8,634
<b>FINANCE &amp; ACCOUNTING</b>												
CFO	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	28,606
Staff Accountant	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	8,634
Accounts Operations Mgr (A/R & A/P)	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	10,553
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
<b>HUMAN RESOURCES</b>												
Human Resources Senior Manager	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	5,972	15,722
Human Resources 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
Human Resources 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
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
<b>FACILITIES / OFFICE MANAGEMENT</b>												
Facilities / Office Senior Manager	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053
Facilities / Office Manager	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134	4,134
Administrative	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216	3,216
<b>LEGAL &amp; BUSINESS AFFAIRS</b>												
General Counsel	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	11,484	23,984
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>												
Chief Technology Officer	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	16,078	42,328
Operations & Engineering Mgr	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	26,606
Senior Systems Admin Mgr	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	6,891	18,141
Systems Administrator	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	5,053	13,303
Senior Engineer Managers	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Senior Engineer Managers	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Senior Engineer Managers	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Senior Engineer Managers	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Senior Engineer Managers	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Senior Engineer Managers	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513	5,513
Registry Administration Engineers	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Registry Administration Engineers	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Registry Administration Engineers	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Registry Administration Engineers	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Customer Support Staff	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675
Senior System Administrators	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior System Administrators	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior System Administrators	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior System Administrators	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior System Administrators	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior System Administrators	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior System Administrators	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

10% CONFIDENCE LEVEL	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
Senior Network Engineers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior Network Engineers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior Network Engineers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior Network Engineers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior Network Engineers	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350	7,350
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
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
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	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
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
	445,869	449,544	453,219	453,219	453,219	453,219	453,219	453,219	453,219	453,219	453,219	722,619
	40	41	42	42	42	42	42	42	42	42	42	42
	1	1	1	-	-	-	-	-	-	-	-	-
	15	15	15	15	15	15	15	15	15	15	15	15
	-	-	-	-	-	-	-	-	-	-	-	-
	7	7	7	7	7	7	7	7	7	7	7	7
	-	-	-	-	-	-	-	-	-	-	-	-
	15	15	15	15	15	15	15	15	15	15	15	15
	-	-	-	-	-	-	-	-	-	-	-	-
	6	6	6	6	6	6	6	6	6	6	6	6
	-	-	-	-	-	-	-	-	-	-	-	-
	37	37	37	37	37	37	37	37	37	37	37	37
	-	-	-	-	-	-	-	-	-	-	-	-
	83	84	85	85	85	85	85	85	85	85	85	85
	1	1	1	-	-	-	-	-	-	-	-	-

## Headcount & Expense Input

	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Labor Cost Type Breakout</b>												
<u>Systems Development &amp; Support</u>												
Systems Development & Support Labor - Straight Time	\$ 216,366	\$ 220,041	\$ 223,716	\$ 223,716	\$ 223,716	\$ 223,716	\$ 223,716	\$ 223,716	\$ 223,716	\$ 223,716	\$ 223,716	\$ 285,966
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	54,091	55,010	55,929	55,929	55,929	55,929	55,929	55,929	55,929	55,929	55,929	71,491
<b>Total Systems Development &amp; Support Labor</b>	<b>\$ 270,457</b>	<b>\$ 275,051</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 279,645</b>	<b>\$ 357,457</b>
<u>Customer Service</u>												
Customer Service Labor - Straight Time	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 52,644	\$ 110,544
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	13,161	13,161	13,161	13,161	13,161	13,161	13,161	13,161	13,161	13,161	13,161	27,636
<b>Total Customer Service Labor</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 65,805</b>	<b>\$ 138,180</b>
<u>Marketing</u>												
Marketing Labor - Straight Time	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 48,694	\$ 101,694
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	12,173	12,173	12,173	12,173	12,173	12,173	12,173	12,173	12,173	12,173	12,173	25,423
<b>Total Marketing Labor</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 60,867</b>	<b>\$ 127,117</b>
<u>General &amp; Administrative</u>												
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
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	45,538
<b>Total G&amp;A Labor</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 107,379</b>	<b>\$ 227,691</b>
<u>Research &amp; Development</u>												
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
<b>Total R&amp;D Labor</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>	<b>\$ 52,828</b>
<b>Total Labor with Fringe</b>	<b>\$ 557,337</b>	<b>\$ 561,930</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 566,524</b>	<b>\$ 903,274</b>

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>OPERATING EXPENSES (Non-Labor):</b>												
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>												
<b>Equipment Operating Leases</b>												
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
Sun E6500 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
EMC xxx Storage Devices	8,683	8,683	8,683	8,683	8,683	8,683	8,683	8,683	8,683	8,683	8,683	8,683
x86 Dual 1 GHz servers	64,289	64,289	64,289	64,289	64,289	64,289	64,289	64,289	64,289	64,289	64,289	64,289
Sun E450 Quad processor	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639	43,639
Cisco 7200 Routers	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247	71,247
Foundry BI 8000 Switches	89,058	89,058	89,058	89,058	89,058	89,058	89,058	89,058	89,058	89,058	89,058	89,058
Oracle Enterprise (Cluster)	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831	27,831
Tucows Software												
<b>Remote Centers</b>												
Rack space (Including Bandwidth Requirements)	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
<b>Network Operations Center</b>												
Rack space (Including Bandwidth Requirements)	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400	38,400
Total Systems Development & Support	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838	\$ 527,838
<b>MARKETING &amp; SALES</b>												
<b>Advertising &amp; Promotion:</b>												
<b>Media</b>												
Co-op Advertising Program	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714	478,714
Production	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Research	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060	111,060
Agency Fee	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824	20,824
Public Relations	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883	131,883
	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
<b>OUTSOURCED RESEARCH &amp; DEVELOPMENT</b>												
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	\$ 49,590	\$ 52,595	\$ 55,660	\$ 58,787	\$ 61,976	\$ 65,229	\$ 68,515	\$ 71,833	\$ 75,185	\$ 78,570	\$ 81,927	\$ 85,275
Total R&D	\$ 49,590	\$ 52,595	\$ 55,660	\$ 58,787	\$ 61,976	\$ 65,229	\$ 68,515	\$ 71,833	\$ 75,185	\$ 78,570	\$ 81,927	\$ 85,275
<b>GENERAL &amp; ADMINISTRATIVE</b>												
<b>RENT EXPENSE</b>												
Headcount	83	84	85	85	85	85	85	85	85	85	85	85
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)	29,050	29,400	29,750	29,750	29,750	29,750	29,750	29,750	29,750	29,750	29,750	29,750
Cost per Square Foot per Month	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent	\$ 50,838	\$ 51,450	\$ 52,063	\$ 52,063	\$ 52,063	\$ 52,063	\$ 52,063	\$ 52,063	\$ 52,063	\$ 52,063	\$ 52,063	\$ 52,063
<b>TELECOMMUNICATIONS EXPENSE</b>												
Headcount	83	84	85	85	85	85	85	85	85	85	85	85
Average Monthly Long Distance Usage per Employee (In Minute)	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	33,200	33,600	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000
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	\$ 23,984	\$ 24,032	\$ 24,080	\$ 24,080	\$ 24,080	\$ 24,080	\$ 24,080	\$ 24,080	\$ 24,080	\$ 24,080	\$ 24,080	\$ 24,080

## Headcount & Expense Input

	10% CONFIDENCE LEVEL											
	Year 3											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>MATERIALS &amp; SUPPLIES</b>												
Headcount	83	84	85	85	85	85	85	85	85	85	85	85
Average Monthly Materials & Supplies Cost per Employee	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216
Total Materials & Supplies	\$ 17,955	\$ 18,171	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387
Annual Growth												
<b>TRAVEL &amp; ENTERTAINMENT</b>												
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												
<b>SEMINARS &amp; CONFERENCES</b>												
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)												
<b>INSURANCE</b>												
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												
<b>FACILITY MAINTENANCE &amp; OTHER</b>												
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												
<b>PROFESSIONAL SERVICES</b>												
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												
<b>TRADEMARK REVIEW</b>												
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	12,298	12,544	12,794	13,050	13,311	13,578	13,713	13,850	13,989	14,129	14,270	14,413
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	\$ 79,806	\$ 81,402	\$ 83,031	\$ 84,691	\$ 86,385	\$ 88,113	\$ 88,994	\$ 89,884	\$ 90,782	\$ 91,680	\$ 92,607	\$ 93,533
Annual Growth (In Cost)												
<b>SITE HOSTING, CONNECTIVITY, DEVEL. &amp; MAINT.</b>												
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												
<b>OTHER GENERAL &amp; ADMINISTRATIVE</b>												
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
Printing & Reproduction	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865	\$ 865
Mobile Phones	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326	\$ 4,326
Computer Supplies	\$ 6,225	\$ 6,300	\$ 6,375	\$ 6,375	\$ 6,375	\$ 6,375	\$ 6,375	\$ 6,375	\$ 6,375	\$ 6,375	\$ 6,375	\$ 6,375
Licenses & Permits	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324
Recruiting Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500
Freight & Shipping	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433
Bank Service Charges	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163	\$ 2,163
Miscellaneous	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408	\$ 5,408
Other	\$ 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 Other General & Administrative	\$ 19,008	\$ 19,108	\$ 19,208	\$ 19,208	\$ 19,208	\$ 19,208	\$ 19,208	\$ 19,208	\$ 19,208	\$ 19,208	\$ 19,208	\$ 19,208
Annual Growth												



## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Engineer Managers	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788
Senior Engineer Managers	-	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788	5,788
Registry Administration Engineers	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859
Registry Administration Engineers	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859
Registry Administration Engineers	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859
Customer Support Staff	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859
Customer Support Staff	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859
Customer Support Staff	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859	3,859
Senior System Administrators	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior System Administrators	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior System Administrators	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Network Engineers	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718	7,718
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Engineer Managers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Registry Administration Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Customer Support Staff	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior System Administrators	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
Senior Network Engineers	-	-	-	-	-	-	-	-	-	-	-	-
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
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	6,876
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	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	6,876
Administrative	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	3,376	6,876
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	6,876
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	6,876
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
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	6,876
554,985	560,773	560,773	560,773	560,773	560,773	560,773	560,773	560,773	560,773	560,773	560,773	830,173
56	57	57	57	57	57	57	57	57	57	57	57	57
14	1	-	-	-	-	-	-	-	-	-	-	-
15	15	15	15	15	15	15	15	15	15	15	15	15
-	-	-	-	-	-	-	-	-	-	-	-	-
7	7	7	7	7	7	7	7	7	7	7	7	7
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
37	37	37	37	37	37	37	37	37	37	37	37	37
99	100	100	100	100	100	100	100	100	100	100	100	100
14	1	-	-	-	-	-	-	-	-	-	-	-

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Labor Cost Type Breakout</b>												
<u>Systems Development &amp; Support</u>												
Systems Development & Support Labor - Straight Time	\$ 314,006	\$ 319,794	\$ 319,794	\$ 319,794	\$ 319,794	\$ 319,794	\$ 319,794	\$ 319,794	\$ 319,794	\$ 319,794	\$ 319,794	\$ 382,044
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	78,501	79,948	79,948	79,948	79,948	79,948	79,948	79,948	79,948	79,948	79,948	95,511
<b>Total Systems Development &amp; Support Labor</b>	<b>\$ 392,507</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 399,742</b>	<b>\$ 477,555</b>
<u>Customer Service</u>												
Customer Service Labor - Straight Time	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 55,277	\$ 113,177
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	13,819	13,819	13,819	13,819	13,819	13,819	13,819	13,819	13,819	13,819	13,819	28,294
<b>Total Customer Service Labor</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 69,096</b>	<b>\$ 141,471</b>
<u>Marketing</u>												
Marketing Labor - Straight Time	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 51,128	\$ 104,128
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	12,782	12,782	12,782	12,782	12,782	12,782	12,782	12,782	12,782	12,782	12,782	26,032
<b>Total Marketing Labor</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 63,911</b>	<b>\$ 130,161</b>
<u>General &amp; Administrative</u>												
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
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	46,612
<b>Total G&amp;A Labor</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 112,748</b>	<b>\$ 233,060</b>
<u>Research &amp; Development</u>												
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
<b>Total R&amp;D Labor</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>	<b>\$ 55,470</b>
<b>Total Labor with Fringe</b>	<b>\$ 693,731</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 700,966</b>	<b>\$ 1,037,716</b>



Headcount & Expense Input

10% CONFIDENCE LEVEL		Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12	
<b>OPERATING EXPENSES (Non-Labor):</b>													
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>													
<b>Equipment Operating Leases</b>													
Sun E6500 Servers	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	1,051,312	
EMC xxxxx 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	44,683	44,683	44,683	44,683	44,683	44,683	44,683	44,683	44,683	44,683	44,683	44,683	
Sun E450 Quad processor	394,289	394,289	394,289	394,289	394,289	394,289	394,289	394,289	394,289	394,289	394,289	394,289	
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)	889,058	889,058	889,058	889,058	889,058	889,058	889,058	889,058	889,058	889,058	889,058	889,058	
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	
<b>Remote Centers</b>													
Rack space (Including Bandwidth Requirements)	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	
<b>Network Operations Center</b>													
Rack space (Including Bandwidth Requirements)	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	40,800	
Total Systems Development & Support	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	\$2,642,238	
<b>MARKETING &amp; SALES</b>													
<b>Advertising &amp; Promotion:</b>													
<b>Media</b>													
Co-op Advertising Program	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	421,853	
Production	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	
Research	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	104,607	
Agency Fee	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	19,614	
Public Relations	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	124,221	
Total Marketing & Sales	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	
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	
<b>OUTSOURCED RESEARCH &amp; DEVELOPMENT</b>													
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	\$ 91,325	\$ 94,368	\$ 98,041	\$ 101,756	\$ 105,514	\$ 109,317	\$ 113,164	\$ 116,955	\$ 120,784	\$ 124,651	\$ 128,558	\$ 132,505	
Total R&D	\$ 91,325	\$ 94,368	\$ 98,041	\$ 101,756	\$ 105,514	\$ 109,317	\$ 113,164	\$ 116,955	\$ 120,784	\$ 124,651	\$ 128,558	\$ 132,505	
<b>GENERAL &amp; ADMINISTRATIVE</b>													
<b>RENT EXPENSE</b>													
Headcount	99	100	100	100	100	100	100	100	100	100	100	100	
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)	34,650	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	
Cost per Square Foot per Month	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	
Total Rent	\$ 60,638	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	\$ 61,250	
<b>TELECOMMUNICATIONS EXPENSE</b>													
Headcount	99	100	100	100	100	100	100	100	100	100	100	100	
Average Monthly Long Distance Usage per Employee (In Minute)	400	400	400	400	400	400	400	400	400	400	400	400	
Total Minutes	39,600	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
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	\$ 24,752	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	\$ 24,800	

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 4											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>MATERIALS &amp; SUPPLIES</b>												
Headcount	99	100	100	100	100	100	100	100	100	100	100	100
Average Monthly Materials & Supplies Cost per Employee	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225	\$ 225
Total Materials & Supplies	\$ 22,272	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497	\$ 22,497
Annual Growth												
<b>TRAVEL &amp; ENTERTAINMENT</b>												
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												
<b>SEMINARS &amp; CONFERENCES</b>												
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)												
<b>INSURANCE</b>												
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												
<b>FACILITY MAINTENANCE &amp; OTHER</b>												
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												
<b>PROFESSIONAL SERVICES</b>												
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												
<b>TRADEMARK REVIEW</b>												
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	14,557	14,702	14,849	14,998	15,148	15,299	15,452	15,607	15,763	15,921	16,080	16,241
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	\$ 98,247	\$ 99,230	\$ 100,222	\$ 101,224	\$ 102,236	\$ 103,259	\$ 104,291	\$ 105,334	\$ 106,388	\$ 107,451	\$ 108,526	\$ 109,611
Annual Growth (In Cost)												
<b>SITE HOSTING, CONNECTIVITY, DEVEL. &amp; MAINT.</b>												
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												
<b>OTHER GENERAL &amp; ADMINISTRATIVE</b>												
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
Printing & Reproduction	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Mobile Phones	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499	\$ 4,499
Computer Supplies	\$ 7,425	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Licenses & Permits	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337	\$ 337
Recruiting Expense	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 9,900	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Freight & Shipping	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450	\$ 450
Bank Service Charges	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250
Miscellaneous	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624	\$ 5,624
Other	\$ 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 Other General & Administrative	\$ 21,036	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136	\$ 21,136
Annual Growth												

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>qTLD REGISTRY EMPLOYEES</b>												
<b>EXECUTIVE MANAGEMENT</b>												
General Manager / CEO	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	15,194	37,694
Executive Assistant	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	9,056
<b>FINANCE &amp; ACCOUNTING</b>												
CFO	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	27,642
Staff Accountant	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	9,056
Accounts Operations Mgr (A/R & A/P)	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	11,071
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
<b>HUMAN RESOURCES</b>												
Human Resources Senior Manager	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	6,584	16,334
Human Resources 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
Human Resources 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
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
<b>FACILITIES / OFFICE MANAGEMENT</b>												
Facilities / Office Senior Manager	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571
Facilities / Office Manager	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558	4,558
Administrative	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545
<b>LEGAL &amp; BUSINESS AFFAIRS</b>												
General Counsel	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	12,662	25,162
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>												
Chief Technology Officer	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	17,726	43,976
Operations & Engineering Mgr	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	11,142	27,642
Senior Systems Admin Mgr	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	7,597	18,847
Systems Administrator	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	13,821
Senior Engineer Managers	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Senior Engineer Managers	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Senior Engineer Managers	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Senior Engineer Managers	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Senior Engineer Managers	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Senior Engineer Managers	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Senior Engineer Managers	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078	6,078
Registry Administration Engineers	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Registry Administration Engineers	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Registry Administration Engineers	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Registry Administration Engineers	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Registry Administration Engineers	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Customer Support Staff	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052	4,052
Senior System Administrators	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103
Senior System Administrators	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103
Senior System Administrators	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103
Senior System Administrators	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103
Senior System Administrators	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103	8,103
Senior System Administrators	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

	10% CONFIDENCE LEVEL											
	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Labor Cost Type Breakout</b>												
<u>Systems Development &amp; Support</u>												
Systems Development & Support Labor - Straight Time	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 416,817	\$ 479,067
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	104,204	104,204	104,204	104,204	104,204	104,204	104,204	104,204	104,204	104,204	104,204	119,767
<b>Total Systems Development &amp; Support Labor</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 521,022</b>	<b>\$ 598,834</b>
<u>Customer Service</u>												
Customer Service Labor - Straight Time	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 58,040	\$ 115,940
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	14,510	14,510	14,510	14,510	14,510	14,510	14,510	14,510	14,510	14,510	14,510	28,985
<b>Total Customer Service Labor</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 72,551</b>	<b>\$ 144,926</b>
<u>Marketing</u>												
Marketing Labor - Straight Time	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 53,685	\$ 106,885
Fringe Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Fringe	13,421	13,421	13,421	13,421	13,421	13,421	13,421	13,421	13,421	13,421	13,421	26,671
<b>Total Marketing Labor</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 67,106</b>	<b>\$ 133,356</b>
<u>General &amp; Administrative</u>												
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
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	47,740
<b>Total G&amp;A Labor</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 118,385</b>	<b>\$ 238,698</b>
<u>Research &amp; Development</u>												
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
<b>Total R&amp;D Labor</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>	<b>\$ 58,243</b>
<b>Total Labor with Fringe</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 837,307</b>	<b>\$ 1,174,057</b>

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>OPERATING EXPENSES (Non-Labor):</b>												
<b>SYSTEMS DEVELOPMENT &amp; SUPPORT</b>												
<b>Equipment Operating Leases</b>												
Sun E6500 Servers	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639	1,077,639
EMC xxxxx 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	44,850	44,850	44,850	44,850	44,850	44,850	44,850	44,850	44,850	44,850	44,850	44,850
Sun E450 Quad processor	397,350	397,350	397,350	397,350	397,350	397,350	397,350	397,350	397,350	397,350	397,350	397,350
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)	911,323	911,323	911,323	911,323	911,323	911,323	911,323	911,323	911,323	911,323	911,323	911,323
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
<b>Remote Centers</b>												
Rack space (Including Bandwidth Requirements)	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
<b>Network Operations Center</b>												
Rack space (Including Bandwidth Requirements)	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Total Systems Development & Support	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>	<u>\$2,696,459</u>
<b>MARKETING &amp; SALES</b>												
<b>Advertising &amp; Promotion:</b>												
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	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>	<u>\$1,185,639</u>
<b>OUTSOURCED RESEARCH &amp; DEVELOPMENT</b>												
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	\$ 136,491	\$ 140,518	\$ 144,586	\$ 148,695	\$ 151,696	\$ 155,122	\$ 158,878	\$ 162,741	\$ 166,623	\$ 170,524	\$ 174,442	\$ 178,376
Total R&D	<u>\$ 136,491</u>	<u>\$ 140,518</u>	<u>\$ 144,586</u>	<u>\$ 148,695</u>	<u>\$ 151,696</u>	<u>\$ 155,122</u>	<u>\$ 158,878</u>	<u>\$ 162,741</u>	<u>\$ 166,623</u>	<u>\$ 170,524</u>	<u>\$ 174,442</u>	<u>\$ 178,376</u>
<b>GENERAL &amp; ADMINISTRATIVE</b>												
<b>RENT EXPENSE</b>												
Headcount	114	114	114	114	114	114	114	114	114	114	114	114
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)	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900
Cost per Square Foot per Month	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Total Rent	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>	<u>\$ 69,825</u>
<b>TELECOMMUNICATIONS EXPENSE</b>												
Headcount	114	114	114	114	114	114	114	114	114	114	114	114
Average Monthly Long Distance Usage per Employee (In Minute)	400	400	400	400	400	400	400	400	400	400	400	400
Total Minutes	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600	45,600
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	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>	<u>\$ 25,472</u>

## Headcount & Expense Input

10% CONFIDENCE LEVEL	Year 5											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>MATERIALS &amp; SUPPLIES</b>												
Headcount	114	114	114	114	114	114	114	114	114	114	114	114
Average Monthly Materials & Supplies Cost per Employee	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234	\$ 234
Total Materials & Supplies	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673	\$ 26,673
Annual Growth												
<b>TRAVEL &amp; ENTERTAINMENT</b>												
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												
<b>SEMINARS &amp; CONFERENCES</b>												
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)												
<b>INSURANCE</b>												
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												
<b>FACILITY MAINTENANCE &amp; OTHER</b>												
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												
<b>PROFESSIONAL SERVICES</b>												
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												
<b>TRADEMARK REVIEW</b>												
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	16,403	18,567	16,733	16,900	17,069	17,240	17,412	17,586	17,762	17,940	18,119	18,300
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	\$ 115,136	\$ 116,287	\$ 117,450	\$ 118,624	\$ 119,811	\$ 121,009	\$ 122,219	\$ 123,441	\$ 124,675	\$ 125,922	\$ 127,181	\$ 128,453
Annual Growth (In Cost)												
<b>SITE HOSTING, CONNECTIVITY, DEVEL. &amp; MAINT.</b>												
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												
<b>OTHER GENERAL &amp; ADMINISTRATIVE</b>												
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
Printing & Reproduction	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
Mobile Phones	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Computer Supplies	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550	\$ 8,550
Licenses & Permits	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Recruiting Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400	\$ 11,400
Freight & Shipping	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Bank Service Charges	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Miscellaneous	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Other	\$ 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 Other General & Administrative	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300	\$ 21,300
Annual Growth												

367811-NYS1A