

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

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MICHAEL ZURAKOV, individually and on behalf of all others similarly situated,	:	
	:	
<i>Plaintiff,</i>	:	
	:	Index No. 01-600703
-against-	:	
	:	IAS Part 3
REGISTER.COM, INC., a Delaware corporation, and FORMAN INTERACTIVE CORP., a New York corporation,	:	Justice Moskowitz
	:	
<i>Defendants.</i>	:	
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NOTICE OF CLASS ACTION SETTLEMENT AND HEARING

**THIS NOTICE MAY AFFECT YOUR RIGHTS
PLEASE READ IT CAREFULLY**

TO: All individuals and entities who paid for the registration of an Internet domain name using Register.com, Inc.'s services during the period January 30, 1998 through March 6, 2001 (the "Settlement Class").

I. WHY ARE YOU RECEIVING THIS NOTICE?

You are receiving this Notice because Register.com has identified you, from a search of its records, as someone who is a member of the Settlement Class (a "Class Member"). This Notice is to advise you of certain benefits you may be entitled to receive pursuant to a settlement of a Class Action lawsuit that was filed against Register.com (the "Settlement"). This Notice describes the Class Action and the proposed Settlement, and advises of the date, time and place of a hearing to be held by the Court to decide whether the Court will give final approval of the Settlement. All Class Members who do not exclude themselves from the Settlement on a timely basis will be entitled to Settlement benefits and will be bound by the orders issued by the Court regarding the Settlement.

II. WHAT IS A CLASS ACTION?

Class actions are lawsuits in which the claims and rights of many people are decided in a single court proceeding. Specific plaintiffs are named in the lawsuit to assert the claims of the entire class. This avoids the necessity for a large number of people to file similar individual lawsuits. Class

members are not individually responsible for the costs or fees of counsel, which are subject to Court approval.

III. WHAT IS THIS LAWSUIT ABOUT?

Michael Zurakov (“Plaintiff”) filed a lawsuit (the “Lawsuit”) based on Register.com’s past practice of initially pointing newly registered domain names to a “Coming Soon” Page, which informs Internet users that the domain name has been recently registered by Register.com and provides hyperlinks to some of Register.com’s services, as well as the services of others (the “Coming Soon Page”). Plaintiff alleges that Register.com’s pointing of domain names to the Coming Soon Page was not adequately disclosed to him, and improperly deprived him of the benefits of the domain name he registered.

Register.com denies it violated any law or did anything wrong. It claims that it provided the Coming Soon Page as a benefit to registrants, because it allowed other Internet users to know that a domain name had been registered. It claims further that its conduct was adequately disclosed through its website and that it was acting in accordance with standard industry practices.

On or about March 6, 2001, Register.com revised its Services Agreement to expressly refer to the use of the Coming Soon Page. Based on the current language of the Services Agreement, there is no claim being made that Register.com’s use of a Coming Soon Page is in any way illegal or improper.

On April 13, 2001, Register.com filed a motion to dismiss the Complaint. On July 25, 2001, the Court issued an order dismissing the Complaint in its entirety. Plaintiff appealed the Court’s decision to the Appellate Division, First Department. On April 22, 2003, the Appellate Division issued an opinion upholding the dismissal of one of Plaintiff’s claims (for unjust enrichment), but reinstating his two other claims (for breach of contract and deceptive trade practices).

This Notice is not an admission by Register.com or a finding by the Court that the claims asserted by Plaintiff in this case are valid.

IV. WHO IS IN THIS SETTLEMENT CLASS?

Plaintiff and Register.com have agreed for the purpose of the Settlement, and the Court has preliminarily ordered, that the Settlement Class, for purposes of the Settlement, consists of:

All individuals and entities who paid for the registration of an internet domain name using Register.com, Inc.’s services during the period January 30, 1998 through March 6, 2001 (the “Settlement Class”).

V. THE PROPOSED SETTLEMENT.

Class Counsel has investigated the facts and applicable law regarding Plaintiff's claims and Register.com's defenses. The parties have engaged in "arms-length" negotiations in reaching this Settlement. Plaintiff and Class Counsel believe the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Settlement Class.

Register.com has agreed to provide each Class Member with a certificate, in the form of a promotional code, for \$5.00 (five dollars) off the costs of Register.com's domain name registration fees or the costs of domain name renewal fees for all domain names registered or renewed using Register.com's services (the "Certificate") **for a redemption period of nine (9) months** following the issuance of the Certificate.

Settlement Class Members are permitted to use the Certificate in combination with any other offers, promotions, or discounts by following the directions available on a specific webpage, the address of which shall be provided to Class Members along with the Certificate (the "Certificate Webpage"). As of the date the Certificate is to be distributed, Class Members will be able to combine the Certificate with other offers, discounts, or promotions by calling Register.com's customer service center using Register.com's customer service toll free number. If Register.com later develops or acquires a method whereby the Certificate can be redeemed online in conjunction with other discounts, Register.com will have the right to offer this option on the Certificate Webpage, in lieu of the customer service toll free number method of redemption. The Certificate may, in any event, always be redeemed independently of other offers online through Register.com's website in the same manner as other Register.com promotions.

As a Class Member, you agree to the terms of this Release:

Release. As a condition of the Settlement, each Class Member will release all claims against Register.com along with each of its past, present and future stockholders, parents (including intermediate and ultimate parents), subsidiaries, affiliates, divisions, predecessors, successors and assigns; each of its past, present, and future officers, directors, agents, employees, servants, attorneys, underwriters and insurers; each of their past, present and future vendors, including all wholesale and/or retail distributors of Register.com's services, advertising agents, public relations agents, and media consultants; and any other person or legal entity in privity with any of them ("Released Parties") relating to Register.com's practice of pointing newly registered domain names to the Coming Soon Page, including all causes of action asserted in the Corrected Class Action Complaint ("Released Claims"). Class Members will also agree that they remain bound by the terms of Register.com's Services Agreement, as it is amended from time to time.

If you do not exclude yourself, you agree to the same Release. A "release" means that you cannot sue Register.com for the issues raised in this Lawsuit or the issues which could have been raised.

Register.com has also agreed to continue to expressly disclose in its Services Agreement its use of the Coming Soon Page.

Register.com has also agreed to pay Mr. Zurakov \$12,500.00 for his services as the representative of the Settlement Class. Defendant will also pay reasonable Class Counsel attorneys' fees and costs in an amount not to exceed \$642,500.00, subject to Court approval. Register.com is also paying for the costs of sending this Notice to you, administrative costs associated with the settlement, and will pay the costs of sending Certificates to all Class Members who do not opt out of this Settlement.

Register.com shall not be liable for any additional costs, expenses or damages by Plaintiff, Class Counsel or any Settlement Class Member relating to the allegations forming the basis of the Lawsuit.

VI. WHO REPRESENTS THIS SETTLEMENT CLASS?

The following attorneys represent Michael Zurakov and the Settlement Class ("Class Counsel"):

John Blim, Esq.
Jay Edelson, Esq.
Blim & Edelson, LLC
53 W. Jackson Boulevard
Suite 1642
Chicago, Illinois 60604
(888) 325-4652 (toll free telephone)
(312) 913-9401 (fax)
classinfo@blimlaw.com (e-mail)
www.blimlaw.com

Class Counsel represents the interests of the Settlement Class in this Lawsuit. You will not be charged for their services. You may, however, hire your own attorneys, at your own cost, to advise you in this matter.

VII. WHAT ARE YOUR OPTIONS?

You have the choice of either (1) remaining in, or (2) excluding yourself from, the Settlement Class. You also have the right to file a written objection to the terms of the Settlement. Each choice has certain risks and consequences. You have the right to discuss your decision with Class Counsel or with your own attorney.

A. WHAT YOU MUST DO IF YOU WANT TO OBTAIN THE BENEFITS OF THIS CLASS SETTLEMENT.

If you want to obtain the benefits of the Class Settlement award, you do not need to do anything at this time. Your interests as a Class Member will be represented by Class Counsel and Plaintiff without charge to you. You will be bound by any judgment approving or disapproving the Settlement. You will be notified at the e-mail address by which this Notice reached you of the manner in which the Certificate will be made available to you once the Court finally approves this Settlement. If your e-mail address changes prior to receiving your Certificate, send notice to the following, stating your past and current e-mail addresses:

Register.com, Inc.
PO Box 9000 #6123
Merrick, NY 11566-9000

B. WHAT TO DO IF YOU DO NOT WANT TO BE A PART OF THIS CLASS SETTLEMENT.

If you wish to exclude yourself from this Settlement Class, you must submit a written "Request For Exclusion" to the Claims Administrator either via the Internet or regular U.S. mail.

If by the Internet, please click on the following link www.register.com/zurakov/notice.html and follow the instructions.

If via U.S. mail, please mail the information described below to:

P.O. Box 9000 #6123
Merrick, N.Y. 11566-9000

The Request for Exclusion must state (1) the case name and number (Zurakov v. Register.com, Case No. 01-600703), (2) the name, mailing address, e-mail address, and telephone number of the person or entity requesting exclusion; (3) the name and address of the individual in whose name an Internet domain name was registered and paid for using Register.com's services; (4) the domain name(s) registered by the person or entity using Register.com's services; (5) the date the domain name was registered; and (6) that the person or entity wishes to be excluded from the Settlement Class. The Claims Administrator shall provide copies of any and all Requests for Exclusion to Class Counsel and Defendants' counsel at least fourteen (14) days before the Settlement Hearing. Your Request for Exclusion must be submitted via the Internet or, if mailed, postmarked, on or before October 14, 2003.

If you mail a request for exclusion, you bear the risk of any problem with the mails.

If you exclude yourself from the Settlement Class, you (i) will not be bound by any judgment or disposition of this case, (ii) will retain any claims you may have against Defendant, (iii) will not receive any benefit to this Settlement, and (iv) you will not be entitled to the Certificate awarded under the Settlement with Defendant. You will be excluded from further participation in this Lawsuit even if this Settlement is not approved, and a subsequent settlement or judgment is entered.

If you elect to be excluded from the Settlement Class, you may file an individual action or intervene in this action. If you intend to choose either of these options, you should consider consulting with an attorney prior to the expiration of the opt-out period (October 14, 2003). **The statute of limitations, which stopped running on February 9, 2001, when this case was filed, will begin running again upon your filing of the exclusion. You will have the same number of days to file suit as you had on February 9, 2001.** If you want your own attorney to represent you in an individual case, the terms of such representation are a matter for you and your attorney to negotiate.

C. *IF YOU WANT TO OBJECT TO THE SETTLEMENT, BUT STILL BE A PART OF THE SETTLEMENT CLASS.*

If you do not request exclusion from the Settlement Class, you may object to any aspect of the proposed Settlement, including the fairness of the settlement, the attorneys' fees and costs or the adequacy of Plaintiff or Class Counsel or Notice, by filing and serving a written objection. Your written objection must state the case name and number (Zurakov v. Register.com, Case No. 01-600703), the grounds for your objection and your full name and address, and your objection must be filed with the Clerk of the Court, 60 Centre Street, New York, NY, 10007 with a copy to Counsel. **SUCH OBJECTIONS MUST BE RECEIVED NO LATER THAN OCTOBER 14, 2003.** If you mail an objection to the Settlement, then you bear the risk of any problems with the mails. Such objections will be considered at the Settlement Hearing (see section VIII below), at which you may appear if you wish.

If you intend to appear in person or through your own attorney at the Settlement Hearing described below, you must include with your objection a notice of your intention to appear at the hearing.

Any Class Member who does not file and serve objections in the time and manner described above will not be permitted to raise objections later.

VIII. SETTLEMENT HEARING.

At 11:00 A.M. on November 3, 2003, a hearing will be held to consider approval of the proposed Settlement (the "Settlement Hearing"). The purpose of the hearing will be for the Court to determine whether the proposed Settlement is fair, reasonable, adequate and in the best interests of the Settlement Class; whether the Settlement Class has been adequately represented by Plaintiff and Class Counsel; and whether an order and final judgment should be entered approving the proposed Settlement. At that hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed Settlement.

The hearing will take place in the courtroom of Justice Karla Moskowitz, New York County Supreme Court, Commercial Division, IAS Part 3, at 60 Centre Street, Room 248, New York, NY at 11:00 A.M. on November 3, 2003. The hearing may be postponed to a later date without notice to anyone who has not objected and indicated, as described in the preceding section, their intention to appear at the hearing.

IX. CORRECT ADDRESS.

If this Notice was sent to you at your current e-mail address, you do not have to do anything more to receive further notices concerning this case. However, if this Notice was forwarded to you, or if it reached you in any manner other than through your current e-mail address, you should immediately send a letter to the Claims Administrator at Register.com, Inc., PO Box 9000 #6123, Merrick, NY 11566-9000, stating your former and current e-mail addresses.

X. WHO CAN HELP WITH ADDITIONAL INFORMATION?

Any further questions that you or your attorney may have concerning this Notice should be directed to Class Counsel as described in Section VI above.

This Notice's description of the case and of the Settlement is general. All papers filed in this case, including the full Settlement, are available for you to inspect and copy (at your cost) at the office of the Clerk of the Court, New York County, 60 Centre Street, New York, NY during regular business hours. You must bring the name of the case and the case number with you, since the Clerk will not know which case you are referring to otherwise.

DO NOT TELEPHONE OR ADDRESS ANY QUESTIONS ABOUT THE CASE TO THE CLERK OF THE COURT OR TO THE JUDGE. They are not permitted to answer your questions. **THE COURT EXPRESSES NO VIEW AS TO THE MERITS OF ANY CLAIMS OR DEFENSES ASSERTED BY ANY PARTY TO THE COMPLAINT.**

XI. THE EFFECT OF A FINAL JUDGMENT.

If the proposed Settlement is approved by the Court at the Settlement Hearing, the Court will enter a final judgment in this case which will then be a complete settlement and release of all claims arising out of or related to the allegations made by Plaintiff in the Lawsuit. The final Judgment and Release (see Section V above) will bar any further lawsuit arising out of, based upon, or in any way relating to the matters in the Complaint. Class Members who fail to request exclusion from the Settlement Class will be bound by the Final Judgment and order entered at the Settlement Hearing.

Dated: August 12, 2003

By Order of the Supreme Court of the State of
New York, County of New York